

## FRANCHISE DISCLOSURE DOCUMENT



Five Iron Golf Franchising LLC  
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New York, New York 10001  
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We offer franchises for high-tech, multi-functional indoor golf simulator and entertainment facilities open to the general public that offer top-of-the-line golf simulator bays, professional golf lessons, custom golf club fittings, weekly league play, monthly memberships, club storage, events of all sizes, ancillary game options, retail items and other products and services we require. Five Iron Golf centers also contain a full restaurant and bar that serves high-end food and beverage products.

The total investment necessary to begin operation of a Five Iron Golf center franchise is \$1,728,500 to \$4,380,000, which includes \$50,000 that must be paid to us or our affiliates.

If we agree to grant you development rights for additional Five Iron Golf centers under our development rights rider, you must pay us a development fee equal to \$50,000 (the initial franchise fee for the first Five Iron Golf center) plus a deposit of \$25,000 for the second and each additional Five Iron Golf center you will develop (you must develop a minimum of 2 Five Iron Golf centers). These amounts will be credited against the initial franchise fee due for each Five Iron Golf center included in the development rights rider's development schedule, which will be reduced to (i) \$40,000 for the second through fifth Five Iron Golf centers you open; and (ii) \$30,000 for any additional Five Iron Golf centers you open after the fifth. The total investment necessary to begin operation when you sign a development rights rider is \$1,753,500 - \$4,405,000, which assumes the development of a minimum of 2 Five Iron Golf centers (the minimum required if you sign a development rights rider), and includes \$75,000 that must be paid to us or our affiliates.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Joshua Frankel, Vice President of Franchising, at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 and (212) 419-3875.

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

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "[A Consumer's Guide to Buying a Franchise](#)," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](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 of this Franchise Disclosure Document: May 15, 2025

## STATE COVER PAGE

### 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:

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<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 <u>Exhibit I</u> .
<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 <u>Exhibit F</u> 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 Five Iron Golf 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 Five Iron Golf franchisee?</b>	Item 20 or <u>Exhibit I</u> list 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 and the development agreement rider require you to resolve disputes with the franchisor by arbitration and/or litigation only in New York. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in New York than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchisor in a system with a longer operating history.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or from suppliers that the franchisor designates, at prices that the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
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.
5. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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.

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APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT K.

## Item 1

### THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The franchisor is Five Iron Golf Franchising LLC (“we,” “us,” or “our”). “You” means the individual or entity that buys the franchise. If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations,” which means that all of the provisions of the Franchise Agreement (a form of which is attached as Exhibit C) also will apply to your owners.

We are a New York limited liability company formed on April 5, 2022. Our principal business address is 883 Avenue of the Americas, Fl. 3, New York, New York 10001. We operate under our legal name, the name “Five Iron Golf” and no other name. If we have an agent in your state for service of process, we disclose that agent in Exhibit B. We began offering franchises for Five Iron Golf Centers (as defined herein) in May 2022. We have not previously conducted business in this or any other line of business.

#### Parents, Predecessors and Affiliates

Our parent company is The Range NYC LLC, a New York limited liability company formed on November 11, 2015 (“Range LLC”). Range LLC shares our principal address.

Our affiliate Five Iron Golf IP LLC (“Five Iron IP”) is a New York limited liability company formed on April 5, 2022. Five Iron IP’s principal place of business is the same as ours. Five Iron IP is the owner of the Marks. On April 12, 2022, we and Five Iron IP entered into a trademark, copyright, and know-how license agreement allowing us to use, and sublicense to our franchise owners the right to use, the Marks, System, and other intellectual property anywhere in the world.

Our affiliate Five Iron Golf International LLC (“Five Iron International”) is a New York limited liability company formed on July 20, 2021. Five Iron International’s principal place of business is the same as ours. Five Iron International franchises Five Iron Golf Centers outside the United States, and has done so since January 2022. Five Iron International has not offered franchises in other lines of business and has no plans to do so.

We also have affiliates that operate Five Iron Golf Centers in Illinois, Indiana, Georgia, Maryland, Massachusetts, Michigan, Minnesota, New York, Nevada, Ohio, Pennsylvania, Washington and Washington DC which are similar to the businesses that you will operate. We refer to the Five Iron Golf Centers operated by our affiliates as “company-owned” outlets for purposes of this Disclosure Document.

Other than as described above, neither our parent nor our affiliates have offered franchises for Five Iron Golf Centers or for any other businesses. We have no predecessors to be disclosed in this item. Except as described above, we have no other affiliates who currently provide products or services to franchise owners of Five Iron Golf Centers or who have offered or currently offer franchises in any lines of business.

## The Franchise

We grant franchises for businesses operating under the “Five Iron Golf” name and other trademarks, trade names, service marks, and commercial symbols (collectively, the “Marks”). For reference purposes in this Disclosure Document, we collectively refer to all businesses using the System (defined below) and the Marks as “Five Iron Golf Centers,” and we call the Five Iron Golf Center that you will operate the “Center.” Five Iron Golf Centers are high-tech, multi-functional indoor golf simulator and entertainment facilities open to the general public that offer top-of-the-line golf simulator bays, professional golf lessons, custom golf club fittings, weekly league play, monthly memberships, club storage, events of all sizes, ancillary game options, retail items and other products and services we require. Five Iron Golf Centers contain a full restaurant and bar that serves high-end food and beverage products, which are prepared according to our specified recipes and procedures and use high quality ingredients, including all food and beverage items, ingredients, condiments and other products, services and equipment. Certain Five Iron Golf Centers will also contain a custom and specialized club fitting space that may be operated by our designated supplier (which may be us or our affiliate), and may contain separate branding from the Center. The presence of a club fitting space within each franchised location will depend on the specific market in which the Center will operate and will be determined by us, in our sole discretion.

Five Iron Golf Centers operate using distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications, and the Marks, all of which we may improve, further develop, or otherwise modify at any time and from time to time (collectively, the “System”). The Center will be operated from a site we approve located at the principal business address listed on Exhibit B of the Franchise Agreement (the “Premises”).

The Center will be located in a specific geographic territory (the “Territory”). You must operate the Center in compliance with the System and as set forth in the Franchise Agreement and our confidential operations manual, which consists of the materials (which may include audiotapes, videotapes, magnetic media, computer software and written materials) we generally furnish to franchisees for use in the operation of Five Iron Golf Centers (the “Operations Manual”). The Center must meet our specifications as to exterior and interior decor, furniture, logos, and equipment, including golf simulator bays and related technology. The Center must have the managers and personnel in sufficient numbers as necessary to promptly, efficiently and effectively service customers.

We also may grant multi-unit development rights to qualified franchise owners, who then will have the right to develop a minimum of 2 Five Iron Golf Centers within a defined area (the “Area”) over a specific time period or according to a pre-determined development schedule. These franchise owners may open and operate Five Iron Golf Centers directly or through controlled affiliates. You must sign our then-current form of franchise agreement for each additional Five Iron Golf Center you develop and operate, which may contain materially different terms than the Franchise Agreement. Our Development Agreement Rider to the Franchise Agreement is attached as Exhibit D. (See Items 5 and 12)

## Market and Competition

There are few established franchise branded direct competitors in our market. There are an increasing number of small independent brands that have begun operating in and just outside of major cities and suburbs across the United States. Additionally, existing bars, restaurants, and other facilities

are adding golf simulators to their operation as an additional offering that is not necessarily the main focus of their business. The market is immature and growing. Larger golf-experience operations such as Topgolf have a higher profile and presence in the golf industry in general, but those operations can be seen as beneficial collaborators in building the wider market.

Franchisees will compete with national, regional, and local competition including company owned and franchised chains as well as independently owned golf simulator or other recreational entertainment businesses. Franchisees may also compete with other Five Iron Golf Centers owned and operated by other franchisees, us or our affiliates. Some competitors may be larger, have better financial resources and name recognition than us. Some may be privately held or publicly held entities.

### Industry Specific Laws

You must comply with existing laws, regulations, and ordinances that apply generally to all businesses, such as the Americans with Disabilities Act, federal wage and hour laws and state law equivalents, the Affordable Care Act, the Occupational Safety and Health Act, anti-terrorism and anti-corruption laws (such as the Patriot Act and the Foreign Corrupt Practices Act), and data protection and privacy laws (such as credit card protection under the U.S. Fair and Accurate Credit Transactions Act, or “FACTA”).

Several states have consumer protection laws that regulate businesses that utilize a membership model including, but not limited to, establishing limits on the length of membership, requiring bonds or the escrowing of membership fees prior to the opening of the Center.

Because the Center serves food and beverages, you also must comply with all existing regulations concerning food service, nutrition, calorie content, and other federal or state regulations that apply specifically to the food and beverage service industry. For example, the Environmental Protection Agency, U.S. Food and Drug Administration, the U.S. Department of Agriculture, as well as state and local environmental and health departments and other agencies, have laws and regulations concerning the preparation of food and sanitary conditions of food and beverage establishments. You must also obtain an alcoholic beverage license in order to serve beer, wine and spirits from the Center, and you must comply with all state and federal laws concerning the sale or service of alcohol. State and local agencies may periodically conduct inspections for compliance with these requirements. Under the federal Clean Air Act and certain state laws, you may be required to comply with applicable statutory guidelines, such as localized quality standards for ozone, carbon monoxide and particulate matters. Certain provisions of such laws impose limits on emissions resulting from commercial food preparation.

## **Item 2**

### **BUSINESS EXPERIENCE**

#### **Jared Solomon: Chief Executive Officer**

Mr. Solomon has served as our Chief Executive Officer since our inception in April 2022. He also serves in the same role for our parent, Range LLC, and has done so since November 2015.

### **Katherine Solomon: Chief Legal Officer**

Ms. Solomon has served as our Chief Legal Officer since April 2023. She also serves in the same role for our parent, Range LLC. Prior to that, Ms. Solomon was self-employed in New York, New York from December 2021 to March 2023, and served as an Associate with Paul Hastings LLP, located in New York, New York, from October 2013 to November 2021.

### **Nora Dunnan: Chief Development Officer**

Ms. Dunnan has served as our Chief Development Officer since our inception in April 2022. She also serves in the same role for our parent, Range LLC, and has done so since July 2021. Prior to that, Ms. Dunnan served as the Chief Operating Officer of Range LLC from January 2017 to June 2021.

### **Morgan Dunnan: Senior Vice President, Strategy**

Mr. Dunnan has served as Senior Vice President, Strategy, since December 2022. He also serves in the same role for our parent, Range LLC. Prior to that, Mr. Dunnan served as Vice President, Strategy of our parent, Range LLC, from September 2021 to December 2022. Prior to that, Mr. Dunnan was a Director at EY – Parthenon in New York, New York from September 2019 to September 2021.

### **Joshua Frankel: Vice President of Franchising**

Mr. Frankel has served as our Vice President of Franchising since September 2024. Prior to that, Mr. Frankel served as our National Director of Franchising from March 2023 to September 2024. Prior to that, Mr. Frankel served as Vice President of Operations at Liberty Restaurant Holdings in New York, New York from July 2022 to October 2022. Prior to that, he was Chief Operations Officer and Partner at Break Bread Ventures in Charlotte, North Carolina from January 2021 to July 2022. Prior to that, Mr. Frankel was Area Franchise Lead and Regional Director at Restaurant Brands International in Miami, Florida from October 2019 to December 2020.

### **Martin Adler: President of New Ventures**

Mr. Adler has served as our President of New Ventures since May 2024. Prior to that, he served as our Chief Operation Officer from September 2022 to May 2024. Prior to that, Mr. Adler was employed by Brooklyn Boulders from January 2019 until August 2022, serving as its Chief Executive Officer from February 2021 to August 2022, its Interim CEO from August 2020 to February 2022 and its Vice President of Strategy and Growth January 2019 to August 2020. All of Mr. Adler's positions have been based in New York, New York.

### **Jed Lewis: Chief Marketing Officer**

Mr. Lewis has served as our Chief Marketing Officer since July 2023. Prior to that, Mr. Lewis served as Chief Marketing Officer of Silvertree in Cambridge, Massachusetts from December 2021 to June 2023. Prior to that, he served as Head of Marketing for Spycy in Cambridge, MA from June 2019 to September 2021.

**Item 3**

**LITIGATION**

No litigation is required to be disclosed in this Item.

**Item 4**

**BANKRUPTCY**

No bankruptcy proceedings are required to be disclosed in this Item.

**Item 5**

**INITIAL FEES**

Franchise Agreement

Initial Franchise Fee

If we grant you a franchise for a Five Iron Golf Center, then when you sign the Franchise Agreement, you must pay us a non-recurring initial franchise fee (the “Initial Franchise Fee”) in the amount of \$50,000. The Initial Franchise Fee is fully earned by us when paid and is not refundable under any circumstances, except as provided below in this Item 5. Except as detailed below, the Initial Franchise Fee is uniform as to all franchise owners purchasing a franchise for a Five Iron Golf Center.

We offer an incentive program for eligible veterans of the United States military forces and first responders (i.e. police, fire, EMT etc.) (the “Vet Fran/First Responder Incentive”) under which participants may pay a reduced Initial Franchise Fee of \$45,000 under their first Franchise Agreement for a new Five Iron Golf Center. To qualify, veterans must provide us adequate documentation evidencing that they qualify for the Vet Fran/First Responder Incentive and the qualified individual must own at least 51% of the franchisee entity.

You may be eligible to receive a refund of up to 50% (less any costs or expenses incurred by us for administration or training of you and your employees/managers) of your Initial Franchise Fee if your required attendees to our initial training program described in Item 11 below cannot complete initial training to our satisfaction, we terminate your Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H).

If you sign a Development Agreement Rider, you will pay a reduced Initial Franchise Fee for the additional Five Iron Golf Centers included in the development schedule: (i) \$40,000 for the second through fifth Five Iron Golf Centers you open under the development Agreement Rider; and (ii) \$30,000 for any additional Five Iron Golf Centers you open after the fifth under the Development Agreement Rider. If (i) you complete your development obligations under the Development Agreement Rider prior to the conclusion of the term of the Development Agreement Rider, and (ii) elect to develop (and we approve) additional Five Iron Golf Centers, then your Initial Franchise Fee will be reduced to \$20,000 for each additional Five Iron Golf Center you open.

Development Agreement Rider

If we allow you to sign our Development Agreement Rider to the Franchise Agreement because you commit to develop a minimum number of Five Iron Golf Centers in an Area, we currently charge a development fee that you must pay in full when you sign the Development Agreement Rider. The development fee due equals the full \$50,000 Initial Franchise Fee for the Five Iron Golf Center covered by that Franchise Agreement plus a deposit of \$25,000 for the second Five Iron Golf Center you will develop and each additional Five Iron Golf Center you will develop in the Area. The balance of the Initial Franchise Fee for each Five Iron Golf Center is due at the earlier of (i) the date specified in the Development Agreement Rider, (ii) 90 days prior to the scheduled opening date for the Five Iron Golf Center, or (iii) the date the Five Iron Golf Center’s lease is signed.

You will be required to open a minimum of 2 Five Iron Golf Centers under a Development Agreement Rider, but we and you will determine the number of Five Iron Golf Centers you must develop, and the dates by which you must develop them, before signing the Development Agreement Rider.

The development fee is not refundable under any circumstances. If you sign the Development Agreement Rider, pay the development fee, and then cannot find sites for Five Iron Golf Centers or choose not to perform for another reason (in which case the first Franchise Agreement and/or the Development Agreement Rider is terminated), we may keep the entire development fee and need not return any money to you.

During our last fiscal year, we collected development fees ranging from \$50,000 to \$315,000.

Initial Training Fee

Our initial training program includes pre-training that you can complete at home. If your pre-training is not completed to our satisfaction and it results in our having to reschedule your initial training program, you will pay an initial training fee of \$5,000 per person in consideration of our rescheduling the replacement initial training program. This fee is fully earned by us when paid and is not refundable under any circumstances.

**Item 6**

**OTHER FEES**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Continuing Service and Royalty Fee (“Royalty”)	7% of monthly Gross Sales <sup>(2)(3)</sup>	Payable monthly on or before the 15th day of the month for the preceding month. <sup>(2)</sup>	“Gross Sales” means all revenue that you derive from operating the Center, including, but not limited to, all amounts that you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit

<b>Column 1</b> <b>Type of Fee<sup>(1)</sup></b>	<b>Column 2</b> <b>Amount</b>	<b>Column 3</b> <b>Due Date</b>	<b>Column 4</b> <b>Remarks</b>
			transactions and all other income of every kind and nature related to the Center, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and members and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Center in good faith gives to customers or members.
Brand Fund Contribution (“Brand Fund Contribution”)	2% of monthly Gross Sales	Payable monthly on or before the 15th day of the month for the preceding month. <sup>(2)</sup>	Brand Fund contributions are payable in the same manner as the Royalty. See Item 11 for a detailed discussion about the Advertising and Development Brand Fund (the “Brand Fund”).
Local Advertising	On a monthly basis, a minimum of 1% of the Center’s prior month’s Gross Sales	As incurred	You must spend this amount on local marketing activities for the Center according to our guidelines. We may collect this expenditure directly from you and pay the local advertising suppliers we require for these services.
Regional Co-Op	1% to 2% of monthly Gross Sales	Payable monthly on or before the 15th day of the month for the preceding month	We may require that you contribute to a franchisee regional cooperative, if such cooperative is established in your region. All Five Iron Golf Centers in your region (whether franchised or company-owned) will have 1 vote. Currently, we do not have any regional co-ops.
Additional or Ongoing Training and Assistance	Then current training fee per person for additional training during the term of the Franchise Agreement (currently, \$500 per person, per day)	As incurred	We may charge you for additional or special assistance or training you need or request or that we may require during the franchise term. These amounts also apply to on-site consultation services we may provide at the Center during the franchise term (including any

<b>Column 1</b> <b>Type of Fee<sup>(1)</sup></b>	<b>Column 2</b> <b>Amount</b>	<b>Column 3</b> <b>Due Date</b>	<b>Column 4</b> <b>Remarks</b>
			additional or special guidance, assistance, or training you request during the initial on-site support period) and for new Location Managers you may hire or appoint during the franchise term. (see Item 11)
Convention Fee	Our then-current charge to attend any franchisee convention we schedule (currently \$750; will not exceed \$1,500)	As required	Required for each franchisee convention we schedule.
Transfer	25% of our then current Initial Franchise Fee plus costs for reviewing transfer.	Unless the transfer is of a non-controlling ownership interest, or if you have been in good standing for the last 5 years, or the transfer is a result of your death or disability, you will pay a non-refundable transfer fee upon transferring the Center.	
Relocation	\$5,000 to reimburse us for our costs associated with your relocating the Center	As incurred	Applicable to relocation in the event lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable.
Renewal	50% of our then-current franchise fee	Upon signing a Successor Franchise Agreement	You must meet certain conditions to have the option to acquire a successor franchise.
Testing	Up to \$5,000 for our actual costs for the inspection and testing	As incurred	This covers our costs and expenses for evaluating and testing new products or inspecting new suppliers you propose.

<b>Column 1</b> <b>Type of Fee<sup>(1)</sup></b>	<b>Column 2</b> <b>Amount</b>	<b>Column 3</b> <b>Due Date</b>	<b>Column 4</b> <b>Remarks</b>
Inspection	The cost of inspection and correcting any deficiencies	Upon billing	We may charge you for the costs of any inspections if we detect deficiencies in the Center. We (or our representatives and agents) have the right (but not the obligation) to correct any deficiencies at your expense.
Technology Fee	May vary, but up to \$3,600 per quarter	Quarterly	Certain vendors of the Computer System (as defined in Item 11) charge us or our designee ongoing fees, which we or our designee pay on your behalf and for which you must reimburse us or our designee. We or our designee may require that you pay all or a portion of the Technology Fee directly to our vendors at any time.
Customer Complaint Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us if we resolve a customer or member complaint on your behalf; amount depends on the extent of your noncompliance.
Audit	The cost of inspection or audit (including our travel expenses and reasonable legal fees and accounting fees).	Upon invoice	Payable in the event any of our audits or inspections shows that you have underreported Gross Sales by more than 2% in any given reporting period.
Interest on overdue amounts	1.5% above the prime rate of interest on the first day of each month or the maximum rate allowable by applicable law <sup>(4)</sup>	As agreed	Due on all overdue amounts.
Insurance	You must reimburse our costs	As incurred	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us.
Insufficient Funds Processing Fee	\$25, plus our expenses	As incurred	Due if you have insufficient funds in your EDTA to cover a payment, or, if you pay by check, a check is returned for insufficient funds.
Costs and Attorneys' Fees	Our actual costs related to our enforcement of	As incurred	Due when you do not comply with the Franchise Agreement.

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
	the Franchise Agreement		
Brand Damages	An amount equal to lost Royalties and lost Brand Fund contributions for the lesser of: (i) the number of months remaining in the franchise term; or (ii) 36 months (collectively, “Brand Damages”). <sup>(5)</sup>	As incurred	Due only if we terminate the Franchise Agreement before it expires, in which case you must pay us for all Brand Damages related to the early termination.
Indemnification	Our actual costs related to any claims we are held liable for from the Center’s operations, and any other damages we incur.	As incurred	You must reimburse us if we are held liable for claims from the Center’s operations and other damages we incur.
Management Fee	Direct out-of-pocket costs and expenses (plus \$500 per day)	As incurred	Due when we (or a third party we designate) manage the Center after your or your managing owner’s death or disability or upon your default or abandonment. We will charge this fee for no longer than six months. There is no limit on the amount of time we may assume management of the Center.
Administrative Fee	\$500 per day that we have the right to terminate the Franchise Agreement	As incurred	Due when you do not comply with the Franchise Agreement. We will provide you written notice that we have elected to charge this fee and/or pursue alternative remedies (instead of termination) due to your default of the Franchise Agreement.

1/ Except for product and service purchases described in Item 8, and except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us or our affiliates. Except as noted above, all fees are uniform and nonrefundable.

2/ Before the Center begins operating, you must sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Brand

Fund contributions, and other amounts due under the Franchise Agreement and for your purchases from us and/or our affiliates (the “Electronic Depository Transfer Account” or “EDTA”). We will debit the EDTA for these amounts on their due dates. Funds must be available in the EDTA for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.

If you do not report the Center’s Gross Sales, we may debit your EDTA for 120% of the last Royalty and Brand Fund contribution that we debited. If the amounts we debit are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. If the amounts we debit are greater than the amounts you actually owe us, then we will credit the excess against the amounts that we otherwise would debit from your EDTA during the following month less a 2% administrative fee on the excess amount due to your failure to report.

- 3/ If you sign a Development Agreement Rider and open 4 or more Five Iron Golf Centers thereunder, and you are otherwise in compliance with the Development Agreement Rider and all other agreements you have with us or our affiliates, then you will receive a royalty credit (the “Royalty Credit”). The Royalty Credit will reduce the royalty rate you pay at each of your Five Iron Golf Centers operating under the Development Agreement Rider from 7% of the Center’s Gross Sales to 6% of the Center’s Gross Sales. If you fail to remain in compliance with the Development Agreement Rider or any other agreements you have with us or our affiliates, then we may suspend the Royalty Credit until you cure such default. Alternatively, we may permanently cancel the Royalty Credit. The Royalty Credit is not retroactive. If you do not sign a Development Agreement Rider to commit to open more than 4 Five Iron Golf Centers, you will not be eligible for the Royalty Credit.
- 4/ If there is no applicable legal maximum rate, interest will be calculated at the rate of 1.5% above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal.
- 5/ Brand Damages are an amount equal to lost Royalties and lost Brand Fund contributions for the lesser of: (i) the number of months remaining in the franchise term; or (ii) 36 months (collectively, “Brand Damages”). The calculation of lost Royalties and Brand Fund contributions is based on the monthly average of the Royalties and Brand Fund contributions paid to us in the 12 months immediately preceding the termination date. If the Center has not been open for at least 12 months at the time of termination, then the average Royalties and Brand Fund contributions will be based on the average monthly Gross Sales of all Five Iron Golf Centers for the preceding fiscal year as determined by our audited financial statements attached to our most recent Franchise Disclosure Document.

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**Item 7**

**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT – FRANCHISE AGREEMENT**

<b>Column 1</b> <b>Type of Expenditure</b>	<b>Column 2</b> <b>Amount</b>	<b>Column 3</b> <b>Method of Payment</b>	<b>Column 4</b> <b>When Due</b>	<b>Column 5</b> <b>To Whom Payment is to be made</b>
Initial Franchise Fee (1)	\$50,000	Lump Sum	Upon signing Franchise Agreement (and, if applicable, Development Agreement Rider)	Us
Real Estate, Lease, Utility and Security Deposits (2)	\$75,000 - \$375,000	As Agreed	As Incurred	Landlord
Leasehold Improvements (3)	\$750,000 - \$2,500,000	As Agreed	As Incurred	Approved Suppliers
Design & Architectural Fees	\$40,000 - \$75,000	As Agreed	As Incurred	Approved Suppliers
Furniture, Fixtures, and Equipment (4)	\$650,000 - \$1,000,000	As Agreed	As Incurred	Approved Suppliers
Interior and Exterior Signage	\$20,000 - \$50,000	As Agreed	As Incurred	Approved Suppliers
Computer System (5)	\$5,000 - \$10,000	As Agreed	As Incurred	Approved Suppliers
Professional Fees (6)	\$2,500 - \$15,000	As Agreed	As Incurred	Lawyers, Accountants and other Advisors
Opening Inventory	\$10,000 - \$25,000	As Agreed	As Incurred	Approved Suppliers
Opening Supplies	\$5,000 - \$15,000	As Agreed	As Incurred	Approved Suppliers
Grand Opening Program (7)	\$35,000 - \$100,000	As Incurred	As Incurred	Approved Suppliers
Training Expenses (out-of-pocket costs for up to 3 people) (8)	\$1,000 - \$5,000	As Incurred	As Incurred	Approved Suppliers
Insurance (9)	\$5,000 - \$10,000	As Incurred	As Incurred	Insurance Company

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be made</b>
Additional Funds – 3 months (10)	\$80,000 - \$150,000	As Incurred	As Incurred	Third Parties
<b>TOTAL ESTIMATED INITIAL INVESTMENT (11)</b>	\$1,728,500 - \$4,380,000			

**Explanatory Notes to the above Item 7 Table**

- \* Except for the Initial Franchise Fee (See Item 5 and Note 1 below), all amounts listed in the above table are nonrefundable. No separate initial investment is required when you sign the Development Agreement Rider. We have based our estimates on the experience of our affiliates in operating company-owned outlets. Your estimated investment, as shown in this Item 7, is for one Five Iron Golf Center.
1. The Initial Franchise Fee for your first Five Iron Golf Center is \$50,000. Veterans of the United States military and first responders may qualify for a \$5,000 reduction of the current standard Initial Franchise Fee (\$45,000) under the Franchise Agreement for their first Five Iron Golf Center. You may be eligible for a refund of a portion of the Initial Franchise Fee if we elect to terminate your Franchise Agreement prior to the opening of your Center if (i) you (or the required attendees) fail to complete our initial training program to our satisfaction, and (2) you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H). As discussed in Item 5, if you commit to developing more than 1 Five Iron Golf Center under a Development Agreement Rider, your initial franchise fee for your 2<sup>nd</sup> to 5<sup>th</sup> Five Iron Golf Center will be \$40,000 and for any Five Iron Golf Center after the fifth, your initial franchise fee will be reduced to \$30,000.
  2. Typical Five Iron Golf Centers are between approximately 5,000 and 15,000 square feet and our targeted location is based on an estimated gross rent of \$20 to \$50 per square foot. We will provide you with assistance in identifying and approving the site that you will select for your Center. We will provide one visit to your market for the first and second Five Iron Golf Centers you develop to review sites that you have identified. You will reimburse us for our reasonable expenses for providing you any additional site selection or approval support including a \$500 fee, together with travel, lodging, transportation, food and personnel costs incurred for subsequent visits. We anticipate that you will rent the Premises and the range estimates 3 months' rent. It is possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Center already is constructed or could be constructed. Real estate costs depend on, among other things, location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying. Rent and any other real estate related costs (e.g. security deposit, real estate taxes, lease terms, utilities, etc.) depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors, and could be considerably higher in large metropolitan areas.

3. Leasehold improvements may include necessary construction work, landscaping and grading of the Premises and parking lots, and other alterations to the proposed site to create a suitable space for the Center. Your net leasehold improvement costs will be dependent on, among other things, your location as provided by your landlord, any tenant improvement allowance and free rent you may receive from your landlord. Our estimated range of costs for leasehold improvements is based on our expectations that you will receive your location from your landlord in good form and delivered for use as is.
4. You will purchase your equipment from suppliers we have approved, which may include us or our affiliates. We will provide specifications for the models of equipment you will be required to purchase for your Center. Our affiliates or we may be the sole supplier for certain equipment. The type and number of pieces of furniture and fixtures you acquire will be based primarily on the size of the Premises you select.
5. You will be required to purchase or lease the Computer System (as defined in Item 11) we specify. The types and number of computers and other hardware, software, cameras and telecommunications equipment may vary depending on your location. We will specify the computer hardware, software and telecommunications equipment required for the Computer System in the Operations Manual. During the term of your franchise, we may change the hardware and software required for the Computer System. Should we determine that you change any components of the Computer System, you will be obligated to make our specified changes. We cannot determine any additional investment you are required to make.
6. We recommend that you engage the services of professionals to assist you in evaluating our franchise opportunity and to help you establish your business. This will include your lawyer and accountant.
7. Your Grand Opening program will be developed by you and us and you will execute the pre-opening marketing strategy we agree on.
8. We will provide training for up to 3 people without any additional fee. Both you as the franchisee and your Managing Owner, if any, must attend and complete training to our satisfaction. In addition, we require that you bring to training your Location Manager and your Lead Trainer (who may also be your Managing Owner or Location Manager). In addition to incurring the costs of salaries for your staff, you will incur the cost for travel and other expenses during training. We have estimated a cost for travel, hotel, meals and local transportation for you and your staff during training. The costs of travel vary greatly based on the time of year and the choices you make for hotels, locations, etc.
9. You must obtain and maintain certain types and amounts of insurance. Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross revenue, number of employees, square footage, location, business contents, and other factors bearing on risk exposure. The estimate contemplates insurance costs for 3 months.
10. This item estimates your initial start-up expenses (other than the items identified separately in the table). These expenses include: payroll costs (but not any draw or salary for you); equipment; installations; security deposits; utility costs; incorporation fees; materials; and any

unforeseen incidental expenses related to facilities improvements. We relied on our affiliate's and our executives' experience in operating Five Iron Golf Centers to compile these estimates.

11. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

The estimates above generally apply to a new Five Iron Golf Centers. If we allow you to purchase an existing company-owned location, then the initial estimates may vary depending on the circumstances to require a greater or smaller investment than shown above in this Item; however, we do not anticipate that the estimated initial investment will cost significantly more than the estimates shown for a new franchise location.

**YOUR ESTIMATED INITIAL INVESTMENT  
DEVELOPMENT RIGHTS RIDER**

Column 1  Type of Expenditure	Column 2  Amount	Column 3  Method of Payment	Column 4  When Due	Column 5  To Whom Payment is to be made
Development Fee (Note 1)	\$75,000	One lump sum	Upon Signing Development Agreement Rider	Us
Total Initial Investment of a Single Five Iron Golf Center (Note 2)	\$1,678,500 - \$4,330,000			
<b>TOTAL</b>	<b>\$1,753,500 - \$4,405,000 (Note 2)</b>			

Note 1: As described in Item 5, if you execute a Development Agreement Rider, you must pay us a development fee in full when you sign the Development Agreement Rider, which is fully earned when paid and not refundable under any circumstances. The development fee due equals the full \$50,000 Initial Franchise Fee for the Five Iron Golf Center covered by that Franchise Agreement plus a deposit of \$25,000 for the second Five Iron Golf Center you will develop and each additional Five Iron Golf Center you will develop in the Area. The development fee presented in this Item 7 table assumes the development of a minimum of 2 Five Iron Golf Centers. If you sign a Development Agreement Rider, you will pay a reduced Initial Franchise Fee for the additional Five Iron Golf Centers included in the development schedule: (i) \$40,000 for the second through fifth Five Iron Golf Centers you open under the Development Agreement Rider; and (ii) \$30,000 for any additional Five Iron Golf Centers you open after the fifth under the Development Agreement Rider.

Note 2: An initial investment will be required for each Five Iron Golf Center you open. Our current estimated initial investment for a single Five Iron Golf Center is set forth in the Item 7 tables above. The estimate for a single Five Iron Golf Center in this table is reduced by the Initial Franchise Fee (\$50,000), which is payable as part of the Development Fee. You must open a minimum of 2 Five Iron Golf Centers under the Development Agreement Rider, which includes a reduced initial franchise fee for the second Five Iron Golf Center you open of \$40,000.

## Item 8

### RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

#### Franchise Agreement

You must operate the Center according to our System Standards. System Standards may regulate, among other things, menu items, proprietary products, ingredients, recipes, types, models, and brands of equipment (including but not limited to a required or recommended Computer System, golf simulator hardware and software, golf bags, cameras and golf clubs), club fitting rooms, fixtures, furniture, furnishings, and signs (collectively, “Operating Assets”); products, other equipment and supplies you must use in operating the Center; unauthorized and prohibited products, ingredients, recipes, equipment, and services; inventory requirements; and designated and approved suppliers of Operating Assets and other items.

In the case of Operating Assets, suppliers may be limited to us, our affiliates, and/or our designated third-party suppliers, and you must buy those Operating Assets during the franchise term only from us, our affiliates, and/or our designated third party suppliers at the prices we and they decide to charge. We have the absolute right to limit the suppliers with whom you may deal. We restrict your sources of Operating Assets in order to protect our trade secrets, assure quality, assure a reliable supply of products that meet our standards, achieve better terms of purchase and delivery service, control usage of the Marks by third parties, and monitor the manufacture, packaging, processing, and sale of these items. We may require that you allow our designated supplier (including us or our affiliates) to operate a club fitting space within the Center, which may operate using different trademarks than the Center. We may also require you to use one or more required suppliers for your local advertising and to require you to spend all or a portion of the required money you must spend on local advertising with required suppliers. We may collect amounts directly from you to pay required suppliers.

Except for the Operating Assets and local advertising suppliers described above, there are no other goods, services, supplies, ingredients, recipes, fixtures, equipment, inventory, computer hardware and software, real estate or comparable items for establishing or operating the Center that you currently must buy or lease from us (or an affiliate) or designated suppliers. Topgolf Callaway Brands Corp. is our required supplier for golf clubs, golf bags and golf gloves sold at Five Iron Golf Centers, and owns a minority interest in our parent, Range LLC. Neither we nor any of our affiliates are currently an approved supplier for any products and services you must purchase for your Center.

None of our officers currently owns an interest in any designated third-party supplier to the franchise network.

