

FRANCHISE DISCLOSURE DOCUMENT



Slick City Franchise Group LLC
A Delaware limited liability company 17379
Edison Ave.
Chesterfield, MO 63005
877-705-2489
ROI@slickcity.com
<https://www.slickcity.com>

As a Slick City franchisee, you will operate an indoor action park, featuring dry slides, soft play, air court, multiple other attractions and the city café, catering to both walk-in enthusiasts and special events. Franchisees will operate the business under the brand “Slick City”.

The total investment necessary to begin operation of a Slick City franchise is: ~~\$1,498,565~~ \$1,548,650 to ~~\$3,091,357~~. ~~This includes \$767,398~~ \$232,080 for a standard size Slick City business; \$1,887,123 to \$3,820,835 for a mid-size Slick City business; and \$2,174,432 to \$4,261,865 for a large size Slick City business. These include \$763,500 to \$1,051,413 ~~1,492,600~~ that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of two to three units under a Multi-Unit Development Agreement (including the first unit) is ~~\$1,539,565~~ \$1,609,650 to ~~\$3,156,357~~ \$4,386,865. This includes ~~\$807,398~~ \$823,500 to ~~\$1,111,413~~ \$1,612,600 that must be paid to the franchisor or affiliate. To qualify for the Multi- Unit Development, you must agree to develop at least two ~~(2)~~ Slick City units.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Alex Benepe, at 17379 Edison Ave., Chesterfield, Missouri 63005, ROI@slickcity.com, and 877- 705-2489.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “A Consumer’s Guide to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC- HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW. Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising. There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: ~~August 15th, 2023, as amended December 1, 2023~~ May 16, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Missouri. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Missouri than in your own state.
2. **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.
3. **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.
4. **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 longer operating history.
5. **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) to see whether your state requires other risks to be highlighted.

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(h)

- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(i) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(j) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

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Exhibits

- A. State Administrators and Agents for Service of Process
 - B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
 - C. Multi-Unit Development Agreement
 - D. Rider to Lease Agreement
 - E. Form of General Release
 - F. Financial Statements
 - G. Brand Standards Manual Table of Contents
 - H. Current and Former Franchisees
 - I. State Addenda to Disclosure Document
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 - K. EFT Authorization Form
- State Effective Dates
Receipt (2 copies)

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, “we”, “us,” or “our” refers to Slick City Franchise Group LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity, and each owner’s spouse, must sign our Guaranty and Non- Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

Us, Any Parents, and Certain Affiliates

Our name is Slick City Franchise Group LLC. Our principal business address is 17379 Edison Ave, Chesterfield, MO 63005. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees, except as follows:

Our affiliate, Slick Slide LLC, is a Delaware company that was formed on January 15, 2019. Slick Slide LLC’s address is 5151 W. Bell Rd., Unit F., Glendale, Arizona 85308. Slick Slide LLC, manufactures the core attractions and some other items that franchisees must purchase. Slick Slide LLC also sells some items, including slides, to other businesses which do not operate as Slick City and which are neither franchise nor affiliate owned.

Our Predecessors

We do not have any predecessors.

Our Business Name

We use the names “Slick City Franchise Group LLC” and “Slick City”. We do not intend to use any other names to conduct business.

Agent for Service of Process

Our agent for service of process in Delaware is Republic Registered Agent, LLC, and the agent’s principal business address is 254 Chapman Rd., Ste 209, Newark, DE 19702. Our agents for service of process in other states are disclosed in Exhibit A.

Business Organization

We are a Delaware limited liability company. We were formed on January 4, 2023.

Information About Our Business and the Franchises Offered

We do not operate businesses of the type being franchised.

We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate an indoor action park, featuring dry slides, soft play, air court, multiple other attractions and the city café, catering to both walk-in enthusiasts and special events, under the trade name Slick City. If you sign a Multi-Unit Development Agreement (attached as Exhibit C to this disclosure document), you will develop multiple Slick City outlets, on an agreed-upon schedule. For each future unit franchise, we will require you to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

The general market for Slick City consumers is made up of individuals as well as families seeking entertainment and physical activity for their children. This market is well developed and competitive. Our customers are primarily families with young children. Sales are somewhat seasonal as they are generally expected to be higher during the summer, and during holiday and spring breaks, when schools are not in session.

You will compete against other entertainment venues and businesses. You will compete against national chains, regional chains, and independent owners. Some of these competitors are franchised.

Laws and Regulations

The following laws and regulations are specific to our industry:

There may be regulations specific to the operation of a Slick City in your state that, among other things, require you to maintain a certain ratio between supervisory employees and the number of patrons on the slide area or to obtain permits or complete amusement park-type inspections prior to opening and throughout the operation of your business. Such regulations may require that you hire a third-party engineer or other specialized firm to validate your compliance. You must also comply with any standards issued by the American Society for Testing and Materials (ASTM International) as they relate to regulation and safety of indoor parks. You must comply with all local, state, and federal health and sanitation laws and regulations.

Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws as well as the federal laws including the Americans with Disabilities Act. You may also be subject to certain health and safety requirements as well as licensing requirements in teaching and supervising children. There may be laws requiring you to have an employee at your business who is certified in basic cardiopulmonary resuscitation or on the use of an automated external defibrillator. There may be a requirement that you must have certain types of first aid equipment on the premises such as an automated external defibrillator. There may be local or state laws concerning fire safety, building capacity, and egress paths, and you should consult with a relevant local authority and your architect.

Because you will be serving food and you might elect to serve beer and wine (after seeking our permission), the following additional laws and regulations apply:

The restaurant industry has certain laws and regulations specific to it that may apply to your café. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and

various state and local health departments administer and enforce laws and regulations that govern food preparation and service, waste disposal, and sanitary conditions. State and local agencies inspect restaurants for compliance with these requirements. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. Some states have also adopted or are considering proposals to regulate indoor air quality. For certain classes of employees in restaurants, the wage laws are different from other businesses.

The menu labeling provisions of the Patient Protection and Affordable Health Care Act require restaurant chains with 20 or more units to post caloric information on menus and menu boards, and to provide additional written nutrition information available to consumers upon request. For smaller chains, some states and local governments may require you to comply with laws relating to the labeling that is included on your menus, menu boards, and related materials. Some state and local authorities have also adopted, or are considering adopting, laws or regulations that would affect the content or make-up of food served in restaurants, such as the level of trans-fat contained in a food item. Applicable laws and regulations prohibit false or misleading claims regarding health and nutrition of food items.

You will need to obtain a license to sell beer and wine. State and local laws, regulations and ordinances vary significantly in the procedures, difficulty and cost associated with obtaining a license, the restrictions placed on the manner in which alcoholic beverages maybe sold, and the potential liability imposed by dram shop laws addressing injuries directly and indirectly related to the sale of alcohol and its consumption.

You should consult with your attorney and local, state, and federal government agencies before investing in a franchise to determine all of the legal requirements that you must comply with and consider their impact on you and the cost of compliance. You must investigate and satisfy and stay current on all local, state, and federal laws and regulations since they vary from place to place and can change over time.

Prior Business Experience

We have offered franchises since the initial issuance date of this disclosure document.

Our affiliate, Slick City LLC, is a Delaware limited liability company that was formed on November 10, 2020, and has operated the Slick City [business](#) in Denver, Colorado, since June 2022. Its address is 14500 W. Colfax Drive, Suite 610, Lakewood, CO 80401.

Innovative Heights Chesterfield LLC is owned by Bron Launsby, our CEO. This entity is a Missouri limited liability company which was formed January 1, 2022, and which has operated the Slick City [business](#) in Chesterfield, Missouri, since November 2022. Its address is 17379 Edison Ave., Chesterfield, MO 63005.

Our affiliate, Slick City Katy, LLC, is a Delaware limited liability company that was formed on September 19, 2022, and has operated the Slick City [business](#) in Katy, TX, since November 27, 2023. Its address is 5000 Katy Mills Cir. #743, Katy, TX 77494.

Our affiliate, Slick City Peoria, LLC, is a Delaware limited liability company that was formed on August 3, 2023, and is building out the Slick City business in Peoria, AZ, which is targeted to open in 2024. Its address is 7518 W Thunderbird Road, Peoria, AZ 85381.

Gravity Solutions Chandler, LLC, is owned by Kevin Van Hazel, our CFO. This entity is an Arizona limited liability company that was formed on January 15, 2024, and is building out the Slick City business in Chandler, AZ, which is targeted to open in 2024. Its address is 845 N 54th St, Chandler, AZ 85226.

Gravity Solutions Queen Creek, LLC, is owned by Kevin Van Hazel, our CFO. This entity is an Arizona limited liability company that was formed on January 30, 2024 and is building out the Slick City business in Queen Creek, AZ, which is targeted to open in 2024. Its address is 7225 S Power Rd Unit A, Queen Creek, AZ 85142.

Gravity Solutions Riverview, LLC, is owned by Kevin Van Hazel, our CFO. This entity is an Arizona limited liability company that was formed on January 2, 2024, and is building out the Slick City business in Mesa, AZ, which is targeted to open in 2025. Its address is 1812 W Rio Salado Pkwy, Mesa, AZ 85201.

Our affiliate, Slick City Scottsdale, LLC, is a Delaware limited liability company that was formed on March 13, 2024, and is building out the Slick City business in Scottsdale, AZ, which is targeted to open in 2024. Its address is 9189 Talking Stick Way, Scottsdale AZ 85250.

Our affiliate, Slick City Willowbrook, LLC, is a Delaware limited liability company that was formed on September 15, 2023, and is building out the Slick City business in Houston, TX, which is targeted to open in 2024. Its address is 17355 Tom Ball Parkway, Suite 170B Houston TX 77064.

Innovative Heights Wauwatosa LLC is owned by Bron Launsby, our CEO. This entity is a Milwaukee limited liability company which was formed May 31, 2023, and is building out the Slick City business in Wauwatosa, WI, which is targeted to open in 2024. Its address is 1435 N. 113th St. Wauwatosa, WI 53226.

Innovative Heights Denton LLC is owned by Bron Launsby, our CEO. This entity is a Texas limited liability company which was formed September 6, 2023, and is building out the Slick City business in Denton, TX, which is targeted to open in 2024. Its address is 2434 S I-35 East, Unit 140, Denton TX 76205.

Innovative Heights North Aurora LLC is owned by Bron Launsby, our CEO. This entity is an Illinois limited liability company which was formed October 4, 2023, and is building out the Slick City business in North Aurora, IL, which is targeted to open in 2024. Its address is 1830 Towne Center dr, North Aurora IL, 60542.

Item 2
BUSINESS EXPERIENCE

Bron Launsby – Chief Executive Officer and Founder. Bron Launsby has been our Chief Executive Officer and Founder since ~~January 2023~~[our formation](#). He is also the CEO of Innovative Heights Management Co., (“IHM”) which operates multiple family entertainment businesses, since January 2012, and the Managing Member of Slick City LLC. These positions have been held in Nashville, Tennessee.

Gary Schmit – Vice President of Attraction/Co-Founder. Gary Schmit is our Vice-President of ~~Attraction/Attractions and~~ Co-Founder since our formation. He is also the Chief Executive Officer of Slick Slide LLC, and has been since August 2017. These positions have been held in Phoenix, Arizona.

Kevin Van Hazel – Chief Financial Officer. Kevin Van Hazel has been our Chief Financial Officer since July 2023. He is also the CFO of Slick City LLC, since July 2023, and the Owner of Novel Vector LLC since January 2018. All of these positions have been held in Chandler/Gilbert, Arizona.

Alexander Benepe – Vice President of Business Development. Alexander Benepe has been our Vice President of Business Development since July 2023. ~~He is also the Vice President of Business Development of Slick City LLC since July 2023. These positions have~~ [In this position he has](#) been ~~held~~[located](#) in San Luis Obispo, California. ~~He~~[Previously he](#) was the VP of [Innovation and Park](#) Experience Design for Sky Zone in Los Angeles, California between ~~May 2015~~[August 2018](#) and January 2023.

