

SPECIAL RISKS TO CONSIDER ABOUT *THIS* FRANCHISE

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

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with us by mediation and litigation in Florida. Out of state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate and litigate in Florida than in your own state.

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 franchise in a system with a longer operating history.

Inventory/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 suppliers that the franchisor designates, at prices 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.

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.

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.

Unregistered Trademark. The primary logo that you will use in your business is not federally-registered. If the Franchisor's ability to use this trademark in your area is challenged, you may have to identify your business and its products/services by a different name. This change can be expensive and may reduce brand recognition of the products and services you offer.

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

Table of Contents

Item 1	The Franchisor, and Any Parents, Predecessors and Affiliates.....	1
Item 2	Business Experience	3
Item 3	Litigation	4
Item 4	Bankruptcy	4
Item 5	Initial Fees	4
Item 6	Other Fees	5
Item 7	Estimated Initial Investment.....	11
Item 8	Restrictions on Sources of Products and Services.....	15
Item 9	Franchisee’s Obligations.....	20
Item 10	Financing.....	21
Item 11	Franchisor’s Assistance, Advertising, Computer Systems and Training.....	22
Item 12	Territory.....	31
Item 13	Trademarks	33
Item 14	Patents, Copyrights And Proprietary Information	34
Item 15	Obligation to Participate in the Actual Operation of the Franchise Business	36
Item 16	Restrictions on What the Franchisee May Sell.....	36
Item 17	Renewal, Termination, Transfer and Dispute Resolution	36
Item 18	Public Figures.....	43
Item 19	Financial Performance Representations	43
Item 20	Outlets and Franchisee Information	44
Item 21	Financial Statements	46
Item 22	Contracts	46
Item 23	Receipts	46
Item 1	The Franchisor, and Any Parents, Predecessors and Affiliates.....	1
Item 2	Business Experience	3
Item 3	Litigation	4
Item 4	Bankruptcy	4
Item 5	Initial Fees	4
Item 6	Other Fees	5
Item 7	Estimated Initial Investment.....	11
Item 8	Restrictions on Sources of Products and Services.....	15
Item 9	Franchisee’s Obligations.....	20
Item 10	Financing.....	21
Item 11	Franchisor’s Assistance, Advertising, Computer Systems and Training.....	22
Item 12	Territory.....	31
Item 13	Trademarks	33
Item 14	Patents, Copyrights And Proprietary Information	35
Item 15	Obligation to Participate in the Actual Operation of the Franchise Business	36
Item 16	Restrictions on What the Franchisee May Sell.....	36
Item 17	Renewal, Termination, Transfer and Dispute Resolution	37
Item 18	Public Figures.....	43

Item 19	Financial Performance Representations	43
Item 20	Outlets and Franchisee Information	44
Item 21	Financial Statements	46
Item 22	Contracts	46
Item 23	Receipts	46

Exhibits

A	Financial Statements	G	State-Specific Disclosures and Amendments to Agreements
B	Franchise Agreement	H	List of State Administrators and Agents for Service of Process
C	Development Agreement	I	Form of General Release
D	List of Franchisees and Developers	J	State Effective Dates
E	Franchisees and Developers That Left the System	K	Receipts
F	Table of Contents of Manual		

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

The Franchisor

The franchisor is PickleRage Franchise LLC. We are a Delaware limited liability company organized on July 3, 2023. In this disclosure document, PickleRage Franchise LLC is referred to by the terms "**PickleRage**," "**franchisor**," "**we**," "**us**," or "**our**". Our principal place of business is 1000 5th Street, Suite 100, Miami Beach, FL 33139. We also maintain offices at 151 Bodman Place, Suite 201, Red Bank, NJ 07701. We do business under our corporate name and the Marks as described below. We do not own or operate any businesses of the type being franchised. Other than servicing and selling franchises for PickleRage facilities, we are not involved in other business activities. We have not offered franchises in any other line of business. We began offering franchises in the United States ~~when we issued this FDD~~ November 9, 2023.

Our agents for service of process are listed in Exhibit H-2.

Our Predecessor, Parent, and Affiliates

PickleRage IP LLC, a Delaware limited liability company organized on July 3, 2023.	PickleRage IP LLC owns our trademarks and licenses them to us (as explained in Item 13 of this disclosure document).
PickleRage Sports LLC, a Delaware limited liability company organized on August 5, 2023.	PickleRage Sports LLC is our wholesale and retail pickleball product business, and sells various pickleball-related equipment (including "PickleRage" branded gear) as well as brands from third parties.
PickleRage LLC, a Delaware limited liability company organized on June 20, 2023.	PickleRage LLC is our corporate parent.

Except as noted above, we have no predecessor or parent, and no affiliates that offer franchises in any line of business or provide products or services to franchisees. All of our affiliates also maintain their offices at 1000 5th Street, Suite 100, Miami Beach, FL 3313.

Description of the "PickleRage" Franchise Opportunity

We offer you* the opportunity, under a Franchise Agreement, to develop and provide recreational services to customers seeking to play the sport of "Pickleball" and related racquet sports, and well as ancillary services involving instruction, clinics, tournaments, and league play (the "**Services**"), operating in buildings that feature our interior and/or exterior designs, and which also feature our Products (each, a "**Facility**"). Facilities will also offer certain products, such as apparel and equipment, as well as grab-and-go food items and alcoholic and non-alcoholic beverages

* The person or entity that signs a Franchise Agreement or a Development Agreement is referred to in this disclosure document as "**you**," "**your**," or the "**franchisee**" (and if you are an entity, that term includes all of your owners and partners).

(collectively, the “**Products**”). Services also includes the services associated with preparing, marketing, and providing Products to customers.

~~Facilities operate under the trade name and mark “PickleRage” and additional service marks, trademarks, trade names, logos, emblems, and indicia of origin. These marks and all other marks that we may designate in the future for use with the System (defined below) are referred to in this Disclosure Document as the “**Marks**” or “**Proprietary Marks**.”~~

~~The Facilities are established and operated under a comprehensive system (the “**System**”) that includes distinctive signage, interior and exterior design, décor and color scheme; special equipment, including proprietary products; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures (including, but not limited to, point of sale and tracking systems); training and assistance; and advertising and promotional programs; all of which we have the right to change, improve, and further develop as we see fit. Certain aspects of the System are more fully described in this Disclosure Document and the Manual, which will evolve over time (as defined and described in Item 11). You must operate your Facility in accordance with our standards and procedures, as set out in our Brand Standards Manual, which we will lend you, or make available electronically, for the duration of the Franchise Agreement.~~

~~PickleRage Facilities are generally located in stand-alone locations, end-cap or inline units, or as a retro-fit of an existing building or unit. Traditional Facilities will typically be approximately 25,000 to 35,000 square feet in size, and non-traditional Facilities will typically be approximately 15,000 to 20,000 square feet and 50,000 (or more) square feet in size (depending upon availability).~~

Franchise Agreement

We offer qualified parties a franchise agreement (the “**Franchise Agreement**”) under which they will establish and operate a Facility at a specific location. The standard form of Franchise Agreement is attached as Exhibit B to this Disclosure Document. Under a Franchise Agreement, we will grant you the right, and you will accept the obligation, to establish and operate a Facility at an agreed-upon location.

Development Agreement

We may offer qualified parties the right to sign a multi-unit agreement in the form attached as Exhibit C to this Disclosure Document (a “**Development Agreement**”) to develop multiple franchised Facilities.

Under a Development Agreement, we and the “Developer” will agree upon, and the Development Agreement will specify: (1) the territory within which you will open and operate Facilities; (2) the minimum number (two or more) of Facilities that you will be required to develop; and (3) the development schedule to open and start operating those Facilities.

For each Facility that is established under the Development Agreement, the parties will sign a separate Franchise Agreement. The Franchise Agreement for the first Facility that you develop under the Development Agreement will be in the form attached as Exhibit B to this Disclosure Document. For each additional Facility, the parties will sign the form of franchise agreement that we are then-offering to new franchisees (which may be materially different than the one that is attached as Exhibit B to this disclosure document).