To maintain the quality of the goods and services that Five Iron Golf Centers sell and our System's reputation, we may condition your right to buy or lease goods and/or services (besides those described above that you may obtain only from us, our affiliates, and/or other specified exclusive sources) on their meeting our minimum standards and specifications and/or being acquired from suppliers that we approve. We will issue and modify standards and specifications based on our and our Five Iron Golf Center franchise owners' experience in operating Five Iron Golf Centers. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design, and appearance. Our Operations Manual will identify our standards and specifications for the System. We will notify you and, where appropriate, the suppliers, of our standards and specifications. There might be situations where you can obtain items from any supplier who can satisfy our requirements and, therefore, would be an approved supplier.

If we institute any type of restrictive sourcing program and you want to use any item or service that we have not yet evaluated or to buy or lease from a supplier that we have not yet approved or designated, you first must send us a written request for approval along with sufficient information, specifications, and samples so that we can determine whether the item or service complies with System Standards or the supplier meets our approved supplier criteria. We list examples of our criteria for supplier approval in the following paragraph below in this Item, and we will make available our then current criteria to you, as necessary, upon request if we are asked to evaluate and approve a new supplier, item, or service for use with the System. We may require you or the supplier to reimburse us for our costs and expenses for the evaluation and will provide you written notification of our approval or disapproval of your request within a reasonable time. We estimate our costs to conduct such an inspection to be up to \$5,000. We periodically will establish procedures for your requests and may limit the number of approved items, services, and/or suppliers as we think best.

Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service, or other criteria. We and our affiliates have the right to receive payments or other material consideration from suppliers on account of their actual or prospective dealings with you and other franchise owners and to use all amounts that we and our affiliates receive without restriction (unless we and our affiliates agree otherwise with the supplier) for any purposes we and our affiliates deem appropriate. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product, or service. We may charge you our actual costs of inspection and testing of products in connection with our evaluation and approval or disapproval of proposed suppliers.

During our fiscal year ended December 31, 2024, we received a total of \$180,942 in revenue from certain suppliers as a result of required franchisee purchases, which was 54% of our overall revenue of \$336,525.

Certain approved suppliers currently, or may in the future, pay us (or our affiliate) compensation in the form of sales incentives or rebates based on purchase franchisees make from such suppliers. Currently, approved suppliers pay us and our affiliates the following rebates: (i) for certain products and supplies, including golf bags, cameras and uniforms, a percentage of the supplier's total sales; and (ii) for Trackman hardware and software required at each Five Iron Golf Center, a percentage of the supplier's total sales.

Insurance. Besides these purchases or leases, you must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations underwritten by an insurance company having an A.M. Best's rating of A+ or higher, a financial size of VII or better and is licensed to do business in the state where the Center will be located. You currently must have comprehensive commercial general liability coverage (\$1,000,000 per occurrence for bodily injury and property damage and \$2,000,000 aggregate; \$2,000,000 products and completed operations aggregate; \$1,000,000 personal and advertising injury limit) and per location aggregate limits when multiple Five Iron Golf Centers are insured under one general liability policy, excess umbrella liability coverage (\$2,000,000 per occurrence and in the aggregate), and other policies containing the minimum liability coverage we specify, such as worker's compensation and employer's liability insurance (\$1,000,000 per accident for bodily injury, \$1,000,000 per employee for injury by disease, and \$1,000,000 aggregate for injury by disease), employment practices (\$1,000,000 per occurrence and in the aggregate), professional liability (\$1,000,000 per occurrence and \$2,000,000 in the aggregate), cybersecurity insurance (\$1,000,000 per occurrence), liquor liability insurance (amount to be determined by your own risk advisor, minimum \$1,000,000 per occurrence), automobile liability coverage, including hired and non-owned auto liability (\$1,000,000 combined single limit), and any other coverage required by law or your lease. Premiums depend on the insurance carrier's charges, terms of payment, and your history. All insurance policies, except workers compensation, must name us and all of our subsidiaries, affiliates, officers, partners, shareholders, members, directors, managers, agents, employees, successors and assignees as additional insured parties. All policies must be primary and non-contributory and provide a waiver of subrogation in favor of us and all of our subsidiaries, affiliates, officers, partners, shareholders, members, directors, managers, agents, employees, successors and assignees. If you fail to obtain or maintain required insurance coverage for the Center, we may do so on your behalf and invoice you for reimbursement of our costs to arrange the missing coverage.

Advertising Materials. Before you use them, you must send us for review samples of all advertising, promotional, and marketing materials that we (or a supplier we may designate, at our option) have not prepared or previously approved. You may not use any advertising, promotional, or marketing materials that we have not approved in writing or have disapproved.

Five Iron Golf Center Development. You are responsible for developing the Center, and you must use the services of a licensed contractor. We may give you mandatory and suggested specifications and layouts for a Five Iron Golf Center, including requirements for dimensions, design, image, interior layout, decor, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act ("ADA") or similar rules governing public accommodations for persons with disabilities. You must prepare a site survey and all required construction plans and specifications for the Center's site and make sure that they comply with the ADA and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. We may review and approve all final plans and specifications before you begin constructing the Center and all revised or "as built" plans and specifications during construction. Our review is only to ensure your compliance with our design requirements. We may inspect the Center during its development and during the franchise term.

Five Iron Golf Center Site. You must submit, for our approval, all information and materials we request regarding any site at which you propose to operate a Five Iron Golf Center. We have the right to approve your lease or sublease and to require that you sign our required form of Lease

Addendum to any third-party lease you sign (attached as an exhibit to the Franchise Agreement). We may also enter into a master lease for the site of the Center and sublease the Premises to you.

Collectively, the purchases and leases described above are approximately 90% of your overall purchases and leases in establishing the Center and approximately 95% of your overall purchases and leases in operating the Center.

We anticipate that we will, but have no obligation to, deposit certain future amounts we receive from suppliers (as a result of purchases made by Five Iron Golf Centers from those suppliers) to the Brand Fund for the general benefit of the Marks and the promotion of all Five Iron Golf Centers generally.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms). We do not provide material benefits to Five Iron Golf Center owners (for example, renewal or granting additional franchises) based on their purchase of particular products or services or use of particular suppliers.

Development Agreement Rider

The Development Agreement Rider does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items. You must give us information and materials we request regarding each site at which you propose to operate a Five Iron Golf Center so we can assess that site. The information and materials we may request is consistent with the information and materials we may request for site selection under the Franchise Agreement.

**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>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
a. Site selection and acquisition/lease	Sections 1.D, 2.A., and 2.B of Franchise Agreement; Section 6 of Development Agreement Rider	Items 7, 8, and 12
b. Pre-opening purchases/leases	Sections 2.A to 2.F and 8 of Franchise Agreement	Items 5, 7, 8, and 11
c. Site development and other pre-opening requirements	Section 2 of Franchise Agreement	Items 7, 8, and 11

<b>OBLIGATION</b>		<b>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
d.	Initial and ongoing training	Section 4 of Franchise Agreement	Items 6, 7, and 11
e.	Opening	Section 2.F of Franchise Agreement; Section 3 of Development Agreement Rider	Item 11
f.	Fees	Sections 2.B, 2.E, 3.A to 3.C, 3.E, 3.G, 4.A to 4.D, 8.C, 8.F, 9, 11.B, 12.C, 13.A, 14.C, 14.F, 15.D, 16.D, and 17.C of Franchise Agreement; Section 5 of Development Agreement Rider;	Items 5, 6, and 7
g.	Compliance with standards and policies/operating manual	Sections 4.C, 4.D, and 8 of Franchise Agreement	Items 8 and 11
h.	Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 13 and 14
i.	Restrictions on products/services offered	Sections 1.D and 8 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 8, 11, 12, and 16
j.	Warranty and customer service requirements	Section 8 of Franchise Agreement	Items 8, 12, and 16
k.	Territorial development and sales quotas	Sections 2, 3, and 6 of Development Agreement Rider	Items 12 and 17
l.	Ongoing product/service purchases	Sections 2.D, 2.E, and 8 of Franchise Agreement	Items 6 and 8
m.	Maintenance, appearance, and remodeling requirements	Sections 8 and 13 of Franchise Agreement	Items 8, 11, 16, and 17
n.	Insurance	Section 8.F of Franchise Agreement	Items 7 and 8
o.	Advertising	Section 9 of Franchise Agreement	Items 6, 7, 8, and 11
p.	Indemnification	Section 16.D of Franchise Agreement; Section 10 of Development Agreement Rider	Item 6
q.	Owner's participation/management/staffing	Sections 1.C, 4, 6, and 8 of Franchise Agreement	Items 11 and 15
r.	Records and reports	Section 10 of Franchise Agreement	Not Applicable
s.	Inspections and audits	Section 11 of Franchise Agreement	Items 6 and 11
t.	Transfer	Section 12 of Franchise Agreement; Section 9 of Development Agreement Rider	Item 17

<b>OBLIGATION</b>		<b>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
u.	Renewal	Section 13 of Franchise Agreement	Item 17
v.	Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w.	Non-competition covenants	Sections 7, 12, 15, and 16 of Franchise Agreement	Items 15 and 17
x.	Dispute resolution	Section 17 of Franchise Agreement; Section 10 of Development Agreement Rider	Item 17
y.	Other - Guaranty	Sections 1.C and 12.C of Franchise Agreement; Attachment to Franchise Agreement	Items 1 and 15

### **Item 10**

### **FINANCING**

We and our affiliates do not offer direct or indirect financing. Neither we nor our affiliates will guarantee your 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.**

#### **Pre-Opening Assistance**

Before you open and begin operating the Center, we (or an affiliate, as applicable) will:

1. Approve or disapprove each site that you propose according to our general criteria for selection of a Five Iron Golf Center site. We anticipate that you will operate the Center in a commercial space that you will lease. The site must meet our then-current criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. We will use reasonable efforts to approve or disapprove a proposed site within 30 days after receiving your written proposal. You must submit and receive our approval of an acceptable site and related materials to us within 120 days after the Effective Date or we may terminate the Franchise Agreement (at our option). (Franchise Agreement – Sections 1.D, 2.A and 2.B; Development Agreement Rider – Section 6)
2. Review your third-party lease for the Premises. The lease must be in form and substance we require, and must include the provisions of our required lease addendum. You must promptly

submit a proposed lease or purchase document for the Premises for our review following our approval of the site for the Premises, and in any case no later than 120 days after the Effective Date. You must deliver to us the fully-signed lease (including the provisions of the lease addendum) within 7 days after you sign the lease or purchase document for the Premises or, if earlier, before the date specified in any Development Agreement Rider that we and you sign. At our option, we may terminate your Franchise Agreement if you and we do not agree on an acceptable site, and you do not submit a lease or purchase document for that site to us, within 120 days after the Effective Date. (Franchise Agreement – Sections 2.B and 14.B)

3. Designate the Territory for the Center, and if you sign a Development Agreement Rider, the Area in which you develop and operate additional Five Iron Golf Centers. (Franchise Agreement – Section 1.F; Development Agreement Rider – Section 2)
4. Provide you mandatory and suggested specifications and layouts for a Five Iron Golf Center including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings, color scheme and club fitting spaces within the Center. (Franchise Agreement – Section 2.C)
5. As discussed in Item 8, identify the Operating Assets and related products and services, equipment and supplies that you must use to develop and operate the Center, the minimum standards and specifications that you must satisfy, and the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to and/or include us, our affiliates, and/or other specified exclusive sources). (Franchise Agreement – Sections 2.A, 2.D, and 8)
6. Provide you access to one copy of the Operations Manual, the current table of contents of which is Exhibit G. As of the date of this Disclosure Document, the Operations Manual contains approximately 221 pages. (Franchise Agreement – Section 4.D)
7. Advise you on the Center’s advertising program. (Franchise Agreement – Section 9.A)
8. Train you (or your Managing Owner) and your Location Manager. (Franchise Agreement – Section 4.A) We describe this training later in this Item.
9. Designate a specific number of Five Iron Golf Centers you must develop and open at approved locations in the Area (if we grant you development rights). We also will supply to you our site selection criteria and may put you in contact with a commercial real estate broker in your Area. (Development Agreement Rider – Sections 2, 3, and 6) Some of the assistance noted above may be performed during the term of a Development Agreement Rider but before the signing of a second or subsequent Franchise Agreement.

### **Ongoing Assistance**

During your operation of the Center, we (or an affiliate, as applicable) will:

1. Advise you regarding the Center’s operation based on your reports or our inspections. We also will guide you on standards, specifications, and operating procedures and methods that Five Iron Golf Centers use; purchasing required and authorized Operating Assets, proprietary

products and other products and services; advertising and marketing materials and programs; employee training; and administrative, bookkeeping, and accounting procedures. We will guide you in our Operations Manual, bulletins, or other written materials; by electronic media; by telephone consultation; and/or at our office or the Center. (Franchise Agreement – Section 4.C)

2. Give you, at your request (and our option), additional or special guidance, assistance, and training. (Franchise Agreement – Section 4)
3. Continue to provide you access to one copy of the Operations Manual, which will be provided electronically and could include software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules (“System Standards”) that we periodically require. We may modify the Operations Manual periodically to reflect changes in System Standards. (Franchise Agreement – Sections 4.D and 8)
4. Issue and modify System Standards for Five Iron Golf Centers. We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may require you to invest additional capital in the Center and/or incur higher operating costs. (Franchise Agreement – Section 8)
5. Specify in the Operations Manual or otherwise in writing the types of memberships that you may offer to customers and visitors, and the benefits that you must provide to members who purchase certain memberships. (Franchise Agreement – Section 8.L)
6. Establish, to the fullest extent allowed by applicable law, maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. (Franchise Agreement – Section 8.G)
7. Inspect the Center and observe the Center’s operations to help you comply with the Franchise Agreement and all System Standards. (Franchise Agreement – Section 11.A)
8. Let you use our confidential information. (Franchise Agreement – Section 6)
9. Let you use our Marks. (Franchise Agreement – Section 5)
10. Periodically offer refresher training courses. (Franchise Agreement – Section 4.B)

### **Advertising and Development Fund**

Recognizing the value of advertising and marketing to the goodwill and public image of Five Iron Golf Centers, we have established a formal Advertising and Development Brand Fund (the “Brand Fund”) for advertising, marketing, and public relations programs and materials we deem appropriate. Under the Franchise Agreement, you are required to contribute 2% of your monthly Gross Sales to the Brand Fund. Five Iron Golf Centers that we or our affiliates operate will contribute to the Brand Fund on the same basis as franchise owners.

We may designate a separate entity as we deem appropriate in our sole discretion to operate and administer the Brand Fund. Any such entity will have all of the rights and duties described here. We have the right to collect for deposit into the Brand Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with Five Iron Golf Centers and with whom we have agreed that we will so deposit these allowances.

We and/or an advertising agency that we designate will direct all programs that the Brand Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Brand Fund may pay for preparing and producing video, audio, and written materials and electronic media; costs associated with inbound marketing channels and providers (for example, Google, Facebook and Yelp); developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Brand Fund may advertise locally, regionally, and/or nationally in printed materials, on radio or television, and/or on the Internet, whatever we think best. The Brand Fund periodically may give you samples of advertising, marketing, and promotional formats and materials at no cost. We or the Brand Fund will sell you multiple copies of these materials at their direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Brand Fund separately from our other funds and not use the Brand Fund for its or our general operating expenses. However, we may use the Brand Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, the Brand Fund's other administrative costs, travel expenses of personnel while they are on Brand Fund business, meeting costs, exposition and show costs, overhead relating to Brand Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Brand Fund and its programs, including conducting market research; public relations; preparing advertising, promotion, and marketing materials; and collecting and accounting for Brand Fund contributions. During our fiscal year ending December 31, 2024, contributions to the Brand Fund were expended as follows: (i) 51% on media placement; (ii) 22% on production (including seasonal campaigns); and (iii) 27% on brand development.

The Brand Fund is not our asset. The Brand Fund also is not a trust. We have a contractual obligation to hold all Brand Fund contributions for the benefit of the contributors and to use contributions only for their permitted purposes (described above). We do not have a fiduciary obligation to you for administering the Brand Fund. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, re-pay any amounts owed to us or others as borrowed by the Brand Fund in prior periods, or invest any surplus for future use. We do not expect to use any of the Brand Fund contributions specifically to develop materials and programs that will be used principally to solicit franchise owners. However, media, materials, and programs, including our Website, prepared using Brand Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and give it to you upon written request. We may have the Brand Fund audited annually, at the Brand Fund's expense, by an independent certified public

accountant. We may incorporate the Brand Fund or operate it through a separate entity when we think best. The successor entity will have all of the rights and duties described here.

The Brand Fund is to maximize recognition of the Marks and patronage of Five Iron Golf Centers. Although we may use the Brand Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Five Iron Golf Centers, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by Five Iron Golf Centers operating in that geographic area or that any Five Iron Golf Center benefits directly or in proportion to its Brand Fund contribution from the development of advertising and marketing materials or the placement of advertising. We may use collection agents and institute legal proceedings to collect Brand Fund contributions at the Brand Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We may at any time defer or reduce a franchise owner's Brand Fund contributions and, upon 30 days' prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will distribute all unspent monies to franchise owners, and to us and our affiliates, in proportion to their, and our, respective contributions during the preceding 12-month period. We may reinstate Fund contributions upon 30 days' prior written notice to you. (Franchise Agreement – Section 9.B)

### **Your Local Advertising**

In addition to your Brand Fund contributions and your grand opening advertising obligation, you must, during the second month of the franchise term and in all subsequent months, spend a minimum of 1% of the Center's prior month's Gross Sales to advertise and promote the Center. You must participate at your own expense in all advertising, promotional and marketing programs that we require. You must send us monthly reports of your marketing expenditures.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for the Center must contain notices of our website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Center or displays any of the Marks without our prior written approval. We alone may establish, maintain, modify or discontinue all Internet, worldwide web and electronic commerce activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, LinkedIn and Twitter. All advertising, promotion, marketing, and public relations must be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the policies that we periodically require. Before you use them, you must send us or our designated agency for review samples of all advertising, promotional, marketing, and public relations materials that we have not prepared or previously approved. Promotional material includes materials you provide on a Website or similar medium. You may not use any advertising, promotional, marketing, or public relations materials that we have not approved in writing or that we have disapproved. We may require you to use one or more required suppliers for your local advertising and to require you to spend all or a portion of the required money you must spend on local advertising with required suppliers. We may collect amounts directly from you to pay required suppliers.

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your geographic area.

### **Cooperative Advertising Programs**

We do not currently have any local or regional cooperative advertising programs. However, we may designate an advertising coverage area (“ACA”) — local or regional — in which 2 or more Five Iron Golf Centers are located in order to establish a cooperative advertising program (“Cooperative Program”) for that ACA. An ACA is the area covered by the particular advertising medium recognized in the industry. All franchise owners in the ACA will be required to participate. Each Five Iron Golf Center operating in the ACA will have 1 vote, including Five Iron Golf Centers operated by us or our affiliates. The Cooperative Programs will be administered and operated by the participating Five Iron Golf Centers in the ACA.

Each Cooperative Program will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. Each Cooperative Program’s purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the Cooperative Program covers. If we establish a Cooperative Program for the geographic area in which the Center is located, you must sign the documents we require to become a member of the Cooperative Program and participate in the Cooperative Program as those documents require.

If a Cooperative Program is established for your ACA, you and all Five Iron Golf Centers in the ACA (including franchised and company-owned Five Iron Golf Centers) will be required to contribute up to 2% of your Center’s Gross Sales to the Cooperative Program monthly, or as otherwise specified by fifty percent (50%) or more of the Five Iron Golf Centers operating in the ACA. We may reallocate the percentage of contributions to the Brand Fund, local advertising and the Cooperative Program upon providing you at least 90 days’ notice. We will have the power to dissolve, merge or create Cooperative Programs during the Term. We may require that a Cooperative Program operate from written governing documents, and if we do, we will make those documents available to any participating franchisee for review. Cooperatives may prepare annual or periodic financial statements, and if they do, those statements will be available for review by participating franchisees.

We do not currently have a franchise owner advisory council that advises us on advertising policies, but we may establish one in the future.

### **Computer System**

You must obtain and use in the Center a computer system containing the hardware and software we specify (the “Computer System”). The Computer System currently includes (i) the required point-of-sale (“POS”) system and related hardware and software from our designated vendors, Mindbody and Square; (ii) Tripleseat, an event management software; (iii) at least 2 desktops (front desk and/or office) to operate the required software; (iv) hardware and software to operate golf simulator bays, including a license to use Trackman software for each golf simulator bay at the Center; and (v) phone and Internet systems for the Center. The POS System must consist of at least 1 affixed POS terminal per built-in bar, plus at least 3 portable, handheld POS terminals, each of which will cost approximately \$300. Certain vendors charge ongoing fees, including the following: (i) Mindbody charges a monthly fee of approximately \$270; and (ii) Trackman charges an annual license fee of approximately \$2,000 per golf simulator bay at the Center.

You may purchase all other parts of the Computer System from any vendor so long as we have not designated a sole or approved vendor for a particular component and your Computer System for your Center meets our overall specifications. We may modify the specifications for and components of the Computer System. You will be responsible for the costs of updating and implementing any changes we make to the Computer System. The estimated cost for the Computer System is \$5,000 to \$10,000 per Five Iron Golf Center. We estimate the total annual costs of any optional or required maintenance, updating, upgrading or support contracts to be \$2,500. In addition to the cost for the initial purchase of the Computer System, you must pay us or our designee the quarterly Technology Fee (may vary, but up to \$3,600), which is meant to reimburse us or our designee for amounts we or our designee pay to vendors of the Computer System on your behalf. We or our designee may require that you pay all or a portion of the Technology Fee directly to our vendors at any time.

You will be solely responsible for ongoing maintenance and upgrading of the Computer System. Other than the on-going quarterly Technology Fee you pay to us or our designee for services provided by certain vendors, the third parties whose Computer System-related products you purchase or lease have no contractual rights or obligations to provide ongoing maintenance, repairs, upgrades or updates unless you obtain a service contract or a warranty covers the product.

The types of data to be generated or stored in the Computer System include sales, inventory, payroll, and customer information and other information that we may specify in the Operations Manual. We have independent, unlimited access to the information generated by the Computer System, and there are no contractual limitations on our right to do so. We may connect remotely to your Computer System. You must also have a functioning email address so that we can send you notices and otherwise communicate with you by this method.

We may change the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We may require you to use proprietary software, for which you may pay a license fee. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning, the software or technology. We or our affiliates may charge you a monthly, annual, or other license fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the franchise term.

## **Opening**

We estimate that it will be 15 to 18 months after you sign the Franchise Agreement before you open and begin operating the Center. The actual timetable for opening and operating the Center depends on various factors, including the location of the Premises; the delivery schedule for equipment and supplies; completing training; and complying with local laws and regulations. You may not open or begin operating the Center until: (1) we notify you in writing that the Center and Premises meet our standards and specifications; (2) you (or your managing owner) and your other employees complete initial training to our satisfaction; (3) you pay the Initial Franchise Fee and other amounts then due to us; and (4) you give us certificates or other evidence we require for all required insurance policies. In any case, you must open the Center within 18 months after the Effective Date of the Franchise Agreement. (Franchise Agreement – Section 2.F)

## **Training**

If this is your first or second Five Iron Golf Center, then before the Center opens for business, we will train you (or your Managing Owner), the Location Manager and one lead trainer that you appoint, which may also be the Managing Owner or Location Manager (collectively, the “Required Trainees”), on operating a Five Iron Golf Center at a training facility we designate (currently, New York, New York or Chicago, Illinois). These persons must complete the initial training to our satisfaction at least 12 weeks before the Center opens. No additional initial training will be provided to you and the Required Trainees after your second Five Iron Golf Center opens. We conduct our initial training program as often as we deem necessary.

Initial training may include pre-training that you can complete at home, such as web-based training modules. You may be required to produce evidence of any certification and attendance records relating to the pre-training we require, and may need to pass a test on the pre-training material provided by us prior to attending our initial training program. If pre-training is not completed to our satisfaction and our initial training program (as discussed below) needs to be rescheduled as a result, you will pay an additional fee of \$5,000 per person for scheduling the replacement’s initial training. You must complete pre-training at least 6 weeks before the Required Trainees attend our initial training program.

Upon completion of any pre-training modules we require, we will provide the Required Trainees with our initial training program, which will be held at a designated training facility of our choice and/or at an operating Five Iron Golf Center (each currently located in New York, New York or Chicago, Illinois). Our initial training program will be up to 3 weeks in duration. In addition, the Required Trainees will spend up to 15 days working in a Five Iron Golf Center.

If this is your first or second Five Iron Golf Center, we will provide initial training for the Required Trainees for no additional fee. Additional people beyond the Required Trainees may attend initial training (subject to our capacity and ability to accommodate additional persons in the training session) if you pay our then current training charge for each additional person, not to exceed \$500 per person per day. You will also pay for all travel and living expenses that the Required Trainees and any of your personnel incur, all accrued wages, and related workers’ compensation insurance while these persons train at a designated training facility of our choice and/or at an operating Five Iron Golf Center.

The Required Trainees must satisfactorily complete initial training. If we determine that the Required Trainees cannot complete initial training to our satisfaction, we may terminate the Franchise Agreement. In that case, you will be eligible to receive up to a 50% refund of any Initial Franchise Fee you have already paid, less our costs and expenses (including travel, sales commissions paid to brokers, etc.), if you sign our required form of release of claims. (Franchise Agreement - Section 4.A)

You (or your Managing Owner) may request additional training at the end of the initial training, to be provided at our then current per diem charges, if you (or your Managing Owner) feel that any of the Required Trainees are not sufficiently trained to operate a Five Iron Golf Center. We and you (or your Managing Owner) will jointly determine the time and duration of this additional training. However, if you (or your Managing Owner) and the other Required Trainees satisfactorily complete our initial training program and you do not expressly inform us at the end of the program that you (or your Managing Owner) or other Required Trainees do not feel sufficiently trained in the operation of a Five Iron Golf Center, then you (or your Managing Owner) and all other Required Trainees will be deemed to have been trained sufficiently to operate a Five Iron Golf Center.

As of the date of this Disclosure Document, our required initial training program includes the following programming:

### TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Pre-Opening Checklist	10	0	New York, New York, Chicago, Illinois, or another location we designate (which may be online at our sole option)
Operations, Policies & Procedures	30	0	New York, New York, Chicago, Illinois, or another location we designate (which may be online at our sole option)
Operator Management – Purchasing, POS System Training, Golf Simulator System Training, Scheduling, Staff Management, Event Management	0	160	New York, New York, Chicago, Illinois, or another location we designate
<b>Totals</b>	40	160	

Joshua Frankel supervises and coordinates our training programs. Mr. Frankel has 18 years of relevant experience in the subject matters being taught and has been with us since March 2023.

The instructional materials for our required training programs currently include, or may include in the future, computer-based training courses and software, videos, handouts, the Operations Manual, and tests or other evaluations we may require you or your attendees to complete.

In addition to the initial training we outline above, after we approve the Center to open, we will, at our own cost, send at least 1 of our representatives to the Center for at least 5 total days, during the hours we determine in our sole judgment, to provide on-site support in connection with pre-opening and opening activities. We may provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. For the avoidance of doubt, we determine the timing, scheduling and staffing of on-site support we provide at the Center, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you will pay our then applicable charges, including our personnel per diem charges and travel and living expenses.

You (or your Managing Owner) and/or other previously trained and experienced employees must attend and complete to our satisfaction various training courses that we periodically provide either online or in-person at the times and locations we designate. We may charge reasonable registration or

similar fees for these courses, and we will not require in-person attendance at these training courses by you or your personnel. We estimate that such registration fees will be \$500 per person. Besides attending these courses, we may require you to attend an annual convention of all Five Iron Golf Center franchise owners at a location we designate. The current cost to attend these conferences is \$750 per person that attends, and will not exceed \$1,500 per person. In addition to this fee, you are responsible for all related travel and living expenses and wages incurred in connection with attending these courses and meetings.

If any audit discloses a failure by you to operate the Center in accordance with the System Standards, then we may require you to undertake additional training at the Center, and we will determine the duration of the training and the number of trainers in our sole discretion. If we require you to undertake this additional training, you will pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

Other personnel we designate may assist in our initial and other training programs, including other Five Iron Golf Center representatives, or other Five Iron Golf Center franchise owners or qualified managers or operators of Five Iron Golf Centers. The Franchise Agreement requires you to assist in future training programs for other franchise owners, upon our request and for which we will reimburse you for your associated expenses.

## **Item 12**

### **TERRITORY**

#### Franchise Agreement

You will operate the Center within a specific Territory that we first must approve. We will describe the Territory in Exhibit B of the Franchise Agreement. We will determine the size and boundaries of the Territory in our sole judgment, based upon factors including population density, character of neighborhood, location, number of competing businesses, general traffic and pedestrian traffic flow, and other demographic and population factors. A typical franchise territory for a Five Iron Golf Center will cover an approximate geographic area with a minimum radius, as measured from the front door of a Five Iron Golf Center. The size of the protected territory will vary depending on the market-type in which a Five Iron Golf Center is located. If a Five Iron Golf Center is located in an urban market, the territory will be based on city blocks. If a Five Iron Golf Center is located in a suburban market, a franchisee will receive a minimum of a 2-mile radius around the Premises.

Except as described below under "Development Agreement Rider", you have no options, rights of first refusal, or similar rights to acquire additional franchises within the Territory or in contiguous territories. You may operate the Center only from the Premises we approve within the Territory and may not relocate the Premises without our approval. We will approve relocation only if the lease for the Premises expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, and the proposed substitute site meets our criteria. You must locate a substitute site, and begin operating the Center from a substitute site, within 270 days after you lose the right to occupy the Premises. Any other relocation of the Center may only occur if we provide our prior written approval, which we may withhold for any or no reason.

We and our affiliates retain certain rights within and outside the Territory, as described below in this Item. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Except as limited below, as long as you are in full compliance with the Franchise Agreement, then we and our affiliates will not operate or grant a franchise for the operation of a Five Iron Golf Center at a location in the Territory during the term of your Franchise Agreement. Otherwise, we and our affiliates retain all rights with respect to Five Iron Golf Centers, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire, including, but not limited to:

(1) the right to operate, and to grant others the right to operate Five Iron Golf Centers located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Center;

(2) the right to establish and operate, and to grant to others the right to establish and operate businesses (including stand-alone club fitting outlets) offering similar or dissimilar products and services through similar or alternative channels of distribution, at locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(3) the right to market and sell membership agreements to customers located anywhere (including the Territory) to use any Five Iron Golf Center then-operating (including the Center);

(4) the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with those products and services provided at Five Iron Golf Centers (including products offered at a Five Iron Golf Center), whether identified by the Marks or other trademarks or service marks, through alternative distribution channels (including, without limitation, the Internet or similar electronic media, and any other form of electronic commerce) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(5) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(6) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to your Territory, including (by way of example only) business entities with offices or branches situated both inside and outside of your Territory;

(7) the right to operate and grant others the right to operate Five Iron Golf Centers at “Non-Traditional Sites” within and outside the Territory on any terms and conditions we deem appropriate. “Non-Traditional Sites” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including

shopping malls, residential buildings, stadiums, arenas, major industrial or office complexes, hotels, school campuses, casinos, educational facilities, amusement parks and sports or entertainment venues;

(8) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Five Iron Golf Centers, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Territory); and

(9) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Five Iron Golf Centers, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses in the Territory.

We may exercise any of the retained rights without compensating you. Although we have the right to do so (as described above), neither we nor an affiliate currently operates, franchises, or has present plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those you will sell in the Center.

You may not use other channels of distribution to make sales at the Center, such as the Internet or any other form of electronic commerce, catalog sales, telemarketing, or other direct marketing to make sales inside or outside the Territory. You must advertise and solicit customers for the Center only within the Territory. You may not operate the Center away from the Premises.

Continuation of your franchise and your territorial protection does not depend on your achieving a certain sales volume, market penetration, or other contingency.

#### Development Agreement Rider

You may (if you qualify) develop and operate a number of Five Iron Golf Centers within the Area. We and you will identify the Area in the Development Agreement Rider before signing it. The Area typically is a city, cities, or counties. We base the Area's size primarily on the number of Five Iron Golf Centers you agree to develop, demographics, and site availability. We and you will negotiate the number of Five Iron Golf Centers you must develop to keep your development rights and the dates by which you must develop them. We and you then will complete the schedule in the Development Agreement Rider before signing it. The Development Agreement Rider provides us the right to approve the location of future Five Iron Golf Centers developed in the Area in accordance with our then-current site-selection standards for Five Iron Golf Centers. The Area is protected while the Development Agreement Rider is in effect and neither we (nor our affiliates) will establish or operate, or grant to others the right to establish or operate, other Five Iron Golf Centers, the physical premises of which are located within the Area. There are no other restrictions on us (or our affiliates) and we and our affiliates retain certain rights within and outside the Area, as described above in this Item. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You must not develop or operate Five Iron Golf Centers outside the Area. Other than the right to open the number of Five Iron Golf Centers we have agreed to in the Development Agreement Rider, you have no options, rights of first refusal, or similar rights to acquire additional franchises within the Area or in

contiguous territories under the Development Agreement Rider. We may terminate the Development Agreement Rider if you do not satisfy your development obligations when required. In addition, if you fail to comply with the terms of the Development Agreement Rider during its term, we may, at our option, elect to terminate only the protections of the Area instead of terminating the Development Agreement Rider entirely. This means that during the remainder of the term of the Development Agreement Rider, we and our affiliates will have the right to establish and operate, and grant to others the right to establish and operate, Five Iron Golf Centers the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions. However, our termination of the Area protections will be without prejudice to our right to later terminate the Development Agreement Rider for the same default or any other defaults under the Development Agreement Rider.

Despite the development schedule under the Development Agreement Rider, we may delay your development of additional Five Iron Golf Centers within the Area for the time period we deem best if we believe, when you apply for the next Five Iron Golf Center, that you are not yet operationally, managerially, or otherwise prepared (due to the particular amount of time that has elapsed since you developed and opened your most recent Five Iron Golf Center) to develop, open and/or operate the additional Five Iron Golf Centers according to our standards and specifications. We may delay additional development as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the development schedule (unless we are willing to extend the schedule to account for the delay).

Except as described above, we may not alter your Area during the Development Agreement Rider’s term.

**Item 13**

**TRADEMARKS**

The table below consists of the Marks that we license to you as part of the franchise. You may not sublicense the Marks without our permission. The below list may not be an exhaustive list of all Marks owned by us or our affiliates.

MARK	REGISTRATION NUMBER	REGISTRATION DATE
FIVE IRON GOLF	5907083	November 12, 2019
	5912723	November 19, 2019

Our affiliate, Five Iron IP, has registered the Marks listed above on the Principal Register of the United States Patent and Trademark Office (“USPTO”). No affidavits or renewal filings are yet due in connection with these registrations. No agreement limits our right to use or license the Marks.

Five Iron IP has licensed us to use the System and Marks and to sublicense them to our franchise owners in a trademark, copyright, and know-how license agreement dated as of April 12, 2022. The trademark, copyright, and know-how license agreement allows us to use, and sublicense to our franchise owners the right to use, the Marks, System, and other intellectual property anywhere in the world. The trademark, copyright, and know-how license agreement provides for an indefinite term, unless earlier terminated by Five Iron IP or us upon 120 days’ prior written notice to the other party. Five Iron Golf Center franchise owners must cease using the System and Marks upon termination of the trademark, copyright, and know-how license agreement. No other agreement limits our right to use or license the Marks.