Wade Powell - Chief Operating Officer, ~~Innovative Heights Management Co.~~ Wade Powell is ~~the~~[our](#) Chief Operating Officer ~~of IHM~~ and is located in Columbia, Tennessee. ~~Mr. Powell provides services to us pursuant to a contract between us and IHM.~~ He has served as ~~IHM's~~[our](#) Chief Operating Officer since ~~March, 2024.~~ [December 2022](#). Previously, he was the [Chief Operating Officer of Innovative Heights Management Co. from December 2022 to February 2024;](#) Vice President Operations for Innovative Heights Management Co. in Columbia, Tennessee between June 2022 to December 2022; and Director of Field Operations – Domestic USA West Region for Sky Zone Franchise Group from January 2018 to January 2022, located in Chaska, Minnesota (until May 2021) and then Columbia, Tennessee.

Bre Boote – Director of Marketing & Communications, ~~Innovative Heights Management Co.~~ Bre Boote is ~~the~~[our](#) Director of Marketing & Communications ~~of IHM and also provides services to us pursuant to a contract between us and IHM.~~ She has served as ~~IHM's~~[our](#) Director of Marketing & Communications since ~~January 2023~~[March 2024](#). Previously, she was the [Director of Marketing & Communications for Innovative Heights Management Co. from January 2023 to February 2024;](#) Senior Director of Operations & Communication for Innovative Heights Shared Services between June 2022 and December 2022; Director of Operations & Communication for Innovative Heights Shared Services between July 2020 and May 2022; Director of Communication for Innovative Heights Shared Services between July 2019 and June 2020; and General Manager for the Fenton, Missouri Sky Zone Trampoline Park between June 2018 and June 2019. She is, and has been, located in Fenton, Missouri for all of these positions.

Lance Pierce – Director of Training & Operations. Lance Pierce is our Director of Training & Operations. He has served as our Director of Training & Operations since April 2024. Previously, he was Regional Manager for Innovative Heights Management Co., from August 2021 to April 2024; General Manager at Crunch Fitness from April 2021 to August 2021; Director of Operations of Airborne Adventure Park from March 2020 to April 2021; Director of Operations of Sky Zone Trampoline Park from May 2013 to February 2020. He is, and has been, located in the Detroit Metropolitan Area while in all of these positions.

Item 3 LITIGATION

No litigation is required to be disclosed in this Item.

Item 4 BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5 INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us \$60,000 as the initial franchise fee. This fee is not refundable and is uniform ~~and is not~~ except as stated below.

Veteran Discount

We offer a reduced Initial Franchise Fee of \$50,000 to qualified Veterans of the U.S. Armed Forces and National Guard. The reduced non-refundable Initial Franchise Fee is payable in full when you sign the Franchise Agreement.

Core Attractions Package

Once you have your location and prior to opening, you will be required to purchase the core attractions from our affiliate, Slick Slide, LLC. The core attractions may include the slides; towers; rail system; air bag and air floors; soft play materials; sports courts (nets, basketball hoops, and double walled-fabric inflatables); trapeze, swing, and zip line equipment; mini-go-karts, and barriers, silks, and crochet netted structures utilized in your business. The total investment towards the initial core attractions package ~~is \$667,398 to \$929,413 and~~ ranges depending on the size of your particular location and the items that you purchase, and this. We estimate includes that the total investment for the initial core attraction package ranges from \$624,800 to \$988,400 for a standard size Slick City business, \$749,800 to \$1,136,700 for a midsize Slick City business and \$862,300 to \$1,250,400 for a large size Slick City business (for more information on each size of park see Note 1 to Item 7 below). These estimates include your initial purchase of mats and Slick Sauce. Slick Sauce is the only approved lubricant for ongoing slide maintenance. Any amounts you pay towards the core attractions are non-refundable.

Affiliate Equipment and Supplies

You must also purchase extra or replacement slide mats, additional Slick Sauce bottles, attraction replacement parts, certain furniture items, branded clothing (including socks, wristbands, uniforms, and lanyards), party supplies, gift bag merchandise, rubber flooring and the wall brick façade from Slick Slide, LLC. Slick Sauce is made available to Slick City franchisees at a discounted price of \$40 per 500 ml bottle (approximately 16 oz). At present a standard sized park

is estimated to utilize 20-30 bottles of Slick Sauce per year. We ~~would~~ estimate the initial purchase of these items to be ~~\$40,000~~70,700 to ~~\$62,000~~108,500 for a standard size Slick City business, \$91,203 to \$133,455 for a midsize Slick City business and \$112,200 to \$158,800 for a large size Slick City business. You may also purchase other equipment and supplies from Slick Slide, LLC. Any amounts paid to Slick Slide, LLC are non-refundable.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement (“MUDA”) in the form of Exhibit C to this disclosure document. ~~If you agree in your MUDA to open two total locations, your franchise fee for both locations will be reduced to \$50,000 per location. If you agree to open three or more total locations, your franchise fee for each location will be reduced to \$40,000 per location.~~ You will pay all franchise fees upon signing the MUDA. They are not refundable.

**Item 6
OTHER FEES**

Type of Fee	Amount	Due Date	Remarks
Royalty	7% of your gross sales during the first partial year, and first calendar year, of the franchise agreement's term, then between 5.5% and 7% thereafter based on the amount of your gross sales	Weekly, on Tuesday	See Notes 1, 2, 3 and 4.
Brand Fund Contribution	1% of your gross sales	Weekly, on Tuesday	See Notes 1,2, and 3. We have not yet established a Brand Fund.
Market Cooperative Contribution	Currently, none.	Weekly, on Tuesday	We have the right to establish local or regional advertising cooperatives. If you are a member of a cooperative, you and other members may vote to require each member to contribute between 1% and 5% of gross sales to the cooperative. <u>Any amount contributed to a cooperative will offset the amount you are required to spend on local advertising, marketing and promotion.</u> Any location owned by us or any affiliate will have the same voting rights as our franchisees in the cooperative.

Technology Fee	Currently \$644.50 <u>821.50</u> per month	Monthly	This fee covers the costs for software and other technology products and services we provide, including third-party products and services that we make available to you for your use. <u>Currently the technology fee covers the costs of the following monthly services: Campaign Monitor for email marketing (\$300), Roller HQ which covers a portion of point-of-sale software monthly fees (\$60), Digital Stack for marketing asset libraries, management, and social media post scheduling (\$79), Cybermark for park website support and maintenance (\$252), Delightree for learning management systems, training, and checklists (\$100), two email accounts (\$18), and RAAMP for tracking leases and real estate documents (\$12.50).</u> The technology fee will not necessarily be a pass-through of our exact costs. The technology fee will not include all technology costs; some technology costs will be paid directly to required or recommended vendors. We may adjust the amount of the fee as we add, remove, or alter the software or technology products or services that we provide. The Technology Fee you pay may be higher if you choose to use optional services available from the software or technology providers.
Type of Fee	Amount	Due Date	Remarks
Opening Date Extension Fee	\$20,000	Upon submitting your request for an extension	If you do not open your business by the Opening Deadline and request an extension of the Opening Deadline, you must pay us this fee which is intended to compensate us for the royalty that would have been earned had you opened your business by the Opening Deadline.

Local advertising, marketing, and promotional expenditures	Currently 3% of your annual gross sales	As incurred.	You must spend at least this amount each year on pre-approved marketing within your territory. We reserve the right to increase this to 5% of your gross sales. You pay this amount to third parties, not to us; however, if you fail to spend this amount, we reserve the right to require you to pay any shortfall into the Brand Fund, separate from your Brand Fund Contribution. <u>Your local advertising, marketing and promotional expenditures will be offset by any amount you contribute to a local or regional advertising cooperate.</u>
Market Introduction Plan	\$10,000 <u>\$20,000</u>	30 days after the opening of the business	You must spend at least this amount on your Market Introduction Plan. You pay this amount to third parties, not to us; however, if you fail to spend this amount, we reserve the right to require you to pay any shortfall into the Brand Fund, separate from your Brand Fund Contribution.
Replacement / Additional Training fee	Currently, \$450 per person per day	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Third party vendors	Currently, none.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge (not to exceed 20%) for administering the payment program.
Type of Fee	Amount	Due Date	Remarks

Non-compliance fee	\$500	On demand	We may charge you \$500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Convention fee	Currently, none.	Prior to convention	If we elect to conduct a national or regional convention, we reserve the right to charge you the attendance fee even if you do not attend. You are responsible for all travel and living expenses of attending any such meeting or convention.
Special support fee	Our then-current fee, plus our expenses. Currently, \$600 per day.	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Type of Fee	Amount	Due Date	Remarks

Relocation fee	\$5,000	Half due when we have agreed to work with you to relocate your business and the remainder due when we have accepted a relocation request	Payable if you ask us to consider relocating your business. You cannot relocate your business to new premises without our approval. We have no obligation to approve of any relocation request.
Customer complaint resolution	Our expenses	On demand	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported gross sales by more than 3% for any 4-week period.
Special inspection fee	Currently \$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Renewal fee	25% of the then current Initial Franchise Fee	Upon renewal	Payable if you enter into a successor franchise agreement at the end of your agreement term.
Transfer fee	\$5,000 plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.
Type of Fee	Amount	Due Date	Remarks

Temporary management fee	10% of gross sales plus our expenses	On demand	We have the right to temporarily manage your business and charge this fee if (i) you die or become incapacitated, (ii) we exercise our right to purchase your business after your franchise agreement end, (iii) you are in default of your agreement; or (iv) you operate the business in a dangerous manner.
Liquidated damages	An amount equal to royalty fees and brand fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than software subscription charges and local advertising, marketing, and promotional expenditures). All fees are imposed by us and collected by us (other than software subscription charges). All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. “Gross Sales” is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. “Gross Sales” includes, but it not limited to, any revenue from sources such as locker rents, [massage chairs](#), vending, games, [and arcade games and claw machines](#) groupon sales, ~~T2-Connect sales,~~ or any other source that generates any revenue at or in relation to your business, as

well as revenue from sales at other locations, if permitted. However, Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected, or (iii) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales). Service gratuities directed by customers to employees are not counted towards Gross Sales.

2. You must report your gross sales to us each week. If you fail to report your gross sales, we will withdraw estimated royalty fees and brand fund contributions based on 125% of the most recent gross sales you reported. We will true-up the actual fees after you report gross sales.

3. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method. If we permit you to pay by credit card or any other method which causes us to incur a processing fee, you will be responsible for the amount of the processing fee.

4. During the first partial year and the first full calendar year of the franchise agreement's term your royalty fee will be equal to 7% of your weekly gross sales. If during your first full calendar year, or any subsequent calendar year during your franchise agreement's term, your gross sales equal or exceed \$~~4,000,000~~4,499,999.99 your royalty fee for the subsequent year will be a lower percentage of gross sales. For your royalty fee to be 5.5% of gross sales, you must have gross sales of \$~~6,500,000~~7,000,000 or more. Section 4.2 of the template franchise agreement attached as Exhibit B provides a full description of how your royalty rate can be reduced as a result of you meeting certain gross sales thresholds. In addition, if you or your affiliates own at least three other Slick City businesses, and the combined gross sales from those businesses equals or exceeds \$20,000,000 in the calendar year before the Slick City business you are currently considering opens, the royalty fee for the new Slick City business will be 0.5% lower than it would be under the franchise agreement's terms. Thereafter, for each year that your Slick City businesses have combined gross sales of \$20,000,000 or more, the royalty fee for the Slick City business you are currently considering will be reduced by 0.5% than it would be under the franchise agreement's terms.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT — STANDARD SIZE PARK¹

FRANCHISE AGREEMENT

<u>Type of expenditure</u>	<u>Amount</u>	<u>Method of payment</u>	<u>When due</u>	<u>To whom payment is to be made</u>
<u>Initial franchise fee</u> (see Note 2)	\$ <u>60,000</u> \$ <u>60,000</u>	<u>Check or wire transfer</u>	<u>Upon signing the franchise agreement</u>	<u>Us</u>

