

## FRANCHISE DISCLOSURE DOCUMENT

Launch Franchising, LLC  
a Delaware Limited Liability Company  
920 Bald Hill Road  
Warwick, Rhode Island 02886  
(401) 822-7835  
<https://launchfamilyentertainment.com>  
[franchising@launchtrampolinepark.com](mailto:franchising@launchtrampolinepark.com)



The franchise described in this Disclosure Document is to operate a Launch Park, which is an indoor sports and family entertainment facility that features many attractions that include, but are not limited to, trampoline courts, climbing walls, laser tag, virtual reality, obstacle courses, ropes courses, go karting, bowling, arcade games, and other competitive attractions. The Launch Park will also offer food and refreshments (including alcoholic beverages where permitted by applicable law).

The total investment necessary to begin operation of a Launch Park is \$3,517,213 to \$6,501,900. This includes between \$75,100 to \$91,900 that must be paid to the franchisor and/or its affiliate. If you sign a Development Agreement, you must pay us a Reservation Fee of \$75,000 for the first and each additional Launch Park you agree to develop under the Development Schedule. The minimum outlets for any Franchise Agreement or Development Agreement is one (1) location, and there is no maximum for Development Agreements. As example, the total investment necessary to begin operation of three (3) Launch Parks pursuant to a Development Agreement ranges from \$10,553,639 to \$19,508,200. This amount includes \$225,000, which must be paid to the Franchisor or an affiliate, and is for three (3) locations.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jeff Todd, Chief Development Officer at Launch Franchising, LLC, 920 Bald Hill Road Warwick, Rhode Island 02886 and (401) 822-7835.

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 contracts 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, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

**Issuance Date: May 16, 2025, as amended June 13, 2025**

of December 31, 2024, there were 24 franchisee-operated Launch Parks. Of those franchised Launch Parks, twenty-one (21) are internally referred to as Trampoline Parks or Adventure Parks, and three (3) are internally referred to as Family Entertainment Centers. The historical financial data chart below shows the summary of performance for the subset of fourteen (14) franchised Launch Parks that include what we internally refer to as Adventure Parks (twelve (12) of the fourteen (14)) and Family Entertainment Centers (two (2) of the fourteen (14)), all open and operating the full calendar year of 2024 (the "Reporting Locations"). All of the Reporting Locations either have, or are in the process of installing, full KRAVE kitchens and arcade build out, along with the other attractions and items as prescribed in the Manual, and along with being locations that were open and operating for the full year of 2024, operated by one continuous franchisee owner or ownership group for that full year.

These income statement summaries quantify several key operating metrics including Revenue, Cost of Sales, Gross Profit, and EBITDA. Note that the income statement summary includes the incremental costs associated with franchise ownership of a Launch Park, including royalties and marketing fund expenses. The footnotes following the chart provide additional details and explanations.

Chart 19-A:

Reporting Locations - Fiscal Year 2024						
	Low	High	Average	Median	Number Of Reporting Locations At Or Above Average	Percent Of Reporting Locations At Or Above Average
Revenue	\$ 1,169,511	\$ 4,586,899	\$ 2,318,776	<u>\$2,119,972</u>	5	35.7%
Franchise Costs	\$ 89,762	\$ 321,083	\$ 164,886	<u>\$149,400</u>	6	42.8%
Food and beverage	\$ 18,171	\$ 331,169	\$ 128,967	<u>\$116,881</u>	5	35.7%
Arcade redemptions	\$ 626	\$ 141,831	\$ 33,603	<u>\$15,224</u>	5	35.7%
Merchandise	\$ 2,000	\$ 200,000	\$ 45,336	<u>\$40,771</u>	7	50%
Other Cost of Sales	\$ 262	\$ 121,500	\$ 40,434	<u>\$33,245</u>	6	42.8%
Cost of Sales	\$ 177,451	\$ 952,583	\$ 414,226	<u>\$360,096</u>	4	28.6%
Gross Profit	\$ 967,927	\$ 3,634,316	\$ 1,904,550	<u>\$1,777,022</u>	5	35.7%
Gross Margin %			83%	<u>83%</u>		
Payroll	\$ 280,604	\$ 1,323,784	\$ 625,447	<u>\$487,204</u>	5	35.7%
Office & HR	\$ 72,802	\$ 409,241	\$ 176,646	<u>\$144,496</u>	5	35.7%
Rent	\$ 74,000	\$ 880,365	\$ 423,881	<u>\$359,457</u>	6	42.8%
Other Operating Expenses	\$ 6,666	\$ 188,741	\$ 67,665	<u>\$44,922</u>	4	28.6%
Insurance	\$ 61,673	\$ 385,000	\$ 166,129	<u>\$139,921</u>	4	28.6%
Advertising, Marketing and Promotion	\$ 10,984	\$ 120,000	\$ 59,270	<u>\$48,096</u>	4	28.6%

Professional Fees	\$ 1,950	\$ 35,972	\$ 10,479	<u>\$6,006</u>	5	35.7%
<b>Operating Expenses</b>	<b>\$ 667,844</b>	<b>\$ 2,974,273</b>	<b>\$ 1,529,518</b>	<b><u>\$1,355,163</u></b>	5	35.7%
<i>% Revenue</i>			66%	<u>64%</u>		
<b>Reported EBITDA</b>	<b>\$ 72,924</b>	<b>\$ 738,913</b>	<b>\$ 375,032</b>	<b><u>\$364,223</u></b>	7	50%
<i>% Margin</i>			17%	<u>17%</u>		

Notes to Chart 19 - A:

“**Revenue**” means the total selling price of all services and products and all income of every other kind and nature related to the Launch Park, whether for cash or credit and regardless of collection in the case of credit. Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments. Major inputs to Revenue include Park admissions, arcade revenues, food and beverage revenues, and birthday party revenues.

