

**ITEM 7  
ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

**SINGLE UNIT**

| <b>Type of Expenditure <sup>(1)</sup></b>                            | <b>Low Amount</b>  | <b>High Amount</b> | <b>Method of Payment</b> | <b>When Due</b>                      | <b>To Whom Payment is Made</b> |
|--|--------------------|--------------------|--------------------------|--------------------------------------|--------------------------------|
| Initial Franchise Fee <sup>(2)</sup>                                 | \$60,000           | \$60,000           | Lump Sum                 | Upon signing the Franchise Agreement | Franchisor                     |
| Real Estate Fee  | \$15,000           | \$15,000           | Lump Sum                 | Upon signing the Franchise Agreement | Franchisor                     |
| Start-Up Advertising and Promotions Expense <sup>(3)</sup>           | \$38,000           | \$38,000           | As Incurred              | As Required by Suppliers             | Suppliers                      |
| Construction Cost <sup>(4)</sup>                                     | \$320,000          | \$555,000          | As Incurred              | As Required by Supplier(s)           | Suppliers                      |
| Insurance <sup>(5)</sup>   | \$3,000            | \$6,000            | Lump Sum                 | As Specified by Carrier              | Insurer                        |
| POS Equipment, Software Licenses and Computer Systems <sup>(6)</sup> | \$5,000            | \$5,000            | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Rent and Deposit <sup>(7)</sup>                                      | \$15,000           | \$50,000           | Lump Sum                 | As Required by Landlord              | Landlord                       |
| Equipment and Installation <sup>(8)</sup>                            | \$120,000          | \$200,000          | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Furnishing, Courts and Fixtures <sup>(9)</sup>                       | \$500,000          | \$750,000          | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Signage <sup>(10)</sup>  | \$50,000           | \$75,000           | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Transportation/Freight <sup>(11)</sup>                               | \$7,500            | \$15,000           | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Utility deposits and fees <sup>(12)</sup>                            | \$100              | \$3,500            | As Incurred              | As Required by Utility Company       | Suppliers                      |
| Licensing and Permits <sup>(13)</sup>                                | \$25,000           | \$75,000           | As Incurred              | As Required by City and County       | Government                     |
| Legal and Accounting <sup>(14)</sup>                                 | \$1,000            | \$5,000            | Lump Sum                 | Before Commencing and During Process | Attorney and Accountant        |
| Travel and Wages for Initial Training <sup>(15)</sup>                | \$5,000            | \$12,000           | As Incurred              | As Required by Suppliers             | Suppliers                      |
| Opening Inventory <sup>(16)</sup>                                    | \$75,000           | \$125,000          | Lump Sum                 | Prior to Opening                     | Suppliers                      |
| Corporate Guaranty Fee <sup>(17)</sup>                               | \$0                | \$4,000            | As Incurred              | As Incurred                          | Franchisor                     |
| Sinking Fund <sup>(18)</sup>   | \$800              | \$800              | Monthly Deposit          | Monthly                              | Third Parties                  |
| Additional Funds (initial 3 months) <sup>(19)</sup>                  | \$25,000           | \$100,000          | As Incurred              | During First 3 Months of Operations  | Third Parties                  |
| <b>TOTAL ESTIMATED</b>   | <b>\$1,264,400</b> | <b>\$2,094,300</b> |                          |                                      |                                |

| Type of Expenditure <sup>(1)</sup> | Low Amount       | High Amount | Method of Payment | When Due | To Whom Payment is Made |
|------------------------------------|------------------|-------------|-------------------|----------|-------------------------|
| <b>INITIAL INVESTMENT</b><br>(13)  | <u>1,265,400</u> |             |                   |          |                         |

**Notes:**

- (1) The high and low ranges in the table are based on an average Picklr Franchise and on Franchisor's experience of developing thirty (30) Picklr Clubs. All fees imposed by Franchisor are non-refundable unless otherwise noted. (See ITEM 5). Fees and expenses paid to suppliers, vendors or other third parties may or may not be refundable depending on the arrangements Franchisee makes with them.
- (2) Initial Franchise Fee. The Initial Franchisee Fee is \$60,000 for the first Picklr Franchise that Franchisee opens. It is due when the Franchise Agreement is signed by Franchisee. This fee includes Franchisee's Initial Training Program for two people but excludes employee wages and compensation, travel, lodging, and meal expenses during such training.
- (3) Start-Up Advertising and Promotions Expense. This includes approximately \$9,500 for a portable rollout pickleball court ("The Picklr SportCourt™") and it includes the Initial digital Advertising Fee of \$3,000 per month commencing the date of opening of the Picklr Franchise and continuing until Picklr Franchise reaches a 65% membership level.
- (4) Construction Costs. Includes required branding element. This all-in-build price for construction, architecture, design, POS, leasehold improvements, equipment and branding, installation, furniture and fixtures, signage, millwork, sound baffles, digital infrastructure, transportation and freight, security system and cameras, licenses and permit, proshop inventory. The established per sq. ft. price is up to \$60 per square foot. This price is based on a range of 18,000 - 30,000 square foot facility with 6-10 courts. Due to the possibility of unique buildings some assumptions must be made about the building you are converting to a Picklr Facility. These assumptions about the condition of the building include but are not limited to the following: the building is currently up to code and operates or could operate as a retail space that has an occupancy permit, is free from hazardous materials, has adequate HVAC, electrical supply and all health and safety systems in place, is a conversion not a new construction. The all-in-built price would include the following items:
  - (a) Architecture and Design. LARC is a required Design Architect firm that will contract directly with you to design the space so it includes all the required branding elements and ensures the space is built to branding specifications.
  - (b) Architect of Record. You will contract directly with a local or national Architect of Record ("AOR"). The AOR will provide a permit set of plans by taking the LARC design, adding the mechanical, electrical and plumbing, MEP's. AOR will also include all other plan requirements and ensure it meets the local code, and provide a permit ready set of building plans.
  - (c) Leasehold Improvements. These costs will vary substantially based on local conditions, including the availability and prices of labor and materials in different markets and size of the building. These estimates assume that a landlord will provide a "vanilla shell" space which, at a minimum, includes raw concrete floors, demised