You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required by law. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Website.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person’s claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us, as we direct, in protecting and maintaining our interests in any litigation or USPTO or other proceeding. At our option, we may defend and/or control the defense of any proceeding arising from your use of any Mark. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving the Marks; however, if you timely notify us and comply with our directions in response to a trademark infringement proceeding that disputes your authorized use of the Marks, then we will reimburse you for your damages and reasonable expenses you incur.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Center’s signs, for any loss of revenue due to any modified or discontinued Mark, any loss of goodwill associated with any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

## Item 14

### **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

No patents or pending patent applications are material to the franchise. We claim copyrights in the Operations Manual (which contains our trade secrets), advertising and marketing materials, and similar items used in operating Five Iron Golf Centers. We have not registered these copyrights with the United States Registrar of Copyrights, but we need not do so at this time to protect them. You may use these items only as we specify while operating the Center (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the best interests of the System or all or some Five Iron Golf Centers, as we solely determine. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

Our Operations Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes, or may in the future include: training and operations materials; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Five Iron Golf Centers; marketing and advertising programs for Five Iron Golf Centers; any computer software or similar technology that is proprietary to us or the System; knowledge of specifications for and suppliers of Five Iron Golf Centers and other products and supplies; knowledge of the operating results and financial performance of Five Iron Golf Centers other than the Center; and graphic designs and related intellectual property.

All ideas, concepts, inventions, techniques, or materials concerning a Five Iron Golf Center, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others. You agree to have our then current form of “Nondisclosure and Non-Competition Agreement” executed by all of the following persons: (i) your Location Manager and any supervisory or other employees of yours who have received or will receive training from us, prior to their employment; (ii) if you are an entity, all your officers, directors, shareholders, partners, members and owners, and those of any entity directly or indirectly controlling you, at the same time the Franchise Agreement is signed, or at such time as they assume such status and (iii) you, your owners and your and your owners’ spouses. You agree to provide us copies of all

executed Nondisclosure and Non-Competition Agreements no later than 10 days following their execution. We will be a third party beneficiary of each Nondisclosure and Non-Competition Agreement with independent enforcement rights.

### **Item 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

If you are a legal entity, you must appoint a shareholder, member, or partner (as applicable) to be your “Managing Owner,” responsible for overseeing and supervising the Center’s operation. The Managing Owner must ensure that you maintain a competent, conscientious, trained staff, including a fully-trained, full-time general manager who acts as the “Location Manager” of the Center with responsibility for direct supervision of the Center. The Center must at all times be under the full-time direct, on-premises management of a Location Manager we have approved. You (or your Managing Owner) and the Location Manager are responsible for conducting day-to-day business activities at the Center. You must at all times faithfully, honestly, and diligently perform your contractual obligations and use best efforts to promote and enhance the Center. System Standards may regulate the Center’s staffing levels, identifying the Center’s personnel, and employee qualifications, training, dress, and appearance. You must ensure that the Location Manager agrees to sign our form non-disclosure and non-competition agreement whereby that individual agrees not to divulge our confidential information and signs a covenant not to compete.

If you are a corporation, limited liability company, or partnership, your owners must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. Depending on the creditworthiness of the owners of the Center and the community property laws of the states in which they reside, we may require that the spouse of each owner also sign a personal guaranty agreement. The required form of “Guaranty and Assumption of Obligations” is attached to the Franchise Agreement.

### **Item 16**

#### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell all goods and perform all services that we periodically require for Five Iron Golf Centers. You may not offer or sell any products or perform any services that we have not authorized. (See Item 8) Our System Standards may regulate: (i) required and/or authorized equipment including the golf simulator bays and related equipment required at the Center, materials, supplies, ingredients, recipes, menu items, proprietary products and other products and services; and (ii) unauthorized and prohibited services, products, equipment, materials, supplies, ingredients and recipes. We periodically may change required and/or authorized services or other products, including menu items and proprietary products. There are no limits on our right to do so. (See Item 8)

You may conduct business only with customers or members at the Center. Subject to applicable law, the Center must only accept payments from customers or members in the form of credit and debit cards, mobile payments and any other methods of payment we may specifically authorize in writing. We do not restrict the customers or members whom you may serve at the Center. You must

advertise and solicit customers and members for the Center only within the Territory and you may not operate the Center outside the Territory. You may not operate the Center, or offer products for sale from any physical location other than at the Premises.

**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.**

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 1.E of Franchise Agreement	10 years from the Effective Date of the Franchise Agreement.
	Development Agreement Rider	Term of Development Agreement Rider depends on development obligations.
b. Renewal or extension of the term	Section 1.E and Section 13 of Franchise Agreement	If you are in full compliance, you may acquire 2 successor franchise terms of 5 years each, or as long as you have the right to maintain possession of the Premises, whichever is less. The successor franchises will be on our then current form of Franchise Agreement (which may contain materially different terms and conditions than your original franchise agreement).
	Development Agreement Rider	No renewal or extension of Development Agreement Rider.
c. Requirements for franchisee to renew or extend	Section 13 of Franchise Agreement	To “renew,” you must be in full compliance with the Franchise Agreement; give us timely notice; pay us the renewal fee; maintain possession of the Premises or find

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		<p>acceptable substitute premises; remodel the Center according to our then current standards (regardless of cost); and sign our then current Franchise Agreement, a release (if law allows), and other documents we use to grant franchises.</p> <p>The terms of our then current Franchise Agreement that you sign for renewal of the franchise may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Document, including reduced Territory and increased fees.</p>
	Development Agreement Rider	Not applicable under Development Agreement Rider.
d. Termination by franchisee	Sections 14.A and 14.G of Franchise Agreement	If we breach the Franchise Agreement and an arbitrator determines that we did not cure default after notice from you.
	Development Agreement Rider	Not applicable under Development Agreement Rider.(subject to state law)
e. Termination by franchisor without cause	Not applicable under Franchise Agreement.	Not applicable under Franchise Agreement.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
f. Termination by franchisor with cause	Section 14.B of Franchise Agreement	We may terminate your franchise agreement only if you or your owners commit one of several violations. Termination of the Franchise Agreement may result in

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		the termination of the Development Agreement Rider.
	Section 8 of Development Agreement Rider	We may terminate your development rights only if you or your owners commit one of several violations. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.
g. "Cause" defined-curable defaults	Section 14.B of Franchise Agreement	You have 72 hours to cure any health, safety or sanitation law, ordinance, or regulation regulating the operation of the Center; 10 days to cure monetary defaults; 15 days for failure to maintain required insurance; 30 days to cure operational defaults and other defaults not listed in (h) below, including to pay amounts owed to suppliers and other third party vendors; and 180 days to relocate the Premises to a new site we approve if you lose possession of the Premises. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.
	Development Agreement Rider	Not applicable under Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
h. “Cause” defined- non-curable defaults	Sections 14.B and 14.C of Franchise Agreement	<p>Non-curable defaults include: misrepresentation in acquiring the franchise; failure to locate and submit to us a lease for a site within 120 days; failure to deliver a signed lease addendum within 7 days after its execution; failure to open and operate the Center within 365 days from signing the Franchise Agreement; failure to complete training; abandonment; unapproved transfers; conviction of a felony, crime involving moral turpitude, or other crime; dishonest or unethical conduct; making an unauthorized representation or warranty on our behalf; unauthorized use or disclosure of the Operations Manual or other confidential information; failure to pay taxes; understating Gross Sales; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; violation of any anti-terrorism law; knowingly maintaining false books or records or submitting false reports; refusing to permit us to inspect the Center or your books, records, or accounts; termination of any other agreement between you (or your owners or affiliates) and us (or our owners and affiliates) due to failure to comply with the agreement. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.</p>

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Section 8 of Development Agreement Rider	We may terminate the Development Agreement Rider if you do not meet development schedule or other obligations; if the Franchise Agreement or any other franchise agreement between us and you (or your affiliated entity) is terminated by us for cause or by you for any or no reason; or we have delivered formal notice of default to you (or your affiliated entity) under the Franchise Agreement or another franchise agreement (whether or not default is cured). Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement.
i. Franchisee’s obligations on termination/ nonrenewal	Section 15 of Franchise Agreement	Obligations include paying outstanding amounts; paying Brand Damages (if applicable); complete de-identification; assigning telephone and other numbers; and returning confidential information (also see (o) and (r) below)
	Development Agreement Rider	Not applicable under Development Agreement Rider.
j. Assignment of contract by franchisor	Section 12.A of Franchise Agreement	No restriction on our right to assign; we may assign without your approval.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
k. “Transfer” by franchisee – defined	Section 12.B of Franchise Agreement	Includes transfer of Franchise Agreement, the Center (or its profits, losses or capital appreciation), sale of Operating Assets, and ownership change in you or your owners.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Section 9 of Development Agreement Rider	Assignment of Franchise Agreement developed in connection with a Development Agreement Rider; change in developer's ownership (whether or not the change involves a controlling ownership interest), transfer of the Development Rider separate and apart from the Franchise Agreement, or an attempt to assign development rights.
l. Franchisor approval of transfer by franchisee	Section 12.B of Franchise Agreement	No transfer without our prior written consent unless such transfer is a non-controlling share of ownership interests in you to a transferee who meets our then-current standards for Five Iron Golf Center owners, you provide us notification of such transfer and you pay us a transfer fee equal to 25% of our then-current initial franchise fee.
	Section 9 of Development Agreement Rider	Your development rights under the Development Agreement Rider are not assignable at all.
m. Conditions for franchisor approval of transfer	Section 12.C of Franchise Agreement	New franchise owner qualifies (based on business experience, aptitude and financial resources); you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no default during 60-day period before transfer request or during period between request and transfer's proposed effective date; new franchise owner (and its owners and affiliates) are not in a Competitive Business; training completed; your landlord allows the transfer or sublease of your lease;

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		you or transferee signs our then current Franchise Agreement and other documents; transfer fee paid; you sign release (if law allows); we approve material terms; you subordinate amounts due to you; you de-identify; and you correct existing Center deficiencies of which we notify you on a punch-list (also see (r) below).
	Development Agreement Rider	Not applicable under Development Agreement Rider.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12.G of Franchise Agreement	We may match any offer for the Center or an ownership interest in you.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
o. Franchisor's option to purchase franchisee's business	Section 15.E of Franchise Agreement	We have the option to purchase the Center's Operating Assets upon termination or expiration of the franchise term or if we or a significant portion of our assets are purchased or acquired during the franchise term.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
p. Death or disability of franchisee	Section 12.E of Franchise Agreement	Your or your managing owner's representative must assign the franchise or an ownership interest in you to an approved party within 6 months; substitute management must be appointed within 15 days; we may assume management of the Center and collect \$500 per day plus our costs and expenses if the

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		Center is not being managed properly
	Development Agreement Rider	Not applicable under Development Agreement Rider.
q. Non-competition covenants during the term of the franchise	Section 7 of Franchise Agreement	No diverting business; no ownership interest in, performing services for, or lending money to, Competitive Businesses anywhere (“Competitive Business” means (i) any business that offers the same or similar products and services as offered by Five Iron Golf Centers or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph (i) (other than Five Iron Golf Center operated under a franchise agreement with us) (subject to state law).
	Development Agreement Rider	Not applicable under Development Agreement Rider.
r. Non-competition covenants after the franchise is terminated or expires	Section 15.D of Franchise Agreement	No direct or indirect ownership interest in, or performing services for, competing business for 2 years at the Premises where the Center is located; within the Territory; within a 10 mile radius of the Territory; or within 10 miles of any other Five Iron Golf Center in operation or under construction as of date Franchise Agreement expires or is terminated (subject to state law).
	Development Agreement Rider	Not applicable under Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
s. Modification of the agreement	Section 17.I of Franchise Agreement	No modifications except by written agreement signed by both us and you, but we may change Operations Manual and System Standards.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
t. Integration/merger clause	Section 17.M of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
u. Dispute resolution by arbitration or mediation	Section 17.E of Franchise Agreement	There is no requirement to mediate. We and you must arbitrate all disputes in the city where our then current principal business address is located (currently, New York, New York)
	Development Agreement Rider	Not applicable under Development Agreement Rider.
v. Choice of forum	Section 17.G of Franchise Agreement	Subject to the requirement to arbitrate, litigation generally must be in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, New York, New York) (subject to state law)
	Development Agreement Rider	Not applicable under Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
w. Choice of law	Section 17.F of Franchise Agreement	Except for Federal Arbitration Act and other federal law, New York law governs (subject to state law)
	Development Agreement Rider	Not applicable under Development Agreement Rider.

### Item 18

### PUBLIC FIGURES

We currently do not use any public figures to promote franchises for Five Iron Golf Centers.

### 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.

In this Item 19, we provide certain historical operating results of company-owned Five Iron Golf Centers during the 12 month period beginning March 1, 2024 and ending February 28, 2025 (the “Measurement Period”). In total, 15 of our 25 company-owned Five Iron Golf Centers are represented in this Item 19 (the “Selected Company Centers”), each of which operated continuously throughout the Measurement Period. We excluded (i) 3 company-owned Five Iron Golf Centers because they use third-party service providers for their food operations, which is atypical of a Five Iron Golf Center and is not permitted as part of our franchise offering; (ii) 3 company-owned Five Iron Golf Centers that were closed for multiple months for renovations during the Measurement Period; (iii) 1 company-owned Five Iron Golf Center because it features less than 8 simulators, which is atypical of a Five Iron Golf Center and is outside of the prototypical Five Iron Golf franchise offering, and (iv) 3 company-owned Five Iron Golf Centers that opened during the Measurement Period. No franchised Five Iron Golf Center operated for the entire Measurement Period.

**AVERAGE GROSS SALES, OPERATING EXPENSES,  
AND EBITDA FOR COMPANY-OWNED FIVE IRON GOLF CENTERS  
TABLE 1 – ALL 15 SELECTED COMPANY CENTERS**

	<b>Gross Sales</b>	<b>COGS</b>	<b>COGS %</b>	<b>Labor</b>	<b>Labor %</b>	<b>EBITDA</b>	<b>EBITDA %</b>	<b>Imputed Royalties</b>	<b>Adjusted EBITDA</b>
Average	\$2,723,906	\$492,222	18%	\$661,575	24%	\$764,996	28%	\$190,673	\$574,323
Median	\$2,210,894	\$398,697	18%	\$571,933	26%	\$500,815	23%	\$154,763	\$346,052
High	\$6,170,413	\$1,081,548	18%	\$1,312,648	21%	\$2,618,611	42%	\$431,929	\$2,187,682
Low	\$1,478,814	\$305,849	21%	\$533,280	36%	\$57,480	4%	\$103,517	\$(46,307)

Table 1 contains information for the 15 Selected Company Centers described above in this Item 19. Of the 15 Selected Company Centers listed in the above Table 1, 5 (or 33%) met or exceeded the total average Gross Sales of \$2,723,906; 5 (or 33%) met or exceeded the total average COGS of \$492,222; 4 (or 27%) of the Selected Company Centers met or exceeded the total average Labor expense of \$661,575; and 5 (or 33%) of the Selected Company Centers met or exceeded the total average EBITDA of \$764,996.

**TABLE 2 – MIDDLE 60 % OF SELECTED COMPANY CENTERS**

	<b>Gross Sales</b>	<b>COGS</b>	<b>COGS %</b>	<b>Labor</b>	<b>Labor %</b>	<b>EBITDA</b>	<b>EBITDA %</b>	<b>Imputed Royalties</b>	<b>Adjusted EBITDA</b>
Average	\$2,225,397	\$420,279	19%	\$583,992	21%	\$542,493	24%	\$155,778	\$386,715
Median	\$2,210,894	\$398,697	18%	\$571,933	26%	\$500,815	23%	\$154,763	\$346,052
High	\$3,016,150	\$586,576	19%	\$640,278	21%	\$847,332	28%	\$211,131	\$636,202
Low	\$1,696,296	\$200,225	18%	\$525,446	31%	\$223,595	13%	\$118,741	\$104,855

Table 2 removes from the dataset the (i) 3 Selected Company Centers with the lowest annual Gross Sales and the (ii) 9 Selected Company Centers with the highest annual Gross Sales, and only contains information related to 10 of the Selected Company Centers, which account for the middle 60% of the dataset listed in Table 1. Of the 9 Selected Company Centers listed in the above Table 2, 4 or 44% met or exceeded the total average Gross Sales of \$2,225,397; 3 or 33% met or exceeded the total average COGS of \$420,279; 4 or 44% of the Company Centers met or exceeded the total average Labor expense of \$583,992; and 4 or 44% of the Company Centers met or exceeded the total average EBITDA of \$542,493.

Notes to Both Tables:

1. The Selected Company Centers in Table 1 have been open for an average of 3.1 years. On average, there are 12 simulator bays in the Selected Company Centers. The Selected Company Center with the lowest number of simulator bays is 10 while the Selected Company Center with the highest number of simulator bays is 15. There may be additional sources of revenue and expenses at the Selected Company Centers as compared to franchised Five Iron Golf Centers including partnership and licensing fees, corporate overhead such as travel expenses, benefit packages for senior-level employees, additional software fees and additional marketing costs. The Selected Company Centers do not pay Royalties. The Selected Company Centers spent an average of 3.89% of Gross Sales on marketing related expenditures, which includes the 2% of Gross Sales that each Selected Company

Center contributed to the Brand Fund once the Brand Fund was established in April 2024. These marketing expenses are accounted for in the above tables. Other than as noted herein, we do not anticipate any material financial or operational differences between the Selected Company Centers and franchised Five Iron Golf Centers.

2. “Gross Sales” means all revenue derived from operating a Selected Company Center, including, but not limited to, all amounts that we receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to a Selected Company Center, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and members and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs a Selected Company Center in good faith gives to customers or members.

3. “COGS” means Cost of Goods Sold and includes costs related to our food and beverage program, event costs and commissions, golf pro salaries and commissions, in addition to other miscellaneous costs of goods such as merchandise. “COGS %” means the COGS expense as a percentage of the reported total average Gross Sales of the Selected Company Centers. The COGS % in the row labeled “High” is the COGS % of the highest-grossing Selected Company Centers in the respective tables, while the COGS % in the row labeled “Low” is the COGS % of the lowest-grossing Selected Company Centers in the respective tables.

4. “Labor” includes salaries, wages for hourly staff, and payroll taxes incurred by the Selected Company Centers. Salaries, wages and related payroll expenses vary substantially depending on the geographic location of the Selected Company Center, demands on the local labor pool, state and federally mandated minimum wage laws, changes in state and federal laws affecting benefits and the level of benefits (i.e., medical insurance, vacation and bonuses) provided. “Labor %” means the Labor expense as a percentage of the reported total average Gross Sales. The Labor % in the row labeled “High” is the Labor % of the highest grossing Selected Company Centers in the respective tables, while the Labor % in the row labeled “Low” is the Labor % of the lowest grossing Selected Company Centers in the respective tables. Wages and costs related to golf instructors at the Selected Company Centers are not included in “Labor” because contract structures vary across the Selected Company Centers, but as noted above, wages and costs related to golf instructors are included as part of COGS.

5. “EBITDA” means Earnings Before Interest, Taxes, Depreciation and Amortization. “EBITDA %” means EBITDA as a percentage of the reported total average Gross Sales. The EBITDA % in the row labeled “High” is the EBITDA % of the highest grossing Selected Company Centers in the respective tables, while the EBITDA % in the row labeled “Low” is the EBITDA% of the lowest grossing Selected Company Centers in the respective tables.

6. Franchised Five Iron Golf Centers are required to pay Royalties that Selected Company Centers do not have to pay. “Imputed Royalties” in Tables 1 and 2, therefore, means imputed Royalties of 7% of Gross Sales that the Selected Company Centers would have paid if they were franchised Five Iron Golf Centers.

7. “ADJ EBITDA” means EBITDA (see note 5) minus Imputed Royalties (see Note 6).

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

Written substantiation for the financial performance representations in Item 19 is available to you upon reasonable request.

Other than the preceding financial performance representations, we do 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 Five Iron Golf Center, however, we may provide you with the actual records of that Five Iron Golf Center. If you receive any other financial performance information or projections of your future income, you should report it the franchisor's management by contacting Katherine Solomon, Chief Legal Officer, at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 and (212) 419-3875; the Federal Trade Commission; and the appropriate state regulatory agencies.

**Item 20**

**OUTLETS AND FRANCHISEE INFORMATION**

**Table 1  
Systemwide Outlet Summary  
For years 2022 to 2024\***

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of Year</b>	<b>Outlets at the End of Year</b>	<b>Net Change</b>
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	3	+3
Company Owned	2022	10	15	+5
	2023	15	22	+7
	2024	22	25	+3
<b>Total Outlets</b>	2022	10	15	+5
	2023	15	22	+7
	2024	22	28	+6

\*The totals in the Item 20 Tables do not include the Licensed Center.

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2022 to 2024**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
All States	2022	0
	2023	0
	2024	0
<b>Totals</b>	2022	0
	2023	0
	2024	0

**Table 3**  
**Status of Franchised Outlets**  
**For years 2022 to 2024**

<b>Col. 1</b>	<b>Col. 2</b>	<b>Col. 3</b>	<b>Col. 4</b>	<b>Col. 5</b>	<b>Col. 6</b>	<b>Col. 7</b>	<b>Col. 8</b>	<b>Col. 9</b>
<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Terminations</b>	<b>Non-Renewals</b>	<b>Reacquired By Franchisor</b>	<b>Ceased Operations - Other Reasons</b>	<b>Outlets at End of the Year</b>
Kentucky	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Oklahoma	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Pennsylvania	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
All Other States	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3

**Table 4**  
**Status of Company-Owned Outlets**  
**For years 2022 to 2024**

<b>Col. 1</b>	<b>Col. 2</b>	<b>Col. 3</b>	<b>Col. 4</b>	<b>Col. 5</b>	<b>Col. 6</b>	<b>Col. 7</b>	<b>Col. 8</b>
<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Outlets Reacquired From Franchisee</b>	<b>Outlets Closed</b>	<b>Outlets Sold to Franchisee</b>	<b>Outlets at End of the Year</b>
Georgia	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
Illinois	2022	2	1	0	0	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
Indiana	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
Maryland	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Massachusetts	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
Michigan	2022	0	1	0	0	0	1
	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
Minnesota	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
New York	2022	3	1	0	0	0	4
	2023	4	2	0	0	0	6
	2024	6	0	0	0	0	6
Nevada	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Ohio	2022	0	0	0	0	0	0
	2023	0	2	0	0	0	2
	2024	2	0	0	0	0	2
Pennsylvania	2022	2	1	0	0	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
Washington	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacqui- red From Franchi- see	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchi- see	Col. 8 Outlets at End of the Year
	2024	1	1	0	0	0	2
Washington DC	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
All Other States	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
<b>Totals</b>	2022	10	5	0	0	0	15
	2023	15	7	0	0	0	22
	2024	22	3	0	0	0	25

**Table 5**  
**Projected Openings as of December 31, 2024**

Column 1 State	Column 2 Franchise Agreements Signed but Outlets Not Opened	Column 3 Projected New Franchised Outlets In The New Fiscal Year	Column 4 Projected New Company-Owned Outlets In The New Fiscal Year
Florida	1	1	0
Massachusetts	0	0	1
Missouri	1	1	0
New York	1	2	0
Pennsylvania	0	0	1
Tennessee	0	1	0
Texas	1	1	0
All Other States	0	0	0
<b>Totals</b>	4	6	2

The names, addresses and telephone numbers of our franchisees as of the conclusion of our last fiscal year are listed in Exhibit I.

During our most recently completed fiscal year ended December 31, 2024, no franchisee (i) had an outlet terminated, cancelled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement, or (ii) has not communicated with us within 10 weeks of the date of issuance of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In the past 3 years, franchisee(s) have signed confidentiality clauses. In some instances, current and former franchisee(s) sign provisions restricting their ability to speak openly about their experience with the Five Iron Golf franchise system. You may wish to speak with current and former franchisee(s), but be aware that not all such franchisee(s) will be able to communicate with you.

There are currently no trademark-specific franchise owner organizations associated with the franchise system.

## **Item 21**

### **FINANCIAL STATEMENTS**

Exhibit F contains our (i) unaudited financial statements as of March 31, 2025, and (ii) audited financial statements as of and for the years ended December 31, 2024 and December 31, 2023, and for the period from April 5, 2022 (our inception) to December 31, 2022. We have not been in business for 3 years or more and cannot include all financial statements required by the FTC Rule for our last 3 fiscal years. Our fiscal year end is December 31.

## **Item 22**

### **CONTRACTS**

The following agreements are exhibits:

- (a) Exhibit C Franchise Agreement
- (b) Exhibit D Development Agreement Rider
- (c) Exhibit E State Addenda to Franchise Agreement
- (d) Exhibit H Sample Form of General Release
- (e) Exhibit J Franchise Owner Disclosure Questionnaire

## **Item 23**

### **RECEIPTS**

Our and your copies of the receipt to this Disclosure Document are located at the last 2 pages of this Disclosure Document.

## **EXHIBIT A - List of State Administrators**

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

### **CALIFORNIA**

Commissioner  
Department of Financial Protection and  
Innovation  
320 West Fourth Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7500  
Toll Free: (866) 275-2677

### **HAWAII**

Commissioner of Securities  
Business Registration Division  
Department of Commerce  
and Consumer Affairs  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2744

### **ILLINOIS**

Illinois Office of the Attorney General  
Franchise Bureau  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465

### **INDIANA**

Secretary of State  
Franchise Section  
302 West Washington Street, Room E-111  
Indianapolis, Indiana 46204  
(317) 232-6681

### **MARYLAND**

Office of the Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-6360

### **MICHIGAN**

Michigan Attorney General’s Office  
Consumer Protection Div., Franchise Section  
525 West Ottawa Street  
G. Mennen Williams Building, 1st Floor  
Lansing, Michigan 48913  
(517) 335-7567

### **MINNESOTA**

Commissioner of Commerce  
Department of Commerce, Securities Unit  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1600

### **NEW YORK**

New York State Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, NY 10005  
(212) 416-8222

### **NORTH DAKOTA**

North Dakota Securities Department  
600 East Boulevard Avenue, State Capitol  
14<sup>th</sup> Floor  
Bismarck, North Dakota 58505-0510  
(701) 328-2910

### **OREGON**

Oregon Division of Finance and Corporate Securities  
350 Winter Street NE, Room 410  
Salem, Oregon 97301-3881  
(503) 378-4140

**RHODE ISLAND**

Department of Business Regulation  
Securities Division  
Bldg. 69, First Floor  
John O. Pastore Center  
1511 Pontiac Avenue  
Cranston, Rhode Island 02920  
(401) 222-3048

**SOUTH DAKOTA**

Division of Insurance  
Securities Regulation  
124 South Euclid Avenue, 2<sup>nd</sup> Floor  
Pierre, South Dakota 57501  
(605) 773-3563

**WISCONSIN**

Office of the Commissioner  
Wisconsin Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, WI 53705  
(608) 266-0448

**VIRGINIA**

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 East Main Street, 9th Floor  
Richmond, Virginia 23219  
(804) 371-9051

**WASHINGTON**

Department of Financial Institutions  
Securities Division  
P.O. Box 41200  
Olympia, Washington 98504-1200  
(360) 902-8760

**EXHIBIT B - List of State Agents for Service of Process**

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

**CALIFORNIA**

Commissioner  
Department of Financial Protection and  
Innovation  
320 West Fourth Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7500  
Toll Free: (866) 275-2677

**HAWAII**

Commissioner of Securities  
Business Registration Division  
Department of Commerce  
and Consumer Affairs  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2722

**ILLINOIS**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-1090

**INDIANA**

Secretary of State  
Franchise Section  
200 West Washington Street  
Indianapolis, Indiana 46204  
(317) 232-6531

**MARYLAND**

Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-6360

**MICHIGAN**

Michigan Department of Labor and Economic  
Growth  
Corporations Division, Bureau of Commercial  
Service  
P.O. Box 30054  
Lansing, Michigan 48909  
(517) 373-7117

**MINNESOTA**

Commissioner of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1600

**NEW YORK**

New York Secretary of State  
New York Department of State  
One Commerce Plaza,  
99 Washington Avenue, 6th Floor  
Albany, NY 12231-0001  
(518) 473-2492

**NORTH DAKOTA**

North Dakota Securities Commissioner  
600 East Boulevard Avenue, State Capitol  
14<sup>th</sup> Floor  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

**OREGON**

Oregon Division of Finance and Corporate  
Securities  
350 Winter Street NE, Room 410  
Salem, Oregon 97301-3881  
(503) 378-4387

**RHODE ISLAND**

Director of Department of Business Regulation  
Department of Business Regulation  
Securities Division  
1511 Pontiac Avenue  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

Division of Insurance  
Director of the Securities Regulation  
124 South Euclid Avenue, 2<sup>nd</sup> Floor  
Pierre, South Dakota 57501  
(605) 773-3563

**WISCONSIN**

Commissioner of Securities  
Wisconsin Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, WI 53705  
(608) 266-9555

**VIRGINIA**

Clerk of the State Corporation Commission  
1300 East Main Street, 9th Floor  
Richmond, Virginia 23219  
(804) 371-9733

**WASHINGTON**

Director of Department of Financial Institutions  
Securities Division – 3<sup>rd</sup> Floor  
150 Israel Road, S.W.  
Tumwater, Washington 98501  
(360) 902-8760

**EXHIBIT C – Franchise Agreement**

**FIVE IRON GOLF FRANCHISING LLC**  
**FRANCHISE AGREEMENT**

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**FRANCHISE OWNER**

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**DATE OF AGREEMENT**

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**FIVE IRON GOLF CENTER ADDRESS**

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EXHIBIT D NONDISCLOSURE AND NON-COMPETITION AGREEMENT  
EXHIBIT E GUARANTY AND ASSUMPTION OF OBLIGATIONS

**FIVE IRON GOLF FRANCHISING LLC**  
**FRANCHISE AGREEMENT**

**THIS FRANCHISE AGREEMENT** (the “Agreement”) is made and entered into by and between **FIVE IRON GOLF FRANCHISING LLC**, a **limited liability company organized under the laws of New York**, located at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“we,” “us,” or “our”), and \_\_\_\_\_, whose principal business address is \_\_\_\_\_ (“you” or “your”) as of the date signed by us and set forth opposite our signature on this Agreement (the “Effective Date”).

**1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.**

**A. PREAMBLES.**

(1) We and our affiliates have, over a considerable time period and with considerable effort, developed (and continue to develop and modify) a system and franchise opportunity for the operation of businesses that offer Golf Related Offerings and Restaurant Related Offerings (each as defined below) and operate under the “Five Iron Golf” name and other Marks (as defined below) (“Five Iron Golf Centers”). Five Iron Golf Centers operate using distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications, and the Marks, all of which we may improve, further develop, or otherwise modify at any time and from time to time (collectively, the “System”).

(2) Five Iron Golf Centers are high-tech, multi-functional indoor golf simulator and entertainment facilities open to the general public and offer top-of-the-line golf simulator bays, professional golf lessons, custom golf club fittings, weekly league play, monthly memberships, club storage, events of all sizes, ancillary game options, retail items and other products and services we require (collectively, “Golf Related Offerings”).

(3) Five Iron Golf Centers all contain a full restaurant and bar that serves high-end food and beverage products, which are prepared according to our specified recipes and procedures and use high quality ingredients, including all food and beverage items, ingredients, condiments and other products, services and equipment (collectively the “Food Related Offerings”).

(4) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating Five Iron Golf Centers, which have gained and will continue to gain public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for Five Iron Golf Centers (collectively, the “Marks”).

(5) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a Five Iron Golf Center using the System and offering the Golf Related Offerings, Restaurant Related Offerings, and related products and services we authorize.

(6) As a franchise owner of a Five Iron Golf Center, you will comply with this Agreement and all System Standards (defined in Subsection 4.D) in order to maintain the high and consistent quality that is critical to attracting and maintaining customers and Members (as defined in Section 1.G(3)) for Five Iron Golf Centers.

(7) You have applied for a franchise to own and operate a Five Iron Golf Center.

**B. ACKNOWLEDGMENTS.**

You acknowledge:

(1) That you have independently investigated the Five Iron Golf Center franchise opportunity and recognize that, like any other business, the nature of the business a Five Iron Golf Center conducts may, and probably will, evolve and change over time.

(2) That an investment in a Five Iron Golf Center involves business risks that could result in the loss of a significant portion or all of your investment.

(3) That your business abilities and efforts are vital to your success.

(4) That attracting customers and Members for your Five Iron Golf Center will require you to make consistent marketing efforts in your community through various methods, including media advertising, social media, direct mail advertising, and display and use of in-center promotional materials.

(5) That retaining customers and Members for your Five Iron Golf Center will require you to have a high level of customer service and adhere strictly to the System and our System Standards and that you are committed to maintaining System Standards.

(6) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a Five Iron Golf Center.

(7) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(8) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(9) That you and your guarantors have received as one document at one time, either personally or by registered mail, a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of

you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposit permitted under applicable law).

(10) That you have read this Agreement and our Franchise Disclosure Document and understand and accept that this Agreement's terms and covenants are reasonably necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards with respect to every Five Iron Golf Center, and to protect and preserve the goodwill of the Marks.

(11) That we will restrict your sources of products and supplies and have the right to restrict your sources of other goods and services as well, as provided in various sections of this Agreement, including Section 8 below.

(12) That we have not made any representation, warranty, or other claim regarding this Five Iron Golf Center franchise opportunity, other than those made in this Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including by using your business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Agreement.

(13) That you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning the Five Iron Golf Center franchise opportunity.

(14) That you have been afforded an opportunity, and have been encouraged by us, to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waived your right to do so.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.**

If you are at any time a corporation, limited liability company, general or limited partnership, or other form of business entity (each, an "Entity"), then you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents, operating agreement, or partnership agreement, as applicable, will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions;

(3) **Exhibit A** to this Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date;

(4) Each of your owners during the Term (as defined in Subsection E below) and any Renewal Term (as defined in Subsection E below) will execute a guaranty in the form attached to this Agreement as **Exhibit E** undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. Depending on the creditworthiness of the owners and the community property laws of the states in which they reside, we may require that the spouse of each owner sign a guaranty (regardless of whether you are an Entity). Subject to our rights and your obligations under Section 12, you and your owners agree to promptly sign and deliver to us revisions to **Exhibit A** to reflect any permitted changes in the information that **Exhibit A** now contains;

(5) You will appoint a shareholder, member, or partner, as applicable, to be your “Managing Owner,” who will be responsible for overseeing and supervising the operation of the Five Iron Golf Center. The Managing Owner as of the Effective Date is identified in **Exhibit A**. You may not change the Managing Owner without our prior written consent; and

(6) The Center operated hereunder and other Five Iron Golf Centers, if applicable, will be the only businesses you operate (although your owners may have other, non-competitive business interests).