Competition

You can expect to compete in your market with locally-owned sport and athletic businesses and programs, municipal facilities, and national and regional chains (some of which may be franchise systems), many of which may offer products and services similar to or competitive with those offered by a “PickleRage” Facility. The market for these items is well-established and intensely competitive. ~~These businesses vigorously compete on the basis of factors such as price, service, location, and product quality. These businesses are often affected by other factors as well, such as changes in consumer taste, economic conditions, seasonal population fluctuation, and travel patterns.~~

Regulations

The sports club industry is regulated in some places, including laws pertaining to membership packages, sign-ups for extended periods of time, and the like. Many of the laws, rules and regulations that apply to business generally have particular applicability to Facilities. All Facilities must comply with federal, state, and local laws applicable to the operation and licensing of a Facility business, including obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food service operations. If applicable to your Facility, the Americans with Disability Act of 1990 and related state laws require readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, bathrooms, drinking facilities, etc. ~~You should consult with your own lawyer and consider these laws and regulations when evaluating your purchase of a franchise.~~

You also must follow the Payment Card Industry Data Security Standards and comply with applicable data and privacy laws relating to customer payment card transactions.

You must comply with all local, state, and federal laws that apply to your Facility operations, including for example health, sanitation, no-smoking, EEOC, OSHA, discrimination, employment, and sexual harassment laws. There are also regulations that pertain to handling consumer data, sanitation, healthcare, labeling, and food service. You will be required to comply with all federal, state, and local laws and regulations that apply to the operation of your Facility.

ITEM 2 BUSINESS EXPERIENCE

Co-Founder and Owner

Christopher Palermo

Mr. Palermo has served us as Co-Founder and Owner since our formation in 2023. He is also currently the Co-Founder and Executive of First National Realty Partners in Red Bank, New Jersey and has served in that role since May 2015.

Co-Founder and Owner

Anthony Grosso

Mr. Grosso has served us as Co-Founder and Owner since our formation in 2023. He is also currently the Co-Founder and Executive of First National Realty Partners in Red Bank, New Jersey and has served in that role since May 2015.

Vice President of Franchise Development

Eric OConnor

Mr. OConnor has served as our Vice President of Franchise Development since July 2024. Prior to this, Mr. OConnor held the same role with World Gym International, from November 2022 – July 2024 and previous same role with Tommy’s Express, LLC from June 2016 to June

By way of example, for a two-Facility Development Agreement, when you sign the Development Agreement you would have to pay a \$75,000 development fee (that is, the first \$55,000 plus \$20,000 for the second unit).

We did not start to offer franchises until we issued this FDD, and therefore, we did not collect initial franchise fees or development fees in 2022.

Other Fees. When you sign the Franchise Agreement, you must also pay a \$5,000 deposit that we will apply against the training costs for our training team to come to your Facility and conduct training at the time of your opening. You will be required to pay our then-current per diem rate for trainers, plus reimbursement for their expenses (such as travel, lodging and incidentals), and we will credit the deposit to those final costs. The deposit for training costs is refundable if you do not secure a site, the facility does not open, and training does not occur.

When you sign the Franchise Agreement, you must also pay us a \$1,000 Lease Review Fee and a \$1,500 Construction Review Fee as explained in Item 6 below. The Lease Review Fee is refundable if the real estate team is unable to review the lease due to not securing a site. The Construction Review Fee is refundable if the real estate team is unable to review the construction or renovation plans due to not securing a site.

Except as described above, there are no other purchases from or payments to us or any affiliate of ours that you must make before your Facility opens.

ITEM 6 OTHER FEES

Fees (Note 1)	Amount	Due Date	Remarks
Royalty Fee (Note 2)	7% of Gross Sales	Payable each Period. (Note 2).	Royalty Fees are calculated based on Gross Sales for the previous Period (ending Sunday). Amounts due will be withdrawn by EFT from your designated bank account on the Due Date. See Note 2.
Marketing Contributions (Note 3)	1% of Gross Sales (which we have the right to increase up to 3% of Gross Sales)	Marketing Fund contributions are due by the Due Date. Your local marketing expenditures must be made monthly.	See Note 3. We currently allocate the Marketing Contribution entirely to the Marketing Fund. We have the right to change the allocation and increase the marketing contribution to a total of 3% of Gross Sales.
Local Store Marketing (Note 3)	\$2,000 per month or 2% of your Gross Sales	Each month	This requirement applies starting the month after you open. Note 3.
Initial Training (Note 4)	First two attendees = \$0.	Before Training	Training for the first two people is included in the franchise fee.

Fees (Note 1)	Amount	Due Date	Remarks
	For each additional attendee, \$2,000.		You must pay a training fee for each individual who is in addition to those two individuals or who is a replacement for one of those individuals. See additional details in Note 4.
Additional On-Site Training	Our post-opening training rate <u>\$500 per day per trainer</u>	When billed	Only due if we provide additional training at your Facility, in which case you must pay our daily fee for each trainer we send to your Facility.
Interest	1.5% per month on overdue amounts	On demand	Only due if you do not make payments on time and in full. Interest on overdue amounts will accrue from the date originally due until you make payment in full. Interest will not exceed the limit (if any) that applies to you under state law.
Audit Fee	Cost of audit <u>Actual costs</u>	When billed	Only due if we find that you have understated Gross Sales or what you owe to us by 2% or more. Also due if we audit after you fail to submit sales reports to us or if you do not provide us with the required access to your Computer System. You may also be required to pay interest on any understated amounts.
Transfer Fee – Franchise Agreement and Development Agreement	\$27,500 or 50% of our then-current initial franchise fee, whichever is more.	Submitted with transfer application	Only due if you propose to engage in a transfer.
Renewal of the Franchise Agreement	\$13,750 or 25% of our then-current initial franchise fee, whichever is more.	Upon renewal.	Due upon renewal.
Inspection and Testing	The reasonable <u>actual</u> cost of the inspection, as well as the actual cost of the test.	Will vary and must be paid upon request.	Only due if you ask that we evaluate a service, product, or supplier that we have not previously approved and that you want to use in your Facility. Also payable if we test unapproved items from your Facility that do not meet our specifications.

Fees (Note 1)	Amount	Due Date	Remarks
Lost Future Royalties (Note 5)	Varies <u>The average of your monthly Royalty Fees due under the Franchise Agreement multiplied by the lesser of 24 or the number of months then-remaining in the Franchise Agreement term.</u>	15 days after Franchise Agreement is terminated	Only due if your Franchise Agreement is terminated and as described in Note 5.
Technology fee	To be determined. <u>Currently not assessed</u>		We have the right to institute a technology fee and if we do so, you would have to pay our then-current technology fee. We will have the right to periodically change the fee. This fee is in addition to charges that you will have to pay to vendors that provide you with technology-related products and services.
Costs and Attorneys' Fees	Will vary under circumstances <u>Actual Costs</u>	On demand	Only due if you are default under your agreement; if so, you must reimburse us for our expenses (such as attorneys' fees) in enforcing or terminating your agreement.
Indemnification	Will vary under circumstances <u>Actual Costs</u>	On demand	Only due if we are sued or held liable for claims that arise from your operation of the Franchised Facility or for costs associated with defending claims that you used the trademarks in an unauthorized manner.
<u>Insurance Reimbursement</u>	Reimbursement of our costs and premiums	If incurred	Only due if you do not maintain the required insurance coverages; if so, we have the right (but not the obligation) to obtain insurance on your behalf. If so, you must reimburse us for our costs as well as the premiums.
<u>Crisis Situation Reimbursement</u>	Reimbursement of our costs	If incurred	Only due if there is a crisis situation at your Facility that has or reasonably may cause harm or injury to customers, guests, and/or employees (for example, food spoilage/poisoning, food tampering/sabotage, slip and fall

Fees (Note 1)	Amount	Due Date	Remarks
			injuries, natural disasters, robberies, shootings, Data Breach, etc.) or may damage the Proprietary Marks, the System, and/or our reputation. We will have the right (but not the obligation) to direct the management of that crisis situation, engage the services of attorneys, experts, doctors, testing laboratories, public relations firms, and other professionals that we deem appropriate. If so, you must reimburse us for our costs.
Online Learning Management System	Varies <u>Actual Costs</u>	Annually	Currently payable to our approved supplier. See Note 6
Brand standards Facility re-inspection and failure to provide records (Note 7)	Varies <u>Currently \$500 per day, plus reimbursement of our for travel costs (Note 7) expenses.</u>	As Needed	See Note 7.
Gift Cards/Loyalty Program (Note 8)	\$1,500	Annually	See Note 8. Currently payable to our approved supplier.
Reimbursement for amounts that we pay on your behalf	Varies <u>Actual Costs</u>	On Demand	Only due if you do not pay your vendors on time and in full. If so, we have the right (but not the obligation) to make those payments on your behalf and if we do so, you must reimburse us for our costs as well as the premiums.
Non-Standard technology assistance	Varies <u>Reimbursement of actual costs</u>	If and when incurred	Only due if you ask for (and we agree to provide) additional technology services, then you will have to pay our then-current charge for that service. This might include, for example, a non-standard integration or implementation. All of these changes will be subject to our review and approval.)
Lease Review Fee	\$1,000	When you provide us with a copy of the proposed lease, sublease (or purchase	

Fees (Note 1)	Amount	Due Date	Remarks
		agreement) for the <u>Accepted/Approved</u> Location.	
Construction Review Fee	\$1,500	When you provide us with copies of your construction or renovation plans.	This fee covers up to three hours of our time in reviewing your construction plans. If more time is required to review, you must pay our then-current hourly rate (currently \$350 per hour).