|     |         |      |           |
|-----|---------|------|-----------|
| (5) | Average | (6)  | 1,101,660 |
| (7) | Median  | (8)  | 1,107,712 |
| (9) | Low     | (10) | 767,455   |

|      |         |      |               |
|------|---------|------|---------------|
| (11) |         | (12) | <b>EBITDA</b> |
| (13) | High    | (14) | 41.54%        |
| (15) | Average | (16) | 22.93%        |
| (17) | Median  | (18) | 26.30%        |
| (19) | Low     | (20) | 3.35%         |

**NOTES TO TABLE**

(1) “Gross Sales” means the total of all receipts derived from all sales of Products and Services at Franchisee’s Picklr Franchise, including sales made away from Franchisee’s Picklr Facility, insurance claims for lost profits to the extent a claim is paid by the insurer, and all other Products sold and Services performed by or for Franchisee or Franchisee’s Picklr Franchise or by means of the business conducted under the Picklr Franchise, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange.

(2) Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

(3) Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

(4) Other than the preceding financial performance representation, Picklr does not make any financial performance representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Jonathan Fornaci, at 559 S. Deseret Drive, Kaysville, UT 84037, (801) 725-3041, the Federal Trade Commission and the appropriate state regulatory agencies.

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**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

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

| <b>Outlet Type</b>    | <b>Year</b> | <b>Outlets at the Start of the Year</b> | <b>Outlets at the End of the Year</b> | <b>Net Change (+ or -)</b> |
|-----------------------|-------------|---|---------------------------------------|----------------------------|
| <b>Franchised</b>     | <b>2022</b> | <b>0</b>                                | <b>0</b>                              | <b>0</b>                   |
|                       | <b>2023</b> | <b>0</b>                                | <b>1</b>                              | <b>+1</b>                  |
|                       | <b>2024</b> | <b>1</b>                                | <b>22</b>                             | <b>+21</b>                 |
| <b>Company-Owned*</b> | <b>2022</b> | <b>1</b>                                | <b>6</b>                              | <b>+5</b>                  |
|                       | <b>2023</b> | <b>6</b>                                | <b>6</b>                              | <b>0</b>                   |
|                       | <b>2024</b> | <b>6</b>                                | <b>2</b>                              | <b>-4</b>                  |
| <b>Total Outlets</b>  | <b>2022</b> | <b>1</b>                                | <b>6</b>                              | <b>+5</b>                  |
|                       | <b>2023</b> | <b>6</b>                                | <b>7</b>                              | <b>+1</b>                  |
|                       | <b>2024</b> | <b>7</b>                                | <b>24</b>                             | <b>+17</b>                 |

**Table No. 2: Transfers of Franchised Outlets  
For Years 2022 - 2024**

| <b>State</b>      | <b>Year</b> | <b>Number of Transfers</b> |
|-------------------|-------------|----------------------------|
| <b>All States</b> | <b>2022</b> | <b>0</b>                   |
|                   | <b>2023</b> | <b>0</b>                   |
|                   | <b>2024</b> | <b>0</b>                   |
| <b>TOTAL</b>      | <b>2022</b> | <b>0</b>                   |
|                   | <b>2023</b> | <b>0</b>                   |
|                   | <b>2024</b> | <b>0</b>                   |