**D. GRANT OF FRANCHISE.**

You have applied for a franchise to own and operate a Five Iron Golf Center at a location we approve, which will be identified on **Exhibit B** (the “Premises”). Subject to this Agreement’s terms, we grant you a franchise (the “Franchise”) to operate a Five Iron Golf Center (the “Center”) at the Premises, and to use the System in its operation, for the Term. You may use the Premises only for the Center. You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote the Center. You will not have the right to provide delivery to offsite [catered] locations without our consent, which we may withhold for any reason or no reason in our sole judgment, including the ability to reasonably withhold our consent to allowing you to deliver or cater to customers located in another franchisee’s assigned territory.

**E. TERM AND RENEWAL.**

(1) **Term.** The term of this Agreement (the “Term”) will begin on the earlier of (i) the first anniversary of the Effective Date; and (ii) when the Center opens, and will expire on the tenth (10<sup>th</sup>) anniversary of the Effective Date, unless this Agreement is sooner terminated as provided herein.

(2) **Renewal Term.** You will have the right, but not the obligation, to enter into Successor Franchise Agreements (as defined in Subsection 13.A below) for up to two (2) additional consecutive franchise terms following the Term (each, a “Renewal Term”). The duration of each Renewal Term will be five (5) years or as long as you have the right to maintain possession of the Premises, whichever is less, provided that you have complied with the conditions and procedures for renewal in Section 13 of this Agreement in connection with the first Renewal Term, and that you comply in the future with the

conditions and procedures for renewal in the Successor Franchise Agreement (as applicable) with respect to the possible second Renewal Term.

**F. YOUR TERRITORIAL RIGHTS.**

Before this Agreement is executed, we will describe in **Exhibit B** a particular geographic area surrounding the Premises (the “Territory”). The exact size and boundaries of the Territory shall be determined in our sole judgment. Provided that you are in full compliance with this Agreement, and except as provided in Subsection G below, we and our affiliates will not operate or grant a franchise for the operation of another Five Iron Golf Center at a location within the Territory during the Term.

**G. RIGHTS WE RESERVE.**

Except as expressly limited by Subsection 1.F above, we and our affiliates retain all rights with respect to Five Iron Golf Centers, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire. Specifically, but without limitation, we reserve the following rights:

(1) the right to operate, and to grant others the right to operate Five Iron Golf Centers located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Center;

(2) the right to establish and operate, and to grant to others the right to establish and operate businesses (including stand-alone golf club fitting areas that may be operated by our designated supplier) offering similar or dissimilar products and services through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(3) the right to market and sell memberships to customers located anywhere (including the Territory) (“Members”) to use all Five Iron Golf Centers then-operating (including the Center);

(4) the right to provide, offer and sell and to grant others the right to provide, offer and sell products and services that are identical or similar to and/or competitive with those products and services provided at Five Iron Golf Centers, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels (including, without limitation, the internet or similar electronic media and any other form of electronic commerce) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(5) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(6) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional

and institutional accounts” are organizational or institutional customers whose presence is not confined to your Territory, including (by way of example only): business entities with offices or branches situated both inside and outside of your Territory; government agencies, branches or facilities; healthcare networks; the military; and any other customer whose presence is not confined to your Territory;

(7) the right to operate, and to grant others the right to operate Five Iron Golf Centers and golf club fitting labs at “Non Traditional Sites” within and outside the Territory on any terms and conditions we deem appropriate. “Non Traditional Sites” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including, without limitation, military bases, airports, stadiums, arenas, major industrial or office complexes, residential buildings, hotels and resorts, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, educational facilities, amusement parks, and sports or entertainment venues;

(8) the right to acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at Five Iron Golf Centers, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(9) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at Five Iron Golf Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

#### **H. MODIFICATION OF SYSTEM.**

Because complete and detailed uniformity under many varying conditions might not be possible or practical, you acknowledge that we specifically reserve the right and privilege, as we deem best, to vary System Standards (defined below) for any franchise owner based upon the peculiarities of any condition that we consider important to that franchise owner’s successful operation. You have no right to require us to grant you a similar variation or accommodation.

#### **I. NATIONAL, REGIONAL AND INSTITUTIONAL ACCOUNTS.**

Only we will have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities or projects within your Territory). If we receive contracts for any Five Iron Golf services and/or products calling for performance or delivery in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill such contracts at the price we agree on with the client or to give you the opportunity to fulfill such contracts at the price we agree on with the client. If we give you the opportunity to fulfill such contracts and if, for any reason, you do not desire to or cannot serve the client, or if the client desires for any or no reason to deal exclusively with us, our affiliate or another franchisee and not with you, then we, our affiliate or any other Five Iron Golf Center may serve the client within your

Territory, and you will not be entitled to any compensation. The procedures governing our national, regional and institutional accounts program are set forth in our Operations Manual.

2. **SITE SELECTION, LEASE OF PREMISES, AND DEVELOPMENT AND OPENING OF CENTER.**

A. **SITE SELECTION.**

If we have approved a location for the Center before the execution of this Agreement, the Premises will be set forth on **Exhibit B**. If we and you have not agreed upon an approved location for the Center before signing this Agreement, then you are responsible for selecting the site for the Center within the geographic area described in **Exhibit B** (the “Designated Area”). The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. You agree to obtain our written approval of the Center’s proposed site within the Designated Area before signing any lease, sublease, or other document for the site. We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. We will not unreasonably withhold our approval of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site’s size, appearance, and other physical characteristics.

You agree to send us a description of the proposed site within the Designated Area, including a summary of the items listed above, along with a letter of intent or other evidence confirming your favorable prospects for obtaining the proposed site. We will use reasonable efforts to approve or disapprove the proposed site within the Designated Area within thirty (30) days after receiving your written proposal. Notwithstanding our time to review and approve or disapprove any site you propose, you must have submitted and received our approval of an acceptable site within the Designated Area no later than one hundred twenty (120) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14 below. Upon our approval of a site within the Designated Area, and after you secure the site, we will insert its address into **Exhibit B**, and it will be the Premises. You may operate the Center only at the Premises.

You acknowledge and agree that, if we suggest, approve, or give you information regarding a site for the Premises, our action is not a representation or warranty of any kind, express or implied, of the site’s suitability for a Five Iron Golf Center or any other purpose. Our action indicates only that we believe that the site meets our then acceptable criteria. Applying criteria that has appeared effective with other sites and premises might not accurately reflect the potential for all sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site and premises. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site and premises we suggest or approve for the location of a Five Iron Golf Center fails to meet your expectations. Accordingly, you acknowledge and agree that your acceptance of the Franchise pursuant to this Agreement is based on your own independent investigation of the site’s suitability for the Premises.

**B. LEASE OF PREMISES.**

You must submit a proposed lease, sublease or other rental agreement for the Premises (each a “Lease”) for our review no later than one hundred twenty (120) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14.B below. Any and all Leases that you propose or enter into must: (i) be in a form and contain substance we require, and (ii) include our form of addendum to lease agreement attached hereto as **Exhibit C** (the “Lease Addendum”) containing certain required terms and provisions applicable to the Lease. You must deliver to us fully signed copies of the Lease and Lease Addendum, as accepted by us, within seven (7) days after their execution. You also agree to sign, and have the landlord sign, any other document(s) we deem necessary to record our interest in the Premises in public real estate indices and elsewhere to protect our interests.

You acknowledge that our acceptance of the Lease (including the Lease Addendum, for purposes of the remainder of this Subsection 2.B) does not constitute a guarantee, warranty, or representation of any kind, whether express or implied, as to the Lease’s fairness or suitability, your ability to comply with its terms, or the success or profitability of a Five Iron Golf Center operated at the Premises. Our acceptance of the Lease indicates only that we believe that the Premises and the Lease terms meet our then acceptable criteria. We do not, by virtue of accepting the Lease, assume any liability or responsibility to you or to any third party. You may not modify the Lease if any proposed modification would impact our rights as a third-party beneficiary of provisions of the Lease.

If the Lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate the Center to a new site acceptable to us. You must locate a substitute site, and begin operating the Center from that substitute site, within two hundred seventy (270) days after you lose the right to occupy the Premises. Any other relocation of the Center may only occur if we provide our prior written approval, which we may withhold for any or no reason. Any relocation will be at your sole expense, and we may charge you for the reasonable costs we incur, plus a relocation fee (currently Five Thousand Dollars (\$5,000)) for our services, in connection with any relocation of the Center.

We reserve the right (but we have no obligation) to enter into a master lease for the Premises (or a substitute site you propose), whether directly or through an affiliate, and sublease the Premises (or any substitute site you propose) to you upon mutually agreeable terms regarding fees, rent and deposits. You acknowledge that any master lease that we or our affiliate may enter into for the Premises (or a substitute site you propose) shall neither give rise to any liability on our part (or that of our affiliates), nor shall such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the Premises (or a substitute site you propose) for your Center. You further acknowledge that you shall not be a third-party beneficiary of the master lease and that we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or our affiliate sublease the Premises (or a substitute site you propose) to you, you agree to execute our then current form of sublease, as may be modified or amended by us.

**C. CENTER DEVELOPMENT.**

You are responsible for developing the Center. We will give you mandatory and suggested specifications and layouts for a model Five Iron Golf Center, including requirements for materials, dimensions, design, image, interior layout, decor, fixtures, equipment, signage, graphics, lighting, furnishings, and color scheme. We reserve the right to change these requirements and specifications from time to time as we see fit in our sole and absolute discretion. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (the “ADA”) or similar rules governing public accommodations for persons with disabilities. It is your responsibility to prepare a site survey and all required construction plans and specifications to suit the Premises and to make sure that these plans and specifications comply with the ADA and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions.

You agree to send us construction plans and specifications for review before you begin constructing the Center and all revised or “as built” plans and specifications during construction. We may require you to use an approved or designated architect and/or general contractor (which may include or be limited to us and/or our affiliates) to design and construct the Center, and we reserve the right to require you to submit to us all contractor bids you receive related to the Center for the purpose of recording and benchmarking total construction costs for the future benefit of other franchisees and all Five Iron Golf Centers. Any general contractor or other builders you use must maintain builder’s and/or contractor’s insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us, pursuant to Subsection 8.F below. Because our review is limited to ensuring your compliance with our design requirements, it might not assess compliance with federal, state, or local laws and regulations, including the ADA. Accordingly, you recognize and acknowledge that compliance with these laws is your responsibility. We may inspect the Premises while you are developing the Center.

You agree to do the following, at your own expense, to develop the Center at the Premises:

- (1) secure all financing required to develop and operate the Center;
- (2) obtain all required building, utility, sign, health, sanitation, business, and other permits and licenses;
- (3) construct all required improvements to the Premises and decorate the Center according to approved plans and specifications;
- (4) obtain all customary contractors’ sworn statements and partial and final waivers of lien for construction, remodeling, decorating, and installation services;
- (5) purchase or lease, from required or recommended suppliers, and install, if applicable, according to our specifications, all required fixtures, furniture, equipment (including a required or recommended computer, point-of-sale, and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards, memberships and participate in our gift card,

customer loyalty, membership, and similar programs), equipment for golf simulator bays, furnishings, and signs (collectively, “Operating Assets”) for the Center;

(6) purchase an opening inventory of authorized and approved products, materials, and supplies to operate the Center; and

(7) develop, equip, and operate a golf club fitting space within the Center (if pre-approved by Franchisor) in accordance with the System and all of our standards and specifications.

**D. OPERATING ASSETS.**

You agree to use in operating the Center only those Operating Assets that we approve for Five Iron Golf Centers as meeting our specifications and standards for quality, design, appearance, function, and performance. You agree to place or display at the Premises (interior and exterior) only the signs, emblems, lettering, logos, and display materials that we approve at any time and from time to time. You agree to purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be limited to us and/or our affiliates).

**E. COMPUTER SYSTEM.**

You agree to obtain and use the computer hardware and/or operating software (including point-of-sale equipment and software) we specify at any time and from time to time (the “Computer System”). We may modify specifications for and components of the Computer System. You also agree to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement’s remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our affiliates, or designated suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the Term.

Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in

which your Computer System interfaces with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

The Computer System shall interface with our information technology systems and be electronically linked to us or our designee to enable us (or our designee) to poll such Computer System on a daily or other basis at such times and in such manner as established by us or our designee, with or without notice, and to retrieve such transaction information, including without limitation sales, sales mix, food usage, paper usage, inventory, and other operations data as we and/or our designee deem appropriate. If for any reason polling is not practicable or prohibited by applicable law, we may require you to download such information into machine readable information compatible with the system operated by us, our affiliates, or our agents and to deliver such information to us by such method and at such temporal frequency as we may reasonably require.

You hereby consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchisees, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your customers and Members, as are necessary in order to give effect to the foregoing.

F. **CENTER OPENING.**

We reserve the right to inspect (or designate a third party to inspect) the Center at any time prior to opening. We will provide one (1) site approval visit without fee or costs to you for the first two (2) Five Iron Golf Centers you develop. If additional site visits are required by us or requested by you, subject to the availability of our personnel, site visits will be arranged, and you will be required to pay a fee of Five Hundred Dollars (\$500) plus all expenses associated with the additional site visits. You agree not to open the Center until:

(1) we notify you in writing that the Center meets our standards and specifications and you provide us with evidence of business licenses, permits, inspections and other similar items we request (although our acceptance is not a representation or warranty, express or implied, that the Center complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations nor a waiver of our right to require continuing compliance with our requirements, standards, or policies);

(2) you (or your Managing Owner) and your other employees satisfactorily complete training;

(3) you pay any amounts then due to us; and

(4) you give us certificates for all required insurance policies, or such other evidence of insurance coverage and payment of premiums as we may request.

Subject to your compliance with these conditions, you agree to open the Center for business within eighteen (18) months after the Effective Date of this Agreement, and you acknowledge that your failure to open timely shall be grounds for termination as set forth in Section 14 below.

**3. FEES.**

**A. INITIAL FRANCHISE FEE.**

(1) In consideration of our granting you the Franchise, you agree to pay us a nonrecurring and, except as specifically provided in this Agreement, nonrefundable initial franchise fee (the “Initial Franchise Fee”) equal to Fifty Thousand Dollars (\$50,000), inclusive of any credits of prior paid application fee(s). This fee is due, and fully earned by us, when you sign this Agreement.

(2) You may be eligible to receive a refund of up to fifty percent (50%) of amounts you have paid to us for the Initial Franchise Fee, less our costs and expenses (including travel, sales commissions paid to brokers, etc.) if your required attendees to our initial training program cannot complete initial training to our satisfaction, at which point we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe.

**B. CONTINUING SERVICE AND ROYALTY FEE.**

You agree to pay us, in the manner provided below (or as the Operations Manual otherwise prescribes), a monthly Continuing Service and Royalty Fee (the “Royalty”) equal to seven percent (7%) of the Center’s Gross Sales (defined in Subsection 3.E below). On or before the fifteenth (15<sup>th</sup>) day of each month, you agree to send us on a form we approve (or as we otherwise direct) a signed statement of the Center’s Gross Sales for the preceding month. Each monthly statement of Gross Sales must be accompanied by the Royalty due for the preceding month, if not already otherwise paid for that month in accordance with Subsection 3.H below.

**C. ADVERTISING AND DEVELOPMENT BRAND FUND CONTRIBUTION.**

You agree to contribute to the Brand Fund (as defined in Subsection 9.B below) two percent (2%) of the Center’s Gross Sales per month, payable in the same manner as the Royalty. Brand Fund contributions will be administered and used as set forth in Subsection 9.B below.

**D. TECHNOLOGY FEE.**

You agree to pay us a quarterly technology fee of up to Three Thousand Six Hundred Dollars (\$3,600) (the “Technology Fee”). We reserve the right to increase or decrease the amount of the Technology Fee at any time upon written notice to you. The Technology Fee is not refundable.

E. **DEFINITION OF “GROSS SALES”.**

As used in this Agreement, the term “Gross Sales” means all revenue that you derive from operating the Center, including, but not limited to, all amounts that you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to the Center (including, without limitation, revenues and income you receive from the proceeds of any business interruption insurance policies), but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and Members and paid to the appropriate taxing authority, (2) excluding any customer tips to the Center’s employees, and (3) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Center in good faith gives to customers or Members.

F. **LATE FEES AND INTEREST.**

All amounts which you owe us or our affiliate for any reason, will bear interest accruing as of their original due date at the maximum interest rate permitted by law. If there is no applicable legal maximum rate, interest will be calculated at the rate of one and one-half percent (1.5%) above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal. We may debit your bank account automatically for late fees and interest. You acknowledge that this Subsection 3.F is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Center.

G. **APPLICATION OF PAYMENTS.**

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

H. **METHOD OF PAYMENT.**

Before the Center opens, you agree to sign and deliver to us the documents we require (the current form of which is set forth in **Exhibit E**) to authorize us to debit your business checking account automatically for the Royalty, Brand Fund contributions, and other amounts due under this Agreement and for your purchases from us and/or our affiliates (the “Electronic Depository Transfer Account” or “EDTA”). We will debit the EDTA for these amounts on their due dates. You agree to ensure that funds are available in the EDTA to cover our withdrawals. If there are insufficient funds in the EDTA to cover any such amount owed (or, if you are paying by check and a check is returned for insufficient funds), you must pay us, on demand, a processing fee of Twenty-Five Dollars (\$25), plus reimbursement of our additional administrative expenses and charges. If there are insufficient funds in the EDTA, or if your check is returned for insufficient funds, then we may require you to make all subsequent payments to us by certified check.

If you fail to report the Center’s Gross Sales, we may debit your EDTA for one hundred twenty percent (120%) of the last Royalty and Brand Fund contribution that we debited (together with the late fee noted in Subsection 3.F above). If we discover, once we have determined the

Center's true and correct Gross Sales, that the amounts we debited from your EDTA are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. Conversely, if we discover that the amounts we debited from your EDTA are greater than the amounts you actually owe us, then we will credit an amount equal to: (i) the excess against the amounts we otherwise would debit from your EDTA during the following month, (ii) less a two percent (2%) administrative fee on that excess amount that we will retain for having to conduct this process due to your failure to report.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by check) whenever we deem appropriate, and you agree to comply with our payment instructions.

#### **4. TRAINING AND ASSISTANCE.**

##### **A. INITIAL TRAINING.**

(1) If this is your first or second Five Iron Golf Center, then before the Center is scheduled to open for business, we will train you (or, if you are an Entity, your Managing Owner), the manager-level employee you appoint (your "Location Manager") and one lead trainer that you appoint, who could also be your Managing Owner or Location Manager (your "Lead Trainer" and collectively with the Managing Owner and Location Manager, the "Required Trainees") on the material aspects of operating a Five Iron Golf Center. These persons must complete the initial training to our satisfaction at least twelve (12) weeks before the Center opens. No additional initial training will be provided to you and the Required Trainees after your second Five Iron Golf Center opens.

(2) Initial training may include pre-training that you can complete at home, such as web-based training modules. You may be required to produce evidence of any certification and attendance records relating to the pre-training we require, and may need to pass a test on the pre-training material provided by us prior to attending our initial training program. If pre-training is not completed to our satisfaction at least six (6) weeks before you attend our initial training program, and our initial training program (as discussed below) needs to be rescheduled as a result, you will pay an additional fee of Five Thousand Dollars (\$5,000) per person for scheduling the replacement's initial training.

(3) Upon completion of any pre-training modules we require, we will provide the Required Trainees with our initial training program, which will be held at a designated training facility of our choice and/or at an operating Five Iron Golf Center. Our initial training program will be up to two (2) weeks in duration. In addition, the Required Trainees will spend between five (5) and ten (10) days working in a Five Iron Golf Center.

(4) If this is your first or second Five Iron Golf Center, we will provide initial training for the Required Trainees for no additional fee. Additional people beyond the Required Trainees may attend initial training (subject to our capacity and ability to accommodate additional persons in the training session) if you pay our then current training charge for each additional person, not to exceed Five Hundred Dollars (\$500) per person per day. You also agree to pay for all travel and living expenses that the Required Trainees and any of your personnel incur, all accrued wages, and related workers' compensation

insurance while these persons train at a designated training facility of our choice and/or at an operating Five Iron Golf Center.

(5) The Required Trainees must satisfactorily complete initial training. If we determine that the Required Trainees cannot complete initial training to our satisfaction, we may terminate this Agreement. In that case, you will be eligible to receive up to a fifty percent (50%) refund of any initial franchise fee specified under Subsection 3.A above that you have already paid, less our costs and expenses (including travel, sales commissions paid to brokers, etc.), if you sign our required form of release of claims.

(6) You (or your Managing Owner) may request additional training at the end of the initial training, to be provided at our then current per diem charges, if you (or your Managing Owner) feel that any of the Required Trainees are not sufficiently trained to operate a Five Iron Golf Center. We and you (or your Managing Owner) will jointly determine the time and duration of this additional training. However, if you (or your Managing Owner) and the other Required Trainees satisfactorily complete our initial training program and you do not expressly inform us at the end of the program that you (or your Managing Owner) or other Required Trainees do not feel sufficiently trained in the operation of a Five Iron Golf Center, then you (or your Managing Owner) and all other Required Trainees will be deemed to have been trained sufficiently to operate a Five Iron Golf Center.

(7) After we approve the Center to open, we will, at our own cost, send at least one (1) of our representatives to the Center for at least five (5) total days, during the hours we determine in our sole judgment, to provide on-site support in connection with pre-opening and opening activities. We reserve the right to provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. For avoidance of doubt, we solely determine the timing, scheduling and staffing of on-site support we provide according to this subparagraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you agree to pay our then applicable charges, including our personnel per diem charges and travel and living expenses.

#### **B. ONGOING TRAINING.**

As described in Subsection 4.A above, we will provide on-site training and assistance, as we determine in our sole judgment, for at least five (5) total days before, during and/or after the Center opens for business for no additional charge. We need not provide such on-site training on consecutive days.

You must comply with our continuing training requirements, which may include a requirement that you purchase additional equipment and other inventory or make other purchases necessary either to attend training or to implement changes we require.

We may develop or acquire continuing and advanced training for the Required Trainees or other personnel, some which may be mandatory and some that may be provided by third parties.

The training may be web based or may be conducted in a classroom or on-the-job setting at a Five Iron Golf Center, your Center, or another designated location, such as conference or convention.

You, the Required Trainees and your staff will be required to attend and complete all mandated training provided by us, including those offered by third parties. We reserve the right to charge for continuing and advanced training at our then-current training fee (currently Five Hundred Dollars (\$500.00) per training staff member per day for training performed locally). Third party training companies will establish their own training fees.

You agree to pay all travel and living expenses which you and your employees incur during all training courses and programs. You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify at any time and from time to time.

#### **C. GENERAL GUIDANCE AND CONSULTATION SERVICES.**

We will advise you at any time and from time to time regarding the Center's operation based on your reports or our inspections, audits and/or evaluations of your training methods, techniques, equipment, staff and services rendered to customers and Members. We will also guide you with respect to: (1) standards, specifications, and operating procedures and methods that Five Iron Golf Centers use; (2) purchasing required and authorized Operating Assets, as well as other products and services related to the Golf Related Offerings and Restaurant Related Offerings, and other items and arranging for their distribution to you; (3) advertising and marketing materials and programs; (4) employee training; and (5) administrative, bookkeeping, accounting, and inventory control procedures.

We will guide you in our operations manuals (collectively, the "Operations Manual"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or the Center. If you request, and we agree to provide (subject to our availability), additional or special guidance, assistance, or training, you agree to pay our then applicable charges, including our personnel per diem charges and travel and living expenses.

If you request, and we agree to provide (subject to our availability) either (i) additional guidance, assistance, or training, or (ii) specialized Consultation Services, then you agree to pay our then applicable charges, including our personnel per diem charges and travel and living expenses. For purposes of this Agreement, "Consultation Services" may include any advice related to the operation of your Center, on-site reviews of your operations and additional training as needed, on-site training for you (or your Managing Owner), Location Managers, or any of your other personnel, and other specialized assistance.

#### **D. OPERATIONS MANUAL.**

We will provide you access during the Term to one (1) copy of our Operations Manual, which will be provided electronically and could include software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules ("System Standards") that we periodically prescribe for operating a Five Iron Golf Center and information on your other obligations under this Agreement.

We may modify the Operations Manual periodically, in our sole judgment, to reflect changes in System Standards. For purposes of this Agreement, all written instructions or communications we or our affiliates provide to all, or a substantial number of, Five Iron Golf Center franchise owners concerning aspects or modifications to the System shall be deemed part of the Operations Manual.

You agree that the Operations Manual's contents are confidential and that you will not disclose the Operations Manual to any person other than Center employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual.

At our option, we may post some or all of the Operations Manual on a restricted Website or extranet to which you will have access. (For purposes of this Agreement, "Website" means an interactive electronic document contained in a network of computers linked by communications software, including, without limitation, the internet and World Wide Web home pages). If we do so, you agree to monitor and access the Website or extranet for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on a Website or extranet will be deemed to be part of Confidential Information (defined in Section 6 below).

#### **E. DELEGATION OF PERFORMANCE.**

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

### **5. MARKS.**

#### **A. OWNERSHIP AND GOODWILL OF MARKS.**

Our affiliate, **FIVE IRON GOLF IP LLC**, owns and has licensed the Marks to us to use, and to sublicense others to use, in connection with the franchising, development, and operation of Five Iron Golf Centers. Therefore, you agree and acknowledge that the Marks are ours (or our affiliate's) exclusive property, and that we are granting you a license (or sublicense, as applicable) to use the Marks in connection with the Center's development and operation. Your right to use the Marks is derived only from this Agreement and is limited to your operating the Center according to this Agreement and all System Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our and/or our affiliate's rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are exclusively for our and/or our affiliate's benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the Center under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after the Term and any Renewal Term contest, or assist any other person in contesting, the validity, or our and/or our affiliate's ownership, of the Marks.

**B. LIMITATIONS ON YOUR USE OF MARKS.**

You agree to use the Marks as the Center's sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, homepage, social media site page, group or post, electronic address, or otherwise in connection with a Website (other than our Website), or (5) in any other manner that we have not expressly authorized in writing.

You may not use any Mark in advertising the transfer, sale, or other disposition of the Center or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe at the Center and on forms, advertising, supplies, and other materials we designate. You agree to use the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

**C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS.**

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office ("USPTO") proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks.

**D. DISCONTINUANCE OF USE OF MARKS.**

If, in our sole judgment, it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Center's signage, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Subsection 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. You acknowledge both our right to take this action and your obligation to comply with our directions.

**E. INDEMNIFICATION FOR USE OF MARKS.**

We agree to reimburse you for all damages and reasonable expenses that you incur in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the

proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement.

## **6. CONFIDENTIAL INFORMATION.**

We possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the “Confidential Information”), relating to developing and operating Five Iron Golf Centers, including (without limitation):

- (1) site selection criteria and layouts, designs and other plans and specifications for Five Iron Golf Centers;
- (2) ingredients, recipes and related information concerning any food items as part of the Restaurant Related Offerings;
- (3) training and operations materials and manuals;
- (4) methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating Five Iron Golf Centers;
- (5) marketing, promotional and advertising research and programs for Five Iron Golf Centers;
- (6) knowledge of specifications for and suppliers of Operating Assets, and other products and supplies, including supplier pricing and related terms;
- (7) any computer software or similar technology which is proprietary to us or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
- (8) knowledge of the operating results and financial performance of Five Iron Golf Centers other than the Centers;
- (9) graphic designs and related intellectual property;
- (10) customer and Member solicitation, communication and retention programs, along with data and information used or generated in connection with those programs;
- (11) all data and other information generated by, or used in, the operation of the Center, including customer and Member names, addresses, phone numbers, pricing and other information supplied by any customer or Member (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Center (including you and your personnel) provide to the Website for the network of Five Iron Golf Centers;
- (12) future business plans relating to Five Iron Golf Centers and the Five Iron Golf franchise opportunity, including expansion and development plans;

- (13) the design of the golf simulator bays used at the Center; and
- (14) any other information that we reasonably designate as confidential or proprietary.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating the Center during the Term and any Renewal Term, and that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you:

- (a) will not use Confidential Information in any other business or capacity;
- (b) will keep each item deemed to be part of Confidential Information absolutely confidential, both during the Term and any Renewal Term and then thereafter for as long as the item is not generally known in the golf and hospitality industries;
- (c) will not sell, trade or otherwise profit in any way from the Confidential Information (including by selling or assigning any customer or Member names, addresses, phone numbers, e-mail contact information, or related data), except using methods that we may have authorized or approved in our sole judgment;
- (d) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and
- (e) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Center personnel and others and using non-disclosure and non-competition agreements with those having access to Confidential Information. We have the right to regulate the form of agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. The current form of Nondisclosure and Non-Competition Agreement is attached as **Exhibit D**.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known in the golf and hospitality industries through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the golf and hospitality industries through publication or communication by others (without violating an obligation to us). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

All ideas, concepts, techniques, or materials relating to a Five Iron Golf Center, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, by this paragraph you hereby assign ownership of that item, and all related rights to that item, to us, hereby waive all moral rights in that item, and hereby

agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item (including signing assignment or other documents, and causing your owners, employees and contractors to do the same). You may not use any such idea, concept, technique or material in connection with the Center without our prior approval.

**7. EXCLUSIVE RELATIONSHIP.**

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the Term and any Renewal Term, neither you, any of your owners, nor any of your or your owners' spouses will:

- (a) have any direct or indirect controlling or non-controlling interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);
- (b) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;
- (c) divert or attempt to divert any actual or potential business or customer or Member of the Center to a Competitive Business;
- (d) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating;  
or
- (e) engage in any other activity which, in our sole opinion, might injure the goodwill of the Marks and System.

The term “Competitive Business” means (i) any business that offers the same or similar products and services as offered by Five Iron Golf Centers or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph (i) (other than Five Iron Golf Center operated under a franchise agreement with us).

You agree to have all of the following persons sign, and you will submit to us executed copies of, our then current form of Nondisclosure and Non-Competition Agreement from all of the following persons: (i) your Location Manager and any supervisory or other employees who have received or will receive training from us, prior to their employment; (ii) if you are an Entity, all your officers, directors, shareholders, partners, members and owners, and those of any Entity directly or indirectly controlling you, concurrent with the execution of this Agreement, or at such time as they assume such status; and (iii) all of the persons enumerated in this Section 7 and Subsection 15.D below. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements no later than ten (10) days following their execution.

**8. SYSTEM STANDARDS.**

**A. CONDITION AND APPEARANCE OF THE CENTER.**

You agree that:

(1) you will maintain the condition and appearance of the Center, its Operating Assets and the Premises in accordance with System Standards and consistent with the image of a Five Iron Golf Center and in observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the Term: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at intervals we prescribe; (2) interior and exterior repair of the Premises; (3) maintenance and alteration of the interior and exterior of the Premises to satisfy health and safety requirements; and (4) repair or replacement of damaged, worn out or obsolete Operating Assets;

(2) you will place or display at the Premises (interior and exterior) only those signs (including neon), emblems, designs, artwork, lettering, logos, and display and advertising materials that we at any time and from time to time approve;

(3) if at any time we determine, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Premises of the Center or its fixtures, furnishings, equipment or signs does not meet our System Standards, we have the right to notify you, specifying the action you must take to correct the deficiency. If (i) within twenty-four (24) hours after you received our notice in the case of a deficiency of a health, safety, or sanitary law, ordinance or regulation or (ii) within ten (10) days after you received our notice in the case of any other deficiencies, you do not initiate action to correct the deficiency and then continue in good faith and with due diligence, a bona fide program to complete the correction of the deficiency, we have the right, in addition to all other remedies, to enter the Premises or the Center and do any required maintenance or refurbishing on your behalf. You must reimburse us on demand for all costs and expenses we incur in connection with such maintenance and refurbishment; and

(4) once during the Term, on notice from us, you agree to remodel, expand, redecorate, reequip and/or refurnish the Premises and the Center at your expense to reflect changes in the operations of Five Iron Golf Centers which we prescribe and require of new franchisees. You agree to diligently complete such renovation within a reasonable time, but in no event later than six (6) months after commencing the work.

**B. CENTER MENU, SPECIFICATIONS, STANDARDS AND PROCEDURES.**

You agree that: (1) the Center will offer for sale all products and services that we specify at any time and from time to time, and, with respect to any food items, will only use ingredients, recipes and methods of food preparation we have specified or approved; (2) the Center will offer and sell approved products and services only in the manner we have prescribed; (3) you will not offer for sale or sell at the Center, the Premises or any other location any products or services we have not approved in advance; (4) all products will be offered and sold only at retail and from the Premises (subject to off-site marketing or sales activities we must specifically approve) and you

will not offer or sell any products at wholesale or on the internet; (5) you will discontinue selling and offering for sale any products or services that we at any time decide (in our sole judgment) to disapprove in writing; and (6) you will advertise to, and solicit customers and Members for, the Center only within the Territory and will not operate the Center outside the Territory (except that, provided we have pre-approved the Center to provide delivery or catering services as set forth in Section 1.D, you may cater or deliver designated menu items to customers outside the Territory if the customers contact you or the Center and the customers are not located in the assigned territory of another franchisee).

C. **APPROVED PRODUCTS, SERVICES, DISTRIBUTORS AND SUPPLIERS.**

We have developed or may develop standards and specifications with respect to certain products and services and with respect to certain types, models and brands of required Operating Assets, and products, ingredients, materials and supplies. We reserve the right at any time and from time to time to approve specifications or suppliers and distributors of the above or other products and services that meet our reasonable standards and requirements. If we do so, you agree to purchase only such products and services meeting those specifications, and if we require it, only from distributors and other suppliers we have approved, including or limited to ourselves or our affiliates.

We may limit the number of approved distributors or suppliers (collectively “suppliers”) with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including that we have already designated an exclusive source (which might be us or our affiliate) for a particular item or service.

We and our affiliates may mark up and profit on the sale of goods or services to you and/or receive payments, rebates, or other material consideration from suppliers on account of such suppliers’ dealings with us, you and other franchise owners, and may keep or use any amounts so received without restriction and for any purpose we and our affiliates deem appropriate. We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services. Approval of a supplier or distributor may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer and Member relations, frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, or other criteria and may be temporary, pending our continued evaluation of the supplier or distributor at any time and from time to time.

If you would like to purchase any items from any unapproved supplier or distributor, you must submit to us a written request for approval of the proposed supplier or distributor. We have the right to inspect the proposed supplier’s or distributor’s facilities, and to require product samples from the proposed supplier or distributor to be delivered at our option either directly to us or to any independent, certified laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us a fee (not to exceed Five Thousand Dollars (\$5,000)) for our actual costs to make the evaluation. We have no obligation to approve any new supplier, product, or service you propose. We reserve the right to periodically re-inspect the facilities and products

of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet any of our criteria.

You must use only the recipes, techniques and products which meet our current requirements and specifications in the preparation of any food items that we require to be served and sold by your Center. You may only use those containers, cartons, bags, boxes, napkins, and other paper goods and packaging with our Marks or other design specifications which meet our current requirements and quality standards for Five Iron Golf Centers. You must purchase any proprietary products from us or a designated third-party supplier. We reserve the right to require you to purchase proprietary products we and/or our affiliates develop from us, our affiliates or a designated third-party supplier.