Notes:

1. All fees described in this Item 6 are non-refundable. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and you must pay them to us. Except as specifically stated above, the amounts given may increase due to changes in market conditions, our cost of providing services and future policy changes. At present, we have no plans to increase payments over which we have control. We expect that we will uniformly apply the fees described above to new system franchisees, however, in instances that we consider appropriate, we may waive some or all of these fees.

2. For the purposes of determining the fees to be paid under the Franchise Agreement, "**Gross Sales**" means all revenue from the sale of all Products and Services and all other income of every kind and nature related to, derived from, or originating from the Franchised Business (whether or not permitted under this Agreement). Gross Sales includes revenue from barter, delivery, and service fees paid to you, whether for cash or credit the proceeds of any business interruption insurance policies, and regardless of theft, or of collection in the case of credit. Gross Sales excludes: (a) sales taxes and other taxes that you collect from your customers and actually pay to the appropriate taxing authorities; (b) refunds, discounts, and accommodations reasonably provided to your customers; and (c) meals provided to your staff.

The Royalty Fee will be withdrawn from your designated bank account by electronic funds transfer ("**EFT**") weekly on the Due Date based on Gross Sales for the preceding Week (currently, ending Sunday). If you do not report your Facility's Gross Sales, we may debit your account for 120% of the last Royalty Fee that we debited. If the Royalty Fee that we debit is less than the Royalty Fee you actually owe, then once we have been able to determine the Facility's true and correct Gross Sales, we will debit your account for the balance on the day we specify. If the Royalty Fee debit is greater than the what you actually owe us, then we will credit the excess against the amount we otherwise would debit from your account during the following Period.

The term "**Period**" means the interval that we designate, which may be a calendar week, bi-weekly period, calendar month, or other period (for example, a four week period). We have the right to designate the start for measurement of that interval as well as the end of that interval. (For example, a "week" may be deemed to start on Monday at one second before 12:00:01 am and ending the following Sunday at one second after 11:59:59 pm (all local time at your Facility); however, we have the right to reasonably change that formulation.) We have the right to reasonably change the composition of the days and times that comprise a "Period" by giving you prior written notice of that change, as well as changes to the "**Due Date**". Currently, the Due Date falls on Wednesday of each week (at 5:00 pm local time in our offices). The Due Date is the date

Facility in the System. The cost for these programs combined is approximately \$125 per month, or \$1,500 annually, plus the transaction fee (which varies by location, but is currently approximately \$0.10 per transaction). You are required to purchase gift cards from our approved supplier and sell them to customers from your Facility.

ITEM 7 ESTIMATED INITIAL INVESTMENT

Table A: YOUR ESTIMATED INITIAL INVESTMENT FRANCHISE AGREEMENT <i>(For One Traditional Facility)</i>					
Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Franchise Fee (Note 1)	\$55,000	\$55,000	Lump Sum	On signing Franchise Agreement	Us
Rent (Note 2)	\$93,750	\$175,000	Lump Sum	On Signing the Lease	Landlord
Security Deposits (Note 3)	\$60,000	\$100,000	Lump Sum	On Signing the Lease	Landlord
Leasehold Improvements (Note 4)	\$375,000	\$875,000	As Incurred	Before Opening Your Store	Approved Contractor / Vendor
Equipment, Furniture and Fixtures (Note 5)	\$60,000	\$150,000	As Incurred	Before Opening Your Store	Approved Suppliers; <u>Us</u>
Insurance (Note 6)	\$4,000	\$6,000	Lump Sum	Before Opening	Insurance Carriers
Permits and Licenses (Note 7)	\$3,500	\$6,500	As Incurred	Before Opening	Gov't Authorities
Wine and Beer Permits (Note 7)	\$2,000	\$100,000	As Incurred	Before Opening	Gov't Authorities
Initial Inventory (Note 8)	\$8,000	\$12,000	Lump Sum	Before Opening	Approved Suppliers; <u>Us</u>
Signage (Note 9)	\$50,000	75,000	Lump Sum	Before Opening	Approved Suppliers
Grand Opening Advertising (Note 10)	\$20,000	\$50,000	As Incurred	During the First 90 days of operation	Third Parties

The figures in the chart do not (and could not) provide an estimate of the costs associated with buying the real estate, which would likely be higher than the figure shown. If you purchase real property, we cannot estimate how this purchase will affect your total initial investment.

3. **Security Deposits.** We expect that you will need to pay deposits for your local utilities, such as telephone, electricity and gas. The amount of your deposits will depend, in part, on your credit rating and the policies of the individual utility companies. The estimate also assumes that you will be able to negotiate with your landlord for no rent deposit.

4. **Leasehold Improvements.** The cost of leasehold improvements will vary depending on numerous factors, including: (a) the size and configuration of the premises; (b) pre- construction costs (such as demolition of existing walls and removal of existing improvements and fixtures); (c) cost of materials and labor, which may vary based on geography and location; (d) requirement to use union workers; and (e) the tenant improvement allowance provided by the landlord. These amounts are based on the cost of adapting our prototypical architectural and design plans to remodel and finish-out of the Facility and the cost of leasehold improvements. Our low estimate assumes a “second generation” Facility space (meaning the space was formally used as a Facility) of 25,000 square feet and our high estimate assumes a “first generation” (meaning that a Facility has never been operated at the space) Facility space of 35,000 square feet, with leasehold improvements ranging from \$15 to \$25 per square foot (this range is net of (and after applying) an estimated tenant improvement allowance of \$15 per square foot).

5. **Equipment, Furniture and Fixtures.** The equipment you will need for your Facility includes nets, lockers, reach-in coolers, retail fixtures, televisions, café tables, and chairs, security system/surveillance, videography, and photography equipment, POS system, office furniture, and lighting. We estimate that the total cost to purchase and install these items will range from \$60,000 to \$150,000. It may be possible to lease some of these items, which will lower the estimates provided.

6. **Insurance.** You must have the insurance that we specify for your Facility at all times during the term of your Franchise Agreement. The estimate is for six months’ premium costs. Our insurance requirements are disclosed in Item 8.

7. **Permits and Licenses.** Our estimate includes the cost of obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Facility. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

Our estimate for obtaining a wine and beer license ranges from \$2,000 to \$100,000, but in some locations and jurisdictions, may be even higher (for example, New Jersey). However, because the expense of acquiring a wine and beer license varies considerably from jurisdiction to jurisdiction, you should consult the appropriate governmental authority concerning the availability of the required license and carefully consider the associated expenses for your Facility before you sign a Franchise Agreement.

8. **Initial Inventory.** Our estimate includes your initial inventory of food and beverage, paddles, balls, apparel, and other related merchandise.

9. **Signage.** These amounts represent your cost for your interior and exterior signage. Your landlord or your local ordinances may have different restrictions it places on interior and exterior

signage which may affect your costs. Any proposed changes to our signage must be submitted to us for approval.

10. **Grand Opening Advertising.** You must conduct a grand opening advertising campaign to promote the opening of your Facility, in any amount that we will determine when you sign the Franchise Agreement (but at least \$20,000). Please refer to Item 11 “Advertising” for details. At our request, you must provide the grand opening advertising money to us and we will conduct the grand opening advertising campaign on your behalf.

11. **Architecture and Mechanical, Electrical, and Plumbing (MEP) Drawings.** You must hire an approved architect to adapt our standard plans and specifications to create construction drawings, which are specific to your approved location. We reserve the right to specify the architect you must use. All proposed plans and drawings must be approved by us before construction may begin, and any changes proposed during construction must also be approved by us.

12. **Travel and Living Expenses While Training.** These estimates include only your out-of-pocket costs associated with attending our initial training program, including travel, lodging, meals, and applicable wages for the first two trainees. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities and mode and distance of transportation. The estimates assumes one individual at a per diem expense rate of \$100 to \$150 plus a \$2,250 per person travel allowance. The estimate is for three days of travel per individual.