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| STATE                 | STATE ADMINISTRATOR  | AGENT FOR SERVICE OF PROCESS   |
|-----------------------|--|--|
| <b>NEW YORK</b>       | New York State Department of Law<br>Investor Protection Bureau<br>28 Liberty St. 21 <sup>st</sup> floor<br>New York, NY 10005<br>212-416-8222  | Secretary of State of New York<br>99 Washington Avenue<br>Albany, New York 12231             |
| <b>NORTH CAROLINA</b> | Secretary of State's Office/Securities Division<br>2 South Salisbury Street<br>Raleigh, NC 27601<br>919-733-3924   | Secretary of State<br>Secretary of State's Office<br>Same Address                            |
| <b>NORTH DAKOTA</b>   | North Dakota <a href="#">Insurance &amp; Securities</a><br>Department<br>600 East Boulevard Avenue<br><del>State Capitol, 14<sup>th</sup> Floor, Dept. 414</del><br>Bismarck, ND 58505-0510<br><del>701-328-4712; Fax:-</del><br><del>701-328-0140</del> <a href="tel:701-328-2910">701-328-2910</a> | North Dakota <del>Securities</del> <a href="#">Insurance</a><br>Commissioner<br>Same Address |
| <b>OHIO</b>           | Attorney General<br>Consumer Fraud & Crime Section<br>State Office Tower<br>30 East Broad Street, 15th Floor<br>Columbus, OH 43215<br>614-466-8831 or 800-282-0515   | Same   |
| <b>OKLAHOMA</b>       | Oklahoma Securities Commission<br>2915 Lincoln Blvd.<br>Oklahoma City, OK 73105<br>405-521-2451  | Same   |
| <b>OREGON</b>         | Department of Insurance and Finance<br>Corporate Securities Section<br>Labor and Industries Building<br>Salem, OR 96310<br>503-378-4387  | Director<br>Department of Insurance and Finance<br>Same Address                              |
| <b>RHODE ISLAND</b>   | State of Rhode Island<br>Department of Business Regulation<br>1511 Pontiac Avenue, Bldg. 68-2<br>Cranston, RI 02920<br>401-462-9527  | Director, Rhode Island Department of<br>Business Regulation<br>Same address                  |
| <b>SOUTH CAROLINA</b> | Secretary of State<br>P.O. Box 11350<br>Columbia, SC 29211<br>803-734-2166   | Same   |
| <b>SOUTH DAKOTA</b>   | South Dakota Department of Labor and<br>Regulation<br>Division of Securities Regulation<br>124 S. Euclid Avenue, Suite 104<br>Pierre, SD 57501<br>605-773-4823   | Director of the South Dakota<br>Division of Securities Regulation<br>Same Address            |

## STATE EFFECTIVE DATES

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

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

| <b>State</b> | <b>Effective</b>                        |
|--------------|---|
| California   | July 30, 2025, as amended _____         |
| Hawaii       | April 28, 2025 as amended _____         |
| Illinois     | April 21, 2025 as amended _____         |
| Indiana      | April 29, 2025 as amended _____         |
| Maryland     | May 16, 2025 as amended _____           |
| Michigan     | March 16, 2025                          |
| Minnesota    | May 9, 2025 as amended _____            |
| New York     |   |
| North Dakota | April 21, 2025 as amended _____         |
| Rhode Island | <a href="#"><u>August 4, 2025</u></a>   |
| South Dakota | April 21, 2025                          |
| Virginia     | July 11, 2025 as amended _____          |
| Washington   | Pending                                 |
| Wisconsin    | April 21, 2025 as amended July 31, 2025 |

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

**EXHIBIT K  
RECEIPT  
(Retain This Copy)**

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

If Picklr Franchise Inc. offers you a franchise, it must provide this Franchise Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Franchisor or an affiliate in connection with the proposed franchise sale. Under Illinois, Iowa, Maine, Nebraska, New York, Oklahoma, Rhode Island, or South Dakota law, if applicable, Picklr Franchise Inc. must provide this Franchise Disclosure Document to you at your first personal meeting to discuss the franchise or 10 business days before the execution of the franchise agreement or other agreement or the payment of any consideration that relates to the franchise relationship.

If Picklr Franchise Inc. does not deliver this Franchise Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on **Exhibit E**.

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

David Fromal, 559 S. Deseret Drive, Kaysville, UT 84037, 678.488.0277 or \_\_\_\_\_.

Issuance Date: April 18, 2025, as amended July 31, 2025

See **Exhibit E** for our registered agents authorized to receive service of process.

I have received a disclosure document dated April 18, 2025, as amended July 31, ~~2025 that~~ 2025 that included the following Exhibits:

- Exhibit A: Financial Statements
- Exhibit B: Franchise Agreement
- Exhibit C: Multi-Unit Development Agreement
- Exhibit D: Sample General Release
- Exhibit E: List of Current Franchisees and Former Franchisees
- Exhibit F: List of State Administrators and Agents for Service of Process
- Exhibit G: State-Specific Addendum
- Exhibit H: Operations Manual Table of Contents
- Exhibit I: Nondisclosure and Noncompetition Agreement
- Exhibit J: Statement of Franchisee
- Exhibit K: Receipts

|       |           |              |
|-------|-----------|--------------|
| _____ | _____     | _____        |
| Date  | Signature | Printed Name |
| _____ | _____     | _____        |
| Date  | Signature | Printed Name |
| _____ | _____     | _____        |
| Date  | Signature | Printed Name |
| _____ | _____     | _____        |
| Date  | Signature | Printed Name |