**D. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.**

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Center, including a liquor licenses, and must operate the Center in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, food safety, the sale of alcohol, menu labeling, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. All advertising and promotion by you must be completely factual and must conform to the highest standards of ethical advertising. The Center must in all dealings with its customers, Members, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the Marks and other Five Iron Golf Center. You must notify us in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect your operation or financial condition or that of the Center and of any notice of violation of any law, ordinance, or regulation relating to the Center.

**E. MANAGEMENT OF THE CENTER/CONFLICTING INTERESTS.**

The Center must at all times be under the full-time direct, on-premises supervision of you (or your Managing Owner), or your Location Manager, either of whom must have successfully completed the initial training program that we describe above in this Agreement. You shall take such steps as are necessary to ensure that any and all of the Center's employees preserve good customer and Member relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Operations Manual or otherwise in writing. You and your employees shall handle all customer or Member complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us. We may, in our sole discretion, at any time resolve a customer or Member complaint on your behalf, in which case you must reimburse us for our out-of-pocket costs in resolving the complaint.

We reserve the right to approve or disapprove of any Location Manager you appoint. If we disapprove of any Location Manager you propose, you must promptly appoint a replacement Location Manager satisfactory to us. If your relationship with a Location Manager terminates for

any reason, then you must promptly appoint a replacement Location Manager that meets our approval. Even if you appoint a Location Manager for day-to-day operations, you (or your Managing Owner) must remain active in overseeing the Center's ongoing business activities. If you (or your Managing Owner) own more than one Five Iron Golf Center, then each such Five Iron Golf Center must be under the full-time, direct on-premises supervision of a Location Manager we have approved.

Besides you (or your Managing Owner) or the Location Manager, the Center must at all times have a sufficient number of personnel on staff to operate the Center in accordance with our then current System Standards.

You (or your Managing Owner) must keep us informed at all times of the identity of the Location Manager, and ensure that such personnel are competent and proficient in their duties. You (or your Managing Owner) are solely responsible for all employment decisions for the Center, including hiring, firing, remuneration, personnel policies, training, benefits, and maintaining supervision and discipline, regardless of whether you received advice from us on any of these subjects.

F. **INSURANCE.**

During the Term you must maintain the following categories of insurance coverage in force at your sole expense, all containing the minimum liability coverage we prescribe at any time and from time to time in the Operations Manual (unless otherwise indicated below):

(1) Broad form comprehensive public liability, general liability, product liability, and contractual liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Center's operation;

(2) All risk or special form coverage on your Premises, including boiler and machinery coverage extending to all improvements and alterations, trade fixture, and business personal property having adequate limits to replace all that is damaged as caused by, or occurring in connection with, the Center's operation;

(3) Business interruption insurance to cover the rent of the Premises, previous profit margins, maintenance of competent personnel and other fixed expenses for the duration of the interruption to your Center's operation;

(4) If any vehicle is used in connection with the operation of the Center, motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Center's operation;

(5) Liquor liability insurance for against claims for bodily injury or death to persons;

(6) Worker's compensation and employer's liability insurance (in amounts authorized by statute), unemployment insurance and state disability insurance (as required by governing law) for your employees;

- (7) In connection with any construction, refurbishment, and/or remodeling of the Center, builder's and/or contractors insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us;
- (8) Cybersecurity insurance coverage;
- (9) Employer practices liability insurance;
- (10) Advertising injury insurance
- (11) Insurance coverage of such type, nature and scope sufficient to satisfy your indemnification obligations under Subsection 16.D below; and
- (12) Any additional insurance required by your lessor or master lessor.

We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage (including reasonable excess liability insurance, employment practices liability insurance and cybersecurity insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Required coverage shall include insurers' waiver of subrogation against us and you shall waive rights of recovery against us. All insurance policies listed above must be with carriers that have an A.M. Best Rated at A+ or higher.

These insurance policies must be obtained from responsible insurance carriers acceptable to us and which are authorized to do business in the state in which the Center is located. These insurance policies must name us, any affiliates we designate, and the Indemnified Parties (as defined in Subsection 16.D below) as additional named insureds for claims arising from the Center's operation and provide for thirty (30) days' prior written notice to us of a policy's material modification, cancellation or expiration. These insurance policies must be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnified Party; must not limit or reduce coverage for you if there is a claim by us or any one or more of the other Indemnified Parties; must make satisfaction of any/all deductibles your sole responsibility; and must extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnified Parties under this Agreement. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnified Parties against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above.

You must provide us with copies of your Certificates of Insurance or other evidence we require evidencing the required coverages no later than ten (10) days before you commence operations at your Center. You must furnish us, on an annual basis, copies of your Certificates of Insurance or other evidence we require of your maintaining this insurance coverage and paying premiums. You must furnish us the original policies evidencing all such insurance coverages within five (5) days of our written request. You agree to renew all policies and documents, and to furnish us copies of renewal Certificates of Insurance or other evidence we require of your maintaining this insurance coverage and paying premiums prior to the expiration date of the policy.

If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the Center on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance. If we obtain such insurance for you and the Center on your behalf, you must furnish all information necessary to obtain and maintain such insurance within fifteen (15) days of our request.

**G. PRICING.**

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which you may charge customers or Members for the products and/or services offered by your Center; recommending retail prices; advertising specific retail prices for some or all products or services sold at your Center; requiring you to participate in marketing, promotional and related campaigns which may directly or indirectly impact your retail prices; and otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which your Center may charge the public for the products and services it offers. We may engage in any such activity either periodically or throughout the Term. Further, we may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge that the prices we prescribe or suggest may or may not optimize the revenues or profitability of your Center and you irrevocably waive any and all claims arising from the establishment or suggestion of your Center's retail prices.

**H. DISCOUNTS, GIVEAWAYS AND OTHER PROMOTIONS.**

You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other Five Iron Golf Center franchise owners under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

**I. COMPLIANCE WITH SYSTEM STANDARDS.**

You acknowledge and agree that operating and maintaining the Center according to System Standards are essential to preserve the goodwill of the Marks and all Five Iron Golf Centers. Therefore, you agree at all times to operate and maintain the Center according to all of our System Standards, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the System's or the Center's best interests. Although we retain the right to establish and periodically modify System Standards that you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of the Center and implementing and maintaining System Standards at the Center.

As examples, and without limitation, System Standards may regulate any one or more of the following, in addition to the items described in Subsections 8.A through 8.H above:

- (1) purchase, storage, preparation, handling, and packaging procedures and techniques for any food items sold as part of the Center’s Restaurant Related Offerings; and inventory requirements for certain products, services and supplies so that the Center may operate at full capacity;
- (2) terms and conditions of the sale and delivery of, and terms and methods of payment for products, and services that you obtain from us and affiliated and unaffiliated suppliers; and our and our affiliates’ right not to sell you any products or to provide you with services, or to do so only on a “cash-on-delivery” or other basis, if you are in default under any agreement with us;
- (3) sales, marketing, advertising, promotional, loyalty and membership programs and materials and media, including social media Websites, used in these programs (“social media” includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools);
- (4) use and display of the Marks at the Center and on vehicles, napkins, boxes, bags, wrapping paper, labels, forms, paper and plastic products, and other supplies;
- (5) issuing and honoring gift certificates;
- (6) staffing levels for the Center; identifying the Center’s personnel; and employee qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);
- (7) days and hours of operation;
- (8) participation in market research and testing and product and service development programs and preparation of reports and other relevant information we may request regarding the market research, as well as participation in, and dues assessed for, advisory councils;
- (9) accepting credit and debit cards, other payment systems, and check verification services;
- (10) product sampling, including requirements regarding quantity and frequency;
- (11) catering and delivery services and on-line customer ordering (to the extent we allow you to engage in these activities), including using only delivery sources dedicated to your Center;
- (12) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning the Center;

(13) use of social media in connection with your Center’s operation or otherwise referencing the System; and

(14) any other aspects of operating and maintaining the Center that we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and Five Iron Golf Centers.

You agree that you are obligated to comply with all System Standards we prescribe in the Operations Manual, or otherwise communicate to you in writing or another tangible form during the Term (for example, via System extranet or Website), as we periodically modify them.

**J. MODIFICATION OF SYSTEM STANDARDS.**

We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in the Center and/or incur higher operating costs. You agree to implement any changes in System Standards within the time period we request, whether they involve refurbishing or remodeling the Premises or any other aspect of the Center, buying new Operating Assets, adding new products and services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

**K. SALE OF ALCOHOLIC BEVERAGES.**

You are required to sell alcoholic beverages at your Center. As used in this Agreement, “alcoholic beverage” means any beverage which consists of or contains liquor or alcohol including, without limitation, beverages such as cocktails, beer, wine, sake, and spirits. You are solely responsible for obtaining all licenses, permits, and other approvals required by any local, state or other government agency and the consent of your lessor (or master lessor), if required under your Lease (or sublease), in connection with the sale of alcoholic beverages. We do not regulate the sale of alcoholic beverages at your Center. You are solely responsible for compliance with all applicable laws, rules and regulations pertaining to the sale of alcoholic beverages at your Center.

You agree to indemnify and hold us and the Indemnified Parties harmless to the fullest extent permitted by law, from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, formal or informal inquiry or allegation (regardless of whether reduced to judgment) or any settlement which directly or indirectly arises out of, is based upon, results from or relates to the sale, service, consumption or use of alcoholic beverages at or from your Center pursuant to the terms of the indemnification requirements set forth in Subsection 16.D of this Agreement, including, without limitation, any host or dramshop liability. We may terminate this Agreement immediately upon notice to you and without opportunity to cure in the event of any violation of any government law, rule, regulation or requirement imposed on you or your Center by any local, state or other government agency relating to the sale, service or use of alcoholic beverages.

L. **MEMBERS.**

We will specify in the Operations Manual or otherwise in writing the types of memberships that you may offer to customers and visitors, and the benefits that you must provide to Members who purchase certain memberships. You may sell memberships in the Center to customers and visitors, provided that you may not sell memberships to any customer or visitor that we determine, in our sole judgment (i) could harm or damage the Marks and associated goodwill, (ii) could interfere with other Members' reasonable enjoyment of Five Iron Golf Centers, or (iii) are included in a list of restricted persons as provided to you in the Operations Manual or otherwise in writing. All Members shall have unrestricted access to all common areas and amenities of the Center, except when the Center is reserved for events. You must follow any rules and policies that we include in the Operations Manual with respect to membership offerings. You must promptly respond to any complaints made by your Members and take such other steps as may be reasonably necessary to ensure satisfactory customary relations with your Members.

You must at all times maintain an up-to-date list of your Members and online reservations booked by such Members. Members will have global roaming access privileges, which provide those Members access to Five Iron Golf Centers in multiple jurisdictions, including the Center (such privileges, "Global Roaming Privileges"). You must abide by our policies for Members with Global Roaming Privileges as we may specify in the Operations Manual or otherwise in writing from time to time, which we may modify during the Term as we deem appropriate in its sole discretion. You must allow Members with Global Roaming Privileges access to the Center and treat Members with Global Roaming Privileges in the same manner as your Members.

9. **MARKETING.**

A. **GRAND OPENING ADVERTISING.**

You agree to spend a minimum of Thirty-Five Thousand Dollars (\$35,000) (or such other sum as may be required by your lessor or the master lessor) to advertise and promote the Center during a grand opening period beginning three (3) months before the scheduled opening of the Center and ending three (3) months after your Center opens for business. You agree to comply with our guidelines for this grand opening advertising program.

B. **ADVERTISING AND DEVELOPMENT FUND.**

Recognizing the value of advertising and marketing to the goodwill and public image of Five Iron Golf Centers, we have established an Advertising and Development Fund (the "Brand Fund") for the advertising, marketing, and public relations programs and materials we deem appropriate. You agree to contribute to the Brand Fund the amounts we require as set forth in Subsection 3.C above.

We have the right to collect for deposit into the Brand Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with Five Iron Golf Centers and with whom we have agreed that we will so deposit these allowances. (These payments are different from those which are not designated by suppliers to be used exclusively for advertising or similar purposes, and which we and our affiliates therefore may use for any purposes we and they deem appropriate, as provided in Subsection 8.C above.)

We will direct all programs that the Brand Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Brand Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce Website and/or related strategies and efforts; social media strategy and execution; use of social media influencers; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities.

The Brand Fund may periodically give you samples of advertising, marketing, and promotional formats and materials at no cost. We will sell you multiple copies of these materials at our direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Brand Fund separately from our other funds and not use the Brand Fund for any of our general operating expenses. However, we may use the Brand Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, the Brand Fund's other administrative costs, travel expenses of personnel while they are on Brand Fund business, meeting costs, overhead relating to Brand Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Brand Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Brand Fund contributions.

The Brand Fund will not be our asset. Although the Brand Fund is not a trust, we will hold all Brand Fund contributions for the benefit of the contributors and use contributions only for the purposes described in this Subsection 9.B. We do not owe any fiduciary obligation to you for administering the Brand Fund or any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, pay back outstanding principal amounts borrowed in prior years from us or third parties, or invest any surplus for future use. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets.

We will prepare an annual, unaudited statement of the Brand Fund collections and expenses and give you the statement upon written request. We reserve the right, in our sole determination, to have the Brand Fund audited annually at the Brand Fund's expense by an independent certified public accountant. We may incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Subsection 9.B.

We intend the Brand Fund to maximize recognition of the Marks and patronage of Five Iron Golf Centers. Although we will try to use the Brand Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Five Iron Golf Centers, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by Five Iron Golf Centers operating in that geographic area or that any Five Iron Golf Center benefits directly or in

proportion to its Brand Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing.

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Brand Fund contributions at the Brand Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. Except as expressly provided in this Subsection 9.B, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We may at any time defer or reduce contributions of a Five Iron Golf Center franchise owner and, upon thirty (30) days' prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will distribute all unspent monies to our franchise owners, and to us and our affiliates, in proportion to their, and our, respective Brand Fund contributions during the preceding twelve (12) month period. We may reinstate Fund contributions upon the same terms and conditions set forth herein upon thirty (30) days' prior written notice to you.

C. **BY YOU.**

You agree to list and advertise the Center in at least one (1) online directory listing (*e.g.*, Google or Yelp) as we designate or approve from time to time. In addition to your grand opening obligation in Subsection 9.A above and your Brand Fund contribution obligations in Subsection 9.B above, you agree to spend, during the second month of the Term and in all subsequent months, the following minimum amount to advertise and promote your Center: one percent (1%) of the Center's Gross Sales. Within thirty (30) days after the end of each month, you agree to send us, in the manner we prescribe, an accounting of your expenditures for local advertising and promotion during the preceding month.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for your Center must contain notices of our Website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Center or displays any of the Marks without our prior written approval. You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe at any time and from time to time.

Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously disapproved including, but not limited to, press releases and interviews for publication in any media. If you do not receive written approval within ten (10) days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have (or were deemed) disapproved.

We have the right to require you to use one or more required suppliers for your local advertising and to require you to spend all or a portion of the required money you must spend on

local advertising with required suppliers. We reserve the right to collect amounts directly from you via EFT to pay required suppliers.

**D. COOPERATIVE ADVERTISING PROGRAMS.**

We may designate an advertising coverage area (“ACA”) — local or regional — in which two (2) or more Five Iron Golf Centers are located in order to establish a cooperative advertising program (“Cooperative Program”) for that ACA. An ACA is the area covered by the particular advertising medium recognized in the industry. All franchise owners in the ACA will be required to participate. Each Five Iron Golf Center operating in the ACA will have one (1) vote, including Five Iron Golf Centers operated by us or our affiliates.

Each Cooperative Program will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. Each Cooperative Program’s purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the Cooperative Program covers. If we establish a Cooperative Program for the geographic area in which the Center is located, you must sign the documents we require to become a member of the Cooperative Program and participate in the Cooperative Program as those documents require.

If a Cooperative Program is established for your ACA, you will be required to contribute up to two percent (2%) of your Center’s Gross Sales to the Cooperative Program monthly or as otherwise specified by fifty percent (50%) or more of the Five Iron Golf Centers operating in the ACA. We reserve the right to reallocate the percentage of contributions to the Brand Fund, local advertising and the Cooperative Program upon providing you at least ninety (90) days’ notice.

**10. RECORDS, REPORTS, AND FINANCIAL STATEMENTS.**

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe at any time and from time to time. We may require you to use a Computer System to maintain certain sales data and other information and to report such information to us via a website or other means. You agree to give us in the manner and format that we prescribe at any time and from time to time:

(a) on or before the fifteenth (15<sup>th</sup>) day of each month, a report on the Center’s Gross Sales during the preceding month;

(b) within fifteen (15) days after the end of each calendar month, the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and the Center covering the previous calendar month and the fiscal year to date, and you must certify these statements are true and correct;

(c) within ninety (90) days following the end of each fiscal year during the Term, annual profit and loss and source and use of funds statements and a balance sheet for the Center as of the end of the prior calendar year;

(d) within thirty (30) days following your filing of tax returns for the Center, exact copies of federal and state income tax returns, sales tax returns, and any other forms,

records, books, and other information we periodically require relating to the Center and the Franchise.

You agree to verify and sign each report and financial statement in the manner we prescribe. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to the Center's operation.

You agree to preserve and maintain all records in a secure location at the Center for at least three (3) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer and Member lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers). We may require you to have audited financial statements prepared annually during the Term.

## **11. INSPECTIONS AND AUDITS.**

### **A. OUR RIGHT TO INSPECT THE CENTER.**

To determine whether you and the Center are complying with this Agreement and all System Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect the Center; (2) photograph the Center and observe and videotape the Center's operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) interview the Center's personnel, customers, and Members; and (5) inspect and copy any books, records, and documents relating to the Center's operation. You agree to cooperate with us fully. If we exercise any of these rights, we will not interfere unreasonably with the Center's operation. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of the Center and you agree to never contend otherwise. Upon notice from us or our representatives and agents, and without limiting our other rights under this Agreement, you shall take such steps as may be necessary to immediately correct any deficiencies detected during any such inspection. We reserve the right to charge you, and you shall pay, the costs of any such inspections if deficiencies are detected. Should you fail to correct such deficiencies within a reasonable time we determine, in our sole discretion, we (or our representatives and agents) shall have the right (without, however, any obligation), to correct such deficiencies at your expense, payable by you immediately upon demand.

### **B. OUR RIGHT TO AUDIT.**

We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and the Center's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You agree to cooperate fully with our representatives and independent accountants in any audit. If any audit discloses a failure by you to operate the Center in accordance with the System Standards, then we may require you to undertake additional training at the Center. We shall determine the duration of the training and the number of trainers in our sole discretion. You agree to pay us an amount equal to Five Hundred Dollars (\$500) per trainer per day plus all travel and living expenses which our trainers incur during

such additional training. If any audit discloses an understatement of the Center's Gross Sales by 2% or less, you agree to immediately pay us the amount of the understatement, plus our service charges and interest (to be calculated as set forth in Subsection 3.F above) on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our audit reveals a Royalty or Brand Fund contribution understatement exceeding two percent (2%) of the amount that you actually reported to us for the period examined, you agree to reimburse us for the costs of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

If we conduct an examination which reveals a Royalty or Brand Fund contribution understatement exceeding five percent (5%) of the amount that you actually reported to us for any month within the period examined, or for the entire period of examination, you agree to immediately pay us the additional amount due as shown by the examination plus interest (to be calculated as set forth in Subsection 3.F above). You also agree to immediately reimburse us for the costs of an examination for the entire period of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. Such understatement shall be a material breach of this Agreement and, in addition to our other remedies and rights under this Agreement and applicable laws, we shall have the right to terminate this Agreement immediately upon notice to you, without opportunity to cure.

## **12. TRANSFER.**

### **A. BY US.**

You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

### **B. BY YOU.**

You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or, if you are an Entity, to your owners) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred without our prior written approval: (i) this Agreement (or any interest in this Agreement); (ii) the Center (or any right to receive all or a portion of the Center's profits or losses or capital appreciation related to the Center); (iii) all or substantially all of the assets of the Center; (iv) any ownership interest in you (regardless of its size); or (v) any ownership interest in any of your owners (if such owners are legal entities). A transfer of the Center's

ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement and has no effect.

In this Agreement, the term “transfer” includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition. An assignment, sale, gift, or other disposition includes the following events:

- (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;
- (b) merger or consolidation or issuance of additional securities or other forms of ownership interest;
- (c) any sale of a security convertible to an ownership interest;
- (d) transfer of an interest in you, this Agreement, the Center or all or substantially all of its assets, or your owners in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;
- (e) if you, one of your owners, or an owner of one of your owners dies, a transfer of an interest in you, this Agreement, the Center or all or substantially all of its assets, or your owner by will, declaration of or transfer in trust, or under the laws of intestate succession; or
- (f) pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security, foreclosure upon the Center, or your transfer, surrender, or loss of the Center’s possession, control, or management. You may grant a security interest (including a purchase money security interest) in the Center’s assets (not including this Agreement) to a lender that finances your acquisition, development, and/or operation of the Center without having to obtain our prior written approval as long as you give us ten (10) days’ prior written notice.

C. **CONDITIONS FOR APPROVAL OF TRANSFER.**

If you (and your owners) are fully complying with this Agreement, then, subject to the other provisions of this Section 12, we will approve a transfer that meets all of the requirements in this Subsection 12.C.

If you are an entity, your owners may transfer a non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) if: (i) the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and otherwise meet our then applicable standards for Five Iron Golf Center franchise owners (including no ownership interest in or performance of services for a Competitive Business); (ii) you give us prior written notice of the transfer at least thirty (30) days before the proposed transfer, and later provide us final documentation of the consummated transfer; and (iii) you reimburse us, upon our demand at any time, for any costs we incur in connection with the proposed transfer (regardless of whether the proposed transfer actually transpires).

For any other proposed transfer (including a transfer of this Agreement, a transfer of a controlling ownership interest in you or one of your owners, or a transfer that is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners), all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) the transferee has sufficient business experience, aptitude, and financial resources to operate the Center;

(2) you have paid all Royalties, Brand Fund and Cooperative Program contributions, and other amounts owed to us, our affiliates, and third-party vendors; have submitted all required reports and statements; and have not violated any provision of this Agreement, the Lease, or any other agreement with us during both the ninety (90) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(3) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(4) the transferee (or its managing owner) satisfactorily completes our training program;

(5) your lessor consents in writing to the transfer of the Lease or sublease of the Premises to the transferee (or, if we are subleasing the Premises to you under a sublease, the master lessor consents in writing to the transfer of the sublease to the transferee and the transferee agrees in writing to assume your obligations under the sublease);

(6) any applicable agency or host or authority with jurisdiction over the Premises (such as an airport or an educational institution, if any) approves the transfer of this Agreement to the transferee;

(7) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then current form of franchise agreement and related documents (including, without limitation, our then current form of Nondisclosure and Non-Competition Agreement and our then current form of Guaranty and Assumption of Obligations, if applicable), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Brand Fund and Cooperative Program contributions, provided, however, that the execution of the new franchise agreement will terminate this Agreement (except for your guarantees, the post-termination obligations under this Agreement, and all other rights and obligations that survive termination or expiration of this Agreement), and the term of the new franchise agreement signed will expire on the expiration of this Agreement, unless we and the transferee otherwise agree in writing;

(8) you or the transferee pays us a transfer fee equal to twenty-five percent (25%) of our then-current initial franchise fee;

(9) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, members, employees, and agents;

(10) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Center;

(11) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Center are subordinate to the transferee's obligation to pay Royalties, Brand Fund contributions, and other amounts due to us, our affiliates, and third-party vendors and otherwise to comply with this Agreement;

(12) (a) you have corrected any existing deficiencies of the Center of which we have notified you on a punch list or in other communications, and/or (b) the transferee agrees (if the transfer is of this Agreement) to upgrade, remodel, expand and/or refurbish the Center and to add or replace services, vehicles, equipment, Operating Assets and/or our proprietary products, in accordance with our then current requirements and specifications for Five Iron Golf Centers within the time period we specify following the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take and the time period within which such actions must be taken);

(13) you and your transferring owners (and your and your owners' spouses) will not, for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Subsection 15.D below; and

(14) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other Five Iron Golf Centers you own and operate) identify yourself or themselves or any business as a current or former Five Iron Golf Center or as one of our franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a Five Iron Golf Center in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us.

We may review all information regarding the Center that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding the Center. In addition, you agree to reimburse us, upon our demand at any time before or after the intended effective date of the proposed transfer, for any costs we incur in connection with any proposed transfer that is subject to the immediately preceding conditions (1) through (14), regardless of whether the proposed transfer actually transpires.

D. **TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.**

Despite Subsection 12.C above, if you are fully complying with this Agreement, you may transfer this Agreement to a corporation or limited liability company which conducts no business other than the Center and, if applicable, other Five Iron Golf Centers, in which you maintain management control, and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all of the Center's assets are owned, and the Center's business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. Transfers of ownership interests in the corporation or limited liability company are subject to the conditions of Subsection 12.C above that otherwise apply to non-controlling transfers. You agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur.

E. **YOUR DEATH OR DISABILITY.**

(1) **Transfer Upon Death or Disability.** Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 12. A failure to transfer your interest in this Agreement or the Managing Owner's ownership interest in you within this time period is a breach of this Agreement.

The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising the Center's management and operation.

(2) **Operation Upon Death or Disability.** Upon your or the Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also must be appointed for the Center, and that new Managing Owner must complete our standard training program, within sixty (60) days after the date of death or disability.

If, in our judgment, the Center is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume the Center's management (or appoint a third party to assume its management). All funds from the Center's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to the Royalty, Brand Fund contributions, and other amounts due under this Agreement) Five Hundred Dollars (\$500) per day, plus our (or the third party's) direct out-of-pocket costs and expenses if we (or a third party) assume the Center's management

under this subparagraph. We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Center incurs, or to any of your creditors for any products, other assets, or services the Center purchases, while we (or a third party) manage it.

**F. EFFECT OF CONSENT TO TRANSFER.**

Our consent to a transfer of this Agreement and the Center, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the Center's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

**G. OUR RIGHT OF FIRST REFUSAL.**

If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and the Center, or an ownership interest in you (except to or among your current owners, which is not subject to this Subsection 12.G), in a transaction that otherwise would be allowed under Subsections 12.B and C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and the Center. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price.

The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Subsections 12.B and C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within sixty (60) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

- (1) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately held entity);
- (2) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);
- (3) we agree with the proposed purchase price;
- (4) we will have an additional sixty (60) days to prepare for closing after notifying you of our election to purchase; and

(5) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for two (2) years beginning on the closing date, you and they will be bound by the non-competition and non-solicitation covenants contained in Subsection 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Subsection 12.G.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Subsections 12.B and C above. This means that, even if we do not exercise our right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Subsections 12.B and C above, you (or your owners) may not move forward with the transfer at all.

If you do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

### **13. EXPIRATION OF THIS AGREEMENT.**

#### **A. YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.**

If you meet certain conditions, then you will have the option to acquire two (2) additional consecutive successor Renewal Terms. Each of the Renewal Terms will be five (5) years in duration. The qualifications and conditions for the first Renewal Term are described below. The qualifications and conditions for the second Renewal Term will be described in the form of franchise agreement signed upon the expiration of this Agreement.

When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during the Term; and

(2) if you (and each of your owners) are, both on the date you give us written notice of your election to acquire a successor franchise (as provided in Subsection 13.B below) and on the date on which the Renewal Term of the successor franchise would commence, in full compliance with this Agreement and all System Standards; and

(3) provided that (a) you maintain possession of and agree (regardless of cost) to remodel and/or expand the Center, add or replace improvements, services, vehicles, equipment, Operating Assets, and otherwise modify the Center as we require to comply with System Standards then applicable for new Five Iron Golf Centers, or (b) at your option, you secure a substitute premises that we approve and you develop those premises according to System Standards then applicable for Five Iron Golf Centers,

then you have the option to acquire a Renewal Term of five (5) years commencing immediately upon the expiration of this Agreement, plus a possible second Renewal Term of an additional five (5) years thereafter if you comply with our terms and conditions of renewal under the Successor Franchise Agreement. For each Renewal Term, you agree to sign the form of franchise agreement we then use to grant franchises for Five Iron Golf Centers (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement (each, a “Successor Franchise Agreement”). You must pay us a renewal fee equal to fifty percent (50%) of our then-current initial franchise fee upon signing a Successor Franchise Agreement in connection with your purchase of a successor Franchise for each Renewal Term.

If you (and each of your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise and on the date on which the Renewal Term commences, in full compliance with this Agreement and all System Standards, then you acknowledge that we need not grant you a successor franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during the Term under Subsection 14.B.

**B. GRANT OF A SUCCESSOR FRANCHISE.**

You agree to give us written notice of your election to acquire a successor franchise no more than two hundred twenty (220) days and no less than one hundred eighty (180) days before this Agreement expires. We agree to give you written notice of our decision (“Our Notice”):

- (1) to grant you a successor franchise;
- (2) to grant you a successor franchise on the condition that you correct existing deficiencies of the Center or in your operation of the Center; or
- (3) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during the Term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise.

If applicable, Our Notice will:

- (a) describe the remodeling, expansion, improvements, and/or modifications required to bring the Center into compliance with then applicable System Standards for new Five Iron Golf Centers; and
- (b) state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

If Our Notice states that you must cure certain deficiencies of the Center or its operation as a condition to our granting you a successor franchise, we will give you written notice of our decision not to grant a successor franchise, based upon your failure to cure those deficiencies. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise.

### C. **AGREEMENTS/RELEASES.**

If you satisfy all of the other conditions for a successor franchise, you and your owners agree to execute a Successor Franchise Agreement and any ancillary agreements we then customarily use in granting franchises for Five Iron Golf Centers (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement. You and your owners further agree to sign our current form of general release of any and all claims against us and our affiliates, shareholders, officers, directors, members, employees, agents, successors, and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within thirty (30) days after their delivery to you to be an election by you not to acquire a successor franchise for the first Renewal Term of five (5) years.

## 14. **TERMINATION OF AGREEMENT.**

### A. **BY YOU.**

If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not correct the failure within thirty (30) days after you deliver to us written notice of the material failure or, if we cannot correct the failure within thirty (30) days, do not give you within thirty (30) days after your notice reasonable evidence of our effort to correct the failure within a reasonable time (which may extend beyond that thirty (30) days), you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination. (The time period during which we may cure any alleged material failure to comply with this Agreement after your delivery of notice is called the "Cure Period.") However, if we send you written notice during the Cure Period indicating that either (1) we do not agree that we have materially failed to comply with this Agreement or (2) we have fully corrected the failure, then you may not terminate this Agreement. If you disagree with our position and still wish to terminate this Agreement, you must commence an arbitration proceeding seeking a declaration of your right to terminate this Agreement.

This Agreement will remain in full force and effect during the arbitration proceeding (unless we terminate it under Subsection 14.B below). If the arbitrator determines that we are materially failing to comply with this Agreement, or that we did not fully correct a material failure to comply, we will have an additional thirty (30) days following the arbitrator's ruling to correct

the failure. If we fail to do so, then you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Agreement other than according to this Subsection 14.A will be deemed a termination without cause and a breach of this Agreement.

**B. BY US.**

We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating the Center;

(2) you do not locate, and submit for our approval a Lease or purchase document for, an acceptable site within the Designated Area for the Premises within the time period prescribed in Subsection 2.B of this Agreement, or deliver a fully signed copy of any signed Lease that includes our prescribed Lease Addendum within seven (7) days after their execution;

(3) you do not open the Center for business within the time period prescribed in Subsection 2.F of this Agreement;

(4) the Required Trainees do not satisfactorily complete the initial training program;

(5) you abandon or fail actively to operate the Center (i) for three (3) or more consecutive business days, (ii) for any seven (7) individual days during any twelve (12) month period, or (iii) when the Center is required to operate under the Operations Manual, unless such abandonment or failure is for a purpose we approve or because of casualty or government order;

(6) you (or your owners) make or attempt to make any transfer in violation of Section 12;

(7) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony, crime or other offense involving moral turpitude, or any other crime or offense which we reasonably believe adversely affects the System's reputation or the goodwill associated with the Marks;

(8) you fail to maintain the insurance we require and do not correct the failure within fifteen (15) days after we deliver written notice of that failure to you;

(9) you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects the Center's reputation or the goodwill associated with the Marks;

(10) you make any representation or warranty on our behalf that has not been specifically authorized in writing by us;

(11) you lose the right to occupy the Premises and fail (a) to begin immediately to look for a substitute site or (b) to locate a substitute site, and to begin operating the Center from that substitute site, within the time period prescribed in Subsection 2.B of this Agreement;

(12) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(13) you violate any health, safety, or sanitation law, ordinance, or regulation, or operate the Center in an unsafe manner, and do not begin to cure the violation immediately, and correct the violation within seventy-two (72) hours, after you receive notice from us or any other party;

(14) you interfere with our right to inspect the Center, or observe or videotape its operation, as provided in Section 11;

(15) you fail to pay us (or our affiliates) any amounts due and you do not correct the failure within five (5) business days after we deliver written notice of that failure to you;

(16) you fail to pay when due any amounts owed to vendors or suppliers within five (5) business days;

(17) you fail to pay any other amounts due within thirty (30) calendar days after the date on which the payment was due;

(18) you fail to pay when due any federal or state income, service, sales, or other taxes due on the Center's operation, unless you are in good faith contesting your liability for these taxes;

(19) you understate the Center's Gross Sales by two percent (2%) or more three (3) times within any thirty-six (36) month period or by more than five percent (5%) on any one occasion;

(20) you (or any of your owners) (a) repeatedly fail to comply with the any of the obligations and requirements of this Agreement, regardless of whether you cure the breaches; or (b) fail on two (2) or more separate occasions within any thirty-six (36) consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(21) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; the Center is attached, seized, subjected to a writ or distress warrant, or levied

upon, unless the attachment, seizure, writ, warrant, or levy is vacated within sixty (60) days; any order appointing a receiver, trustee, or liquidator of you or the Center is not vacated within sixty (60) days following the order's entry; or you are in default under the terms of any indebtedness if such default results in acceleration of indebtedness with an outstanding principal amount of One Hundred Thousand Dollars (\$100,000) or more;

(22) your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation;

(23) you knowingly maintain false books or records, or submit any false reports to us;

(24) you refuse to permit us to inspect the Center's books, records, or accounts upon request;

(25) you (or any of your owners or affiliates) are in default or breach of the Lease and you do not correct the default or breach within the applicable cure period provided under the Lease, if any;

(26) we (or any of our owners or affiliates) terminate any other agreement between you (or any of your owners and affiliates) and us (or any of our owners or affiliates) due to your (or any of your owners' or affiliates') failure to comply with the terms of such agreement;

(27) you suffer a material loss or damage to any assets that results in an aggregate loss (in excess of insurance coverage) of One Hundred Thousand Dollars (\$100,000) or more;

(28) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you; or

(29) you violate any government law, rule, regulation or requirement imposed on you or your Center by any local, state or other government agency relating to the sale, service or use of alcoholic beverages.