13. **Professional Fees.** We expect that you will retain an attorney and an accountant to assist you with evaluating this franchise offering, and with negotiating your lease or purchase agreement for the approved location.

14. **Opening Assistance.** In connection with opening, we will provide you with up to two of our representatives for up to approximately 7 days. You must pay our current per diem rate for trainers, plus reimburse their expenses, such as travel, lodging and incidentals. There are several factors that will impact on your training costs, including the amount of advanced notice given to us so we can book travel arrangements, seasonality increases, and local events that directly affect availability and rates. Travel rates are generally lower with at least a 14-day notice to book, thereafter rates can increase significantly, especially within seven days’ notice when rates are usually at full tariff. A deposit of \$5,000 is required before we schedule our training team; the final payment is due when you receive our final invoice.

15. **Additional Funds.** This estimates your ~~initial start-up expenses for~~additional funds an initial three-month period, not including payroll costs, and does not include revenue that your Facility may earn in the first three months of operation. This amount is an estimate of the costs for three months of utilities, marketing and advertising expenditures.

~~16. **Totals.** You should review these figures carefully with a business advisor before making any decision to purchase the franchise.~~ 16. **Totals.** We do not provide financing arrangements for you. If you receive our consent to obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors. We relied on our experience and information that we have gleaned from franchisees in preparing these estimates.

The figures in Tables A and B of this Item 7 are estimates only; we cannot predict whether you will incur additional expenses building your Facility or starting your business. Your expenses will depend on factors such as whether you follow our methods and procedures, whether your Facility is built within the specifications noted in the notes above, your management skill, experience and business acumen, local economic conditions (for example, the local market for our services and products), the prevailing wage rate, competition and your sales level achieved during the initial period. In preparing this estimate, we relied on our experience in other businesses. The estimates do not (and could not) account for the impact of future inflation or changes to interest rates.

In preparing this estimate, we relied on our experience in other businesses.

Table B:					
YOUR ESTIMATED INITIAL INVESTMENT DEVELOPMENT AGREEMENT					
<i>(assumes a Development Agreement for two Facilities (Note 1))</i>					
Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	From	To			
Initial Investment – Facility #1	\$827,800	\$1,803,200	Varies	Varies	Varies
Initial Investment – Facility #2 (Note 2)	\$817,800	\$1,793,200	Varies	Varies	Varies
Total	\$1,645,600	\$3,596,400			

1. Please refer to Table A, above, for the Estimated Initial Investment for opening a single Facility under a Franchise Agreement signed under a Development Agreement. If you become a Developer, you will pay us the development fee that is described in Item 5.
2. The estimate for Facility #2 is the same as for Facility #1, less the \$10,000 discount that applies to the initial fee under second franchise agreement (as explained in Item 5 above).

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases of Goods and Services

You must operate the Franchised Business in conformity with the methods, standards, and specifications that we require (whether in the Brand Standards Manual or otherwise). Among other things, these standards require that you must:

- sell or offer for sale only those Products and Services, using the equipment and other items, that we have approved in writing for you to offer and use at your Franchised Business;
- sell or offer for sale all those Products and Services, using the equipment and other items, and employing the techniques that we specify in writing;

- whether the supplier's approval would enable the System, in our sole opinion, to take advantage of marketplace efficiencies.

We will have the right, among other things, to require that our representatives be permitted to inspect the proposed new supplier's facilities, and that samples from that supplier be delivered either to us or to an independent laboratory that we designate for testing. Either you or the proposed new supplier must pay us a charge (which will not exceed the ~~reasonable~~actual cost of the inspection and the actual cost of the tests). We also may require that the proposed new supplier comply with certain other requirements that we may deem appropriate, including for example payment of ~~reasonable~~actual continuing inspection fees and administrative costs, or other payment to us by the supplier on account of their dealings with you or other franchisees, for use, without restriction (unless otherwise instructed by the supplier) and for services that we may render to our suppliers.

Our criteria for approving a proposed supplier include various quality related factors, including for example the supplier's history, its other production work, product quality, quality controls, and related benchmarks. We typically will provide you with our response to a proposed new supplier within 30-60 days, but that vary depending on factors such as the nature of the item that is proposed for our consideration and the supplier's cooperation and response. We have the right to periodically re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier does not continue to meet any of our then-current criteria (if we revoke our approval, we will notify you in writing). You may not buy items from any supplier that we do not approve in writing, and you must stop buying items from any supplier that we may have approved but later disapprove.

We (and one of our affiliates) are the only designated supplier for certain items that you must buy for the operation of your Franchised Business.

None of our officers own any interest in any other approved or designated supplier for any product, good or service that you are required to purchase for the operation of your Franchised Business (except through ownership of mutual funds that might hold such an interest).

We have the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments, or benefits (collectively, "**Allowances**") offered by suppliers to you or to us (or our affiliates) based upon system-wide purchases of Products, equipment, and other goods and services. These Allowances include those based on System-wide purchases of the Products, equipment, and other items. We may retain those volume discounts, rebates, or incentives to defray our expenses related to seeking, negotiating, and arranging purchasing agreement, or we may contribute all or a portion of those amounts to the Marketing Fund. We did not previously have franchises and therefore did not in the past derive income or receive Allowances.

We and our affiliates may derive revenue based on franchisee purchases. We did not previously have franchises and therefore did not derive income or receive Allowances. We may, in the future, derive revenue based on franchisee purchases from us or from our affiliates.

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System. As of the date of this disclosure document, there are no purchasing or distribution cooperatives for any of the items described above in which you must participate.

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases, or other obligations.

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 your Franchised Business, we will:

1. Provide services in connection with your site, including:
 - Site selection guidelines, counseling, and assistance ~~as we deem advisable~~ in accordance with Section 1.2 of the Franchise Agreement (see Franchise Agreement, Section 1.2);
 - One on-site evaluation without a separate charge upon receipt of a completed site selection package submission (see Franchise Agreement, Site Selection Addendum Section 2);
 - Written notice of approval or disapproval of the proposed site within 30 days of receiving your site selection package submission (see Franchise Agreement, Site Selection Addendum Section 3); and
 - Review of lease, sublease, design plans, and renovation plans for the Facility (see Franchise Agreement, Section 5);
2. Make available our standard layout, design, and image specifications for a Facility, including:
 - Plans for exterior and interior design and layout (see Franchise Agreement, Section 3.3); and
 - Written specifications for fixtures, furnishings, equipment, and signage (see Franchise Agreement, Section 3.3), including the names of approved suppliers (however, we do not supply these items directly nor do we assist with delivery or installation);
3. Give you access to the Brand Standards Manual (as more fully described below in this Item 11 of this FDD) (see Franchise Agreement, Section 3.5);
4. Provide you with training (as more fully described below in this Item 11 of this FDD) (see Franchise Agreement, Section 3.1);
5. Assist you in developing your Grand Opening Marketing Program (see Franchise Agreement, Section 3.6); and
6. Inspect and evaluate your Facility before it first opens for business (see Franchise Agreement, Section 3.8).

We are not required by the Franchise Agreement to furnish any other service or assistance to you before the opening of your Franchised Business.

Continuing Assistance:

We are required by the Franchise Agreement to provide certain assistance and service to you during the operation of your Franchised Business:

1. Provide you periodic assistance in the marketing, management, and operation of the Franchised Business at the times and in the manner that we determine (see Franchise Agreement, Sections 3.4 and 3.9);
2. Periodically offer you the services of certain of our representatives, such as field consultant, and these representatives will periodically visit your Franchised Business and offer advice regarding your operations (see Franchise Agreement, Section 3.9); and
3. Provide ongoing training that we periodically deem appropriate, at such places and times that we deem proper (see Franchise Agreement, Section 6.4).

We are not required by the Franchise Agreement to furnish any other service or assistance to you during the operation of your Franchised Business.

We may periodically provide suggested retail pricing (see Franchise Agreement, Section 8.12), but you will set your own prices. We may establish reasonable restrictions on the maximum and minimum prices you may charge for the Products and Services offered and sold at the Facility and (subject to applicable law): (a) if we have established a maximum price for a particular item, then you may charge any price for that item up to and including the maximum price we have established; and (b) if we have established a minimum price for a particular item, then you may charge any price for that item that is equal to or above the minimum price we have established.