<u>Lease Security Deposit and up to one month of rent (see Note 3)</u>	<u>\$20,900</u>	=	<u>\$145,900</u>	<u>Check</u>	<u>Upon signing lease</u>	<u>Landlord</u>
<u>Utilities</u>	<u>\$0</u>	=	<u>\$20,000</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering service</u>	<u>Utility providers</u>
<u>Leasehold Improvements (see Note 4)</u>	<u>\$560,000</u>	=	<u>\$1,350,000</u>	<u>Check</u>	<u>As incurred or when billed</u>	<u>Contractors</u>
<u>Market Introduction Plan</u>	<u>\$20,000</u>	=	<u>\$20,000</u>	<u>Check, debit, and/or credit</u>	<u>As incurred or when billed</u>	<u>Vendors and suppliers</u>
<u>Core Attractions Package (see Note 5)</u>	<u>\$624,800</u>	=	<u>\$988,400</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Our Affiliate</u>
<u>Affiliate Equipment and Supplies (see Note 5)</u>	<u>\$70,700</u>	=	<u>\$108,500</u>	<u>Check or wire transfer</u>	<u>As ordered</u>	<u>Our Affiliate</u>
<u>Additional Equipment and Supplies (see Note 6)</u>	<u>\$45,000</u>	=	<u>\$90,000</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Our affiliate, or other vendors and suppliers</u>
<u>Computer Systems</u>	<u>\$13,300</u>	=	<u>\$14,300</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors and suppliers</u>
<u>Insurance (3 months) (see Note 7)</u>	<u>\$34,000</u>	=	<u>\$56,250</u>	<u>Check</u>	<u>Upon ordering</u>	<u>Insurance company</u>
<u>Signage</u>	<u>\$20,000</u>	=	<u>\$61,280</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendor</u>
<u>Office Expenses</u>	<u>\$1,000</u>	=	<u>\$3,000</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
<u>Pre-Opening Salaries (see Note 8)</u>	<u>\$17,000</u>	=	<u>\$56,000</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors</u>
<u>Pre-Opening Socks Inventory</u>	<u>\$8,000</u>	=	<u>\$16,000</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>

<u>Pre-Opening Food and Beverage Inventory</u>	<u>\$4,250</u>	=	<u>\$6,250</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
<u>Licenses and Permits (see Note 9)</u>	<u>\$2,500</u>	=	<u>\$20,000</u>	<u>Check</u>	<u>Upon application</u>	<u>Government</u>
<u>Dues and Subscriptions</u>	<u>\$1,200</u>	=	<u>\$2,400</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors, trade organizations</u>
<u>Professional Fees (lawyer, accountant, etc.)</u>	<u>\$2,500</u>	=	<u>\$7,500</u>	<u>Check, debit, and/or credit</u>	<u>As incurred or when billed</u>	<u>Professional service firms</u>
<u>Travel, lodging and meals for initial training</u>	<u>\$6,000</u>	=	<u>\$8,000</u>	<u>Cash, debit or credit</u>	<u>As incurred</u>	<u>Airlines, hotels, and restaurants</u>
<u>Additional funds (for first 3 months) (see Note 10)</u>	<u>\$37,500</u>	=	<u>\$198,300</u>	<u>Varies</u>	<u>Varies</u>	<u>Employees, suppliers, utilities</u>
<u>Total</u>	<u>\$1,548,650</u>	=	<u>\$3,232,080</u>			

YOUR ESTIMATED INITIAL INVESTMENT – MID-SIZE PARK¹

FRANCHISE AGREEMENT

<u>Type of expenditure</u>	<u>Amount</u>	<u>Method of payment</u>	<u>When due</u>	<u>To whom payment is to be made</u>
<u>Initial franchise fee (see Note 2)</u>	<u>\$60,000</u> = <u>\$60,000</u>	<u>Check or wire transfer</u>	<u>Upon signing the franchise agreement</u>	<u>Us</u>
<u>Lease Security Deposit and up to one month of rent (see Note 3)</u>	<u>\$29,200</u> = <u>\$187,500</u>	<u>Check</u>	<u>Upon signing lease</u>	<u>Landlord</u>
<u>Utilities</u>	<u>\$0</u> = <u>\$24,600</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering service</u>	<u>Utility providers</u>
<u>Leasehold Improvements (see Note 4)</u>	<u>\$700,000</u> = <u>\$1,620,000</u>	<u>Check</u>	<u>As incurred or when billed</u>	<u>Contractors</u>
<u>Market Introduction Plan</u>	<u>\$20,000</u> = <u>\$20,000</u>	<u>Check, debit, and/or credit</u>	<u>As incurred or when billed</u>	<u>Vendors and suppliers</u>
<u>Core Attractions Package (see Note 5)</u>	<u>\$749,800</u> = <u>\$1,136,700</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Our Affiliate</u>
<u>Affiliate Equipment and Supplies (see Note 5)</u>	<u>\$91,203</u> = <u>\$133,455</u>	<u>Check or wire transfer</u>	<u>As ordered</u>	<u>Our Affiliate</u>
<u>Additional Equipment and Supplies (see Note 6)</u>	<u>\$54,000</u> = <u>\$103,500</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Our affiliate, or other vendors and suppliers</u>
<u>Computer Systems</u>	<u>\$14,300</u> = <u>\$15,600</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors and suppliers</u>
<u>Insurance (3 months) (see Note 7)</u>	<u>\$40,000</u> = <u>\$67,500</u>	<u>Check</u>	<u>Upon ordering</u>	<u>Insurance company</u>

<u>Signage</u>	<u>\$28,000</u>	=	<u>\$65,000</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendor</u>
<u>Office Expenses</u>	<u>\$1,300</u>	=	<u>\$3,700</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
<u>Pre-Opening Salaries (see Note 8)</u>	<u>\$21,900</u>	=	<u>\$68,900</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors</u>
<u>Pre-Opening Socks Inventory</u>	<u>\$10,320</u>	=	<u>\$19,680</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
<u>Pre-Opening Food and Beverage Inventory</u>	<u>\$5,500</u>	=	<u>\$7,700</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
<u>Licenses and Permits (see Note 9)</u>	<u>\$3,200</u>	=	<u>\$24,600</u>	<u>Check</u>	<u>Upon application</u>	<u>Government</u>
<u>Dues and Subscriptions</u>	<u>\$1,500</u>	=	<u>\$3,000</u>	<u>Check, debit, and/or credit</u>	<u>As incurred</u>	<u>Vendors, trade organizations</u>
<u>Professional Fees (lawyer, accountant, etc.)</u>	<u>\$2,500</u>	=	<u>\$7,500</u>	<u>Check, debit, and/or credit</u>	<u>As incurred or when billed</u>	<u>Professional service firms</u>
<u>Travel, lodging and meals for initial training</u>	<u>\$6,000</u>	=	<u>\$8,000</u>	<u>Cash, debit or credit</u>	<u>As incurred</u>	<u>Airlines, hotels, and restaurants</u>
<u>Additional funds (for first 3 months) (see Note 10)</u>	<u>\$48,400</u>	=	<u>\$243,900</u>	<u>Varies</u>	<u>Varies</u>	<u>Employees, suppliers, utilities</u>
<u>Total</u>	<u>\$1,887,123</u>	=	<u>\$3,820,835</u>			

YOUR ESTIMATED INITIAL INVESTMENT – LARGE SIZE PARK¹

FRANCHISE AGREEMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial franchise fee (see Note 12)	\$60,000 - \$60,000	Check or wire transfer	Upon signing the franchise agreement	Us
Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Lease Security Deposit and up to one month of rent (see Note 23)	\$14,583 <u>\$37,500</u> - \$125,000 <u>\$229,200</u>	Check	Upon signing lease	Landlord
Utilities	\$500 <u>\$0</u> - \$6,000 <u>\$29,274</u>	Check, debit, and/or credit	Upon ordering service	Utility providers
Leasehold Improvements (see Note 34)	\$387,000 <u>\$805,000</u> - \$1,308,500 <u>\$1,782,000</u>	Check	As incurred or when billed	Contractors
Market Introduction Program <u>Plan</u>	\$10,000 <u>\$20,000</u> - \$10,000 <u>\$20,000</u>	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers
Core Attractions Package (see Note 45)	\$667,398 <u>\$862,300</u> - \$929,413 <u>\$1,250,400</u>	Check, debit, and/or credit	As incurred	Our Affiliate
Affiliate Equipment and Supplies (see Note 45)	\$40,000 <u>\$112,200</u> - \$62,000 <u>\$158,800</u>	Check or wire transfer	As ordered	Our Affiliate
Additional Equipment and Supplies (see Note 56)	\$153,172 <u>\$62,100</u> - \$271,265 <u>\$113,900</u>	Check, debit, and/or credit	As incurred	Our affiliate, or other vendors and suppliers
Computer Systems	\$13,222 <u>\$15,600</u> - \$14,249 <u>\$16,900</u>	Check, debit, and/or credit	As incurred	Vendors and suppliers

Insurance (3 months) (see Note 67)	\$30,000 <u>\$50,000</u>	-	\$40,000 <u>\$78,750</u>	Check	Upon ordering	Insurance company
Signage	\$37,140 <u>\$28,000</u>	-	\$61,280 <u>\$65,000</u>	Check, debit, and/or credit	Upon ordering	Vendor
Office Expenses	\$100 <u>\$1,600</u>	-	\$500 <u>\$4,400</u>	Check, debit, and/or credit	Upon ordering	Vendors
Pre-Opening Salaries (see Note 78)	\$13,150 <u>\$26,900</u>	-	\$21,650 <u>\$82,000</u>	Check, debit, and/or credit	As incurred	Vendors
<u>Pre-Opening Socks Inventory</u>	<u>\$12,700</u>	=	<u>\$23,400</u>	<u>Check, debit, and/or credit</u>	<u>Upon ordering</u>	<u>Vendors</u>
Type of expenditure	Amount			Method of payment	When due	To whom payment is to be made
<u>Pre-Opening Food and Beverage Inventory</u>	\$3,000 <u>\$6,800</u>	-	\$10,000 <u>\$9,200</u>	Check, debit, and/or credit	Upon ordering	Vendors
Licenses and Permits (see Note 89)	\$500 <u>\$3,900</u>	-	\$5,000 <u>\$29,300</u>	Check	Upon application	Government
Dues and Subscriptions	\$300 <u>\$1,800</u>	-	\$1,000 <u>\$3,600</u>	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Professional Fees (lawyer, accountant, etc.)	\$2,500	-	\$7,500	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training	\$6,000	-	\$8,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 910)	\$60,000 <u>\$59,532</u>	-	\$150,000 <u>\$290,241</u>	Varies	Varies	Employees, suppliers, utilities

Total	\$1,498,565 <u>\$2,174,432</u>	-	\$3,091,357 <u>\$4,261,865</u>		
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YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
First franchise (see table tables above)	\$1,498,565 - \$3,091,357 \$1,548,650 - \$4,261,865	Varies	Varies	Varies
Additional initial franchise fees (see Note 10 12)	\$40,000 - \$60,000 \$60,000 - \$120,000	Check or wire transfer	Upon signing the MUDA	Us
Business planning and miscellaneous expenses	\$1,000 - \$5,000	Check	As incurred	Vendors and suppliers
Total	\$1,539,565 - \$3,156,357 \$1,609,650 - \$4,386,865			

Notes

1. We consider Slick City businesses operating in locations of between 25,000 and 35,000 square feet to be standard sized Slick City businesses. Those operating in locations of between 35,000 and 45,000 square feet are considered mid-sized and those in locations of between 45,000 and 55,000 square feet are considered large size.

2. ~~1.~~ Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

3. ~~2. Your business will be approximately 25,000 to 35,000 square feet.~~ We expect that you will rent your location. In our experience, leases for the types of properties suitable for your business will not require you to pay monthly rent until your business opens, but may require either payment of a security deposit, or payment of a security deposit and the first month's rent, at the time you enter into the lease. The low ~~estimate~~estimates in ~~this table assumes~~these tables assume that you will pay only a security deposit equal to the first month's rent prior to opening your location, that the size of your location will be ~~25,000 square feet~~at the bottom of the ranges set forth in Note 1 and that your rent will be around ~~\$6.96~~10.00 per square foot per year, including CAM, taxes and insurance. The high ~~estimate~~estimates in ~~this table assumes~~these tables assume you will pay a security deposit equal to the first month's rent, and the first month's rent, prior to opening your location, that the size of your location will be ~~35,000 square feet~~at the upper end of the ranges set forth in Note 1, and that your rent will be around ~~\$21.36~~25.00 per square foot per year, including CAM, taxes and insurance. The amount of rent charged by landlords in your area for property suitable for your business will depend on the size of the location, the quality of the location, the amount of demolition and build out that will be required to make the location suitable for your business, the cost of CAM, taxes and insurance included in the rent, and the real estate market in the location's area. If you choose to purchase real estate instead of renting, your costs will be significantly different.