### **C. OUR ALTERNATE REMEDIES UPON YOUR DEFAULT.**

In addition to, and without limiting, our other rights and remedies under this Agreement, any other agreement or applicable law, upon the occurrence of any event giving rise to our right to terminate this Agreement under the preceding Subsection 14.B, we may instead elect, at our sole option and upon delivering providing you written notice, to take any or all of the following actions without terminating this Agreement:

(1) temporarily or permanently reduce the size of the Territory, in which case the restrictions on us or our affiliates under Section 1 above will not apply in any geographic area removed from the preceding territorial boundaries;

(2) temporarily remove information concerning the Center from any Website or extranet operated for the network of Five Iron Golf Centers, and/or restrict your or the Center's participation in other programs or benefits offered on or through any such Website or extranet;

(3) require you to engage a third-party accounting firm we approve to conform to the bookkeeping, accounting, reporting and recordkeeping system requirements and formats we prescribe;

(4) require you to pay us Five Hundred Dollars (\$500) for each day the condition giving rise to our right to terminate continues to exist to help offset our increased administrative expenses associated with your failure to comply with the terms of this Agreement;

(5) suspend your and the Center's right to participate in any advertising, marketing, promotional, or public relations programs that we or the Brand Fund provide, authorize, or administer; or

(6) assume, or appoint a third party to assume, management of the Center in the manner provided in Subsection 14.F below.

**D. CROSS DEFAULT.**

Any default or breach by you (or any of your owners), or your affiliate (or any of your owner's affiliates) of any other agreement with us or our affiliate will be considered an event of default under this Agreement, and any default or breach by you (or any of your owners) of this Agreement will be considered an event of default or breach by you under any and all agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates). If the nature of the default under any other agreement would have been considered an event of default under this Agreement, then we or our affiliate will have the right to terminate all other agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates) in accordance with the termination provisions of this Agreement.

**E. FAILURE TO CURE MAY BE DEEMED TERMINATION BY YOU.**

Your failure to cure timely any breach by you of this Agreement about which we have provided you notice (and opportunity to cure, if applicable) pursuant to Subsection 14.B above, including but not limited to your failure to pay overdue Royalties, Brand Fund contributions, or any other amounts due and owing to us or our affiliates under this Agreement, may be irrevocably deemed a unilateral rejection and termination by you of this Agreement and all related agreements between you and us or our affiliates, even if we ultimately issue a formal notice of such termination, and you shall never contend or complain otherwise.

**F. ASSUMPTION OF MANAGEMENT.**

We have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume the Center's management (or to appoint a third party to assume its

management) for any period of time we deem appropriate. If we (or a third party) assume the Center's management under subparagraphs (1) and (2) below, you agree to pay us (in addition to the Royalty, Brand Fund contributions, and other amounts due under this Agreement) Five Hundred Dollars (\$500) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume the Center's management under this Subsection 14.F.

If we (or a third party) assume the Center's management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Center incurs, or to any of your creditors for any supplies, products, or other assets or services the Center purchases, while we (or the third party) manage it.

We (or a third party) may assume the Center's management under the following circumstances: (1) if you abandon or fail actively to operate the Center; (2) if you fail to comply with any provision of this Agreement or any System Standard and do not cure the failure within the time period we specify in our notice to you; or (3) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase the Center under Subsection 15.E below.

Any exercise of our rights under subparagraphs (1) or (2) above in this Subsection 14.F will not affect our right to terminate this Agreement under Subsection 14.B above.

**15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.**

**A. PAYMENT OF AMOUNTS OWED TO US.**

(1) Immediately upon termination or expiration of this Agreement, and on any later date that we determine the amounts due to us, you shall pay us all Royalties, Brand Fund contributions, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

(2) If this Agreement is terminated before its Term expires pursuant to Subsections 14.B, 14.D, or 14.E above, then you acknowledge and confirm that we will suffer and incur substantial damages because this Agreement did not continue for the Term's full length. Accordingly, you agree to pay us a single lump sum payment, as liquidated damages and not as a penalty, an amount equal to lost Royalties and lost Brand Fund contributions for the lesser of: (i) the number of months remaining in the Term (or the Renewal Term, if applicable); or (ii) thirty-six (36) months (collectively, "Brand Damages"). The calculation of lost Royalties and Brand Fund contributions under this Section is based on the monthly average of the Royalties and Brand Fund contributions paid to us in the twelve (12) months immediately preceding the termination date. If the Franchise Agreement has not been open for at least twelve (12) months at the time of termination, then the average Royalties and Brand Fund contributions will be based on the average monthly Gross Sales of all Five Iron Golf Centers for the preceding fiscal year as determined by our audited financial statements attached to our most recent Franchise Disclosure Document. You further acknowledge and agree that your obligation to pay Brand Damages resulting from early termination shall be in addition to (not in lieu of) your

post-termination obligations to pay other amounts due as of the date of termination (as contemplated under the preceding Subsection (1) above) and to otherwise comply with the entirety of Section 15 hereof, and that the Brand Damages shall not be deemed a penalty for early termination but instead reasonable compensation to us for your failure to perform under this Agreement during the remainder of the Term.

(3) Your foregoing payment obligations arising under Subsections (1) and (2) above will give rise to, and remain until paid in full, a lien in our favor: (i) against any and all assets, property, furnishings, equipment, signs, fixtures and inventory owned by you or the Center at the time of termination or expiration; and (ii) against any payment obligation you may allege we have to you, any of your money we are holding, or any other amounts of yours which are otherwise in our possession on or after the effective date of termination or expiration. Our rights and your obligations under this Subsection 15.A shall survive termination or expiration of this Agreement until they are satisfied or later expire by their terms.

**B. MARKS.**

When this Agreement expires or is terminated:

(1) you may not directly or indirectly at any time or in any manner (except with other Five Iron Golf Centers you own and operate) identify yourself or any business as a current or former Five Iron Golf Center or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a Five Iron Golf Center in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(2) you agree to discontinue the use of any Website and social media used in connection with the Center or otherwise referring to the Marks or Five Iron Golf Centers.

(3) you agree, at your expense, to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(4) you agree, at your expense, to deliver to us within thirty (30) days all signs, sign-faces, sign-cabinets, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a Five Iron Golf Center that we request and allow us, without liability to you or third parties for trespass or any other claim, to enter the Premises and remove these items from the Center;

(5) if we do not have or do not exercise an option to purchase the Center under Subsection 15.E below, you agree promptly and at your own expense to make the alterations we specify in our Operations Manual (or otherwise) to distinguish the Center clearly from its former appearance and from other Five Iron Golf Centers in order to prevent public confusion;

(6) you agree to notify within five (5) days the telephone company, all telephone directory publishers and all online listings (*e.g.*, Google and Yelp) of the

termination or expiration of your right to use any telephone, facsimile, or other numbers, telephone directory listings and email addresses associated with any Mark; to authorize the transfer of these numbers and directory listings to us or at our direction; and/or to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to affect these events; and

(7) you agree to give us, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

**C. CONFIDENTIAL INFORMATION.**

You agree that, when this Agreement expires or is terminated, you will immediately (1) cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the System) in any business or otherwise; (2) return to us all copies of the Operations Manual and any other confidential materials that we have provided you for your use during the Term; and (3) immediately deliver to us all training or other manuals furnished to you for your use during the Term (including the Operations Manual and any supplements to the Operations Manual), computer software and database material, customer and Member lists, records and files, documents, instructions, display items, advertising and promotional material, any and all materials, signs and related items which bear our Marks or slogans and insignias and designs, advertising contracts, forms and other materials or property of ours, and any copies of them in your possession which relate to the operation of the Center. You may retain no copy or record of any of these items, except for your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law. You agree that the foregoing items, materials, customer and Member lists, files, software and other similar items are at all times considered to be our property for all purposes.

**D. COVENANT NOT TO COMPETE.**

(1) Upon

(a) our or your termination of this Agreement according to its terms and conditions,

(b) your termination of this Agreement without cause, or

(c) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13),

you and your owners agree that, for two (2) years beginning on the earlier of the effective date of termination or expiration of this Agreement, neither you nor any of your owners will have any direct or indirect interest (*e.g.*, through a spouse) as an owner (whether of record, beneficially, or

otherwise), investor, partner, director, officer, employee, consultant, representative, or agent in any Competitive Business (as defined in Section 7 above) located or operating:

- (i) at the Premises;
- (ii) within the Territory;
- (iii) within a ten (10) mile radius of the Territory; or
- (iv) within ten (10) miles of any other Five Iron Golf Center in operation or under construction on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection 15.D begin to comply with this Subsection 15.D.

(2) The restrictions above in this Subsection 15.D also apply after transfers, as provided in Subsection 12.C(13) above. If any person restricted by this Subsection 15.D refuses voluntarily to comply with these obligations, the two (2) year period for that person will commence with the entry of a court order enforcing this provision. The two (2) year period will be tolled, if applicable, for the period during which a restricted person is in breach of this Subsection 15.D and will resume when that person begins or resumes compliance. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Subsection 15.D will not deprive you of your personal goodwill or ability to earn a living.

**E. OUR RIGHT TO PURCHASE CERTAIN ASSETS OF THE CENTER.**

Upon either party's termination of this Agreement, or upon expiration of this Agreement without renewal, we shall have the right and option, but not the obligation, to purchase the equipment, furnishings, and accessories from the Center at a purchase price equal to its then-current book value determined using the straight-line method of depreciation. If we elect to exercise this option, we will deliver written notice to you of our election within thirty (30) days after the date of termination or expiration of this Agreement. We will have the right to inspect the equipment, furnishings, and accessories at any time during this thirty (30) day period. If we elect to purchase the equipment, furnishings, and accessories, we will be entitled to, and you must provide, all customary warranties and representations relating to the equipment, furnishings, and accessories to be purchased, including, without limitation, representations and warranties as to the maintenance, function and condition of the equipment, furnishings, and accessories and your good title to those items (including that you own each item free and clear of any liens and encumbrances), the validity of contracts and agreements, and the liabilities affecting the equipment, furnishings, and accessories, contingent or otherwise. You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. You shall deliver the equipment to us within fifteen (15) days of receipt of our written notice to you of our election to purchase.

Regardless of whether or not we exercise our right to purchase the equipment, furnishings, and accessories under this Subsection 15.E, we shall have the option, exercisable upon written notice to you within thirty (30) days after the date of termination or expiration of this Agreement, to repurchase some or all (at our option) of the products used at the Center then owned by you. We have the unrestricted right to assign this option to purchase. The purchase price of all inventory (in full, unopened caseloads) will be as agreed upon by the parties, provided that the purchase price shall not exceed the prices paid by you for such products (less any freight and insurance charges). All purchase prices are freight-on-board (“F.O.B.”) our premises. We may set off against the purchase price any and all amounts you then owe to us, if applicable.

**F. CONTINUING OBLIGATIONS.**

All of our and your (and your owners’) obligations which expressly or by their nature survive this Agreement’s expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

**16. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.**

**A. INDEPENDENT CONTRACTORS.**

You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, Members, suppliers, public officials, Center personnel, and others as the Center’s owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require at any time and from time to time.

None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, provincial, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for the Center does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of the Center and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Center, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Center.

**B. NO LIABILITY FOR ACTS OF OTHER PARTY.**

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of the Center's operation or the business you conduct under this Agreement.

**C. TAXES.**

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or the Center, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we must pay to any state taxing authority on account of either your operation or payments that you make to us.

**D. INDEMNIFICATION.**

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective affiliates, parents, shareholders, members, managers, directors, partners, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Center's operation, employment matters in connection with the Center, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. You agree to give us and the Indemnified Parties written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnified Parties within three (3) days of your actual or constructive knowledge of it. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Indemnified Parties to you enumerating such costs, expenses and attorneys' fees.

For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this subparagraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this subparagraph. Your or any of the other Indemnified Parties' undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnified Parties and to hold us and any of the Indemnified Parties harmless.

## **17. ENFORCEMENT.**

### **A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.**

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into a Successor Franchise Agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

### **B. WAIVER OF OBLIGATIONS.**

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Five Iron Golf Centers; the existence of franchise agreements for other Five Iron Golf Centers which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties or Brand Fund and Cooperative contributions due afterward.

**C. COSTS AND ATTORNEYS' FEES.**

If we incur costs and expenses due to your failure to pay when due amounts owed to us, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, you agree, whether or not we initiate a formal legal proceeding, to reimburse us for all of the costs and expenses that we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees.

**D. RIGHTS OF PARTIES ARE CUMULATIVE.**

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

**E. ARBITRATION.**

We and you agree that all controversies, disputes, or claims between us and our affiliates, and our and their respective shareholders, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or your or our respective affiliates;
- (2) our relationship with you;

(3) the scope and validity of this Agreement or any other agreement between you and us or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 17.E, which the parties acknowledge is to be determined by an arbitrator and not a court); or

(4) any System Standard.

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Subsection 17.E otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in the city in which our then current principal business address is located (currently, New York, New York). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 17, judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 17.H below, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 17.H below, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements made and documents produced within the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 17.J below, we and you agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Subsection 17.C.

We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and our affiliates, and our and their respective shareholders, members, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between us and any other person. Notwithstanding the foregoing or anything to the contrary in this Subsection 17.E or Subsection 17.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute

that otherwise would be subject to arbitration under this Subsection 17.E, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 17 (excluding this Subsection 17.E).

Except as expressly provided otherwise in the remainder of this Section 17, despite our and your agreement to arbitrate, we and you each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and you must contemporaneously submit our dispute for arbitration on the merits as provided in this Subsection 17.E.

The provisions of this Subsection 17.E are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

**F. GOVERNING LAW.**

**ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY NEW YORK LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SUBSECTION 17.F.**

**G. CONSENT TO JURISDICTION.**

**SUBJECT TO SUBSECTION 17.E ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED IN THE STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED CLOSEST TO OUR THEN CURRENT PRINCIPAL BUSINESS ADDRESS (CURRENTLY, NEW YORK, NEW YORK), AND YOU (AND EACH OWNER) IRREVOCABLY SUBMIT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION YOU (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NONETHELESS, YOU AND YOUR OWNERS AGREE THAT WE MAY ENFORCE THIS AGREEMENT AND ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH YOU ARE DOMICILED OR THE CENTER IS LOCATED.**

**H. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.**

**EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SUBSECTION 16.D. AND TO PAY US BRAND DAMAGES UNDER SUBSECTION 15.A, AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US.**

**I. BINDING EFFECT.**

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Operations Manual and System Standards, this Agreement may not be modified except by a written agreement signed by both our and your duly authorized officers.

**J. LIMITATIONS OF CLAIMS.**

**EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED WITHIN EIGHTEEN (18) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.**

**K. LIMITED LIABILITY FOR OUR RELATED PARTIES.**

You agree that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, owner, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of ours will have any liability for (i) any of our obligations or liabilities relating to or arising from this Agreement; (ii) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (iii) any claim against us based on any alleged unlawful act or omission of ours.

**L. COVENANT OF GOOD FAITH.**

If applicable law implies a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that the covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law will imply the covenant, you agree that: (i) this Agreement (and the relationship of the parties hereto that is inherent in this Agreement) grants us the judgment to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests; (ii) we will use our judgment in exercising the judgment based on our assessment of our own interests and balancing those interests against the interests of our franchise owners generally, and specifically without considering your individual interests or the individual interests of any other particular franchise owner; (iii) we will have no liability to you for the exercise of our judgment in this manner, so long as the judgment is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation will substitute its judgment for our judgment so exercised.

**M. CONSTRUCTION.**

The preambles and exhibits are a part of this Agreement which, together with any addenda or riders signed at the same time as this Agreement, constitutes our and your entire agreement, and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or the Center (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

Any policies that we adopt and implement at any time and from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

Except as provided in Subsections 16.D and 17.E, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to “we,” “us,” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “affiliate” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. “Control” means the power

to direct or cause the direction of management and policies. The words “include” and “including” are meant to be illustrative and not exhaustive and are deemed to be read in all cases as “including, without limitation” and/or “including but not limited to.”

If two or more persons are at any time the owners of the Franchise and the Center, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to “owner” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and the Center or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or the Center and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

References to a “controlling ownership interest” in you or one of your owners (if an Entity) mean the percent of the voting shares or other voting rights that results from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a “controlling ownership interest” is involved must be made as of both immediately before and immediately after the proposed transfer to see if a “controlling ownership interest” will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

“Person” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term “Center” includes all of the assets of the Five Iron Golf Center you operate under this Agreement, including its revenue and the Lease.

The term “employee” includes all of the Center’s personnel, including all managers, administrators and other personnel, whether such person is classified as an employee of yours or an independent contractor.

This Agreement may be executed in multiple copies, each of which will be deemed an original.

**N. MULTIPLE FORMS OF AGREEMENT.**

You acknowledge and agree that there may be more than one form of franchise agreement in effect between us and our various Five Iron Golf franchise owners; those other agreements may contain provisions that may be materially different from the provisions contained in this Agreement; and you are not entitled to rely on any provision of any other agreement with other Five Iron Golf franchise owners whether to establish course of dealing, waiver, or estoppel, or for any other purpose.

## 18. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Manual will be deemed to be delivered:

- (a) at the time delivered by hand;
- (b) at the time delivered via computer transmission and, in the case of the Royalty, Brand Fund contributions, and other amounts due, at the time we actually receive payment via the EDTA;
- (c) **one (1)** business day after transmission by email or other electronic system if the sender has confirmation of successful transmission;
- (d) **one (1)** business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or
- (e) **three (3)** business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

Any notice to us must be sent to the address specified on the first page of this Agreement, with a copy to the following:

Greenberg Traurig, LLP  
500 Campus Drive  
Suite 400  
Florham Park, New Jersey 07932  
Attn: David W. Oppenheim, Esq.

We may change these addresses for notice by giving you notice of the new address(es). Any notice that we send to you may be sent only to the one (1) person identified on **Exhibit A**, even if you have multiple owners, at the email or postal address specified on **Exhibit A**. You may change the person and/or address for notice only by giving us thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above.

Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

## **19. COMPLIANCE WITH ANTI-TERRORISM LAWS.**

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with all applicable legislation, laws, regulations, rules, ordinances, administrative orders, decrees and policies of any court, arbiter, government, governmental agency, department, or similar organization that are in effect from time to time pertaining to: (a) the various anti-terrorism, economic sanctions, and anti-money laundering and narco-trafficking laws, regulations, orders, decrees and guidelines of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (b) the USA PATRIOT Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended, (c) the provisions of United States Executive Order 13224, (d) the U.S. Prevention of Corruption Act 1988, (e) the U. S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-2, (e) relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, (f) bribery and anti-corruption laws, (g) the laws against money laundering, and (h) the laws against facilitating or supporting persons who conspire to commit these and other crimes against any person or government. You immediately shall notify us in writing if a potential violation of any of the foregoing legislation, laws, regulations, rules, ordinances, administrative orders, decrees and/or policies has occurred or is suspected to have occurred. You immediately shall provide us with copies of any communication to or from any such agency, government, or commission that relates to or affects this Agreement, the Center, or the Marks. Any failure to comply with this Section by you or your owners, or any blocking of your or your owners' assets under any of such laws, legislation, regulations, orders, decrees and/or policies shall constitute good cause for immediate termination of this Agreement, as provided in Subsection 14.B(22) above.

## **20. ELECTRONIC MAIL.**

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates ("**Official Senders**") to you during the Term.

You further agree that: (a) Official Senders are authorized to send e-mails to those of your employees as you may occasionally authorize for the purpose of communicating with us; (b) you will cause your officers, directors, and employees to give their consent to Official Senders' transmission of e-mails to them; (c) you will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with you; and (d) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term.

The consent given in this Section 20 shall not apply to the provision of notices by either party under this Agreement pursuant to Section 18 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

## 21. ELECTRONIC SIGNATURES

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (*e.g.*, clicking an “I Accept” or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the dates noted below, to be effective as of the Effective Date.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signator: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**EXHIBIT A**  
**TO THE FRANCHISE AGREEMENT**  
**LISTING OF OWNERSHIP INTERESTS**

**Effective Date: This Exhibit A is current and complete  
as of \_\_\_\_\_, 20\_\_\_\_\_**

**You and Your Owners**

1. **Form of Owner.** (Choose (a) or (b))

(a) **Individual Proprietorship.** List individual(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) **Corporation, Limited Liability Company, or Partnership.** (CIRCLE ONE) You were incorporated or formed on \_\_\_\_\_, under the laws of the State of \_\_\_\_\_. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and \_\_\_\_\_. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

<b><u>Name of Each Director/Officer</u></b>	<b><u>Position(s) Held</u></b>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners.** The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

	<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

3. **Name and Address of Person to Receive Notice for Franchise Owner.**

- (a) Name: \_\_\_\_\_
- (b) Postal Address: \_\_\_\_\_  
\_\_\_\_\_
- (c) E-mail Address: \_\_\_\_\_

4. **Identification of Managing Owner.** Your Managing Owner as of the Effective Date is \_\_\_\_\_ (must be one of the individuals listed in paragraph 2 above). You may not change the Managing Owner without prior written approval.

[Signatures on following page.]

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signator: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**EXHIBIT B**

**TO THE FRANCHISE AGREEMENT**

**THE DESIGNATED AREA, PREMISES AND TERRITORY**

1. The Designated Area (if applicable) shall be:

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2. The Premises of the Center will be located at:

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3. The Territory shall be:

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[Signatures on following page.]

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signator: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**EXHIBIT C**  
**TO THE FRANCHISE AGREEMENT**  
**FRANCHISE ADDENDUM TO LEASE AGREEMENT**

**THIS FRANCHISE ADDENDUM TO LEASE AGREEMENT** (this “Addendum”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, a(n)\_\_\_\_\_ (“Landlord”) and \_\_\_\_\_, a(n)\_\_\_\_\_ (“Tenant”) for the benefit of **FIVE IRON GOLF FRANCHISING LLC**, a New York limited liability company (“Franchisor”).

**WHEREAS**, Tenant and Franchisor have executed a Five Iron Golf Franchise Agreement (the “Franchise Agreement”), pursuant to which Franchisor has granted Tenant the right to establish and operate a “Five Iron Golf”-branded center at the following location: \_\_\_\_\_ (the “Premises”);

**WHEREAS**, Tenant and Landlord are entering into a lease agreement (the “Lease”), pursuant to which Tenant will lease the Premises from Landlord; and

**WHEREAS**, Franchisor has required Tenant to include certain terms in the Lease in order to protect Franchisor’s rights, and Landlord has agreed to such terms.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which the parties hereby acknowledge, Landlord and Tenant agree as follows:

1. Landlord agrees to: (a) furnish to Franchisor a copy of any default notice served on Tenant and/or another lessee under the Lease simultaneously with the service of the notice to Tenant and/or such other lessee; (b) provide Franchisor with notice of any proposed renewals, extensions, modifications and amendments to the Lease; and (c) give Franchisor the opportunity, but Franchisor shall not be required, to cure any default by Tenant or other lessee under the Lease within fifteen (15) days following the expiration of any applicable cure period if Tenant and/or such other lessee fail to cure such default. All notices to Franchisor shall be sent to the following address: Five Iron Golf, 883 Avenue of the Americas, Fl. 3, New York, New York 10001, unless Landlord is notified otherwise in writing by Franchisor. No notice to Tenant shall be effective unless and until a copy thereof is served upon Franchisor.

2. Landlord agrees that if Franchisor exercises its right to cure a default by Tenant and/or another lessee under the Lease, then Franchisor may, at its option, succeed to Tenant’s and/or such other lessee’s interests under the Lease and shall be recognized by Landlord as the lessee or sublessee thereunder for the remaining term of the Lease.

3. Landlord agrees that the expiration of the Franchise Agreement (unless Tenant enters into a renewal Franchise Agreement with Franchisor) or a termination of the Franchise Agreement prior to expiration shall constitute a default under the Lease, giving Franchisor the

right, but not the obligation, to cure such default by succeeding to Tenant's and/or any other lessee's interests as the new lessee or sublessee under the Lease.

4. Landlord agrees that upon the termination or expiration of the Lease, Franchisor shall have the first right of refusal to lease the Premises as the new lessee or sublessee.

5. Landlord agrees that Franchisor shall have the right to enter the Premises to make any modifications or alterations necessary in Franchisor's sole judgment to protect its franchise system, trademarks, trade names, trade dress and other intellectual property without being guilty of trespass or any other tort or crime.

6. Landlord agrees that upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right to enter the Premises and remove any trade fixtures, interior or exterior signs or other items bearing its trademarks. Landlord agrees upon the expiration or termination of the Franchise Agreement to relinquish to Franchisor any and all liens or other ownership interests, whether by operation of law or otherwise, in and to any tangible property bearing Franchisor's trademarks, service marks or trade dress.

7. Landlord agrees that, if Franchisor succeeds to Tenant's and/or any other lessee's interests under the Lease for any reason, Franchisor shall have the right to further assign the lease or to sublease the Premises to either an entity owned or controlled by Franchisor, or to another franchisee of Franchisor upon obtaining Landlord's written consent, which consent may not be unreasonably withheld, conditioned or delayed by Landlord. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

8. Upon Franchisor's delivery to Landlord and Tenant of its election to exercise its rights under this Addendum, Franchisor shall be entitled to all of Tenant's rights and interests in the Lease, as if Franchisor were the tenant under the Lease, including, by way of example and not limitation, the right to exercise any and all renewal options thereunder, without the need for any further action or instrument.

9. Landlord and Tenant expressly agree that Franchisor is an intended third-party beneficiary of the terms of this Addendum. Landlord and Tenant further agree that Franchisor has no liability or obligation under the Lease unless and until Franchisor exercises its right to assume the Lease under this Addendum.

10. In the event of any inconsistency between the terms of this Addendum and the terms of the Lease, the terms of this Addendum control. All of the terms of this Addendum, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns. The provisions of this Addendum may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Addendum that makes specific reference to this Addendum and which must be approved in writing by Franchisor. This Addendum may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

**LANDLORD:**

**TENANT:**

\_\_\_\_\_

\_\_\_\_\_

5  
a \_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT D**  
**TO THE FRANCHISE AGREEMENT**  
**NONDISCLOSURE AND NON-COMPETITION AGREEMENT**

**THIS NONDISCLOSURE AND NON-COMPETITION AGREEMENT** (this “Agreement”) is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, is executed by \_\_\_\_\_ (“Individual,” “me,” or “I”) for the benefit of **FIVE IRON GOLF FRANCHISING LLC**, a New York limited liability company (“Company”), and for \_\_\_\_\_, a/an \_\_\_\_\_ (“Franchisee”).

Franchisee is a franchisee of Company pursuant to a franchise agreement entered into by those parties concerning a center operating, or to be operated, under the “Five Iron Golf” name at \_\_\_\_\_ (the “Franchise Agreement”). The franchised business Company authorizes Franchisee to operate under the Franchise Agreement is known as the “Center,” which Center is one among all centers that Company owns, operates, or franchises under the “Five Iron Golf” name. I agree that, unless otherwise specified, all capitalized terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

I agree that during the term of my employment by, ownership participation in, association with or service to Franchisee, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity, Company’s proprietary and confidential information relating to the development and operation of Five Iron Golf Centers, including but not limited to the following concerning Five Iron Golf Centers: (1) site selection criteria and plans and specifications for the development of Five Iron Golf Centers; (2) ingredients, recipes, and methods of preparation and presentation of food products Company authorizes; (3) training and operations materials and manuals; (4) methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating Five Iron Golf Centers; (5) marketing, promotional and advertising research and programs for Five Iron Golf Centers; (6) knowledge of specifications for and suppliers of Operating Assets and products and supplies, including supplier pricing and related terms; (7) computer systems and software programs; (8) knowledge of the operating results and financial performance of Five Iron Golf Centers other than the Center; (9) graphic designs and related intellectual property; (10) customer and member solicitation, communication and retention programs, along with data and information used or generated in connection with those programs; (11) all data and other information generated by, or used in, the operation of the Center, including customer and member names, addresses, phone numbers, pricing and other information supplied by any customer or member (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Center (including you and your personnel) provide to the Website for the network of Five Iron Golf Centers; (12) future business plans relating to Five Iron Golf Centers and the Five Iron Golf franchise opportunity, including expansion and development plans; and (13) any and all other information Company provides to me, Franchisee, Franchisee’s Owners or Affiliates that is designated orally or in writing as proprietary or confidential, or by its nature would reasonably be understood to be proprietary or

confidential, regardless of whether such information is specifically designated as proprietary or confidential (collectively, all information referenced above, including examples (1) through (13), is known as the “Confidential Information”).

Furthermore, any and all information, knowledge, know-how, techniques and information which the entities mentioned above (or their officers) designate as confidential is considered, and hereby acknowledged by me, to be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication violates a similar confidentiality agreement), but in no event through any act of mine.

I specifically understand that, without limitation, all the above items, concepts, and/or examples contained in the preceding paragraph constitute Confidential Information of Company, and I will not divert any business to competitors of Franchisee and/or Company. I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or database, nor otherwise make them available to any unauthorized person.

I further agree that, during the term of my employment/service/association or ownership participation, I will not, directly or indirectly, engage or participate in any Competitive Business (defined below in this paragraph), any of which such prohibited behavior I understand and hereby explicitly acknowledge would or could be injurious to, or (in Company’s sole judgment) have an adverse effect upon, Company’s protectable interests in the Confidential Information, the “Five Iron Golf” trademark or related Marks, or the goodwill and/or reputation of Five Iron Golf Centers generally. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant. For purposes of this Agreement, a “Competitive Business” means any business that: (i) offers the same or similar products and services as offered by Five Iron Golf Centers or (ii) grants franchises or licenses to others to operate the type of business specified in subparagraph (i) (other than Five Iron Golf Center operated under a franchise agreement with Company). Despite the foregoing definition of a Competitive Business, nothing under this Agreement or the Franchise Agreement will prevent Individual from owning for investment purposes less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange, and so long as neither Individual nor Franchisee controls the company in question.

Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree:

- (i) to return immediately to Company or Franchisee, as the case may be, all Confidential Information, and any material(s) containing a subset thereof, in my possession that was utilized, or to which I had access, during my employment, association, service or ownership participation;

- (ii) to refrain, beginning upon such expiration or termination and forever thereafter, from any and all contacts with customers and members of Five Iron Golf Centers for any purpose whatsoever; and
- (iii) for a period of two (2) years, starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, to refrain from directly or indirectly (such as through any one or more of my spouse, legally-recognized domestic partner, parents, children or sibling(s) (collectively, "Immediate Family")) owning a legal or beneficial interest in, or rendering services or giving advice to: (a) any Competitive Business operating at the Premises or within a ten (10)-mile radius of the Premises; (b) any Competitive Business operating within a radius of ten (10) miles of any Five Iron Golf Center in operation or under construction on the later of the effective date of termination or expiration of my employment/service/association/ ownership participation; or (c) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business.

I acknowledge and understand that the provisions of this Agreement, including my representations, covenants, and warranties (as applicable) given hereunder, are necessary and integral to this Agreement and to Company's and Franchisee's interests under the Franchise Agreement, and are intended to:

- (i) preclude not only direct competition, but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or any assistance or transmission of information of any kind which would be of any material assistance to a competitor;
- (ii) bind any person or entity having any legal or beneficial interest in me, or traceable to, down or through me, including (without limitation) any of member of my Immediate Family, any direct or indirect beneficiary, any partner (general or limited) or proprietor of mine, and any other such related person or entity, regardless of how many levels or tiers there may be between any such described person or entity and me; and
- (iii) identify for me, toward the goal of preserving through this Agreement, Company's protectable legal interests in the System, customers and members of Five Iron Golf Centers, the Confidential Information, and the goodwill associated with the Marks.

I also expressly acknowledge my possession of skills and abilities of a general nature, and the opportunity for exploiting such skills in other ways than the operation or involvement in the activities of a Five Iron Golf Center or a Competitive Business, so that enforcement of my covenants made in this Agreement will not deprive me of my personal goodwill or ability to earn a living after the effective date of expiration or termination of my relationship with Franchisee, the Center, or Five Iron Golf Centers generally. If I fail or refuse to abide by any of my foregoing obligations or promises made under this Agreement, and Company or Franchisee obtains enforcement in a judicial or arbitration proceeding, then my obligations and responsibilities specified under the breached covenant will be tolled during the period(s) of time that the covenant

is breached and/or Company or Franchisee seeks to enforce it, and will continue for two (2) years starting from the effective date of the order enforcing the covenant.

**I acknowledge that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company and Franchisee, for which no adequate remedy at law will be available. Accordingly, I hereby consent to the entry of an injunction procured by Company or Franchisee (or both), in any appropriate jurisdiction and venue (notwithstanding other references to resolution of actions exclusively in Company's home prohibiting any conduct by me in violation of the terms of those covenants not to compete and/or restrictions on the use of Confidential Information under this Agreement). I expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these covenants not to compete was accomplished by and through my unlawful utilization of Company's Confidential Information. Further, I expressly agree that any claims I may have against Company will not constitute a defense to Company's enforcement of the covenants not to compete under this Agreement. I further agree to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.**

If all, or any portion of, this covenant not to use Confidential Information and not to compete is held unreasonable, void, vague or illegal by any court or agency having valid jurisdiction in an unappealed final decision to which Franchisee and/or Company is a party, the court or agency will be empowered to revise and/or construe the covenant to fall within permissible legal limits, and should not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part of this Agreement.

I agree that this Agreement and all relations and disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York state, and if the Center is located outside of New York state and the provision would be enforceable under the laws of the state in which the Center is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

I further agree that any litigation arising out of or related to this Agreement, any breach of this Agreement, and any and all relations and/or disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, will be instituted exclusively in the U.S. District Court sitting nearest to Company's corporate headquarters (currently, New York, New York). I agree that any dispute as to the aforementioned venue will be submitted to and resolved exclusively by such aforementioned court. Nonetheless,

I agree that Franchisee or Company may enforce this Agreement and any awards in the courts of the state or states in which I am domiciled, or the Center is located.

**I IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ME, FRANCHISEE OR COMPANY.** I hereby waive and covenant never to assert or claim that said venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

[Signatures on Following Page]

**IN WITNESS WHEREOF**, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, as of the day and year first written above.

**ATTESTED TO BY FRANCHISEE:**

\_\_\_\_\_

a/an \_\_\_\_\_

By: \_\_\_\_\_  
(Name of Franchisee's Officer)

Signed: \_\_\_\_\_  
(Signature of Franchisee's Officer)

\_\_\_\_\_  
(Date)

**INDIVIDUAL:**

\_\_\_\_\_

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

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

**WITNESS TO INDIVIDUAL'S SIGNATURE:**

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

\_\_\_\_\_  
(Signature of Witness)

\_\_\_\_\_  
(Date)

**EXHIBIT E**  
**TO THE FRANCHISE AGREEMENT**  
**ELECTRONIC TRANSFER AUTHORIZATION FORM**

Exhibit E

**ELECTRONIC PAYMENT AUTHORIZATION AGREEMENT**  
**(ACH CREDITS AND DEBITS)**

I hereby authorize Five Iron Golf Franchising LLC (“FRANCHISOR”), to initiate debit and credit entries and to initiate, if necessary, adjustments for any debit or credit entries in error to \_\_\_\_\_ (“FRANCHISEE”)  Checking (please attach voided check) or  Savings account (select one) indicated below at the depository named below, (“DEPOSITORY”), to debit and/or credit the same to such account.