Typical Length of Time Before Start of Operations:

You must open your Franchised Business the earlier of one year from the date you sign the Franchise Agreement or six months after we approve your franchised location. If you do not do so, that will be a default under the Franchise Agreement. We consider the demographics of your proposed franchised location including population density, household income and other competition. If you are unable to find a suitable location that is agreed upon, we will have the right to terminate your Franchise Agreement or provide a grace period of 90 days. If the Franchise Agreement is terminated, the Initial Franchise Fee will be forfeited.

We estimate the length of time between the signing of the Franchise Agreement and the time you open your Facility at 180 to 365 days. Factors that may affect this time period include your ability to acquire financing or permits, build out your location, have signs and equipment installed in your location, and complete the required training. You should have a suitable location and signed lease within nine months of signing the Franchise Agreement. Typically, we own or lease the site.

Your franchised Facility must be open within the earlier of one year after the Effective Date of Franchise Agreement or six months after we approve your franchised location (the "**Scheduled Opening Date**"). If you do not open your Facility by the Scheduled Opening Date (except in the case of circumstances beyond your control), then we will have the right to terminate your Franchise Agreement.

your Grand Opening Marketing Program will be subject to our prior approval, marketing standards, and requirements.

Computer Requirements:

We may require our franchisees to purchase a Computer System. You must meet our requirements concerning the Computer System, including: (a) back office and point of sale systems, networks, data, audio, video (including managed video security surveillance, which we have the right to monitor to the extent permitted by law), telephone, voice messaging, retrieval, and transmission systems for use at Facilities, between or among Facilities, and between and among the Franchised Business, and you, and us; (b) point-of-sale (POS) systems; (c) physical, electronic, and other security systems and measures; (d) printers and other peripheral devices; (e) archival back-up systems; (f) internet access mode (such as form of telecommunications connection) and speed; (g) technology used to enhance and evaluate the customer experience (including digital ordering devices, kiosk, touchpads, and the like); (h) digital and virtual display boards and related technology, hardware, software, and firmware; (i) front-of-the-house WiFi and other connectivity service for customers; (j) cloud-based back-end management systems and storage sites; (k) music systems for inside the Facility; and (l) consumer-marketing oriented technology (including Customer Apps, affinity and rewards hardware and software, facial and other customer-recognition technology, and approved social media/networking sites) (collectively, all of the above are referred to as the “**Computer System**”).

You must be able to maintain a continuous connection to the internet to send and receive POS data to us. You must establish merchant accounts and internet-based credit card and gift card authorization accounts that we designate for use with online card authorizations.

We have the right to develop or have developed for us, or to designate: (a) computer software programs and accounting system software that you must use in connection with the Computer System (“**Required Software**”), which you must install; (b) updates, supplements, modifications, or enhancements to the Required Software, which you must install; (c) the tangible media upon which you must record data; and (d) the database file structure of your Computer System.

We rely on suppliers to provide support for the hardware and software and we may require that you enter into service contracts directly with the hardware and software suppliers and pay the suppliers directly for this support.

You must follow our guidelines and requirements with respect to technology that will be used at your Facility (as further explained in Section 14 of the Franchise Agreement). You will bear the cost of meeting these requirements. Among other things, this includes your agreement to install, use, maintain, update, and replace (as needed) all elements of the Computer System and Required Software. You must pay us or third-party vendors initial and ongoing fees in order to install, maintain, and continue to use the Required Software, hardware, and other elements of the Computer System. You may also be required to pay us a technology fee in our then current amount. You may also be charged fees by tech vendors that provide products or services to you, and you must pay those charges in the ordinary course of business.

We estimate that the cost of purchasing the Computer System and Required Software will typically range from \$2,500 to \$5,000 with a monthly service payment of approx. \$500 to \$750. We estimate that the current annual cost of maintenance, support, and upgrades will be in the range of \$1,000 to \$1,500. This does not include replacement for hardware, software, and other equipment. Neither we nor any of our affiliates have an obligation to provide ongoing

maintenance, repairs, upgrades, or updates to your computer hardware or software. Neither we nor any of our affiliates have an obligation to provide ongoing maintenance, repairs, upgrades, or updates to your computer hardware or software.

You must be able to access information that is available on the Internet, and be able to send and receive email. We may periodically require you to upgrade and update the hardware and software used in connection with the Computer System. There are no contractual limitations on the frequency and cost of these upgrades and updates. We reserve the right to approve your email address or require you to use only an e-mail address that we provide for your Franchised Business' business e-mails.

You must afford us unimpeded access to your Computer System in the manner, form, and at the times we may request. We will have the independent right at any time to retrieve and use this data and information from your Computer System in any manner we deem necessary or desirable. There are no contractual limits imposed upon our access to your Computer System data.

We have the right to require you to use one or more designated telephone and internet/network vendors. If we so require, you must use our designated telephone vendors for the phone service to your Franchised Business. We may designate, and own, the telephone numbers for your Franchised Business.

Vehicles. You may not wrap any vehicles in our Proprietary Marks, or otherwise use a vehicle in connection with (including promotion of) the Franchised Business unless you have asked for and obtained our prior written approval. We have the right to condition our approval on the factors that we deem appropriate, including that your vehicle meets our then current standards, that any wrapping be consistent with our brand standards, that you meet certain insurance requirements, and other standards.

Digital Sites. Unless we have otherwise approved in writing, you may not establish nor permit anyone else to establish a Digital Site relating to your Franchised Business or referring to the Proprietary Marks. We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may periodically designate, within our Digital Site. The term "**Digital Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social networking sites (including Facebook, Twitter, LinkedIn, YouTube, TikTok, Pinterest, Instagram, etc.), blogs, vlogs, applications to be installed on mobile devices (for example, iOS or Android apps), the metaverse, and other applications, etc. However, if we approve a separate Digital Site for you (which we are not obligated to do), then each of the following provisions will apply: (1) you may neither establish nor use any Digital Site without our prior written approval; (2) before establishing any Digital Site, you must submit to us, for our prior written approval, a sample of the proposed Digital Site, including its domain name, format, visible content (including, without limitation, proposed screen shots), and non-visible content (including meta tags), in the form and manner we may require; (3) you must not use or modify an Digital Site (which is deemed marketing) without our prior written approval; (4) you must comply with the standards and specifications for Digital Sites that we may periodically prescribe in the Brand Standards Manual or otherwise in writing; (5) if we require, you must establish hyperlinks to our Digital Site and other Digital Sites; (6) we may require period updates to your Digital Site; and

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Use of the Manual	0.25	0	Training Center
Pre-Opening Procedures	2	0	Training Center
Marketing and Promotion	1.5	0	Training Center
People Development	2.5	0	Training Center
Sales/Recruiting Members	2	3	Training Center/In Field
Hosting Events	2	0	Training Center
Daily Operating Procedures	4	12	Training Center/In Field
CRM/POS Procedures	1.5	2	Training Center/In Field
Managing the Business	2	1	Training Center/In Field
Total	18	18	

~~Currently, our training is supervised by Anthony Grosso, our Co-Founder, whose details are included in Item 2 of this disclosure document.~~

Currently, our training is supervised by David Smith, our Chief Operating Officer. David Smith has over 20 years of executive leadership experience across multiple industries including franchising, retail, restaurant, construction, and adventure travel. David is a Mastery Level Integrator for companies running on the Entrepreneurial Operating System.

Training will be conducted over a 5 business-day period, starting at our Facility Support Center and at a Corporate Certified Training Facility, either in New Jersey or the Broward County (Fla.) metropolitan area. We may also designate other sites for training.

Training sessions will be scheduled and conducted as frequently as it is necessary. Training will not be scheduled until a lease is signed for your location. All of your personnel must attend all aspects of the training program established. If any of your personnel do not attend or successfully complete any portion of the training program, that may result in failure of certification and a delayed store opening, or termination of the Franchise Agreement. Training must be completed 30 days prior to opening your facility.

The instructional materials for our training programs include the Brand Standards Manual, lecture, discussions, and practice.

Under the Franchise Agreement, the Operating Principal and General Manager must attend and successfully complete, to our satisfaction, our training program.

You may send up to three additional individuals to the initial training program; if you want to send more individuals, and we agree to have them join the session, then you must pay us a discounted training fee for each of those individuals.