4. ~~3.~~ The cost of leasehold improvements will be affected by various factors like the location and size of your business, the condition of the space and facility selected, and regional and local market conditions. Costs associated with new construction are often higher than costs for renovating or rebuilding existing space. Costs associated with renovating or rebuilding an existing space will vary depending on the prior use of the space, if any. The leasehold improvement estimate is based on the cost of adapting the most common elements of our design plans (including architect fees) to a facility. The estimate assumes that the landlord will provide connections to adequate electrical, gas, water, and sewage service. Your landlord may contribute money towards tenants' leasehold improvements or build-out costs commonly known as a "tenant improvement allowance." If you negotiate a tenant improvement allowance, your out-of-pocket costs for leasehold improvements may decrease significantly. This estimate assumes you do not have a tenant improvement allowance and that you are not converting an existing restaurant space.

5. ~~4.~~ These include the core attractions and other initial equipment and supplies that must be purchased from Slick Slide, LLC. ~~See Item 5 for more details, including slide mats, Slick Sauce, attraction replacement parts, certain furniture items, branded clothing (including socks, wristbands, uniforms, and lanyards), party supplies, gift bag merchandise, rubber flooring and the wall brick façade~~ These estimates include the highest sales and local tax among states that charge sales tax on the high end of the amount range, and do not include any sales tax on the low end of the range (for states that do not have sales tax). You will need to purchase additional core attractions, equipment, and supplies throughout the term of your franchise agreement.

6. ~~5.~~ The Additional Equipment and Supplies ~~includes~~include restaurant equipment and supplies for the café operations, ~~telephone system, security system, facility equipment~~ and ~~supplies~~; cleaning supplies and items which ~~will~~may be purchased through our Affiliate, Slick Slide LLC.

7. ~~6.~~ This is an estimate of three months of insurance premiums for property insurance, business interruption insurance, comprehensive commercial general liability insurance and business automobile liability insurance meeting our required minimum coverage levels (see Item 8 below). This does not include an estimate of the workers compensation insurance you are required to obtain, or the construction insurance you are required to have during the build out of your business.

8. ~~7.~~ The pre-opening salaries expense accounts for the cost of labor prior to opening the franchised business. This will include the general manager's salary, hourly costs of training your full park team, hourly part time wages prior to opening, CPR first aid training, labor law posters and workers compensation coverage.

9. ~~8.~~ In addition to normal business fees and licenses, the cost of a license to serve beer and wine will vary widely by jurisdiction. You should investigate the cost of the appropriate licenses in your jurisdiction.

10. ~~9.~~ This includes any additional funds you will incur before operations begin and during the initial 3-month period of operations, ~~such as for~~ additional payroll, additional inventory, and rent (for either the second and third months that your business is open if the first month's rent is paid along with a security deposit at the time you sign a lease, or for the first three months that your business is open if you are just required to pay a security deposit at the time you sign a lease), ~~technology fees, software and credit card fees, inventory,~~ and other operating expenses in excess of income generated by the business that may be paid to us or to a third party vendor. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Slick City business by our affiliate, and our general knowledge of the industry.

11. ~~10.~~ This estimate assumes you sign a Multi-Unit Development Agreement ("MUDA") for two to three franchises and shows the amount of additional franchise fee you would be required to pay upon signing the MUDA in excess of the \$60,000 franchise fee that you would pay if you signed a single franchise agreement, but not a MUDA. ~~If you agree to open two total locations, your franchise fee for both locations will be \$50,000 per location. If you agree to open three or more locations, your franchise fee for each location will be reduced to \$40,000 per location.~~

Generally

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications. You must comply with any changes we make in the future to these requirements.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Real Estate. Your business location is subject to our approval and must meet our specifications. If you lease your location, you must use reasonable efforts to have the landlord sign our form of Rider to Lease Agreement (attached to this disclosure document as Exhibit D).

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Brand Standards Manual, which includes:

- (i) “Special” causes of loss coverage forms,

including, [at](#) minimum, fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business including inventory, furniture, fixtures, equipment, supplies and other property used in the operation of the Business and all improvements and betterments, on a 100% replacement cost basis without coinsurance (subject to a reasonable deductible);

- (ii) Business interruption insurance in amounts and with terms acceptable to us, including loss of income and extra expense to cover lost income for at least 12 months;
- (iii) Comprehensive Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage against claims for bodily injury, death and property damage caused by, or occurring in conjunction with, the operation of the Business, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit;
- (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000;
- (v) Excess or umbrella liability coverage with a minimum limit of \$3,000,000; and
- (vi) Workers Compensation coverage as required by state law. In addition, if you offer alcoholic beverages, insurance required also includes separate coverage for liquor liability (commonly referred to as Dram Shop Liability) with limits of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit. Your policies (other than Workers Compensation) must list us and our subsidiaries, affiliates, successors, and assigns as an additional insured; must include a waiver of subrogation in favor of us and our subsidiaries, affiliates, successors, and assigns; must be primary and non-contributing with any insurance carried by us or our affiliates; must stipulate that we receive 30 days’ prior written notice of cancellation; and must be written by an insurance company in compliance with our Manual.

C. Point-of-sale software and hardware, and related software and hardware. You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

D. Advertising and Marketing. Except as otherwise provided in the Brand Standards Manual and advertising or marketing materials that we furnish to you, you must submit all advertising and marketing materials to us for our written approval before use. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws. We have the right to establish and control all digital marketing.

E. Restaurant Equipment and Supplies. All of your kitchen equipment must meet our specifications and be purchased only from approved suppliers. All of your food, beverage, and other inventory purchases must meet our specifications and be purchased only from approved suppliers. You must use a distributor that we approve.

F. Core Attraction Items. You must purchase the core attractions from our affiliate, Slick Slide, LLC. The core attractions may include the slides; towers; rail system; air bag and air floors; soft play materials; sports courts (nets, basketball hoops, and double walled-fabric

inflatables); trapeze, swing, and zip line equipment; mini-go-karts, and barriers, silks, crochet netted structures, and other core attractions as they are added to the approved attraction list utilized in your business.

G. Other products, inventory and equipment. You must purchase other products, inventory and equipment from our affiliate, Slick Slide, LLC, including Slick Sauce, mats, attraction replacement parts, certain furniture items, branded clothing (including socks, wristbands, uniforms, and lanyards), party supplies, gift bag merchandise, [rubber flooring](#) and the wall brick façade.

Us or our Affiliates as Supplier

Our affiliate, Slick Slide LLC is currently the supplier of core attraction items, Slick Sauce, mats, attraction replacement parts, certain furniture items, branded clothing (including socks, wristbands, uniforms, and lanyards), party supplies, gift bag merchandise, [rubber flooring](#) and the wall brick façade that you must purchase.

Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees except that some of our officers own our affiliate, and our affiliate is a supplier as described above.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must submit a proposal in writing. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we deem appropriate, such as evaluations of the supplier's capacity, quality, pricing, financial stability, reputation, and reliability; inspections; product testing, and performance reviews, as well as a comparison against existing option(s) and a strategic analysis of the need for a new or additional supplier for a service or product that we or a current approved supplier already offer. Our specific criteria at any given time for approving suppliers may not be available to you. We may permit you to contract with alternative suppliers who meet our criteria only if we review and approve your proposal in writing. There is no fee for us to review or approve an alternate supplier. We will strive to provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request; however, a non-response will be automatically deemed to be a rejection of the proposal. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual. If a supplier's approval status is revoked, open orders that have been paid for may still be fulfilled but no other orders may be placed or continued with said supplier.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications after evaluating the intended changes. We may also conduct limited market testing in one or more outlets.

Revenue to Us and Our Affiliates

We will derive revenue from the required purchases and leases by franchisees. ~~Because we are a new franchisor, our~~ At this time, we intend to direct the rebates received by us to the Brand Fund or use them to pay for costs associated with franchisee conventions when we begin holding such conventions. Our total revenue in the prior fiscal year was \$0.292,263. Our ~~Because we are a new franchisor and no franchised Slick City business locations were operating in 2023, our~~ revenue from all required purchases and leases of products and services by franchisees in the prior fiscal year was \$0. The, and the ~~percentage of our total revenues that were from required purchases or leases by franchisees in the prior fiscal year was 0%. However, in 2023 we received rebates of \$4,500 from PepsiCo for purchases made by our affiliate-owned Slick City businesses. All of that rebate will be used to pay for costs associated with a franchisee convention when one is scheduled. In addition, our affiliate-owned Slick City businesses received \$2,309.52 in rebates from their food supplier for purchases they made. We are in the process of negotiating rebate arrangements with suppliers of the food and beverage items you will order, the supplier of lockers you will have in your location, and other amenities you will offer to guests of your location. Some of these rebates will be paid to you by the vendors, or paid to us before being passed on to you. Other rebates may be paid to us to be directed to the Brand Fund or used to pay for costs associated with the franchisee conventions.~~

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases of goods and services to establish your business are 70% to 80% of the total purchases and leases you will need to make to establish your business.

We estimate that the required purchases and leases of goods and services you will make while operating your business are 20% to 40% of the total purchases and leases of goods and services you will need to make while operating your business.

Payments by Designated Suppliers to Us

~~We do~~ In 2023, no franchised Slick City businesses were operating. Therefore, we did not ~~currently~~ receive payments from any designated suppliers based on purchases by you or other franchisees. However, the ~~We did earn rebates based on purchases made by affiliates in relation to the Slick City businesses they operate. The~~ franchise agreement does not prohibit us from ~~doing so~~ receiving payments from designated suppliers based on purchases by franchisees. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee, although we do currently plan to allocate rebates paid to us to the Brand Fund or use them to pay for costs associated with franchisee conventions when we begin holding such conventions.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We ~~do not negotiate~~ have negotiated purchase arrangements with suppliers, including price terms, for the benefit of franchisees, ~~except for~~ including the following: For sales to Slick City Franchisees, Slick Slide LLC will sell all core attractions (including slides) for 20% below retail price offered in one-off sales to other single unit businesses. As part of the negotiated purchase arrangement Slick Slide LLC has agreed that it will limit the types of slide, and the number of slides it will sell to businesses in your territory following the effective date of the franchise agreement.

~~However, we~~

We have also negotiated national pricing on ICEE and Dippin Dots products for the benefit of franchisees, as well as rebates to franchisees (either directly to franchisees, or paid to us who then pays them to franchisees), with Pepsi, Vlocker, Amuze, and Perky's Pizza.

We may add, delete, or change any negotiated arrangements in the future, and are in the process of trying to negotiate additional arrangements.

Benefits Provided to You for Purchases

~~We~~ Besides negotiated discounts, rebates or national pricing, we do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

Item 9
FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Franchise Agreement (FA): §§ 6.1, 6.2 Multi-Unit Development Agreement (MUDA): Not Applicable	Item 11
b. Pre-opening purchase/leases	FA: §§ 6.2, 6.3, 7.3 MUDA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Article 6 MUDA: §1(a), 3	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: §§ 5.2, 6.4, 7.6 MUDA: Not Applicable	Items 5, 6, 8 and 11
e. Opening	FA: §§ 6.5, 6.6 MUDA: §1(a)	Items 7, 8 and 11
f. Fees	FA: Article 4, §§ 6.7, 7.7 7.6 , 7.14 , 10.5, 11.2, 11.3, 15.2; 16.1, 17.6 MUDA: §1(a)	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	FA: Article 7, §§ 6.3, 10.1, 10.4, 11.1 MUDA: Article 1	Items 8, 11 and 14
h. Trademarks and proprietary information	FA: Article 12, § 13.1 MUDA: Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA: § 7.3 MUDA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: §§ 7.3, 7.8, 7.9 MUDA: Not Applicable	Item 8
k. Territorial development and sales quotas	FA: Not applicable MUDA: §1(a), 4(ii)	Item 12

Obligation	Section in agreement	Disclosure document item
l. Ongoing product/service purchases	FA: Article 8 MUDA: Not Applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	FA: §§ 7.12, 7.13 MUDA: Not Applicable	Items 6, 7 and 8
n. Insurance	FA: § 7.15 MUDA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Article 9 MUDA: Not Applicable	Items 6, 7, 8 and 11
p. Indemnification	FA: Article 16 MUDA: Not Applicable §7	Items 6 and 8
q. Owner's participation/management/staffing	FA: § 2.4 MUDA: Not Applicable	Items 15
r. Records and reports	FA: Article 10 MUDA: Not Applicable	Item 11
s. Inspections and audits	FA: §§ 10.5, 11.2 MUDA: Not Applicable	Items 6 and 11
t. Transfer	FA: Article 15 MUDA: Article 7	Items 6 and 17
u. Renewal	FA: § 3.2 MUDA: Not Applicable	Items 6 and 17
v. Post-termination obligations	FA: Article 13, § 14.3 MUDA: Not Applicable	Item 17
w. Non-competition covenants	FA: § 13.2 MUDA: Not Applicable	Item 17

x. Dispute resolution

FA: Article 17
MUDA: Article 7

Items 6 and 17

Item 10
FINANCING

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

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We will review and advise you regarding potential locations that you submit to us. (Section 5.2). If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site.