Depository Name: \_\_\_\_\_

Depository Branch: \_\_\_\_\_

Depository Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Routing Number: \_\_\_\_\_

Account Name: \_\_\_\_\_

Account Number: \_\_\_\_\_

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that this authorization is to remain in full force and effect until terminated by FRANCHISEE pursuant to a written notice to FRANCHISOR in such time and in such manner as to afford FRANCHISOR and DEPOSITORY a reasonable opportunity to act on it, but in no event less than thirty (30) days in advance thereof. FRANCHISEE consents for the DEPOSITORY to provide FRANCHISOR with a bank account statement and deposit detail, at any time and from time to time, for any and all accounts described above.

[SIGNATURE ON FOLLOWING PAGE]

Exhibit E

IN WITNESS WHEREOF, this authorization has been executed on \_\_\_\_\_,  
20\_\_ at \_\_\_\_\_.

FRANCHISEE:

\_\_\_\_\_

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

Title: \_\_\_\_\_

Phone No.: \_\_\_\_\_

**[ATTACH VOIDED CHECK HERE]**

Exhibit E

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

**THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS** is given this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_

By (list each guarantor):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the “Agreement”) on this date by Five Iron Golf Franchising LLC (“us,” “we,” or “our”), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that \_\_\_\_\_ (“Franchisee”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements.

Depending on the creditworthiness of each guarantor and the community property laws of the states in which they reside, we may require that the spouses of one or more guarantors execute this Guaranty as well. Each guarantor represents and warrants that, if no signature appears below for such guarantor’s spouse, such guarantor is either not married or, if married, is a resident of a state that does not require the consent of both spouses to encumber the assets of a marital estate or we have waived in writing any requirement that such spouse execute this Guaranty.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may at any time and from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or its owners, and for so long as we have any cause of action against Franchisee or its owners; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement

Guaranty

and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we shall be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above-listed costs and expenses we incur.

Subject to the arbitration obligations and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between us and the undersigned, must be commenced in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, New York, New York), and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled.

Guaranty

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

**Signatures Of Each Guarantor**

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**Percentage Of Ownership  
In Franchisee**

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 %  
Guarantor's Spouse  

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 %  
Guarantor's Spouse  

---

 %  
Guarantor's Spouse  

---

 %  
Guarantor's Spouse  

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 %  
Guarantor's Spouse

Guaranty

**EXHIBIT D – Development Agreement Rider**

**DEVELOPMENT AGREEMENT RIDER  
TO FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT**

1. **Background.** This Development Agreement Rider (this “**Rider**”) is made between **FIVE IRON GOLF FRANCHISING LLC**, a New York limited liability company (“**we**,” “**us**,” or “**our**”) and \_\_\_\_\_ (“**you**” or “**your**”). This Rider is attached to, and intended to be a part of, that certain Franchise Agreement that we and you have [signed concurrently with signing this Rider/entered into on \_\_\_\_\_] (the “**Franchise Agreement**”) for the operation of the Five Iron Golf Center located at \_\_\_\_\_ (your “**Center**”). We and you are signing this Rider because you want the right to develop additional Five Iron Golf Centers (besides your Center covered by the Franchise Agreement) within a certain geographic area over a certain time period, and we are willing to grant you those development rights if you comply with this Rider. Capitalized terms not defined herein shall have the meanings defined in the Franchise Agreement.

2. **Grant of Development Rights.** Subject to your strict compliance with this Rider, we grant you the right to develop \_\_\_\_ (\_\_) new Five Iron Golf Centers (including your Center covered by the Franchise Agreement), according to the mandatory development schedule described in Exhibit A to this Rider (the “**Schedule**”), within the following geographic area (the “**Area**”): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If you (and, to the extent applicable and with our approval, your affiliated entities) are fully complying with all of your obligations under this Rider, and are fully complying with all of your obligations under the Franchise Agreement and all other franchise agreements then in effect between us and you (and, to the extent applicable and with our approval, your affiliated entities) for the development and operation of Five Iron Golf Centers, then during this Rider’s term only, we (and our affiliates) may not establish or operate (except to the extent that we already operate Five Iron Golf Centers in the Area), or grant to others the right to establish or operate, a Five Iron Golf Center the physical premises of which are located within the Area.

Except for the Five Iron Golf Center location restriction above, there are no restrictions that this Rider imposes on our (and our affiliates’) activities within the Area during this Rider’s term. You acknowledge and agree that we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever within the Area, including, without limitation, those rights we reserve in the Franchise Agreement. After this Rider expires or is terminated (regardless of the reason for termination), we and our affiliates have the right to establish and operate, and grant to others the right to establish and operate, Five Iron Golf Centers the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions whatsoever.

**YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS RIDER AND THAT YOUR RIGHTS UNDER THIS RIDER ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY**

STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE SCHEDULE.  
WE MAY ENFORCE THIS RIDER STRICTLY.

3. **Development Obligations.** To maintain your rights under this Rider, you (and/or affiliated entities we approve) must, by the dates specified in the Schedule, sign franchise agreements for and have open and operating the agreed-upon number of Five Iron Golf Centers in the Area. You (and/or the approved affiliated entity) will operate each Five Iron Golf Center under a separate franchise agreement with us. The franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations) that you (and your owners) sign for each additional Five Iron Golf Center will be our then current form of franchise agreement (and related documents), any and all of the terms of which may differ materially from any and all of the terms contained in the Franchise Agreement (and related documents). However, despite any contrary provision contained in the newly-signed franchise agreements, your additional Five Iron Golf Centers must be open and operating by the dates specified in the Schedule. To retain your rights under this Rider, each of your Five Iron Golf Centers must operate continuously throughout this Rider's term in full compliance with its franchise agreement.

4. **Subfranchising Rights.** This Rider does not give you any right to franchise, license, subfranchise, or sublicense others to operate Five Iron Golf Centers. Only you (and/or affiliated entities we approve) may develop, open, and operate Five Iron Golf Centers pursuant to this Rider. This Rider also does not give you (or your affiliated entities) any independent right to use the "Five Iron Golf" trademark or our other trademarks and commercial symbols. The right to use our trademarks and commercial symbols is granted only under a franchise agreement signed directly with us. This Rider only grants you potential development rights if you comply with its terms.

5. **Development Fees.** As consideration for the development rights we grant you in this Rider, you must pay us, at the same time you sign this Rider, a total of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the "**Development Fee**"), which equals (a) the Fifty Thousand Dollar (\$50,000) initial franchise fee due under the Franchise Agreement plus (b) a deposit of Twenty Five Thousand Dollars (\$25,000) for each additional Five Iron Golf Center you agree to develop under the Schedule. Our initial franchise fee for the first Five Iron Golf Center you develop pursuant to this Rider is Fifty Thousand Dollars (\$50,000). For each Five Iron Golf Center included in the Schedule following the first, you will pay an initial franchise fee equal to (i) \$40,000 for the second through fifth Five Iron Golf Centers, and (ii) \$30,000 for any additional Five Iron Golf Centers you open after the fifth. If (i) you complete your development obligations under the Schedule prior to the conclusion of the term of this Rider, and (ii) elect to develop (and we approve) additional Five Iron Golf Centers, then your initial franchise fee for those additional Five Iron Golf Centers will be \$20,000. The Development Fee is consideration for the rights we grant you in this Rider and for reserving the Area for you to the exclusion of others, is fully earned by us when we and you sign this Rider, and is not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this Rider for that reason.

While the Development Fee is not refundable under any circumstances, when you (or your approved affiliated entity) sign the franchise agreement for each additional Five Iron Golf Center to be developed, we will apply Twenty Five Thousand Dollars (\$25,000) of the Development Fee toward the initial franchise fee due for that Five Iron Golf Center.

6. **Grant of Franchises.** You must submit to us a separate application for each Five Iron Golf Center you wish to develop pursuant to this Rider. You agree to give us all information and materials we request in order to assess each proposed site. We will supply you with our site selection criteria and may put you in contact with a commercial real estate broker in the Area; however, we will not conduct site selection activities for you. In granting you the development rights under this Rider, we are relying on your knowledge of the real estate market and your ability to locate and access sites. We will not unreasonably withhold acceptance of any proposed site if the site meets our then current site criteria. However, we have the absolute right not to accept any site not meeting these criteria. If we accept a proposed site, you agree, within the time period we specify (but no later than the date specified in the Schedule), to sign a separate franchise agreement (and related documents) for the Five Iron Golf Center and to pay us the remaining portion of the initial franchise fee due, if any. If you do not do so, or cannot obtain lawful possession of the proposed site, we may withdraw our acceptance of the proposed site. After you (and your owners) sign the franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations), its terms and conditions will control your development and operation of the Five Iron Golf Center (except that the required opening date is governed exclusively by this Rider).

In addition to our rights with respect to proposed Five Iron Golf Center sites, we may delay your development of additional Five Iron Golf Centers pursuant to this Rider for the time period we deem best if we believe, when you submit your application, that you are not yet operationally, managerially, or otherwise prepared, due to the particular amount of time that has elapsed since you developed and opened your most recent Five Iron Golf Center, to develop, open and/or operate the additional Five Iron Golf Centers in full compliance with our standards and specifications. We may delay additional development for the time period we deem best as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the Schedule (unless we are willing to extend the Schedule proportionately to account for the delay).

7. **Term.** This Rider's term begins on the date we and you sign it and ends on the date when (a) the final Five Iron Golf Center to be developed under the Schedule has opened (or, if earlier, must have opened) for business, or (b) this Rider otherwise is terminated.

8. **Termination.** We may terminate this Rider and your right to develop Five Iron Golf Centers within the Area at any time, effective upon delivery to you of written notice of termination: (a) if you fail to satisfy either your development obligations under the Schedule or any other obligation under this Rider, which defaults you have no right to cure; or (b) if the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for a Five Iron Golf Center, is terminated by us in compliance with its terms or by you (or your affiliated entity) for any (or no) reason; or (c) if we have delivered a formal written notice of default to you (or your affiliated entity) under the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for a Five Iron Golf Center, whether or not you (or your affiliated entity) cure that default and whether or not we subsequently terminate the Franchise Agreement or the other franchise agreement. No portion of the Development Fee is refundable upon a termination of this Rider or under any other circumstances.

Upon the occurrence of any of the events above in this Section 8 during the term of this Rider, we may, at our option, elect to terminate only the exclusivity of the Area (as provided under Section 2 above) instead of terminating this Rider entirely. This means that during the remainder of the term of this Rider, we and our affiliates will have the right to establish and operate, and grant

to others the right to establish and operate, Five Iron Golf Centers, the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions whatsoever. However, such termination of the exclusivity shall be without prejudice to our right to terminate this Rider at any time thereafter for the same default or any other defaults under this Rider.

A termination of this Rider is not deemed to be the termination of any franchise rights (even though this Rider is attached to the Franchise Agreement) because this Rider grants you no separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. A termination of this Rider does not affect any franchise rights granted under any then-effective individual franchise agreements.

9. **Assignment.** Your development rights under this Rider are not assignable at all. This means that we will not under any circumstances allow the development rights to be transferred. A transfer of the development rights would be deemed to occur (and would be prohibited) if there is an assignment of the Franchise Agreement, any change in your ownership (whether or not it is a controlling ownership interest), any change in your owners' ownership (if such owners are legal entities and whether or not it is a controlling ownership interest), a transfer of this Rider separate and apart from the Franchise Agreement, or any other event attempting to assign the development rights.

10. **Incorporation of Other Terms.** Sections 16.A, 16.B, 16.D, 17.A through 17.M, 18, 19 and 21 of the Franchise Agreement, entitled "Independent Contractors," "No Liability for Acts of Other Party," "Indemnification," "Severability and Substitution of Valid Provisions," "Waiver of Obligations," "Costs and Attorneys' Fees," "Rights of Parties Are Cumulative," "Arbitration," "Governing Law," "Consent to Jurisdiction," "Waiver of Punitive Damages and Jury Trial," "Binding Effect," "Limitation of Claims," "Limited Liability for Our Related Parties," "Covenant of Good Faith," "Construction," "Notices and Payments" "Compliance with Anti-Terrorism and Other Laws" and "Electronic Signatures" respectively, are incorporated by reference in this Rider and will govern all aspects of this Rider and our and your relationship as if fully restated within the text of this Rider.

11. **Rider to Control.** Except as provided in this Rider, the Franchise Agreement remains in full force and effect as originally written. If there is any inconsistency between the Franchise Agreement and this Rider, the terms of this Rider will control.

**[Signature Page Follows.]**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

<b>FIVE IRON GOLF FRANCHISING LLC</b>	<b>FRANCHISE OWNER</b>
By: _____	_____
Title: _____	[Name]
Date: _____	By: _____
	Title: _____
	Date: _____

**EXHIBIT A**  
**TO DEVELOPMENT AGREEMENT RIDER**

You agree to develop and open \_\_\_\_ (\_\_) new Five Iron Golf Centers in the Area, including your Center that is the subject of the Franchise Agreement, according to the following Schedule:

<b>Five Iron Golf Center Number</b>	<b>Date by which Franchise Agreement Must be Signed</b>	<b>Date by which Five Iron Golf Center Must be Opened</b>	<b>Cumulative Number of Five Iron Golf Center to Be Open and Operating in the Area No Later than the Opening Dates (in previous column)</b>
1			1
2			2
3			3
4			4
5			5

<b>FIVE IRON GOLF FRANCHISING, LLC</b>	<b>FRANCHISE OWNER</b>
By: _____	_____ [Name]
Title: _____	By: _____
Date: _____	Title: _____
	Date: _____

**EXHIBIT E – State Addenda to Franchise Agreement**

**RIDER TO THE FIVE IRON GOLF FRANCHISING, LLC  
FRANCHISE AGREEMENT FOR USE IN CALIFORNIA,  
INDIANA, MICHIGAN, AND WISCONSIN**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between Five Iron Golf Franchising, LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” “**our,**” or “**Franchisor**”), and \_\_\_\_\_ (“**you,**” “**your,**” or “**Franchisee**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is part of the Franchise Agreement.

2. **No Waiver of Disclaimer of Reliance in Certain States.** The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Indiana, Michigan, or Wisconsin:

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

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Effective Date stated in the Franchise Agreement.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN HAWAII**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Hawaii, and/or (b) the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in Hawaii.

The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Fee Deferral. Based upon our financial condition, the Hawaii Business Registration Securities Compliance Branch has required a financial assurance. Therefore, all Initial Franchise Fees, Development Fees and any other fees and payments owed by you shall be deferred until we complete our pre-opening obligations under the Franchise Agreement and the Center is open.
2. 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
3. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. Only the Sections specifically added to or amended by this Rider shall be affected. This Rider is incorporated in and made a part of the Franchise Agreement for the State of Hawaii.

**[Signatures on following page]**

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the date set forth above.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN ILLINOIS**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Illinois, and/or (b) the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in Illinois.

The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Illinois law shall apply to and govern this Agreement.
2. 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.
3. Franchisees’ right upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. 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 waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
5. 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
6. In conformance with Section 15 of the Illinois Franchise Disclosure Act and Section 200.500 of the Illinois Administrative Rules promulgated thereunder, the state of Illinois has required Franchisor to assure its financial capability by implementing a means of financial assurance. As such, Franchisor has elected to defer payment of Initial Franchise Fees and Development Fees until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The Illinois Attorney’s General’s Office imposed this deferral requirement due to Franchisor’s financial condition.

7. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. Only the Sections specifically added to or amended by this Rider shall be affected. This Rider is incorporated in and made a part of the Franchise Agreement for the State of Illinois.

**[Signatures on following page]**

IN WITNESS WHEREOF, the undersigned have executed this Rider as of the date set forth above.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN MARYLAND**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland, and/or (b) the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in Maryland.

2. **Acknowledgments.**

a. The following language is added to the end of Section 1.B (entitled “Acknowledgements”) of the Franchise Agreement:

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.

b. Subparagraphs (3), (6), (10), (12), (14) of Section 1.B of the Franchise Agreement are hereby deleted in their entirety.

3. **Fees.** The following language is added to the end of Section 3.A(2) (entitled “Initial Franchise Fee”) of the Franchise Agreement:

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 development agreement opens.

4. **Releases.** The following language is added to the end of the subparagraphs in Section 3.A.(2) (entitled “Initial Franchise Fee”), to the end of Sections 4.A.(5) (entitled “Initial Training”), 12.C.(9) (entitled “Conditions for Approval of Transfer”), and 13.C. (entitled “Agreements/Releases”), and to the end of the first paragraph of Section 15.E (entitled “Our Right to Purchase Certain Assets of the Center”) of the Franchise Agreement:

However, such general release will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **Insolvency.** The following language is added to the end of Section 14.B.(21) of the Franchise Agreement:

; termination upon insolvency might not be enforceable under federal insolvency law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce this provision to the maximum extent the law allows.

6. **Arbitration.** The following language is added to the end of Section 17.E of the Franchise Agreement:

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 forum selection requirement is legally enforceable.

7. **Consent to Jurisdiction.** The following language is added to the end of Section 17.G of the Franchise Agreement:

However, subject to the parties' arbitration obligations, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

8. **Limitation of Claims.** The following language is added to the end of Section 17.J of the Franchise Agreement:

However, the limitation of such claims shall not act to reduce the three (3)-year statute of limitations afforded to you for bringing a claim under the Maryland Franchise Registration and Disclosure Law.

9. **Acknowledgements.** The following language is added as a new Section 17.O of the Franchise Agreement:

All representations requiring you 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.

10. **No Waiver of Disclaimer of Reliance.** 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN MINNESOTA**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we**,” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Minnesota, and/or (b) the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in Minnesota.

The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. The following language is added as Section 17.O of the Franchise Agreement:

Minnesota Statutes, Section 80C.21 and Minn. Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, injunctive relief, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C. 14, Subdivisions 3, 4 and 5 require, except in certain specified cases, 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.

3. Pursuant to Minnesota Statutes, Section 80C.12, Subdivision 1(g), the following provision is added as Section 16.E of the Franchise Agreement:

We will indemnify, defend and hold you harmless, to the fullest extent permitted by law, from and against all losses and expenses incurred by you in any action or claim arising from your proper use of the System alleging that your use of the System and any property we license to you is an infringement of a third party’s rights to any trade secret, patent, copyright, trademark, service mark or trade name. You will promptly notify us in writing when you become aware of any alleged infringement, or an action is filed against you.

You will cooperate with our defense and resolution of the claim. We may resolve the matter by obtaining a license of the property for you at our expense, or by requiring that you discontinue using the infringing property or modify your use to avoid infringing the rights of others.

4. No release language set forth in Sections 3.A(2), 4.A(5), 12.C(9), 13.C or 15.E of the Franchise Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the state of Minnesota.

5. Liquidated damages and termination penalties are prohibited by law in the state of Minnesota and, therefore, Section 15.A(2) of the Franchise Agreement is amended by deletion of all references to liquidated damages and termination penalties and the addition of the following language to the original language that appears therein:

Notwithstanding any such termination, and in addition to your other obligations, or in the event of termination or cancellation of the Franchise Agreement under any of the other provisions therein, you shall be, continue and remain liable to us for any and all damages that we have sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on your part until the end of the term.

At the time of such termination of the Franchise Agreement, you covenant to pay to us within 10 days after demand compensation for all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by us and/or amounts that would otherwise be payable for and during the remainder of the unexpired term of the Franchise Agreement but for such termination. This does not constitute a waiver of your right to a trial on any of the above matters.

6. Pursuant to Minnesota Statutes, Section 80C.17, Subdivision 5, the following is added to the end of Section 17.J of the Franchise Agreement:

However, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

7. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. Only the Articles specifically added to or amended by this Rider shall be affected. This Rider is incorporated in and made a part of the Franchise Agreement for the State of Minnesota.

8. Based upon the franchisor's financial condition, the Commissioner of the Minnesota Department of Commerce has required a financial assurance. Therefore, all initial fees and payments owed by the franchisee shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement.

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

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN NEW YORK**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we**,” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of New York and the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in New York; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in New York.

The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Section 14 is amended by adding the following statement as a new Section 14.G:

However, 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 related regulations shall remain in force; it being the intent of this proviso to satisfy the non-waiver provisions of GBL, Sections 687.4 and 687.5.

2. Section 12.A is amended by adding the following statement immediately after the third sentence of such Section:

However, no assignment shall be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

3. Nothing in Section 14 prevents you from asserting your rights under common law to terminate the Franchise Agreement if we commit a material breach of the Franchise Agreement.

4. Section 17.F is amended by adding the following statement to the end of such Article:

The foregoing choice of law should not be considered a waiver of any right conferred upon you by the GBL of the State of N.Y., Article 33.

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

6. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. Only the Articles specifically added to or amended by this Rider shall be affected. This Rider is incorporated in and made a part of the Franchise Agreement for the State of New York.

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN NORTH DAKOTA**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Five Iron Golf Center that you will operate under the Franchise Agreement was made in the State of North Dakota, and/or (b) you are a resident of North Dakota and will operate the Five Iron Golf Center in North Dakota. This Rider is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Franchise Agreement.

2. **Grant of Successor Franchise.** You are not required to sign a general release as to any matters coming under the North Dakota Franchise Investment Law (the “**ND Law**”).

3. **Termination.** Section 15.A of the Franchise Agreement may require franchisees to consent to termination or liquidated damages. This requirement is deleted from the Franchise Agreement and any other agreements used in the State of North Dakota.

4. **Post-Term Competitive Restrictions.** Covenants not to compete, such as those mentioned in this section, are generally unenforceable in the State of North Dakota.

5. **Jurisdiction.** All matters coming under the ND Law may be brought in the courts of North Dakota.

6. **Waiver of Punitive Damages and Jury Trial.** Paragraph 17.H of the Franchise Agreement is deleted in its entirety.

7. **Limitation of Claims.** The statute of limitations under ND Law applies to all matters coming under ND Law.

8. **Governing Law.** This Franchise Agreement will be governed by North Dakota law.

9. **Mediation.** All matters being mediated under ND Law may be brought in a location agreeable to both the Franchisor and the Franchisee.

10. **Initial Franchise Fees.** The North Dakota Securities Department requires us to defer payment of the Initial Franchise Fee and other initial payments owed by you to us until we have completed our pre-opening obligations and you have commenced doing business under the Franchise Agreement.

11. **No Waiver of Disclaimer of Reliance.** 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**[Signatures on following page]**

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN RHODE ISLAND**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of Rhode Island and the Five Iron Golf Center that you will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **Governing Law.** The following language is added to the end of Section 17.F of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

3. **Consent to Jurisdiction.** The following language is added to the end of Section 17.G of the Franchise Agreement:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

To the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

4. **No Waiver of Disclaimer of Reliance.** 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**[Signatures on following page]**

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider effective on the Effective Date stated in the Franchise Agreement.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN SOUTH DAKOTA**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of South Dakota and/or (b) the Five Iron Golf that you will operate under the Franchise Agreement will be located in South Dakota.

1. **Fees.** The following language is added to the end of Section 3.A(2) (entitled “Initial Franchise Fee”) of the Franchise Agreement:

Based upon the franchisor’s financial condition, the Securities Regulation Office has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until you have received all initial training that you are entitled to under the Franchise Agreement, and you have opened for business. In addition, any development fees due will be deferred and collected proportionally upon the opening of each franchise developed under the development agreement.

2. **No Waiver of Disclaimer of Reliance.** 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**[Signatures on following page]**

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider effective on the Effective Date stated in the Franchise Agreement.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**RIDER TO THE FIVE IRON GOLF FRANCHISING LLC  
FRANCHISE AGREEMENT FOR USE IN VIRGINIA**

**This Rider** (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between FIVE IRON GOLF FRANCHISING LLC, a New York limited liability company with its principal business address at 883 Avenue of the Americas, Fl. 3, New York, New York 10001 (“**we,**” “**us**” or “**our**”), and \_\_\_\_\_ a \_\_\_\_\_ whose principal business address is \_\_\_\_\_ (“**you**” or “**your**”).

We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of Virginia and/or (b) the Five Iron Golf that you will operate under the Franchise Agreement will be located in Virginia.

The following provisions supersede any conflicting provisions in the Franchise Agreement:

The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

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

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

**[Signatures on following page]**

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider effective on the Effective Date stated in the Franchise Agreement.

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[ ]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

## **WASHINGTON RIDER TO FRANCHISE AGREEMENT AND RELATED AGREEMENTS**

In recognition of the requirements by the Washington Franchise Investment Protection Act and the Rules and Regulations promulgated thereunder (the “Act”), the Franchise Agreement, Development Agreement Rider, and Related Agreements shall be modified as follows:

**Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

**Franchisee Bill of Rights.** RCW 19.100.180 may supersede the Franchise Agreement or related agreements concerning your relationship with us, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with us. Franchise agreement provisions including those summarized in Item 17 of the Disclosure Document, are subject to state law.

**Site of Arbitration, Mediation, and/or Litigation.** 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.

**General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind you to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

**Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

**Transfer Fees.** Transfer fees are collectable only to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

**Termination by Franchisee.** You may terminate the Franchise Agreement under any grounds permitted under state law.

**Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit us to repurchase your business for any reason during the term of the Franchise Agreement without your consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**Fair and Reasonable Pricing.** Any provision in the Franchise Agreement or related agreements that requires you to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

**Waiver of Exemplary & Punitive Damages.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**Franchisor's Business Judgement.** Provisions in the Franchise Agreement or related agreements stating that we may exercise our discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**Indemnification.** Any provision in the Franchise Agreement or related agreements requiring you to indemnify, reimburse, defend, or hold us or other parties harmless is hereby modified such that you have no obligation to indemnify, reimburse, defend, or hold us or any other indemnified party harmless for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**Attorneys' Fees.** If the Franchise Agreement or related agreements require a franchisee to reimburse us for court costs or expenses, including attorneys' fees, such provision applies only if we are the prevailing party in any judicial or arbitration proceeding.

**Noncompetition Covenants.** 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 provision contained in the Franchise Agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**Nonsolicitation Agreements.** 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.

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

**Prohibitions on Communicating with Regulators.** Any provision in the Franchise Agreement or related agreements that prohibits you from communicating with or complaining to regulators is inconsistent with the express instructions in the Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

In lieu of an impound of franchise fees, franchisor will not require or accept the payment of any initial franchise fees until you have (a) received all initial training that you are entitled to under the Franchise Agreement or offering circular, and (b) are open for business.

Because franchisor has material pre-opening obligations with respect to each franchised business you open under a Development Agreement Rider to Franchise Agreement, payment of the franchise fee will be released proportionally with respect to each franchise outlet opened and is deferred until franchisor has met all its pre-opening obligations under the Development Agreement Rider to Franchise Agreement and you are open for business with respect to each such location.

**Marketing by Franchisee** - The third paragraph of Section 9.C of the Franchise Agreement is revised to read as follows:

Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously disapproved including, but not limited to, press releases and interviews for publication in any media. You may not use any advertising, promotional, or marketing materials that we have not approved in writing or that we have disapproved.

**Acknowledgments** - Subparagraphs (6) and (12) of Section 1.B of the Franchise Agreement are hereby deleted in their entirety.

**Management of Center** – Notwithstanding anything to contrary in Section 14.F of the Franchise Agreement, we shall not assume management of the Center for more than six (6) months, nor will we collect a management fee as a result of our managing the Center for more than six (6) months.

**Brand Damages** – Section 15.A.2 of the Franchise Agreement is hereby modified to remove any lost Brand Fund contributions from the calculation of Brand Damages.

**Covenant Not to Compete** - The last two sentences of Section 15.D(2) of the Franchise Agreement are hereby deleted in their entirety.

**Termination or Non-Renewal** - Section 15.E of the Franchise Agreement is hereby modified to be consistent with RCW 19.100.180(2), including that we shall purchase the assets referenced in RCW 19.100.180(2) at their fair market value at the time of the early termination or non-renewal of the Franchise Agreement, with such amounts permitted to be offset by any amounts owed by you to us.

Indemnification - The first sentence of Section 16.D of the Franchise Agreement is revised to read as follows:

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective affiliates, shareholders, members, managers, directors, partners, officers, employees, agents, successors, and assignees (the “Indemnified Parties”) against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Center’s operation, employment matters in connection with the Center, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party’s negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our negligence, willful misconduct, or liabilities caused by an Indemnified party’s acts or omissions amounting to strict liability or fraud.

Limitation of Claims – Notwithstanding anything to the contrary contained in Section 17.J of the Franchise Agreement, the claims limitation period of eighteen (18) months does not apply.

Nondisclosure and Non-Competition - The last paragraph on page D-3 of the Nondisclosure and Non-Competition Agreement (Ex. D to the Franchise Agreement) is revised to read as follows:

If I fail or refuse to abide by any of my foregoing obligations or promises made under this Agreement, and Company or Franchisee obtains enforcement in a judicial or arbitration proceeding, then my obligations and responsibilities specified under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or Company or Franchisee seeks to enforce it, and will continue for two (2) years starting from the effective date of the order enforcing the covenant.

No Waiver of Disclaimer of Reliance. 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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Except as expressly modified by this Rider, the Franchise Agreement and/or Development Agreement Rider remain in full force and effect.

**[Signatures on following page]**

**FIVE IRON GOLF FRANCHISING  
LLC**

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED:** \_\_\_\_\_

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE  
FRANCHISE AS A CORPORATION,  
LIMITED LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of  
entity]

Title: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE  
FRANCHISE INDIVIDUALLY AND  
NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**EXHIBIT F – Financial Statements**

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OR HER OPINION WITH REGARD TO THEIR CONTENT OR FORM.**

March 31, 2025

**ASSETS**

**CURRENT ASSETS**

Cash	\$	942,503
Accounts Receivable	\$.	(2,290)
Prepaid and Other Current Assets		--
Total Current Assets	\$	940,212
Capitalized commissions, net	\$	109,583
Other Fixed Assets	\$	1,134
Total assets	\$	<b>1,051,397</b>

**LIABILITIES AND MEMBER'S EQUITY**

**CURRENT LIABILITIES**

Accounts payable	\$	47,183
Accrued Expenses	\$	16,514
Due to Related Parties	\$	1,957,427
Deferred Revenue	\$	908,907
Total Current Liabilities	\$	2,925,146
<b>MEMBER'S EQUITY (Deficit)</b>	\$	(1,878,634)
	\$	<b>1,051,397</b>

**FIVE IRON GOLF FRANCHISING LLC**  
**STATEMENT OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY (UNAUDITED)**  
**Three Months ended March 31, 2025**

<b>REVENUES</b>	\$ 134,261
<b>OPERATING EXPENSES</b>	
Salaries and wages	\$ 303,817
Cost of sales	\$ 4,472
Legal and professional fees	\$ 15,763
Software	\$ 32,175
Travel and Entertainment	\$ 25,659
Marketing	\$ 67,136
Employee benefits	\$ 3,154
Miscellaneous	\$ 62,779
Total Operating Expenses	\$ 514,961
<b>NET LOSS FROM OPERATIONS</b>	<b>\$ (380,694)</b>
<hr/>	
<b>MEMBER'S EQUITY - BEGINNING OF YEAR</b>	\$ (1,497,940)
Net loss	\$ (380,694)
<b>MEMBER'S EQUITY - END OF Q1</b>	<b>\$ (1,878,634)</b>
<hr/>	

**Five Iron Golf Franchising LLC**

Financial Statements

December 31, 2024 and 2023 and  
for the Period from April 5, 2022 to December 31, 2022



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## INDEPENDENT AUDITOR'S REPORT

To the Members  
Five Iron Golf Franchising LLC

### **Opinion**

We have audited the accompanying financial statements of Five Iron Golf Franchising LLC (a New York corporation) (the "Company"), which comprise the balance sheet as of December 31, 2024, and the related statements of operations, changes in member's equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Five Iron Golf Franchising LLC as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Five Iron Golf Franchising LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Prior Period Financial Statements**

The financial statements of Five Iron Golf Franchising LLC as of December 31, 2023, were audited by other accountants whose report dated April 23, 2024, expressed an unmodified opinion on those statements.

The financial statements of Five Iron Golf Franchising LLC as of December 31, 2022, were audited by other accountants whose report dated April 23, 2024, expressed an unmodified opinion on those statements.

### **Emphasis of Matter**

As part of our audit of the 2024 financial statements, we also audited the adjustments described in Note 3 that were applied to restate the 2023 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2023 financial statements of the Company other than with respect to the adjustments, and, accordingly, we do not express an opinion or any other form of assurance on the 2023 financial statements as a whole.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Five Iron Golf Franchising LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Five Iron Golf Franchising LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Five Iron Golf Franchising LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Philadelphia, Pennsylvania

May 12, 2025

Five Iron Golf Franchising LLC  
Balance Sheets  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

	2024	(Restated) 2023	2022
<b>ASSETS</b>			
Current assets			
Cash	\$ 540,000	\$ 328,011	\$ 200,000
Accounts receivable	59,430	-	-
Prepaid and other current assets	-	7,495	-
Total current assets	599,430	335,506	200,000
Capitalized commissions, net	109,583	34,000	-
Total assets	\$ 709,013	\$ 369,506	\$ 200,000
<b>LIABILITIES AND MEMBER'S EQUITY (DEFICIT)</b>			
Current liabilities			
Accounts payable	\$ 1,255	\$ -	\$ -
Accrued expenses	9,538	3,256	-
Due to related parties	1,564,807	547,750	173,497
Deferred revenue	631,353	420,000	-
Total current liabilities	2,206,953	971,006	173,497
Member's equity (deficit)	(1,497,940)	(601,500)	26,503
Total liabilities and member's equity (deficit)	\$ 709,013	\$ 369,506	\$ 200,000

The accompanying notes are an integral part of these financial statements.

Five Iron Golf Franchising LLC  
 Statements of Operations  
 For the Years Ended December 31, 2024 and 2023,  
 and for the Period from April 5, 2022 to December 31, 2022

	<u>2024</u>	(Restated) <u>2023</u>	<u>2022</u>
Revenue	<u>\$ 336,525</u>	<u>\$ -</u>	<u>\$ -</u>
Operating expenses			
Salaries and wages	710,301	438,043	6,701
Cost of sales	54,395	-	-
Legal and professional fees	183,722	71,896	163,461
Software	58,301	37,277	-
Travel	52,223	18,805	-
Advertising	51,949	11,595	-
Payroll taxes	48,408	41,883	584
Licenses and fees	21,533	1,285	2,451
Meals and entertainment	14,901	4,559	-
Employee benefits	29,394	2,326	-
Miscellaneous	<u>7,838</u>	<u>334</u>	<u>300</u>
Total operating expenses	<u>1,232,965</u>	<u>628,003</u>	<u>173,497</u>
Net loss	<u>\$ (896,440)</u>	<u>\$ (628,003)</u>	<u>\$ (173,497)</u>

The accompanying notes are an integral part of these financial statements.