If for any reason your Operating Principal or your General Manager stop active management or employment at the Franchised Business, or if we revoke the certification of your Operating Principal or your General Manager to serve in those capacities, then you must enroll a qualified replacement (who must be reasonably acceptable to us to serve in that capacity) in our initial training program within thirty days after the former individual ended his/her full time employment or management responsibilities. The replacement must attend and successfully complete the basic management training program to our reasonable satisfaction as soon as it is practical to do so. If the replacement is the fourth or any additional replacement during the term of your Franchise Agreement, then you will have to pay us a discounted training fee for each such person to be trained, with full payment due before training starts.

We may require that you and your Operating Principal and General Manager attend refresher courses, seminars, and other training programs that we may reasonably require periodically. We may further require you to enroll each of your employees in web-based training programs relating to the Products and Services that will be offered to customers of the Facility.

We will bear the cost of providing the instruction and required materials, except for additional and replacement training. You are responsible for making arrangements and paying all of the expenses, wages, and compensation for your staff that attends the training program.

ITEM 12 TERRITORY

Franchise Agreement

Under the Franchise Agreement, you have the right to establish and operate one Facility at a specific location that we have ~~accepted~~ (“**Accepted**”) **approved** (“**Approved Location**”). You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, from other channels of distribution or competitive brands that we control. The minimum territory granted to is a population of 100,000.

However, during the term of the Franchise Agreement, so long as you remain in compliance with the terms of the Franchise Agreement, we will not establish nor license anyone else to establish, another “PickleRage” Facility at any location within the “**Protected Area**” that is designated in your Franchise Agreement. We (and our affiliates) retain all other rights. Accordingly, we will have the right (among other things), on the conditions that we deem advisable, and without granting you any rights, to do any or all of the following:

- We have the right to establish, and franchise others to establish, Facilities anywhere outside the Protected Area;
- We have the right to establish, and license others to establish, businesses that do not operate under the System and that do not use the Proprietary Marks licensed under the Franchise Agreement, even if those businesses offer or sell products and services that are the same as or similar to those offered from the Franchised Business, no matter where those businesses are located;
- We have the right to establish, and license others to establish, Facilities at any Non-Traditional Facility or Captive Market Location (as defined below), whether outside or inside the Protected Area;

- We have the right to acquire (or be acquired), combine, or otherwise merge with and then operate any business of any kind, anywhere (but not to be operated as a “PickleRage” Facility inside the Protected Area); and
- We have the right to market and sell our Products through any channel of distribution (including alternative distribution channels such as e commerce), anywhere (but not from a “PickleRage” Facility operating inside the Protected Area).

The term “**Captive Market Location**” includes, among other things, non-foodservice businesses of any sort within which a Facility or a branded facility is established and operated (including, for example, hotels and resorts).

The term “**Non-Traditional Facility**” includes, among other things, college campuses, schools, casinos, airports and other travel facilities; federal, state, or local government facilities (including military bases); hospitals and medical facilities; theme and amusement parks; recreational facilities; seasonal facilities; shopping malls; theaters; and sporting event arenas and centers.

You may offer and sell services and products only: (a) according to the requirements of the Franchise Agreement and the procedures set out in the Brand Standards Manual; and (b) to customers and clients of the Franchised Business.

You may not offer or sell services or products through any means other than through the Franchised Business at the ~~Accepted~~Approved Location; and, therefore, for example, you may not offer or sell services or products from satellite locations, temporary locations, mobile vehicles or formats, carts or kiosks, by use of catalogs, the Internet, or through any other electronic or print media.

The ~~Accepted~~Approved Location for the Franchised Business will be specified in the Franchise Agreement. You may not relocate the Franchised Business without our prior written ~~consent~~approval. If you ask to relocate the Franchised Business, we will evaluate your request on the basis of the same standards that we apply to reviewing the proposed location of a “PickleRage” Facility for a new franchisee.

You do not need to meet any particular sales or revenue volume in order to keep your Protected Territory as described above so long as you stay in compliance with the terms of your Franchise Agreement.

We do not have the right to modify your Protected Territory so long as you stay in compliance with the terms of your Franchise Agreement.

Under the Franchise Agreement you will not have any options, rights of first refusal, or similar rights to acquire additional franchises or other rights, whether inside the Protected Territory or elsewhere.

Development Agreement:

If you and we enter into a Development Agreement, you will be awarded a Development Area. The size of the Development Area will vary based on a number of factors including the density of the area, the number of Facilities you must develop, demographics, competition, and location of any existing Facilities in the general area. As a result, the Development Area is likely to consist

All food and beverage products must be prepared and served only by properly trained personnel in accordance with the Brand Standards Manual. All items offered from the Facility will be sold only at retail to customers unless otherwise approved by us.

We have the right to add other authorized goods and services that you must offer. These changes also may include new, different or modified equipment or fixtures necessary to offer such products and services. There are no limits on our right to make these changes.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

The tables that follows ~~This table lists certain important provisions of the Franchise Agreement (Exhibit B to this FDD) franchise and the Development Agreement (Exhibit C to this FDD). Please read the portions of the related agreements referred to in.~~ **You should read these charts for a full explanation of these key provisions in the agreements attached to this disclosure document.**

FRANCHISE AGREEMENT			
	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	2.1	Term expires ten years after the Effective Date of the Franchise Agreement
b.	Renewal or extension of the term	2.2	Renewal of right to operate the franchised business for two additional five-year terms by signing our then-current franchise agreement (which may contain terms and conditions materially different from those in your original agreement), subject to contractual requirements described in "c" below
c.	Requirements for you to renew or extend	2.2.1 to 2.2.9	Timely written notice of intent to renew; refurbishment to comply with our then-current standards; compliance with agreement terms during agreement term and at time of renewal; timely compliance with all financial obligations; execution of then-current franchise agreement (which may contain terms and conditions materially different from those in your original agreement); payment of renewal fee; execution of renewal agreement with general release; compliance with then-current personnel and training requirements; and demonstrated right to remain in accepted <u>approved</u> location.
d.	Termination by you	Not applicable	

FRANCHISE AGREEMENT			
	Provision	Section in Franchise Agreement	Summary
p.	Your death or disability	16.7	Representative must promptly apply for our approval to transfer interest and pay reasonable costs we incur in reviewing transfer.
q.	Non-competition covenants during the franchise term	19.2 to 19.8	Prohibits engaging in “Competitive Business” (meaning any business: (a) that is the same as or similar to the overall presentation of a “PickleRage” Facility; (b) whose offering of facilities to play “pickleball” and/or for “pickleball” training accounts for more than 20% of its total offerings and/or total revenue in any of the trailing twelve calendar months, with no other time or geographical limitation.
r.	Non-competition covenants after the franchise is terminated or expires	19.2 to 19.8	Prohibits engaging in Competitive Business: (a) at the Accepted <u>Approved</u> Location; (b) within five miles of the Accepted <u>Approved</u> Location; and also (c) within five miles of any other “PickleRage” Facility business that is then-currently operated or planned elsewhere in the United States. Applies for two years after expiration, termination, or a transfer.
s.	Modification of the agreement	25.3	Only with mutual agreement and in writing.
t.	Integration/merger clause	25	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations, prior statements, or promises will be binding (and supersede all prior agreements). Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in the franchise disclosure document.
u.	Dispute resolution by arbitration or mediation	27	Before bringing an action in court, the parties must first submit the dispute to non-binding mediation (except for injunctive relief) in the Broward County, Florida area. The Franchise Agreement contains provisions that may affect your rights, including a waiver of jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised. See § 27 of the Franchise Agreement. Please also see the various state disclosure addenda and agreement amendments attached to this disclosure document, which contain additional terms that may be required under applicable state law.

FRANCHISE AGREEMENT			
	Provision	Section in Franchise Agreement	Summary
v.	Choice of forum	27.2	Any Subject to applicable state law, any action you bring against us must be brought only within courts with jurisdiction over Broward County, Florida. Any action we bring against you may be brought in the jurisdiction where we maintain our principal place of business. Your state law may impact this provision.
w.	Choice of law	27.1	Subject to applicable state law, Florida law. Your state law may impact this provision.

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.

DEVELOPMENT AGREEMENT			
	Obligation	Section in Development Agreement	Summary
a.	Length of the development agreement term	3	The Development Schedule term will be agreed upon by the parties before entering into the Development Agreement
b.	Renewal or extension of the term	Not Applicable	
c.	Requirements for you to renew or extend	Not Applicable	
d.	Termination by you	Not Applicable	
e.	Termination by us without cause	Not Applicable	
f.	Termination by us with cause	3, 9, 11.5, and 13	Failure to meet the Development Schedule, default or termination under the Franchise Agreement, abandonment, and other grounds; this also cross-references § 17 of the Franchise Agreement.