- (i) We generally do not own your premises and lease it to you.
- (ii) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. You must find a potential site and submit your site to us for approval, together with all information and documents about the site that we request. When we accept a site, we will issue a Location Acceptance Letter (in the form of Attachment 2 to the Franchise Agreement).
- (iii) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, clear height, physical characteristics of existing buildings, and lease terms.
- (iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated on the Summary Page of the franchise agreement. Unless we agree to extend the deadline, you will be in default and we may terminate your franchise agreement. You must pay a fee if you request an extension of the opening deadline.
- (v) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Constructing, remodeling, or decorating the premises.* We will advise you regarding the layout, design, and build-out of your business, and we will provide you with a suggested set of floor designs based on your business location. (Section 5.2)

C. *Necessary equipment, signs, fixtures, opening inventory, and supplies.* We will provide you a list of our specifications and approved suppliers for equipment, signs, fixtures,

opening inventory, and supplies necessary to open your business. (Section 5.2) We do not provide these items directly; we only provide the names of approved suppliers. We do not deliver or install these items.

D. *Brand Standards Manual.* We will give you access to our Brand Standards Manual in such format as we deem appropriate. (Section 5.1).

E. *Initial Training Program.* We will conduct our initial training program. (Section 5.2). The current initial training program is described below.

F. *Business plan review.* If you request, we may review and advise you on your pre-opening business plans and financial projections. (Section 5.2)

G. *Market introduction plan.* We will advise you regarding the planning and execution of your market introduction plan. (Section 5.2)

H. *On-site opening support.* We will have a representative provide on-site support for one to two days in connection with your business opening, at our expense. (Section 5.2)

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is ~~9-15~~12-18 months. Factors that may affect the time period include your ability to obtain appropriate real estate, sign a lease, obtain financing, develop your location, obtain business permits and licenses, and hire employees.

Our Post-Opening Obligations

After you open your business:

A. *Improving and developing your business; resolving operating problems you encounter.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide in-person support in response to your request, we may charge a fee (currently \$600 per day) plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.3)

B. *Establishing prices.* Upon your request, we will provide recommended prices for products and services. (Section 5.3). We have the right to require you to offer products and services at specific prices we determine if we are promoting such products and services on a national, regional, or local market basis, for the duration of the promotion (but only to the extent permitted by applicable law).

C. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* We will provide you our recommended procedures for administration, bookkeeping, accounting, and inventory control (Section 5.3). We may make any such procedures part of required (and not merely recommended) procedures for our system.

D.

E. *Brand Fund.* We will administer the Brand Fund once it is established. (Section 5.3). We will prepare an unaudited annual financial statement of the Brand Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon written request. (Section 9.3)

F. *Website.* We will maintain a [corporate](#) website for the Slick City brand, which will include your business information and telephone number. (Section 5.3); [however it is your responsibility to accurately maintain the content on your location-specific webpage utilizing the software or program provided and monitored by us and paid for as part of the Technology Fee.](#)

Optional Post-Opening Assistance

In addition to the post-opening obligations stated above, we may provide the following forms of assistance in our discretion.

A. *Developing products or services you will offer to your customers.* Although it is our intent to refine and develop products or services that you will offer to your customers, the franchise agreement does not obligate us to do so.

Advertising

Our obligation. Once established, we will use the Brand Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which may be paid for by the Brand Fund). We have no other obligation to conduct advertising.

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you. We have the right to establish and control all social media accounts and other digital marketing. You must ensure that all advertising or marketing materials that you use are clear, factual, ethical, and not misleading; comply with our brand standards; and comply with all laws.

[Marketing Agency. You must use a marketing agency approved by us. We will provide a list of approved marketing agencies. We may consider alternative agencies proposed by you, but we retain final approval rights for any marketing agency.](#)

Advertising council. We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

Local or Regional Advertising Cooperatives. We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would

have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% and not more than 5% of gross sales. [You will be allowed to offset your required local marketing spending by the amounts you pay to any cooperative.](#) If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees, and they will vote on the same basis as other members. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the

cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be made available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

Brand Fund. You and all other franchisees must contribute to our Brand Fund. Your contribution is 1% of gross sales per week; however, we reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we or our affiliates own will contribute to the Brand Fund on the same, or similar basis, as you. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request.

Because we are a new franchisor, we did not spend any money from the Brand Fund in our most recently concluded fiscal year.

If less than all brand funds are spent in the fiscal year in which they accrue, the money will remain in the Brand Fund to be spent in the next year.

No money from the Brand Fund is spent principally to solicit new franchise sales.

Market introduction plan. You must develop a market introduction plan and obtain our approval of the plan at least 30 days before the projected opening date of your business. Your market introduction plan must include plans to spend at least \$5,000 - ~~\$10,000~~ in advertising prior to the opening of your business, and at least ~~\$5,000~~ 10,000 - \$15,000 in advertising immediately following the opening of your business.

Required spending. After you open, you must spend at least 3% of gross sales each calendar year on marketing your business; however, we reserve the right to require you to spend at least 5% of gross sales each calendar year on marketing your business. This amount is only a minimum requirement, and we do not represent that it is the optimal amount of money for you to spend on marketing.

Point of Sale and Computer Systems

We require you to use ROLLER as your point-of-sale system. ROLLER is an all-in-one, cloud-based software solution for entertainment venues. The ROLLER system provides everything needed to sell, serve, market, and manage the business, including online ticketing, credit card processing, accounting, customer relationship management, waivers, gift cards, entry management, and guest surveys. The ROLLER system will generate or store data such as inventory/product details, sales transactions, customer information, tokenized credit card information (memberships only), membership records, party information, capacity tracking, waivers, event calendars, API integrations, discount data, refund data, Groupon usage data, gift card sales (third party gift cards may not have online sales info), tax/gratuity, employee information, scheduling, financial reporting, and other accounting information.

Some costs of the ROLLER system are paid through the Technology Fee, and other costs are paid directly to ROLLER. You must purchase a computer system that meets the minimum

specifications for the use of the ROLLER system. The ROLLER system requirements include the following: processors (CPU) – Intel Core i3, RAM – minimum 4GB, screen resolution (minimum 1024 x 768), Windows 11, 10 Pro, or 8, thermal printers, cash drawers, barcode scanners, and credit card readers.

We estimate that these systems will cost between ~~\$13,222~~13,300 to ~~\$14,249~~14,300 to purchase if you develop and operate a standard sized Slick City business, \$14,300 to \$15,600 if you develop and operate a mid-sized Slick City business and \$15,600 to \$16,900 if you develop and operate a large sized Slick City business.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you to enter into any such contract with a third party.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be \$12,700 to \$13,800, exclusive of any credit card processing transaction fees that you may incur.

Some of the software and technology services you are required to use are provided to you through an arrangement between us and the service providers. The costs of those services are paid by us to the service providers from the monthly Technology Fee you pay to us. The required Technology Fee is currently ~~\$644.50~~821.50 though you may pay a higher amount if you choose to use optional services provided by one or more of the service providers. ~~The Technology Fee currently is used to pay for software and~~Currently the technology fee includes the following monthly services that provide: Campaign Monitor for email, text and mobile marketing (\$300), some of the costs of the ROLLER Roller HQ which covers a portion of point-of-sale system, and the costs associated with your business' website software monthly fees (\$60), Digital Stack for marketing asset libraries, management, and social media post scheduling (\$79), Cybermark for park website support and maintenance (\$252), Delightree for learning management systems, training, and checklists (\$100), two email accounts (\$18), and RAAMP for tracking leases and real estate documents (\$12.50). The Technology Fee does not have to be a pass-through of our exact costs, but the amount of the current Technology Fee is the amount we pay for the software and services provided. We may add, remove, or alter the software or technology products or services that we provide. We may change Technology Fee after giving you at least 30 days' notice of the new amount.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information.

Brand Standards Manual

See Exhibit G for the table of contents of our Brand Standards Manual as of the date this disclosure document, with the number of pages devoted to each subject. The Manual has ~~229~~119 pages.

Training Program

Our training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Getting Started with Slick City Culture, History, and Basic Setup (Orientation Materials, etc.)	2	0	Chesterfield, MO or another location we designate
Operations & Management -Floor Staffing -CityNews -Job -Hourly Rounds -Roller -Software	2	12	Chesterfield, MO or another location we designate
Marketing and Community -Outreach -Community involvement -In park signage placement -Brand Guidelines -Social Media -Press Releases & Media Inquiries	2	2	Chesterfield, MO or another location we designate
Human Resources -Scheduling (Home Base) -Sexual Harassment Training -Payroll -Monthly Meetings -Interview/Hiring/Firing -Performance Management / Reviews	1.5	2	Chesterfield, MO or another location we designate
Guest Experience -BLAST Model	.5	1	Chesterfield, MO or another location we designate
Opening the Location	.5	2	Chesterfield, MO or another location we designate
Closing the Location	.5	2	Chesterfield, MO or another location we designate
Deep Clean and Maintenance	.5	2	Chesterfield, MO or another location we designate

Events & Promotions -Phone Etiquette -Event Bookings -Event Management -Event Experience	1	4	Chesterfield, MO or another location we designate
- Incident Response - Reporting & Video Capture - Incident Spreadsheet	.5	2	Chesterfield, MO or another location we designate
= Other Procedure Reviews / Miscellaneous / FAQ	1	0	Chesterfield, MO or another location we designate
= Onboarding Graduation	1	0	Chesterfield, MO or another location we designate
= TOTALS:	13	29	

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding training classes three to six times per year. Training may be held at our offices and business location in Chesterfield, Missouri, at Franchisee's location once sufficient build-out has been completed, and/or remotely; however, we reserve the right to designate another location for the training. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instructional materials consist of the Brand Standards Manual and other materials, shadowing and coaching checklists, learning checks referred to as knowledge reviews, lectures, training videos, discussions, and on-the-job demonstration and practice. Additional instructional material, consisting of additional procedures, training videos, and checklists, will be provided for higher-level functions required of Franchisee and/or the individual acting as operator or manager.

Training classes will be led or supervised by Wade Powell, who is our Chief Operations Officer ~~of Innovative Heights Management Co. ("IHM"), which makes Mr. Powell available to us pursuant to a contract between us and IHM. He~~ and/or Lance Pierce, who is our Director of Training & Operations.. They will be assisted by other members of our staffs and/or the staffs of ~~IHM~~ Innovative Heights Management Co. ("IHM") or our affiliates. Mr. Powell's and Mr. Pierce's experience is provided in Item 2. The others who will assist ~~him~~ them will have various lengths of experience depending on the individual, but they have, at a minimum, one year of experience, if not more, and have successfully completed both their own training and facilitation of others' training in the past. Some aspects of training classes will be self-directed by Franchisee as Franchisee completes pre-recorded training modules.

There is no fee for up to ~~two~~ four people to attend training. You must pay the travel and living expenses of people attending training.

Your Principal Executive must attend training. You may send any additional people to training that you want (up to the maximum described above). Your Principal Executive must complete training to our satisfaction at least four weeks before opening your business.