“**Cost of Sales**” is the total cost of merchandise sold at a Park.

“**Franchise Costs**” means the costs of items such as royalty fees, advertising fees, etc.

“**Gross Profit**” means Revenue less Cost of Sales.

“**Payroll**” means the salaries, benefits and taxes paid for employees. This includes the cost of a salaried General Manager who is in charge of day-to-day park operations.

“**Rent**” means the base rent, taxes, utilities, building repairs, maintenance, and common area fees for the facility.

“**Insurance**” means the insurance premiums paid for commercial general liability, excess liability, workers’ compensation, business property, and employment practice liability insurance policies.

“**Other Operating Expenses**” means various miscellaneous operating expenses, including advertising costs (over and above the advertising or brand development fees paid to the franchisor), professional fees, office and human resources expenses, and travel and entertainment expenses.

“**EBITDA**” means earnings before interest, taxes, depreciation, and amortization.

The employee costs and occupancy costs are reflective of the labor and real estate market in that area. Your labor, management, and occupancy costs may vary based on geography, demographics, state and local laws and regulations, and other market conditions. Consequently, it is critical that you carefully evaluate your potential market.

**B. Franchisee Park – Monthly and Annual Gross Sales**

The first franchisee-operated Family Entertainment Center opened in April 2022. The second franchisee-operated Family Entertainment Center opened in March 2023. Disclosed below are monthly gross sales figures from the initial opening period of those two (2) Parks, representing a rolling twelve (12) month period from the date of their respective openings.

## ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

~~For info on becoming ServSafe certified in Illinois, see [https://www.servsafe.com/ServSafe\\_Food\\_Handler\\_FAQs/What\\_are\\_the\\_Illinois\\_Food\\_Handling\\_Regulatory\\_changes](https://www.servsafe.com/ServSafe_Food_Handler_FAQs/What_are_the_Illinois_Food_Handling_Regulatory_changes).~~

2. The following statement shall be deemed to amend the Franchise Agreement, and the Franchisee Acknowledgement Statement attached to the Launch Park ~~FDD~~ at Exhibit K:

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.

3. Payment of the Initial Franchise Fee described in Section 10.1.1 is deferred until such time as we complete our initial obligations under the Franchise Agreement and the Franchised Business is open for business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

4. ~~Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

5. ~~Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

*[Signature Page Follows.]*

Attachment 7 - ~~8~~

## ILLINOIS ADDENDUM TO THE DEVELOPMENT AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Development Agreement (“Agreement”), to the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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**.

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISOR CURRENTLY HAS NO FORMAL SCHEDULE FOR THE REQUIRED INITIAL TRAINING THAT YOU MUST COMPLETE NO LESS THAN 30 DAYS BEFORE YOUR BUSINESS OPENS. IN ADDITION, THE ENTIRE TRAINING PROGRAM IS SUBJECT TO CHANGE WITHOUT NOTICE TO YOU.

~~For info on becoming ServSafe certified in Illinois, see <https://www.servsafe.com/ServSafe-Food-Handler/FAQs/What-are-the-Illinois-Food-Handling-Regulatory-changes>.~~

2. The following statement shall be deemed to amend the Agreement, and the Franchisee Acknowledgement Statement attached as Attachment 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 other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Payment of the Development Fee described in Section 4.1 is deferred until such time as we complete our initial obligations under the Development Agreement and the first Franchised Business to be developed under the Development Agreement is open for business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.

~~4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Agreement.~~

~~5. Except as expressly modified by this Addendum, the Agreement remains unmodified and in full force and effect.~~

*[Signature Page Follows.]*

## ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

The *Special Risks to Consider About This Franchise* page is hereby amended to include the following Risk Factor:

**Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if 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.

Item 5, Additional Disclosure. The following statement is hereby added to Item 5:

Payment of the initial fees are deferred until such time as the franchisor completes its initial obligations and the franchisee is open for business. The deferral of the initial franchise fee and other initial fees is required by the Illinois Attorney General's Office based on the franchisor's financial condition.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Franchisee Acknowledgement Statement. The following statements shall be deemed to amend the Franchisee Acknowledgment Statement attached to the Launch Park ~~FDD~~ at Exhibit K:

~~The representations under this Franchise Acknowledgment/Compliance Certification are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure 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 other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

### 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 states below:

State	Effective Date
California	pending
Illinois	<del>pending</del> June 18, 2025
Indiana	June 18, 2025
Maryland	June 24, 2025
Michigan	<del>pending</del> July 5, 2025
Minnesota	pending
New York	pending
North Dakota	June 16, 2025
Rhode Island	July 1, 2025
South Dakota	June 18, 2025
Virginia	pending
Washington	pending
Wisconsin	June 16, 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.