DEVELOPMENT AGREEMENT			
	Obligation	Section in Development Agreement	Summary
			Termination of the Development Agreement does not constitute a default under any of your Franchise Agreements. This clause, like many of those in the Development Agreement, incorporate by reference the corresponding provisions of the Franchise Agreement.
g.	"Cause" defined – curable defaults	11.5 and 13	Please also see §§ 17.1 and 17.2 of the Franchise Agreement. <u>Termination of the Development Agreement does not constitute a default under any of your Franchise Agreements.</u>
h.	"Cause" defined – non-curable defaults	11.5 and 13	Failure to meet development schedule or termination of a Franchise Agreement, and others; please also see § 17.2 of the Franchise Agreement. <u>Termination of the Development Agreement does not constitute a default under any of your Franchise Agreements.</u>
i.	Your obligations on termination or non-renewal	11.6, 11.7	Please see also §§ 18.1 to 18.11 of the Franchise Agreement.
j.	Assignment of contracts by us	11.4	There are no limits on our right to assign the Development Agreement.
k.	"Transfer" by you – definition	11.4, 12	Includes any sale, assignment, conveyance, pledge, encumbrance, merger, creation of a security, direct, or indirect interest in: (a) the Development Agreement; (b) you; (c) any or all of your rights or obligations under the Development Agreement; or (d) all or substantially all of the assets of the developer's business.
l.	Our approval of transfer by you	11.4, 12	We have the right to review and approve all proposed transfers.
m.	Conditions for our approval of transfer	11.4, 12	Your compliance with the agreement, a release, the buyer's signature of a new development agreement (which may contain terms and conditions materially different from those in your original agreement), the payment of transfer fee, and others; please also see §§ 16.5.1 to 16.5.10 of the Franchise Agreement.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee or Developer who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within ten weeks of the issuance date of this disclosure document will be listed on Exhibit E to this disclosure document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no franchisees have signed confidentiality provisions that would restrict their ability to speak openly about their experience with PickleRage System.

There are no trademark-specific organizations formed by our franchisees that are associated with PickleRage System.

ITEM 21 FINANCIAL STATEMENTS

PickleRage Franchise, LLC was formed July 3, 2023 and began offering franchises on November 9, 2023. Because we have not offered franchises for three (3) years, we are not able to include the three (3) prior years of audited financial statements normally required by this Item 21. Our audited financial statements dated December 31, 2023 are included in Exhibit A. Also included in Exhibit A are our unaudited financial statements as of ~~March~~August 31, 2024.

Our fiscal years end on December 31st each year.

ITEM 22 CONTRACTS

Attached as exhibits to this disclosure document are the following contracts and their attachments:

Exhibit B	Franchise Agreement
Exhibit C	Development Agreement
Exhibit I	Form of General Release

ITEM 23 RECEIPTS

Attached as Exhibit K are two copies of an acknowledgment of receipt of this Disclosure Document (the last two pages of this Disclosure Document). Please sign and date one copy of the receipt and send that back to us, and keep the other copy with this FDD for your records.

Unaudited Financial Statements as of ~~March~~August 31, 2024

These Financial Statements Have Been Prepared without an Audit. Prospective Franchisees or Sellers of Franchises Should be Advised that No Independent Certified Public Accountant Has Audited These Figures or Expressed an Opinion with Regard to their Content or Form.

- 3.10 *Services Performed.* You agree that any of our designees, employees, agents, or independent contractors (such as an “area representative”) may perform any duty or obligation imposed on us by the Agreement, as we may direct (if so, we will, nonetheless, remain responsible to you for the performance of these obligations).
- 3.11 *Our Decision-Making.* In fulfilling our obligations under this Agreement, and in conducting any activities or exercising our rights pursuant to this Agreement, we (and our affiliates) will always have the right: **(a)** to take into account, as we see fit, the effect on, and the interests of, other franchised and company-owned or affiliated businesses and systems; **(b)** to share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we (or our affiliates) have an interest, and/or with our affiliates; **(c)** to test market various items in some or all parts of the System; **(d)** to introduce new Proprietary Items, products that are not Proprietary Items, and operational equipment; and/or **(e)** to allocate resources and new developments between and among systems, and/or our affiliates, as we see fit. You understand and agree that all of our obligations under this Agreement are subject to this Section, and that nothing in this Section will in any way affect your obligations under this Agreement.
- 3.12 *Confirmation of Performance.* After we have performed our pre-opening obligations to you under this Agreement, we may ask that you execute and deliver to us a confirmation (the “**Confirmation of Performance**”), in a form we reasonably request, confirming that we have performed those obligations. If we ask you to provide us with such a certificate, you agree to execute and deliver the Confirmation of Performance to us within one (1) week after our request. However, if you do not reasonably believe that we have performed all of our pre-opening obligations, you must, within that same one (1) week period, provide us with written notice specifically describing the obligations that we have not performed. Not later than one (1) week after we complete all the obligations specified in that notice that we agree were unperformed, you agree to execute and deliver the Confirmation of Performance to us. You agree to do so even if we performed such obligations after the time performance was due under this Agreement. The term “pre-opening obligations” means the obligations we have to you under this Agreement that must be performed before your open your Facility.

4 FEES; SALES REPORTING

- 4.1 *Initial Fees.* When you sign this Agreement, you agree to pay us an initial franchise fee of Fifty-Five Thousand Dollars (\$55,000) (the “**Initial Franchise Fee**”). The Initial Franchise Fee is not refundable, and is payable in consideration of the services that we provide to you in connection with helping you to establish your new Facility.
- 4.2 *Royalty Fees and Sales Reports.*
- 4.2.1 For each Period during the term of this Agreement, you agree to: **(a)** pay us a continuing royalty fee equal to seven percent (7%) of the Gross Sales of the Franchised Business (“**Royalty Fees**” or “**Royalties**”); and **(b)** report to us your Gross Sales, in the form and manner that we specify (a “**Sales Report**”), by the Due Date (defined in Section 4.3 below). If, due to applicable law, you are not permitted to remit a Royalty Fee on the sale of alcoholic beverages, then you agree to instead pay us Royalty Fees on all Gross Sales (except alcoholic beverage sales) in the same total dollar amount as would have been paid if alcoholic beverage sales were included.

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

Illinois law shall apply to and govern the Franchise Agreement.

Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

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.

Franchisee's 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 is void.

For info about obtaining a liquor license in Illinois, see:
<https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx>

For info about obtaining TIPS certification in Illinois, see:
<https://www.tipscertified.com/tips-state-pages/illinois/>

See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

No statement, questionnaire, or ~~acknowledgement~~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/franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS §§ 705/1 et seq. (1987) (the "Act"), which govern the attached Board and Brush Creative Studio Franchise Agreement (the "Franchise Agreement"), the parties thereto agree as follows:

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

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

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

"Illinois law governs the terms of this Franchise Agreement."

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

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

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

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

5. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

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

"Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the representations made in the franchise disclosure document."

7. 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/franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

8. Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

9. For info about obtaining a liquor license in Illinois, see:
<https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx>

For info about obtaining TIPS certification in Illinois, see:
<https://www.tipscertified.com/tips-state-pages/illinois/>

See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

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**AMENDMENT TO THE PICKLERAGE FRANCHISE, LLC MULTI UNIT DEVELOPMENT
AGREEMENT REQUIRED BY THE STATE OF ILLINOIS**

Illinois law governs the Area Development Agreement.

Payment of Initial Franchise Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

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

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Document 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.

For info about obtaining a liquor license in Illinois, see:
<https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx>

For info about obtaining TIPS certification in Illinois, see:
<https://www.tipscertified.com/tips-state-pages/illinois/>

See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

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.

Signature Page to follow

The parties hereto have duly executed this Illinois Amendment to the Multi Unit

Development Agreement on the same date as that on which the Multi Unit Development Agreement was executed.

FRANCHISOR:

PICKLERAGE FRANCHISE, LLC

By:

(Print Name, Title)

DEVELOPER:

(Print Name)

DEVELOPER:

(Print Name)

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

The Office of Attorney General for the State of Maryland requires that certain provisions contained in franchise documents be amended to be consistent with Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated under the Act (collectively the “Maryland Franchise Law”). To the extent that this Disclosure Document or Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. ~~4.~~ 4. — No requirement that you agree to any release, assignment, novation, estoppel or waiver of liability as a condition to your purchasing a PickleRage franchise shall act as a release, estoppel or waiver of any liability under the Maryland Franchise Law.