Your business must at all times be under your on-site supervision or under the on-site supervision of a general manager who has completed our training program, or an assistant manager who you have trained. If you need to send a new general manager to our training program, we will charge a fee, which is currently \$450 per day. Otherwise, we do not currently require additional training programs or refresher courses, but we have the right to do so.

Item 12 TERRITORY

Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval and you will be granted a Development Area in which your location must be located. Your location must be at least three (3) miles from the edge of the Development Area. If we approve of your location being within three (3) miles from the end of the Development Area, you acknowledge that the boundary of your territory may not extend beyond the portion of the boundary of the Development Area that is less than three (3) miles from your location. In some cases, we may be open to shifting, adjusting, or transferring your Development Area to facilitate location selection; however, this decision will be made in our discretion.

Grant of Territory

~~Your~~ If your location is known at the time you sign a franchise agreement, the franchise agreement will specify a territory, which will be determined by us. ~~Your~~ If your location is approved after you sign the franchise agreement, your territory will be designated at the time your location is approved. At minimum, territories will have a population of approximately 250,000 at least 200,000 people and up to 500,000 people, however your territory may have fewer people if your location is in an area that experiences large influxes of tourists but maintains a year-round population of less than 200,000. Your territory will usually be specified by ~~zip codes~~ census tracts; however, we may use other boundaries (such as a radius from your location, county lines or other political boundaries, streets, geographical features, or trade area). If your business location is not known when you sign your franchise agreement, then we will state your location and territory in a “Location Acceptance Letter” when we approve your location. Your territory may not extend beyond the boundaries of your development area even if your location ends up near the edge of the development area.

Relocation; Establishment of Additional Outlets

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee’s business on case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

If you request our approval for you to relocate your business, you must pay us a \$5,000 fee. Half is due when you make the request, and the other half is due if and when we approve the request. If we approve, you must comply with the conditions described in the franchise agreement for developing a location and satisfy any other conditions we require.

You do not have the right to establish additional franchised outlets unless you sign a Multi-Unit Development Agreement (“MUDA”) in the form attached as Exhibit C to this disclosure document. If you and we sign a MUDA, then you will have the right to establish an agreed upon number of additional outlets on an agreed upon schedule. Under the MUDA, your right to develop additional outlets is subject to (1) you complying with the agreed upon development schedule, (2)

you having sufficient financial and organizational capacity to develop, open, operate, and manage each additional Slick City business, (3) you being in compliance with all brand requirements at your open Slick City business(es), and (4) you not being in default under any other agreement with us. We will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. For each future site, you must sign our then-current form of Franchise Agreement, which may be materially different than the original Franchise Agreement that you signed. You are not obligated to develop additional outlets under the MUDA, and you may terminate it any time without penalty. If you do not meet your development schedule in the MUDA, we have the right to terminate your right to develop additional outlets.

Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Territory Protection

In your franchise agreement, we grant you a protected territory. In your territory, we will not establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks as a Slick City outlet. The continuation of your territorial exclusivity does not depend on achieving a certain sales volume, market penetration, or other contingency. There are no circumstances that permit us to modify your territorial rights.

If you sign a MUDA, you will receive a protected territory as an area developer, meaning that as long as you are in compliance with the MUDA we will not open a Slick City business in your protected territory, or grant a franchise or other license to operate a Slick City business in your protected territory during the term of the MUDA. However, you will not receive an exclusive territory, as you may face competition from other franchisees and from outlets that we own that are not located in your protected territory but who serve customers who are residents of your protected territory, or from other channels of distribution or competitive brands that we control.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from consumers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory.

Soliciting by You Outside Your Territory

You shall make sales only to retail customers, and only at your business location. Unless otherwise approved or required by us, you shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Otherwise, there are no restrictions on you from soliciting or accepting orders from consumers outside of your territory, except that all marketing and advertising is subject to our approval.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates ~~operates, franchises~~operate, franchise, or ~~has~~have plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement allows us to do so.

**Item 13
TRADEMARKS**

Principal Trademark

The following are the principal trademarks that we license to you. These trademarks are owned by our affiliates, Slick City LLC and Slick Slide LLC, as indicated in the chart below. We do not have a federal registration for our principal trademarks. Therefore, our trademarks do not have many legal benefits and rights as federally registered trademarks. If our right to use the trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses. Applications for registration on the Principal Register of the United States Patent and Trademark Office have been filed.

Trademark	Owner	Application Date	Identification Number
Slick City (Standard Character Mark)	Slick City, LLC	March 9, 2023	97830491
Fast As Friction (Standard Character Mark)	Slick City, LLC	March 9, 2023	97830515
Slick Slide (Standard Character Mark)	Slick Slide, LLC	March 9, 2023	97830539
	Slick City, LLC	March 9, 2023	97830765

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings, except for the following:

Slick City LLC v. Austin L. Green; USPTO Cancellation No. 92081792. On March 9, 2023, our affiliate, Slick City, LLC filed a petition to cancel the trademark registration for SlickCity (Reg. No. 6270734). ~~That matter is currently suspended pending settlement negotiations~~The parties have entered into a Coexistence and Consent to Register Agreement (“Coexistence Agreement”) that has secured Slick City, LLC’s rights to proceed with the registration of its trademarks and to use those trademarks in ways that are not inconsistent with the Coexistence Agreement.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership

rights in a trademark.

Agreements

There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed above in a manner material to the franchise.

Slick City LLC and Slick Slide LLC, our affiliates, own the trademarks described in this Item. Under Intercompany License Agreements between us and Slick City LLC and Slick Slide LLC, we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement has no expiration. It may be modified only by mutual consent of the parties. It may be terminated by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third-party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks. We are aware of the SlickCity registration held by Mr. Green as identified in this Item, [but our affiliate has entered a Coexistence Agreement that permits us, our affiliate and franchisees to continue using the trademarks as required under the System.](#) There may be other uses of marks similar to our trademarks that may affect your use of our trademarks. We cannot represent with certainty that we have exclusive or superior rights to our marks in all geographical areas.

Patents

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

Our affiliate, Slick Slide LLC, owns rights in, or licenses to, a patent that is material to the franchise. We do have several pending patent applications and registrations:

<u>Filing Type</u>	<u>Title</u>	<u>Status</u>	<u>Serial Number</u>	<u>Application Date</u>	<u>Patent Number</u>	<u>Issue/Grant Date</u>	<u>Expiration Date</u>
National <u>(EP)</u>	Low-Friction-Recreational Slide-System <u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	Filed/ <u>Pending</u>	Not Yet Assigned <u>23754590</u>	07/10/2023 <u>11/09/2023</u>			
National <u>(UK)</u>	Low-Friction-Recreational Slide-System <u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	Filed/ <u>Pending</u>	2314317.5	07/10/2023 <u>09/19/2023</u>			
<u>National (UK)</u>	<u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	<u>Filed/Pending</u>	<u>2401780.8</u>	<u>02/09/2024</u>			
Provisional	Low-Friction-Recreational Slide-System <u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	Filed <u>Expired</u>	63/381,818	11/01/2022			11/01/2023
Utility <u>(US)</u>	Low-Friction-Recreational Slide-System <u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	Filed <u>Allowed</u>	18/349,347	07/10/2023			
<u>Utility (US)</u>	<u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	<u>Filed/Pending</u>	<u>18/442,609</u>	<u>02/15/2024</u>			
PCT	Low-Friction-Recreational Slide-System <u>LOW-FRICTION RECREATIONAL SLIDE SYSTEM</u>	Filed/ <u>Pending</u>	PCT/US23/69866	07/10/2023			
Design <u>(US)</u>	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Granted</u>	29/867,146	10/12/2022	<u>D1,003,382</u>	<u>10/31/2023</u>	<u>10/31/2038</u>
Design <u>(US)</u>	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed/ <u>Pending</u>	29/912,434	9/19/2023			
Design <u>(US)</u>	RECREATION-AL <u>RECREATIONAL</u>	Granted	29/696,765	07/01/2019 <u>7/1/2019</u>	D973,821	12/27/2022	12/27/2037

	SLIDE						
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Allowed</u>	29/867,099	10/10/2022			
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Granted</u>	29/867,102	10/10/2022	<u>D1,017,749</u>	<u>03/12/2024</u>	<u>03/12/2039</u>
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Allowed</u>	29/867,464	10/26/2022			
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277723	04/24/2023	6277723	05/03/2023	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277724	04/24/2023	6277723 <u>6277724</u>	05/03/2023 <u>05/02/2023</u>	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277725	04/24/2023	6277723 <u>6277725</u>	05/03/2023 <u>05/02/2023</u>	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277726	04/24/2023	6277723 <u>6277726</u>	05/03/2023 <u>05/02/2023</u>	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277727	04/24/2023	6277723 <u>6277727</u>	05/03/2023 <u>05/02/2023</u>	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277728	04/24/2023	6277723 <u>6277728</u>	05/03/2023 <u>05/17/2023</u>	04/24/2048
National_ (UK)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Granted	6277729	04/24/2023	6277723 <u>6277729</u>	05/03/2023 <u>05/02/2023</u>	04/24/2048
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Allowed</u>	29/867,498	10/27/2022			
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Granted</u>	29/867,557	10/28/2022	<u>D1,027,092</u>	<u>05/14/2024</u>	<u>05/14/2039</u>
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed <u>Granted</u>	29/867,512	10/27/2022	<u>D1,027,091</u>	<u>05/14/2024</u>	<u>05/14/2039</u>
Design_ (US)	RECREATION-AL <u>RECREATIONAL SLIDE</u>	Filed/ <u>Pending</u>	29/867,631	11/01/2022			
Design_ (US)	RECREATION-AL <u>RECREATIONAL</u>	Filed <u>Allowed</u>	29/867,633	11/01/2022			

	SLIDE						
Design (US)	RECREATION-AL RECREATIONAL SLIDE	Filed / Pending	29/867,634	11/01/2022			
Design (US)	RECREATION-AL RECREATIONAL SLIDE	Filed / Allowed	29/867,499	10/27/2022			
Design (US)	RECREATION-AL RECREATIONAL SLIDE	Filed / Pending	29/872,061	03/06/2023			
Design (US)	RECREATION-AL RECREATIONAL SLIDE	Filed / Pending	29/872,063	03/06/2023			
Provisional	OPEN-CELL AIRBAG LANDING DEVICE HAVING A CLOSED- CELL FOUNDATION	Filed / Expired	63/490,863	03/17/2023			03/17/2024
Utility (US)	OPEN-CELL AIRBAG LANDING DEVICE HAVING A CLOSED- CELL FOUNDATION	Filed / Pending	18/503,684	11/07/2023			
PCT	OPEN-CELL AIRBAG LANDING DEVICE HAVING A CLOSED- CELL FOUNDATION	Filed / Pending	PCT/US23/7893 1	11/07/2023			
Provisional	ROTATING RECREATIONAL SLIDE	Filed/Pending	63/604,515	11/30/2023			11/30/2024
Design (US)	RECREATIONAL SLIDE	Filed/Pending	29/918,908	11/30/2023			

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Brand Standards Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

Our affiliate, Slick Slide, LLC, has registered copyrights for the following.

<u>Title</u>	<u>Application Date</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Status</u>	<u>Anticipated Expiration Date</u>
LAUNCH SLIDE DRAWINGS	11/08/2022	VAu 1-485-325	11/08/2022	Registered	01/01/2142
LAUNCH SLIDE	11/08/2022	VAu 1-485-659	11/08/2022	Registered	01/01/2139
HYBRID SLIDE DRAWINGS	11/08/2022	VAu 1-485-331	11/08/2022	Registered	01/01/2142
HYBRID SLIDE	11/08/2022	VAu 1-485-661	11/08/2022	Registered	01/01/2141
RACE SLIDE DRAWINGS	11/08/2022	VAu 1-485-335	11/08/2022	Registered	01/01/2142
RACE SLIDE	11/08/2022	VAu 1-485-658	11/08/2022	Registered	01/01/2141

There are currently no other pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Brand Standards Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Slick City business.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Slick City business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Participation

You must devote substantial time and attention to your business.