Five Iron Golf Franchising LLC  
 Statements of Changes in Member's Equity (Deficit)  
 For the Years Ended December 31, 2024 and 2023,  
 and for the Period from April 5, 2022 to December 31, 2022

Balance, April 5, 2022	\$ -
Contributions	200,000
Net loss	<u>(173,497)</u>
Balance, December 31, 2022	26,503
Net loss, as restated	<u>(628,003)</u>
Balance, December 31, 2023, as restated	(601,500)
Net loss	<u>(896,440)</u>
Balance, December 31, 2024	<u><u>\$ (1,497,940)</u></u>

The accompanying notes are an integral part of these financial statements.

Five Iron Golf Franchising LLC  
Statements of Cash Flows  
For the Years Ended December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

	<u>2024</u>	(Restated) <u>2023</u>	<u>2022</u>
Cash flows from operating activities			
Net loss	\$ (896,440)	\$ (628,003)	\$ (173,497)
Adjustments to reconcile net loss to net cash provided by operating activities			
Amortization of franchise revenue	(6,667)	-	-
Amortization of capitalized commissions	1,417	-	-
Changes in operating assets and liabilities			
Accounts receivable	(52,763)	(7,495)	-
Prepaid and other current assets	7,495	-	-
Accounts payable	1,255	-	-
Accrued Expenses	6,282	3,256	-
Deferred revenue	211,353	420,000	-
Due to related party	1,017,057	374,253	173,497
Capitalized commissions	<u>(77,000)</u>	<u>(34,000)</u>	<u>-</u>
Net cash provided by operating activities	<u>211,989</u>	<u>128,011</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from contributions	<u>-</u>	<u>-</u>	<u>200,000</u>
Net cash provided by financing activities	<u>-</u>	<u>-</u>	<u>200,000</u>
Cash, beginning of year/period	<u>328,011</u>	<u>200,000</u>	<u>-</u>
Cash, end of year/period	<u>\$ 540,000</u>	<u>\$ 328,011</u>	<u>\$ 200,000</u>

The accompanying notes are an integral part of these financial statements.

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

1. NATURE OF OPERATIONS

Five Iron Golf Franchising, LLC, (the "Company") a subsidiary of The Range NYC LLC (the "Parent Company"), opened in April 2022 with the objective to franchise Five Iron Golf locations, which provides a re-imagined, high-tech, inclusive urban golf experience for golfers and non-golfers alike.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company, is presented to assist in understanding the Company's financial statements. The financial statements are a representation of the Company's management who is responsible for their integrity and objectivity.

Use of estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

The Company maintains its cash balances with accredited financial institutions. At times, the balances may be in excess of federally insured limits.

Accounts receivable and allowance for expected credit losses

Accounts receivable are recorded on various contracts, and include billed and unbilled amounts for products and services for which the Company has an unconditional right to payment. The Company recognizes an allowance for expected losses on accounts receivable in an amount equal to the current expected credit losses. The estimation of the allowance is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and reasonable and supportable expectation of future conditions, as well as an assessment of specific identifiable customer accounts considered at risk or uncollected. The Company assesses its commutability by pooling receivables where similar characteristics exist and characteristics and are considered at risk or uncollected. The expense associated with the allowance for expected credit losses is recognized in bad debt expense. There is no allowance for expected credit losses as of December 31, 2024, 2023, and 2022, respectively.

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The Company follows Accounting Standards Update (ASU) 2014-09, "Revenue from Contracts with Customers" ASC606. This standard applies to all contracts with customers, except for customers that are within the scope of other standards, such as leases, insurance, collaboration arrangements and financial instruments. Under ASC606, the Company recognizes revenue when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC606, the Company performs the following five steps: (i) identify the contract with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies the performance obligation. The Company only applies the five-step model to contracts when it is probable that it will collect the consideration it is entitled to in exchange for the goods and services it transfers to the customer.

At contract inception, once the contract is determined to be within the scope of ASC606, the Company assesses the goods or services and promises within each contract and determines those that are performance obligations. The Company then assesses whether each promised good or service is distinct and recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

New franchise agreements are concluded to have one performance obligation. The Company provides franchisees with (i) a franchise license, which includes a license to use the Company's intellectual property, (ii) pre-opening services, such as training and inspections, and (iii) ongoing services, such as development of training materials and ongoing monitoring and inspections. These services are highly interrelated and dependent upon the franchise license, and the Company has concluded these services do not represent individually distinct performance obligations. Consequently, the Company bundles the franchise license performance obligation and promises to provide these services into a single performance obligation, which the Company satisfies by providing a right to use its intellectual property over the term of each franchise agreement.

The franchise revenue is recognized ratably over the term of the franchise agreement (after the franchise has opened). The standard franchise agreement is for ten years. The Company recognized \$6,667, \$0, and \$0 of franchise revenue for the years ended December 31, 2024, December 31, 2023, and for the period April 5, 2022 to December 31, 2022.

Royalty, technology, service fees (royalty revenue) are determined as a percentage of franchise gross sales. These fees are recognized as revenue in the period sales are earned by the franchisees. The Company recognized \$238,877, \$0, and \$0 of royalty revenue for the years ended December 31, 2024, December 31, 2023 and for the period April 5, 2022 to December 31, 2022.

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Other revenue is earned based on purchases of equipment, inventory, or branded products by the franchisees. Revenue is earned when the Company ships product to the franchisee. The Company recognized \$90,981, \$0, and \$0 of other revenue for the years ended December 31, 2024, December 31, 2023, and for the period April 5, 2022 to December 31, 2022.

The Company recognized \$6,667 of revenue under over-time accounting and a total of \$329,858 of revenue at a point-in-time for the year ended December 31, 2024.

Deferred revenue

Advance payments made by franchisees for which revenues have not been earned are recorded as deferred revenue.

As of December 31, 2024, 2023, and for the period April 5, 2022 to December 31, 2022, seven, six, and zero franchises have been sold, totaling 29, 11, and 0 stores, respectively. As of December 31, 2024 three stores have been opened. Deferred revenue associated with unopened and operating franchises was \$631,353, \$420,000, and \$0 as of December 31, 2024, 2023, and 2022, respectively.

Capitalized commissions, net

The Company capitalizes commissions paid to employees when new franchisee agreements are signed. These commissions are capitalized under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 340-40 as they are costs incurred to obtain a contract and would not be incurred unless the new franchisee agreement was executed. The commissions are amortized over ten years, which is the same period as the franchise fee revenue. The Company recognized \$1,417, \$0, and \$0 of amortization expense related to capitalized commissions for the years ended December 31, 2024, December 31, 2023 and for the period April 5, 2022 to December 31, 2022.

Advertising expenses

Advertising costs are expensed as incurred and totaled \$51,949, \$11,595, and \$0 for the years ending December 31, 2024, 2023, and for the period April 5, 2022 to December 31, 2022.

Income taxes

The Company has concluded that there are no significant uncertain tax positions requiring disclosure, and there are no material amounts of unrecognized tax benefits.

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

No provision for income taxes is required since the member reports the Company's taxable income or loss on their respective income tax return. The Company is an LLC and files a partnership return.

Management has not taken any positions or foresees any changes within the next 12 months for which it would be reasonably possible that the total amounts of unrecognized tax benefits will materially increase or decrease.

Subsequent events

Management has evaluated subsequent events through May 12, 2025, which is the date the financial statements were available to be issued.

Operating expenses

The Company records salaries and wages and other employee related expenses based on an estimate of employee's time spent on the Franchise operations. There are a number of employees that split time between the Franchise and The Range NYC LLC and the Company has developed a reasonable methodology for allocating expense to the Franchise operations. Other expenses, such as legal and professional fees and travel, are recorded based on actual franchise fees incurred.

3. CORRECTION OF AN ERROR

As a result of an internal review of the Company's revenue recognition accounting policy, the Company identified a material error in a previous year's financial statements. The Company had not been appropriately capitalizing commissions related to the direct sale of its Franchises. The impact of the restatement is detailed below:

The effect of the restatement on the balance sheet is as follows:

	Balance at December 31, 2023 (as previously reported)	Correction	Balance at December 31, 2023
Capitalized commissions, net	\$ -	\$ 34,000	\$ 34,000
Total assets	\$ 335,506	\$ 34,000	\$ 369,506
Member's deficit	\$ (635,500)	\$ 34,000	\$ (601,500)
Total liabilities and Member's deficit	\$ 335,506	\$ 34,000	\$ 369,506

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

3. CORRECTION OF AN ERROR (continued)

The effect of the restatement on the statement of operations is as follows:

	Balance at December 31, 2023 (as previously reported)	Correction	Balance at December 31, 2023
Salaries and wages	\$ (472,043)	\$ 34,000	\$ (438,043)
Total operating expenses	\$ (662,003)	\$ 34,000	\$ (628,003)
Net loss	\$ (662,003)	\$ 34,000	\$ (628,003)

The effect of the restatement on the statement of changes in Member's deficit is as follows:

	Balance at December 31, 2023 (as previously reported)	Correction	Balance at December 31, 2023
Net loss	\$ (662,003)	\$ 34,000	\$ (628,003)
Member's deficit	\$ (635,500)	\$ 34,000	\$ (601,500)

The effect of the restatement on the statement of cash flows is as follows:

	Balance at December 31, 2023 (as previously reported)	Correction	Balance at December 31, 2023
Net loss	\$ (662,003)	\$ 34,000	\$ (628,003)
Capitalized commissions	\$ -	\$ (34,000)	\$ (34,000)
Net cash provided by operating activities	\$ 128,011	\$ -	\$ 128,011

4. CONCENTRATIONS

The Company has one type of financial instrument subject to credit risk. The Company maintains cash balances in a financial institution in which the balances could sometimes exceed federally insured limits.

Five Iron Golf Franchising LLC  
Notes to Financial Statements  
December 31, 2024 and 2023,  
and for the Period from April 5, 2022 to December 31, 2022

5. RELATED PARTY TRANSACTIONS

The Company has a related party payable with no defined payment terms to its sole member, The Range NYC LLC, for expenses paid on behalf of the Company. The related party payable balance was \$1,564,807, \$547,750, and \$173,497 at December 31, 2024, 2023, and 2022, respectively.

6. LIQUIDITY AND GOING CONCERN

At December 31, 2024, the Company had cash of \$540,000, a working capital deficit of approximately \$1,600,000, and an accumulated deficit of approximately \$1,500,000. Additionally, the Company has incurred losses since its inception, as start-up costs were incurred in advance of obtaining new franchisees. Since inception, the Company has historically relied on its parent to meet its cash flow requirements. The related payable balance is \$1,564,807 as of December 31, 2024.

Management has taken several actions to ensure that the Company will continue as a going concern. As of the date these financial statements were available to be issued, there were a total of three operating franchises. The Company has sold an additional 4 franchises that have yet to open stores in 2024 with one additional franchise sold in 2025. Between the operating franchises and the additional franchises sold, the Company has an additional 31 stores projected in development riders with their franchises. Additionally, the Parent Company has the financial ability and intent to continue to support the Company with its cash flow needs. Management believes that these developments, in addition to sales from existing operating franchisees, and continued support from its Parent Company will allow the Company to continue as a going concern through one year from date of issuance.

## **EXHIBIT G – Operations Manual Table of Contents**



**FIVE IRON GOLF**



# **START-UP MANUAL**

Version 1.0 ● 07/22/23

**Approximate Number of Pages**

1. DURING SITE SELECTION WEEKS	6
2. LEASE & BUILD-OUT APPROVAL PROCESSES	11
3. ADMINISTRATIVE PREPARATION	9
4. FROM LEASE SIGNING TO OPENING	26
	<b>TOTAL: 52</b>



**FIVE IRON GOLF**



**BRAND STANDARDS  
MANUAL**

Version 1.0 ● 08/04/23

**Approximate Number of Pages**

1. <b>During Site Selection Review</b>	<b>12</b>
2. <b>Required Offerings</b>	<b>5</b>
3. <b>Customer Service &amp; Policies</b>	<b>9</b>
4. <b>Operations</b>	<b>26</b>
5. <b>Human Resources Management</b>	<b>53</b>
6. <b>Safety &amp; Security</b>	<b>25</b>
7. <b>Financial Management</b>	<b>8</b>
8. <b>Marketing</b>	<b>36</b>

**TOTAL: 169**

**EXHIBIT H – Form of General Release**

**FIVE IRON GOLF FRANCHISING LLC**  
**GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE**

**FIVE IRON GOLF FRANCHISING LLC** (“we,” “us,” “our,” or “Franchisor”) and the undersigned franchisee, \_\_\_\_\_ (“you,” “your,” or “Franchisee”), currently are parties to a certain franchise agreement dated \_\_\_\_\_ (the “Franchise Agreement”). You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] \_\_\_\_\_

\_\_\_\_\_. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, our and their current and former officers, directors, shareholders, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Franchisor Parties”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Franchisor Parties (1) arising out of or related to the Franchisor Parties’ obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Franchisor Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Franchisor Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity that is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your transferring owners likewise grant to us the release and covenant not to sue provided above.

\*This release does not apply to claims arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder (collectively, the “Washington Franchise Act”) to the extent the Washington Franchise Act would otherwise apply.

*[Signature Page Follows]*

**FIVE IRON GOLF FRANCHISING LLC**  
a New York limited liability company

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

Title: \_\_\_\_\_

**FRANCHISEE,**  
a/an \_\_\_\_\_

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

Title: \_\_\_\_\_

## **EXHIBIT I – Lists of Current and Former Franchise Owners**

### **Current Franchisees**

#### **Franchisees with Operating Outlets as of Our Last Fiscal Year (2024):**

##### **Kentucky**

Six Iron Louisville LLC  
Peter McCormick  
312 384 0647  
836 E. Market Street, Louisville, KY 40206

##### **Oklahoma**

Oklahoma Indoor Golf Club, LLC  
Jamie Ward and Bryan Neeley  
405 550 4997  
1400 N. Tea Olive Way, Mustang, OK 73064

##### **Pennsylvania**

Swing Project Erie LLC  
Andrew Whiting  
312 515 9838  
5 W. 10th Street, Erie, PA 16501

#### **Franchisees which Opened Outlets in the Current Fiscal Year (2025):**

N/A

#### **Franchisees with a Signed Franchise Agreement but Outlet Had Not Yet Opened as of our Last Fiscal Year (2024):**

##### **Florida**

Sunshine Indoor Golf Partners, LLC  
Peter McCormick  
312 384 0647  
1209 Cardinal Drive, Louisville, KY 40213

##### **Missouri**

The Range STL LLC  
Carlton Blood  
314 608 9089  
378 N. Taylor Ave., Unit 3E, St. Louis, MO 63108

**New York**

Ironwood Port Chester LLC  
John Cornelius  
917 690 8687  
169 N. Main Street, Port Chester, NY

**Texas**

Jim Waterman  
817 944 8103  
2229 Sandrellan Street, Aledo, TX 76008

**Franchisees who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with the franchisor within 10 weeks of the disclosure document issuance date. If you buy this franchise, your contract information may be disclosed to other buyers when you leave the franchise system.**

Franchisees who Left the System During our Last Fiscal Year (2024):

**Florida\***

Pinnacle Equity Group, LLC  
Dr. Forrest King Jr.  
Jacksonville, Florida 32246

\*Franchisee left the system in January 2024 prior to opening.

Franchisees who Left the System in the Current Fiscal Year (2025):

N/A

**EXHIBIT J - Franchisee Disclosure Questionnaire**

**FRANCHISEE DISCLOSURE QUESTIONNAIRE**

\* Do not sign this Questionnaire if you are a resident of California or the business is to be operated in California.

\* Do not sign this Questionnaire if you are a resident of Maryland or the business is to be operated in Maryland.

\* Do not sign this questionnaire if you are a resident of Washington or the franchise is to be operated in Washington.

As you know, Five Iron Golf Franchising LLC and you are preparing to enter into a Franchise Agreement for the operation of a Five Iron Golf Center. In this Franchisee Disclosure Questionnaire, Five Iron Golf Franchising LLC will be referred to as “we” or “us.” The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the Five Iron Golf Franchising LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?  
Yes \_\_\_ No \_\_\_

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?  
Yes \_\_\_ No \_\_\_

If “No”, what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

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3. Have you received and personally reviewed our Disclosure Document we provided to you?  
Yes \_\_\_ No \_\_\_

4. Do you understand all of the information contained in the Disclosure Document?  
Yes \_\_\_ No \_\_\_

If "No", what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary.)

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5. Have you discussed the benefits and risks of operating the Five Iron Golf Center with an attorney, accountant or other professional advisor and do you understand those risks?  
Yes \_\_\_ No \_\_\_

6. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Five Iron Golf Center that we or our franchisees operate?  
Yes \_\_\_ No \_\_\_

7. Has any employee or other person speaking on our behalf made any statement or promise concerning a Five Iron Golf Center that is contrary to, or different from, the information contained in the Disclosure Document?  
Yes \_\_\_ No \_\_\_

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Five Iron Golf Center?  
Yes \_\_\_ No \_\_\_

9. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document?

Yes \_\_\_ No \_\_\_

10. If you have answered “Yes” to any of questions 6 through 9, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “No” to each of these questions, please leave the following lines blank.

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11. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?

Yes \_\_\_ No \_\_\_

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

\_\_\_\_\_  
Name of Franchisee/Applicant

Date: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title of Person Signing

**EXHIBIT K - State Addenda to Disclosure Document**

## **FOR THE STATE OF CALIFORNIA**

The California franchise investment law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.

The following are added as additional RISK FACTORS to the State Cover Page of the Disclosure Document:

THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.

THE FRANCHISE AGREEMENT AND DEVELOPMENT RIDER CONTAIN PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.

**PERSONAL GUARANTEE:** FRANCHISEES AND ALL OWNERS MUST SIGN A PERSONAL GUARANTEE, MAKING YOU AND YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT IF YOU ARE MARRIED. THE GUARANTEE WILL PLACE YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

Item 5 of the Disclosure Document is amended to state that the Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

The row entitled "Interest on overdue amounts" in Item 6 of the Disclosure Document is amended to state that the maximum interest rate in California currently is 10% annually.

The California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement and Development Rider provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise and indemnification for the indemnities' own negligence, breach of contract, breach of warranty, and strict liability. These provisions may not be enforceable under California law.

Neither we nor any officer identified in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires the application of the laws of New York. This provision may not be enforceable under California law.

Before the franchisor can ask you to materially modify your existing franchise agreement, Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with the disclosure document with an explanation that the changes are voluntary.

You must sign a general release if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Franchise Agreement requires you to sell alcoholic beverages at your franchised business. There are no known obstacles in obtaining a liquor license and/or to the mandatory compliance with the California Department of Alcohol Beverage Control laws pertaining to the sale and consumption of alcoholic beverages. You must comply with the requirements set forth in California's Alcoholic Beverage Control Act and the California Code of Regulations for the sale of alcoholic beverages.

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Website:

OUR WEBSITE WWW.FIVEIRONGOLF.COM HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

**Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.**

## **FOR THE STATE OF HAWAII**

The following provision supersedes the Disclosure Document and applies to all franchises offered and sold in the State of Hawaii:

1. The following is added as an additional Risk Factor to the State Cover Page of the Disclosure Document:

As of December 31, 2024, the franchisor had a negative stockholder's equity of \$635,500.

2. Item 5 is amended by adding the following language at the end of the Item:

Based upon the franchisor's financial condition, the Hawaii Business Registration Division Securities Compliance Branch has required a financial assurance. Therefore, all initial fees and payments owed by franchisees, including initial franchise fees and development fees shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement and the Center is open.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE IBL, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

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

## **FOR THE STATE OF ILLINOIS**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Illinois:

Illinois law shall apply to and govern 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' right 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 waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

In conformance with Section 15 of the Illinois Franchise Disclosure Act and Section 200.500 of the Illinois Administrative Rules promulgated thereunder, the state of Illinois has required Franchisor to assure its financial capability by implementing a means of financial assurance. As such, Franchisor has elected to defer payment of Initial Franchise Fees and Development Fees until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. The Illinois Attorney's General's Office imposed this deferral requirement due to Franchisor's financial condition.

By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the franchisor and its affiliates.

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

## **FOR THE STATE OF INDIANA**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Indiana:

The laws of the State of Indiana supersede any provisions of this Disclosure Document, the Franchise Agreement, the other agreements or New York law if such provisions are in conflict with Indiana law.

The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as a material breach of the Franchise Agreement, shall supersede the provisions of Section 14 of the Franchise Agreement in the State of Indiana, but only to the extent that may be inconsistent with such prohibition.

Notwithstanding the Franchise Agreement, you recognize that in the event of any use of the System not in accord with that Agreement, we shall be entitled to seek injunctive and other relief.

No release language set forth in the Disclosure Document, Franchise Agreement, or Development Rider including but limited to Item 17, Sections 3.A(2), 4.A(5), 12.C(9), 13.C or 15.E of the Franchise Agreement, shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.

Section 17.F of the Franchise Agreement is amended to provide that such agreement will be construed in accordance with the laws of the State of Indiana.

Any provision in the Disclosure Document, Franchise Agreement, or Development Rider which designates jurisdiction or venue, or requires franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, may not be enforceable.

The last sentence of Section 17.H (Waiver of Punitive Damages and Jury Trial) of the Franchise Agreement is deleted from all Agreements entered into in Indiana.

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

## **FOR THE STATE OF MARYLAND**

**1. Items 5 of the Franchise Disclosure Document is amended by adding the following language:**

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 development agreement opens.

**2. Item 17 is amended by adding the following language after the table:**

- (a) You may sue in Maryland for claims arising under the Maryland franchise registration and disclosure law (the "**Maryland Law**"). Any claims arising under the Maryland law must be brought within 3 years after the grant of the franchise.
- (b) The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under Federal Bankruptcy Law (11 U.S.C. Section 1010 et seq.)
- (c) Pursuant to COMAR 02.02.08.16L, the General Release required as a condition of renewal, sale and/or transfer does not apply to any liability under the Maryland law.

**3. Exhibit J to the Franchise Disclosure Document (Franchisee Questionnaire) is amended by adding the following language:**

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 Law.

**4. 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 FOLLOWING PROVISIONS APPLY ONLY TO  
TRANSACTIONS GOVERNED BY  
THE MICHIGAN FRANCHISE INVESTMENT LAW**

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:**

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - (i) The failure of the proposed franchisee to meet the franchisor's then current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
  - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfil contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

(j) If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.**

Any questions regarding the notice should be directed to:

State of Michigan  
Consumer Protection Division  
Attention: Franchise  
670 G. Mennen Williams Building  
525 West Ottawa  
Lansing, Michigan 48909  
Telephone: 517-373-7117

**Note: Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration section. You acknowledge that we will seek to enforce this section as written.**

**FOR THE STATE OF MINNESOTA**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Minnesota:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 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, injunctive relief, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, Subdivisions 3, 4 and 5 require, except in certain specified cases, 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.

No release language set forth in the Franchise Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the state of Minnesota.

Pursuant to Minnesota Statutes, Section 80C.12, Subdivision 1(g), the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that the franchisor will protect the franchisee’s right 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 franchisor’s name.

The Special Risks to Consider About This Franchise cover page of the Franchise Disclosure Document is amended to reflect the following risk factor:

**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 also may experience delays in opening your own outlet.

The following new paragraph shall be added to the end of Items 5 and 7:

Based upon the franchisor’s financial condition, the Commissioner of the Minnesota Department of Commerce 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 Item 6 chart row entitled “Insufficient Funds Processing Fee” is replaced with the following to meet the requirements of Minnesota Statute 604.113 regarding the maximum allowable amount of the fee chargeable for insufficient payments:

Insufficient Funds Processing Fee	\$30	Upon billing	Payable if you have insufficient funds in your account, or, if you pay by check, a check is returned for insufficient funds
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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.

## **FOR THE STATE OF NEW YORK**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of New York:

1. The following paragraphs are added to the end of the State Cover Page:  
THIS OFFERING PROSPECTUS IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS OFFERING PROSPECTUS AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ALTHOUGH THESE FRANCHISES HAVE BEEN ACCEPTED FOR FILING, SUCH FILING UNDER GENERAL BUSINESS LAW, ARTICLE 33 OF THE STATE OF NEW YORK DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE NEW YORK STATE DEPARTMENT OF LAW THAT THE INFORMATION PROVIDED HEREIN IS TRUE. THE DEPARTMENT'S REVIEW DID NOT INCLUDE A DETAILED EXAMINATION OF THE MATERIALS SUBMITTED. A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT MAY CONSTITUTE A VIOLATION OF BOTH FEDERAL AND STATE LAW, AND SHOULD BE REPORTED TO BOTH THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C., 20580 AND THE NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

GENERAL BUSINESS LAW, ARTICLE 33 OF THE STATE OF NEW YORK MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE A COPY OF THE OFFERING PROSPECTUS, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE AT THE EARLIER OF (a) THE FIRST PERSONAL MEETING BETWEEN THE FRANCHISOR OR ITS AGENT AND THE PROSPECTIVE FRANCHISEE, (b) AT LEAST TEN BUSINESS DAYS PRIOR TO THE EXECUTION OF A BINDING FRANCHISE OR OTHER AGREEMENT OR (c) AT LEAST TEN BUSINESS DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION IN CONNECTION WITH THE SALE OR PROPOSED SALE OF A FRANCHISE.

THE FRANCHISOR MAY NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THIS PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON YOU TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

2. Item 3 is amended by adding the following language to the beginning of such Item:

To the best of our knowledge, except as otherwise disclosed below, neither we, our predecessor, nor any other person or franchise sales agent identified in Item 2 of this Disclosure Document:

Has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations;

Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the date of this Disclosure Document, been convicted of a

misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations; or

Is subject to any injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

3. Item 4 is amended by adding the following language to the beginning of such Item:

To the best of our knowledge, except as otherwise disclosed below, neither we, our affiliates, our predecessor, or our officers, during the ten year period immediately before the date of this Disclosure Document:

Has filed as debtor (or had filed against it) a petition to start an action under the United States Bankruptcy Code;

Has obtained a discharge of its debts under the United States Bankruptcy Code; or

Was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the United States Bankruptcy Code or that obtained a discharge of its debts under the United States Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

4. Item 5 is amended by adding the following new paragraph at the end of the Item:

The initial franchise fee and the development fee paid under the Development Rider are not used for any specific purpose.

5. Item 11 is amended by adding the following sentence at the end of the Operations Manual section:

We may modify the Operations Manual. However, no change to the Operations Manual will be made which would impose an unreasonable economic burden on you, unreasonably increase your obligations, or materially alter your status or rights under the Franchise Agreement.

6. Item 17 is amended by adding the following language at the beginning of the Item:

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS DISCLOSURE DOCUMENT.

7. Row (d) of Item 17 entitled "Termination by you" is amended by adding the following language to the Summary column:

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

8. Row (j) of Item 17 entitled “Assignment of contract by us” is amended by adding the following to the Summary column:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

9. Row (w) of Item 17 entitled “Choice of law” is amended by adding the following to the Summary Section:

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.

10. The following is added immediately preceding Item 23:

We represent that this prospectus does not knowingly omit any material fact or contain any untrue statement of a material fact.

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

## **FOR THE STATE OF NORTH DAKOTA**

1. Following the word “release”: in the Summary column of Item 17 paragraph (c) of this Disclosure Document, the following language is added:

“except for matters coming under the North Dakota Franchise Investment Law (the “**ND Law**”).”

2. The Summary column of Item 17 paragraph (i) of this Disclosure Document is modified by adding the following language:

“The North Dakota Commissioner has determined provisions which require franchisees to consent to termination or liquidated damages to be unfair, unjust, and inequitable within the intent of ND Law. Therefore, any such requirement contained in this Disclosure Document, the Franchise Agreement, and any other agreements used in the State of North Dakota are deleted.”

3. Following the word “release”: in the Summary column of Item 17 paragraph (m) of this Disclosure Document, the following language is added:

“except for matters coming under the ND Law.”

4. The Summary column of Item 17 paragraph (r) of this Disclosure Document is modified by adding the following at the end of the sentence:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”

5. The Summary column of Item 17 paragraph (u) of this Disclosure Document is amended by adding the following at the end of the paragraph:

“except that matters coming under the ND Law will be submitted to mediation in a mutually agreeable location.”

6. The Summary column of Item 17 paragraph (v) of this Disclosure Document is amended to read as follows:

“Except for matters coming under the ND Law, litigation must be in in the state or federal court of competent jurisdiction located closest to our then-current principal business address (currently, New York, New York).”

7. The Summary column of Item 17 paragraph (w) of this Disclosure Document is amended to read as follows:

“Except for matters coming under the ND Law, the Federal Arbitration Act and other federal law, New York law governs (subject to state law)”

8. The Franchisee is not required to waive jury trial for any matters coming under ND Law.

9. The North Dakota Securities Department requires us to defer payment of the Initial Franchise Fee and other initial payments owed by Franchisees to the Franchisor until the Franchisor has completed its pre-opening obligations and the Franchisee has commenced doing business under the Franchise Agreement.

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

## **FOR THE STATE OF RHODE ISLAND**

In recognition of the requirements of the State of Rhode Island Franchise Investment Act (the “Act”), §19-28.1 *et seq.*, the Franchise Disclosure Document submitted by Five Iron Golf Franchising LLC, for use in the State of Rhode Island is amended as follows:

1. Item 17 u.- Dispute resolution by arbitration or mediation shall comply with §19-28.1-21 of the Act - Private civil actions - and be amended to read:
  - (a.) A person who violates any provision of this Act is liable to the franchisee for damages, costs, and attorneys and experts’ fees. In the case of a violation of §§ 19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation.
  - (b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.
2. Item 17 v. - Choice of forum and Item 17 w. - Choice of law shall comply with § 19-28.1-14 of the Act - Jurisdiction and venue - and be amended to read:

A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.

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

**FOR THE STATE OF SOUTH DAKOTA**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of South Dakota:

In lieu of an impound or escrow of franchise fees, we will not require or accept the payment of any initial franchise fees until you have (a) received all initial training that you are entitled to under the Franchise Agreement or offering circular, and (b) are open for business. Any development fees due will be deferred and collected proportionally upon the opening of each franchise developed under the development agreement.

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

## **FOR THE STATE OF VIRGINIA**

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Virginia:

1. The following is added to Item 5:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

2. The following is added to Item 17 h:

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

3. The proposed agreements described in Item 22, including all agreements that a franchisee must sign, are accurately presented in this Disclosure Document.
4. 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.

## **FOR THE STATE OF WASHINGTON**

**Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

**Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with us, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with us. Franchise agreement provisions including those summarized in Item 17 of the Disclosure Document, are subject to state law.

**Site of Arbitration, Mediation, and/or Litigation.** 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.

**General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind you to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

**Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

**Transfer Fees.** Transfer fees are collectable only to the extent that they reflect our reasonable estimated or actual costs in effectuating a transfer.

**Termination by Franchisee.** You may terminate the Franchise Agreement under any grounds permitted under state law.

**Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit us to repurchase your business for any reason during the term of the Franchise Agreement without your consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**Fair and Reasonable Pricing.** Any provision in the Franchise Agreement or related agreements that requires you to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

**Waiver of Exemplary & Punitive Damages.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**Franchisor's Business Judgement.** Provisions in the Franchise Agreement or related agreements stating that we may exercise our discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**Indemnification.** Any provision in the Franchise Agreement or related agreements requiring you to indemnify, reimburse, defend, or hold us or other parties harmless is hereby modified such that you have no obligation to indemnify, reimburse, defend, or hold us or any other indemnified party harmless for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**Attorneys' Fees.** If the Franchise Agreement or related agreements require a franchisee to reimburse us for court costs or expenses, including attorneys' fees, such provision applies only if we are the prevailing party in any judicial or arbitration proceeding.

**Noncompetition Covenants.** 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 provision contained in the Franchise Agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**Nonsolicitation Agreements.** 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.

**Questionnaires and Acknowledgments.** 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.

**Prohibitions on Communicating with Regulators.** Any provision in the Franchise Agreement or related agreements that prohibits you from communicating with or complaining to regulators is inconsistent with the express instructions in the Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

In lieu of an impound of franchise fees, we will not require or accept the payment of any initial franchise fees until you have (a) received all initial training that you are entitled to under the Franchise Agreement or offering circular, and (b) are open for business. Any development fees due will be deferred and collected proportionally upon the opening of each franchise developed under the development agreement.

Section 15.E of the Franchise Agreement will be modified to be consistent with RCW 19.100.180(2), including that the franchisor shall purchase the assets referenced in RCW 19.100.180(2) at their fair market value at the time of the early termination or non-renewal of the Franchise Agreement, with such amounts permitted to be offset by any amounts owed by the franchisee to the franchisor.

Notwithstanding anything to contrary in Section 14.F of the Franchise Agreement, we shall not assume management of the Center for more than six (6) months, nor will we collect a management fee as a result of our managing the Center for more than six (6) months.

**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:

California	_____
Hawaii	_____
Illinois	_____
Indiana	_____
Maryland	_____
Michigan	_____
Minnesota	_____
New York	_____
North Dakota	_____
Rhode Island	_____
South Dakota	_____
Virginia	_____
Washington	<u>Pending</u> _____
Wisconsin	_____

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.

**Item 23**  
**RECEIPT**

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

If Five Iron Golf Franchising LLC 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 that we give you this 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. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.**

If Five Iron Golf Franchising LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, then a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

The franchisor is Five Iron Golf Franchising LLC, located at 883 Avenue of the Americas, Fl. 3, New York, New York 10001. Its telephone number is (212) 419-3875.

The franchise seller(s) for this offering is or are:

- Joshua Frankel, 883 Avenue of the Americas, Fl. 3, New York, New York 10001, (212) 419-3875;
- Jared Solomon, 883 Avenue of the Americas, Fl. 3, New York, New York 10001, (212) 419-3875; or
- \_\_\_\_\_.

Issuance Date: May 15, 2025

We authorize the respective state agencies identified on Exhibit B to receive service of process for us in the particular state.

I have received a Disclosure Document dated May 15, 2025 that included the following Exhibits:

Exhibit A	List of State Administrators	Exhibit G	Operations Manual Table of Contents
Exhibit B	List of State Agents for Service of Process	Exhibit H	Sample Form of General Release
Exhibit C	Franchise Agreement	Exhibit I	Lists of Current and Former Franchise Owners
Exhibit D	Development Agreement Rider	Exhibit J	Franchise Owner Disclosure Questionnaire
Exhibit E	State Addenda to Franchise Agreement	Exhibit K	State Addenda to Disclosure Document
Exhibit F	Financial Statements		

\_\_\_\_\_  
Date

(Sign, Date and Return to us, the franchisor)

\_\_\_\_\_  
Prospective Franchisee

\_\_\_\_\_  
Authorized Signature

**Item 23**  
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\_\_\_\_\_  
Date

(Sign, Date and Return to us, the franchisor)

\_\_\_\_\_  
Prospective Franchisee

\_\_\_\_\_  
Authorized Signature