2. Item 5 is amendment to state:

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 payment by area developers shall be deferred until the first franchise under the development agreement opens.

3. Item 17 is amended to state:

(a) Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.

(b) Any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Law.

(c) Our right to terminate you upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. §101 et. seq.).

(d) Nothing herein shall waive your right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

4. No Experience: We have no experience operating a franchise of this nature, and we have almost no experience operating the type of business you will be operating as our franchisee. This franchise is likely a risky investment.

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.

AMENDMENT TO THE PICKLERAGE FRANCHISE AGREEMENT AND MULTI- UNIT DEVELOPMENT AGREEMENT REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., and of the Rules and Regulations promulgated thereunder, the parties to the attached PickleRage Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a franchisee’s assent to a release of liability under that Law as a condition for the sale, renewal, assignment or transfer of the franchise. To the extent of any inconsistencies with the Maryland Franchise Registration and Disclosure Law contained in Section 2.2 and 16.1.5 of the Franchise Agreement, such inconsistent provisions are hereby deleted.

2. To the extent of any inconsistencies, Section 17.4 of the Franchise Agreement is hereby amended to further state:

“Our right to terminate you upon your bankruptcy, however, may not be enforceable under federal bankruptcy law (11 U.S.C. §101 et. seq.)”

3. To the extent of any inconsistencies, Section 27.3 of the Franchise Agreement is hereby amended to further state:

“Nothing herein shall waive your right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.”

4. To the extent of any inconsistencies, Section 20.6 of the Franchise Agreement is hereby amended to further state:

“Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.”

5. 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.

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. § 14-201 et seq., are met independently without reference to this Amendment.

10. To the extent of any inconsistencies, Section 28 of the Franchise Agreement is hereby deleted.

11. 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 payment by area developers shall be deferred until the first franchise under the development agreement opens.

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

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

FRANCHISOR:

PICKLERAGE FRANCHISE, LLC

By: _____

(Print Name, Title)

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

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

The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 et seq., and of the Rules and Regulations promulgated under the Act (collectively the "Franchise Act"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

1. Item 5 is amendment to state:

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 payment by area developers shall be deferred until the first franchise under the development agreement opens.

~~1-2.~~ Item 6, Non-Sufficient Funds Fee, is amended to state:

Pursuant to Minn. Stat. § 604.113, the Non-Sufficient Funds Fee is \$30.00 per occurrence.

~~2-3.~~ Item 17 is amended to state:

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

(b) In accordance with Minn. Stat. § 80C.14 subd. 3-5, except in certain specified cases, we will give you 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement. Additionally, we will not unreasonably withhold our consent to a transfer of your Board and Brush Creative Studio.

(c) In accordance with Minnesota Rules 2860.4400(D), we cannot require you to assent to a general release.

(d) In accordance with Minnesota Rules 2860.4400(J), we cannot require you to consent to liquidated damages.

(e) Minn. Stat. § 80C.17 subd. 5 requires that an action be commenced pursuant to the Franchise Act within three (3) years after the cause of action accrues.

(f) You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rules 2860.4400(J),

4. The franchisor will protect the franchisee's rights to use the trademarks, service marks,

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

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

**AMENDMENT TO THE
PICKLERAGE FRANCHISE, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the requirements of the Minnesota Statutes Chapter 80C, the parties to the attached PickleRage Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee’s assent to a release other than as part of a voluntary settlement of disputes. To the extent of any inconsistencies with the Minnesota Rules requirement contained in Sections 2.2.7 or 16.5 of the Franchise Agreement, such inconsistent provisions are hereby deleted.

2. To the extent of any inconsistencies, Section 2.2.1 of the Franchise Agreement is hereby amended to state:

“Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 4, Franchisor will give Franchisee 180 days’ notice for non-renewal of the Franchise Agreement.”

3. To the extent of any inconsistencies, Sections 17.2 through 17.3 of the Franchise Agreement are hereby amended to state:

“Except in certain specified cases as set forth in Minn. Stat. § 80C.14 subd. 3, Franchisor will give Franchisee 90 days notice of termination (with 60 days to cure)”.

4. To the extent of any inconsistencies, Article 27, Applicable Law and Dispute Resolution, of the Franchise Agreement is hereby amended to state:

“Franchisor cannot require Franchisee to: (i) conduct litigation outside Minnesota, (ii) waive a jury trial, or (iii) consent to liquidated damages, termination penalties or judgment notes. Nothing in this Franchise Agreement shall abrogate or reduce (1) any of Franchisee’s rights as provided for in Minn. Stat. Chapter 80C or (2) Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Franchisee cannot consent to Franchisor obtaining injunctive relief. Franchisor may seek injunctive relief.”

5. ~~8.~~—Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Statutes Chapter 80C are met independently without reference to this Amendment.

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

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

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND MULTI-UNIT DEVELOPMENT AGREEMENT

The following statements are added to Item 17.h.

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

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a Franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$787,800 to \$3,596,400. This amount exceeds the franchisor's stockholders equity as of December 31, 2023, which is \$2,736."

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.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations 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 other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Exhibit J: 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:

States	Effective Date
Hawaii	<i>Pending</i>
Illinois	<i>Pending</i> <u>November 18, 2024</u>
Indiana	<i>Pending</i> <u>August 7, 2024</u>
Maryland	<i>Pending</i> <u>January 22, 2024</u>
Michigan	<i>Pending</i> <u>November 30, 2023</u>
Minnesota	<i>Pending</i>
New York	<i>Pending</i> <u>October 2, 2024</u>
North Dakota	May 9, 2024, as amended August 5, 2024
Rhode Island	February 15, 2024, as amended August 2, 2024
South Dakota	May 8, 2024
Virginia	<i>Pending</i> <u>October 3, 2024</u>
Washington	<i>Pending</i>
Wisconsin	May 13, 2024, as amended August 5, 2024

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-1: FDD Receipts

This disclosure document summarizes certain provisions of the development agreement and the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If PickleRage Franchise LLC ("**PickleRage**") offers you a franchise, then PickleRage must provide this disclosure document to you at least 14 calendar days (but in Michigan and Rhode Island 10 business days; and in New York, 10 business days or at the earlier of the first personal meeting if earlier) before you sign a binding agreement with (or make a payment to) us or an affiliate in connection with the proposed development agreement or franchise agreement.

The franchisor is PickleRage Franchise LLC, with offices at 1000 5th Street, Suite 100, Miami Beach, FL 33139.

The franchise sellers are Tony Grosso and Chris Palermo or one of PickleRage's other employees, all of whom can be contacted at 800-590-7472 and are located at 1000 5th Street, Suite 100, Miami Beach, FL 33139.

Issuance date: May 2, 2024

PickleRage authorizes the state agencies identified on Exhibit H-2 to receive service of process for it in those states.

I received a Franchise Disclosure Document dated _____ that included the following Exhibits:

- | | |
|---|--|
| A Financial Statements | G State-Specific Disclosures and Amendments to Agreements |
| B Franchise Agreement | H List of State Administrators and Agents for Service of Process |
| C Development Agreement | I Form of General Release |
| D List of Franchisees and Developers | J State Effective Dates |
| E Franchisees and Developers That Left the System | K Receipts |
| F Table of Contents of Manual | |

Date Received

Prospective Franchisee

Name (Please print)

Address

Please keep this copy for your records

Exhibit K-2: FDD Receipts

This disclosure document summarizes certain provisions of the development agreement and the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If PickleRage Franchise LLC ("**PickleRage**") offers you a franchise, then PickleRage must provide this disclosure document to you at least 14 calendar days (but in Michigan and Rhode Island 10 business days; and in New York, 10 business days or at the earlier of the first personal meeting if earlier) before you sign a binding agreement with (or make a payment to) us or an affiliate in connection with the proposed development agreement or franchise agreement.

The franchisor is PickleRage Franchise LLC, with offices at 1000 5th Street, Suite 100, Miami Beach, FL 33139.

The franchise sellers are Tony Grosso and Chris Palermo or one of PickleRage's other employees, all of whom can be contacted at 800-590-7472 and are located at 1000 5th Street, Suite 100, Miami Beach, FL 33139.

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| E Franchisees and Developers That Left the System | K Receipts |
| F Table of Contents of Manual | |

Date Received

Prospective Franchisee

Name (Please print)

Address

Please sign, date, and either mail this receipt page to PickleRage Franchise LLC at 1000 5th Street, Suite 100, Miami Beach, FL 33139, or scan and e-mail it to franchise@picklerage.com.