If you are the sole owner of the business, then you are deemed the “Principal Executive”. If the business is owned through a corporation or limited liability company, you must designate one owner as your “Principal Executive”. The Principal Executive is the owner primarily responsible for the business and has decision-making authority on behalf of the business. The Principal Executive must own at least 5% of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business and their spouses, if any, must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B).

“On-Premises” Supervision

You are not required to personally conduct “on-premises” supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor or general manager, and such person is not required to be an owner of the franchise; however, each person acting as on-premises supervisor or general manager (whether that is you or a hired person) must successfully complete our training program.

If the franchise business is owned by an entity, we do not require that the general manager /on-site supervisor own any equity in the entity.

Restrictions on Your Manager

If we request, you must have your general manager/on-site supervisor (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law or that prohibits a person from being employed by another Slick City outlet. We do not require you to place any other restrictions on your manager or on-site supervisor.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only menu items, beverages, goods, and services that we have approved. You cannot incorporate attractions, apparatus or activities, such as trampolines, that we have not expressly approved.

You must offer for sale all menu items, beverages, goods, and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made at or from your premises.

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Franchise Agreement (FA): § 3.1 Multi-Unit Development Agreement (MUDA): §1(a)	The term of the franchise agreement is 10 years from date of signing. The MUDA will expire on the date that your last franchise is scheduled to open.
b. Renewal or extension of the term	FA: § 3.2 MUDA: none	You may obtain a successor franchise agreement for up to two additional five-year terms.
c. Requirements for franchisee to renew or extend	FA: § 3.2 MUDA: none	<p>For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional five-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract.</p> <p>To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; must have substantially complied with the franchise agreement and other agreements with us throughout the term; renovate to our then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); pay renewal fee; sign general release (unless prohibited by applicable law).</p> <p>If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a five-year term and collect the renewal fee.</p>
d. Termination by franchisee	FA: § 14.1 MUDA: § 4 none	<p>If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.</p> <p>If you sign a MUDA, you may terminate it at any time.</p>

e. Termination by franchisor without cause	Not Applicable	
Provision	Section in franchise or other agreement	Summary
f. Termination by franchisor with cause	FA: § 14.2 MUDA: § 4	We may terminate your agreement for cause, subject to any applicable notice and cure opportunity. If you sign a MUDA, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement is terminated, we have the right to terminate your MUDA.
g. “Cause” defined—curable defaults	FA: § 14.2 MUDA: none	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure). If you sign a MUDA, termination of your MUDA does not give us the right to terminate your franchise agreement(s). However, if a franchise agreement is terminated, we have the right to terminate your MUDA.
h. “Cause” defined—non-curable defaults	FA: § 14.2 MUDA: § 4	FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; your failure to open on time ; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations; operate in a manner dangerous to health or safety (if not corrected within 48 hours); three two defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; a score below 90/A on government health inspections more than twice in 36 months; score below passing grade on brand inspection more than twice in 36 months; any other breach of franchise agreement which by its nature cannot be cured. MUDA: failure to meet development schedule; violation of a franchise agreement or other agreement which gives us the right to terminate that agreement. However, termination of your

		MUDA does not give us the right to terminate your franchise agreement(s).
i. Franchisee’s obligations on termination/non-renewal	FA: §§ 14.3 – 14.6 MUDA: none	Pay all amounts due; return Manual and proprietary items; cancel assumed names; cancel or transfer phone, post office boxes, directory listings, and digital marketing accounts; cease doing business; remove identification; purchase option by us.
Provision	Section in franchise or other agreement	Summary
j. Assignment of agreement by franchisor	FA: § 15.1 MUDA: § 7	Unlimited
k. “Transfer” by franchisee - defined	FA: Article 1 MUDA: Background Statement	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor’s approval of transfer by franchisee	FA: § 15.2 MUDA: § 7	No transfers without our approval.

m. Conditions for franchisor’s approval of transfer	FA: § 15.2 MUDA: none	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you’ve made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications (including remodel, if applicable).
n. Franchisor’s right of first refusal to acquire franchisee’s business	FA: § 15.5 MUDA: none	If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor’s option to purchase franchisee’s business	FA: § 14.6 MUDA: none	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your business.
p. Death or disability of franchisee	FA: §§ 2.4, 15.4 MUDA: none	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months. We have the right to temporarily operate the business if you die or become incapacitated.
q. Non-competition covenants during the term of the franchise	FA: § 13.2 MUDA: none	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor.
Provision	Section in franchise or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2 MUDA: none	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within five miles of your former territory (or of your development area if no territory had been set) or of the territory of any other Slick City business operating on the date of termination or expiration.

s. Modification of the agreement	FA: § 18.4 MUDA: § 7	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	FA: § 18.3 MUDA: § 7	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement (or MUDA) may not be enforceable. However, no claim made in any franchise agreement (or MUDA) is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	FA: § 17.1 MUDA: § 7	You are required to negotiate, and then mediate, any dispute with us. Any dispute not resolved through negotiation and mediation must be resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1 17.3 ; 17.5 17.4 and 17.8 MUDA: § 7	Arbitration will take place where our headquarters is located (currently, Chesterfield, Missouri) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the United States District Court, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	FA: § 18.8 MUDA: § 7	Missouri (subject to applicable state law).
Provision	Section in franchise or other agreement	Summary
	MUDA: § 7	

For additional disclosures required by certain states, refer to Exhibit I - State Addenda to Disclosure Document.

Item 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise.

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Summary Income Statements

Set forth below are summary income statements for Slick City - Denver (“Denver West”) for the period of August 1, 2022 through July 31, 2023 and for Slick City – Chesterfield (“St. Louis West”) for the period of ~~December~~January 1, ~~2022~~2023 through ~~July~~December 31, 2023. Denver West and St. Louis West are both ~~company~~affiliate-owned outlets. We had an additional affiliate-owned outlet open in 2023, however it is not included in the Summary Income Statements below because it had not been operating for twelve months as of December 31, 2023. We did not have any franchised outlets operating as of the issuance date of this disclosure document. ~~These are the first 12 full months of operation for~~ Denver West, ~~which~~ opened ~~during~~in June 2022, and ~~these are all of the full eight months of operation for~~ St. Louis West, ~~which~~ opened ~~during~~in November 2022.

The branches have different footprints, with the Denver West location having 40,217 square feet, and the St. Louis West location having 31,050 square feet.

These figures are accounted using an accrual basis.

The information set forth below is a historical financial performance representation and not a projection of future performance.

		Denver West	St. Louis West
	<u>NOTES</u>	8/1/22-7/31/23 <u>1/1/23-12/31/23</u>	12/1/22-7/31/23 <u>1/1/23-12/31/23</u>
Gross Sales	1	\$3,358,735.38 <u>\$3,447,418.42</u>	\$3,926,606.09 <u>\$4,940,216.05</u>
Cost of Sales	2	\$294,846.82 <u>\$232,140.05</u>	\$266,267.61 <u>\$357,467.69</u>
Gross Profit	2	\$3,063,888.56 <u>\$3,215,278.37</u>	\$3,660,338.48 <u>\$4,582,748.36</u>
Personnel Costs	3	\$640,572.29 <u>\$720,950.08</u>	\$467,144.46 <u>\$648,964.64</u>
Marketing Costs	4	\$74,566.92 <u>\$80,636.02</u>	\$48,044.90 <u>\$75,979.60</u>
Facility Costs	5	\$443,125.17 <u>\$444,248.41</u>	\$319,857.58 <u>\$545,150.09</u>
Operating Expenses	6	\$300,003.02 <u>\$386,366.66</u>	\$364,870.20 <u>\$510,387.70</u>

Imputed Royalties, Brand Fund Contributions and Marketing Costs	7	\$294,893.97 <u>\$298,580.01</u>	\$383,881.77 <u>\$467,444.17</u>
Profit Before Excluded Expenses	8	\$1,310,727.19 <u>\$1,284,497.19</u>	\$2,076,539.57 <u>\$2,334,822.16</u>
EBITDA Margin	9	39.02% <u>37.26%</u>	52.88% <u>47.26%</u>

Average EBITDA Margin for both locations	10	45.95% <u>42.26%</u>
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Notes

NOTES

1 Gross Sales include all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. “Gross Sales” includes, but it not limited to, any revenue from sources such as locker rents, massage chairs, vending, games, arcade or claw machines, groupon sales, ~~T2-Connect sales~~, or any other source that generates any revenue at or in relation to your business, as well as revenue from sales at other locations, if permitted. However, Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected by Franchisee, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales). Service gratuities directed by customers to employees are not counted towards Gross Sales.

2 Gross Profits equals Gross Sales less Cost of Sales. Cost of Sales includes concession costs, socks, mats, and general merchandise.

3 Personnel Costs includes all salaries and wages, bonuses, commissions, contract labor, payroll taxes and processing fees. This item does not include owner’s compensation; however, it does include manager compensation. If you are an owner and act as manager, any manager compensation might be considered owner compensation.

4 Marketing Costs include local advertising, online advertising, public relations, and branded materials.

5 Facility Costs include the lease of the property, maintenance costs, utilities, and security.

6 Operating Expenses includes corporate administrative costs such as software fees, supplies, small tools and equipment, merchant and bank fees, meals and entertainment, licenses and permits, uniforms, dues and subscriptions, information technology, insurance, and professional fees. The Operating Expenses for these locations include the costs of the software and technology services that franchised outlets will pay through the Technology Fee, as well as additional technology costs paid directly to vendors

7 These imputed fees include a royalty of 7%, a brand fund contribution of 1% of Gross Sales that would be charged to a franchised outlet, and the amount of marketing costs these outlets would have incurred had they spent 3% of Gross Sales on marketing costs rather than the amount they actually spent.

8 Profits before excluded expenses means the Gross Profit less Personnel Costs, Marketing Costs, Facility Costs, Operating Expenses, and Imputed Royalty, Brand Fund Contributions and local marketing. Among the “excluded expenses” are interest; consulting fees; federal, state, and local taxes; depreciation; and amortization costs; these items will reduce profits. Essentially this item reflects the profits generated by the operation before the impact of taxes, capital, interest expense, and non-cash items. This is not the same as “net income” or “net profit” of the business.

6 ~~Operating Expenses includes corporate administrative costs such as software fees, supplies, small tools and equipment, merchant and bank fees, meals and entertainment, licenses and permits, uniforms, dues and subscriptions, information technology, insurance, and professional fees. The Operating Expenses for these locations include the costs of the software and technology services that franchised outlets will pay through the Technology Fee, as well as additional technology costs paid directly to vendors~~

7 ~~These imputed fees include a royalty of 7%, a brand fund contribution of 1% of Gross Sales that would be charged to a franchised outlet, and the amount of marketing costs these outlets would have incurred had they spent 3% of Gross Sales on marketing costs rather than the amount they actually spent.~~

8 ~~Profits before excluded expenses means the Gross Profit less Personnel Costs, Marketing Costs, Facility Costs, Operating Expenses, and Imputed Royalty, Brand Fund Contributions and local marketing. Among the “excluded expenses” are interest; consulting fees; federal, state, and local taxes; depreciation; and amortization costs; these items will reduce profits. Essentially this item reflects the profits generated by the operation before the impact of taxes, capital, interest expense, and non-cash items. This is not the same as “net income” or “net profit” of the business.~~

9 EBITDA is defined as earnings before interest, taxes, depreciation, and amortization. The EBITDA Margin is calculated here by taking the amount of Profit Before Excluded Expenses for each location, dividing it by the park’s gross sales and multiplying by 100.

10 The Average EBITDA Margin is the average and median of both parks’ EBITDA Margin during the time periods shown at the top of this chart.

~~Average Unit Volume — First Twelve Months~~

The Average Unit Volume of the Denver West and St. Louis West locations during ~~their first full twelve months of operations~~ 2023 was \$~~4,191,695.27~~4,193,817.42. The Gross Sales of the Denver West location during ~~its first full twelve months of operation (August, 2022 to July, 2023)~~ was \$~~3,358,735.38~~3,447,418.42. The Gross Sales of the St. Louis West location during ~~its first full twelve months of operation (December, 2022 to November, 2023)~~ was \$~~5,024,655.15~~4,940,216.05.

Average Sales By Month

The following chart shows the average percentage of the combined annual gross revenue earned by the Denver West and St. Louis West locations during each month of 2023. Gross revenue from the Katy location is not included in this chart because the Katy location did not begin operating until December 2023.

<u>January</u>	<u>12.16%</u>
<u>February</u>	<u>10.04%</u>
<u>March</u>	<u>13.53%</u>
<u>April</u>	<u>8.60%</u>
<u>May</u>	<u>6.09%</u>
<u>June</u>	<u>6.82%</u>
<u>July</u>	<u>8.13%</u>
<u>August</u>	<u>7.21%</u>
<u>September</u>	<u>5.20%</u>
<u>October</u>	<u>6.07%</u>
<u>November</u>	<u>7.13%</u>
<u>December</u>	<u>9.01%</u>

First Quarter Sales by Location

The following chart shows the amount of gross revenue generated by each of the three Slick City businesses that are operating as of the issuance date of this disclosure document during their first quarters of operation. The chart states for each location: the square footage of the facilities layout; the guest capacity; the gross revenue from the location’s first partial month of operations; the gross revenue for each location’s first full three months of operations by month; and the total gross revenue for each of the location’s first three full months of operations.

<u>Park (opening date)</u>	<u>Square Footage</u>	<u>Capacity</u>	<u>Gross Revenue-Opening Month (partial</u>	<u>Gross Revenue-First Full Month</u>	<u>Gross Revenue-Second Full Month</u>	<u>Gross Revenue-Third Full Month</u>	<u>Gross Revenue-First Three Full Months</u>
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			<u>month)</u>				
<u>Denver West (6/24/22)</u>	<u>40,000</u>	<u>400</u>	<u>\$30,999.35</u>	<u>\$262,256.62</u>	<u>\$331,546.77</u>	<u>\$238,034.80</u>	<u>\$831,838.19</u>
<u>St. Louis West (11/19/22)</u>	<u>31,000</u>	<u>300</u>	<u>\$121,751.32</u>	<u>\$615,875.74</u>	<u>\$677,898.51</u>	<u>\$529,291.53</u>	<u>\$1,823,065.78</u>
<u>Katy (12/9/23)</u>	<u>56,000</u>	<u>500</u>	<u>\$851,108.01</u>	<u>\$955,143.08</u>	<u>\$771,135.98</u>	<u>\$1,106,779.88</u>	<u>\$2,833,058.94</u>

Average Spending per Guest

The term used for the average amount spent per guest in Slick City businesses is “spend per head.” In the year prior to, and including, March 2024 the average spend per head at each of the three Slick City businesses operating as of the issuance date of this disclosure document was as follows: at Denver West the spend per head from April 2023 to March 2024 was \$29.16; at St. Louis West the spend per head from April 2023 to March 2024 was \$33.52; and at Katy the spend per head from December 2023 (the location’s first month of operations) to March 2024 was \$32.33. The median age of the guests at each park was 10 years old.

Top Revenue Categories and Food and Beverage Products

The following chart shows the percentage of revenue generated by each of the following categories at all three Slick City businesses operating during the period of January 1, 2023 to March 31, 2024. As stated above, Katy began operating in December, 2023. Denver West and St. Louis West were operating throughout this period.

<u>Revenue Category</u>	<u>Percentage of Gross Revenue from generated by category (all three locations)</u>
<u>Tickets</u>	<u>57.22%</u>
<u>Events (predominantly birthday parties)</u>	<u>15.24%</u>
<u>Food and Beverage</u>	<u>12.63%</u>
<u>Merchandise</u>	<u>10.47%</u>
<u>Other (including Groupon, lockers, arcades, passes and programs)</u>	<u>4.03%</u>

The following chart shows the top five products sold at all three Slick City businesses during the first quarter of 2024 (January 2024 to March 2024). These five products accounted for over 52% of the café revenue at the three locations.

<u>Product</u>	<u>Percentage of café revenue generated</u>
<u>ICEEs</u>	<u>23.89%</u>
<u>Pizza</u>	<u>9.57%</u>
<u>Water bottles</u>	<u>8.73%</u>
<u>Ice cream</u>	<u>6.64%</u>
<u>Chicken strips</u>	<u>3.50%</u>

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you'll earn as much.

Assumptions

Both your Slick City business and our affiliate-owned Slick City businesses are operated under the same System with substantially similar operating requirements, processes and procedures. This Item 19 only reflects financial information from the two affiliate-owned Slick City businesses that ~~have been~~were in operation ~~more than three months~~for the entire 2023 calendar year. However, as of the ~~amended~~ issuance date of this disclosure document, our affiliates operate three Slick City businesses, one each in the St. Louis, Missouri metropolitan area (St. Louis West), the Denver, Colorado metropolitan area (Denver West) and in the Houston, Texas metropolitan area (Katy). ~~As of the amended issuance date of this disclosure document the Slick City business in the Houston, Texas metropolitan area~~Katy has been in operation ~~less than three months~~since December 2023. During the measuring periods reflected in this Item 19, there were no other Slick City businesses operating in the same metropolitan areas as our affiliate-owned Slick City businesses. Our affiliate-owned parks benefit from the goodwill that has been established in their areas through local advertising and through their market presence. Slick City businesses located outside of those areas may not receive the same benefits from marketing and advertising as the affiliate-owned Slick City businesses receive. Slick City businesses may be in metropolitan areas where there are more than one Slick City ~~businesses~~business. Affiliate-owned Slick City businesses are managed by individuals who are experienced in operating family entertainment businesses who may, among other things, be more skilled and experienced at managing staff, controlling costs, and increasing revenues than franchisees with less experience in operating such facilities. The affiliate-owned Slick City businesses also have the benefit of an established clientele at their locations, and name recognition in their communities.

Two of our affiliate-owned Slick City businesses (~~the ones located in the~~ Denver West and Houston areasKaty) do not pay royalties, however all three ~~will~~affiliate-owned Slick City businesses contribute to the Brand Fund at the same rate that other franchised Slick City businesses, including yours, ~~will contribute once the Brand Fund is established as will~~and all other company-owned or affiliate-owned Slick City businesses. Our affiliate-owned Slick City businesses purchase their slides from Slick Slide LLC at cost. You will purchase your Slick City business' slides at a discounted distributor price, but that price will be higher than our affiliate-owned Slick City businesses pay. Our affiliate-owned Slick City businesses may receive other pricing benefits on products or services sold by Slick City Franchise Group, or its affiliates, that are not granted to franchisees.

Results of a particular Slick City business can also be affected by many factors unique to that business, such as: (a) the size of the location; (b) the weather at the business' location; (c) available parking; (d) ease of access and traffic congestion near the location; (e) geographic area; (f) potential differences in management, operations, advertising, marketing, and social media expertise; (g) whether the franchisee owns a single unit or multiple units (i.e. locations owned and operated by single unit franchisees may experience different results than those owning multiple franchised locations who may be larger, more experienced, multi-unit operators with accompanying economies of scale, increased advertising dollars, and management and operations expertise); (h) whether the Marks are already established in the market with multiple locations; (i) name recognition; (j) competition: from same-system franchisees, independent businesses, and other franchise systems; (k) economic and demographic characteristics of the market: (l) regional acceptability of the products or services offered by the business; (m) capitalization by and amount

of debt of the owner; (n) the owner’s access to and availability of financial resources; (o) available pool of quality labor to staff the business and the quality and training of staff; (p) personal business, marketing, management, judgment and other skills of the owner and/or managers; (q) the owners’ willingness to work hard and follow the System; (r) local market conditions; and (s) the owner’s ability to increase sales from delivery, carry-out, and catering; and (t) other factors.

Written substantiation for the financial performance representation in this Item 19 will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Slick City Franchise Group LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Alex Benepe, at 17379 Edison Ave., Chesterfield, Missouri 63005, ROI@slickcity.com, and 877-705-2489, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table 1
Systemwide Outlet Summary
For Years ~~2020~~2021 to ~~2022~~2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	2	2
	<u>2023</u>	<u>2</u>	<u>3</u>	<u>1</u>
Total Outlets	2020	0	0	0
	2021	0	0	0
	2022	0	2	2
	<u>2023</u>	<u>2</u>	<u>3</u>	<u>1</u>

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years ~~2020~~2021 to ~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
N/A	2020	0
	2021	0
	2022	0
Column 1 State	Column 2 Year	Column 3 Number of Transfers
Total	2020	0
	2021	0
	2022	0
	<u>2023</u>	<u>0</u>

Table 3
Status of Franchised Outlets
For Years ~~2020~~2021 to
~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
N/A	2020	0	0	0	0	0	0	0
N/A	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Table 4
Status of Company-Owned Outlets*
For Years ~~2020~~2021 to ~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Colorado	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Missouri	2020 2021	0	0	0	0	0	0
	<u>2022</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Texas	2021	0	0	0	0	0	0
	2022	0	1 0	0	0	0	1 0
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Totals	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0

	2022	0	2	0	0	0	2
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>

* These are the two outlets which are operated by affiliates or entities owned by our principals.

Table 5
Projected Openings As Of December 31, ~~2022~~2023

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlets in the Next Fiscal Year
Arizona	<u>0</u>	<u>0</u>	<u>4</u>
Florida	<u>0</u>	<u>3</u>	<u>0</u>
Georgia	<u>0</u>	<u>1</u>	<u>0</u>
Illinois	<u>0</u>	<u>0</u>	<u>1</u>
Indiana	<u>0</u>	<u>1</u>	<u>0</u>
Iowa	<u>0</u>	<u>1</u>	<u>0</u>
Nevada	<u>0</u>	<u>2</u>	<u>0</u>
North Dakota	<u>0</u>	<u>1</u>	<u>0</u>
Oregon	<u>0</u>	<u>1</u>	<u>0</u>
Tennessee	<u>0</u>	<u>2</u>	<u>0</u>
Texas	<u>0</u>	<u>03</u>	<u>12</u>
Utah	<u>0</u>	<u>2</u>	<u>0</u>
Wisconsin	<u>0</u>	<u>0</u>	<u>1</u>
Totals	<u>0</u>	<u>017</u>	<u>18</u>

Current Franchisees

Exhibit H contains the names of all current franchisees (as of the ~~end~~issuance date of ~~our last fiscal year~~this disclosure document) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit H contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21 FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit F contains our audited ~~opening~~ balance sheet as of ~~7/31/2023~~ 12/31/2023, and unaudited financials as of ~~11/30/2023~~ 4/15/2024. Our fiscal year end is December 31.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- J. State Addenda to Agreements
- K. EFT Authorization Form

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
State	State Administrator	Agent for Service of Process (if different from State Administrator)

Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1 st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21 st Floor New York, NY 10005 212-416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219
State	State Administrator	Agent for Service of Process (if different from State Administrator)



Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

EXHIBIT B
FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

SUMMARY PAGE	
1. Franchisee	_____
2. Initial Franchise Fee	\$ _____
3. Development Area	_____
4. Business Location	_____
5. Protected Store Territory	
6. Opening Deadline	_____
7. Principal Executive	_____
8. Franchisee's Address	_____

FRANCHISE AGREEMENT

This Agreement is made between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”), and Franchisee effective as of the date signed by Slick City Franchise Group (the “Effective Date”).

Background Statement:

A. Slick City Franchise Group and its affiliates; Slick City LLC and Slick Slide LLC; have created and own a system (the “System”) for developing and operating an indoor action park, featuring dry slides, soft play, air court, multiple other attractions and the city café, catering to both walk-in enthusiasts and special events, under the trade name “Slick City”.

B. The System includes (1) methods, procedures, and standards for developing and operating a Slick City business, (2) plans, specifications, equipment, signage, and trade dress for Slick City businesses, (3) particular menu items, beverages, products, and services, (4) the Marks, (5) training programs, (6) business knowledge, (7) marketing plans and concepts, and (8) other mandatory or optional elements as determined by Slick City Franchise Group from time to time.

C. The parties desire that Slick City Franchise Group license the Marks and the System to Franchisee for Franchisee to develop and operate a Slick City business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

“**Action**” means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, or judgment, or appeal thereof, whether formal or informal.

“**Advertising and Promotional Content**” means all advertising, marketing, promotional, customer relationship management, public relations, and other brand-related programs, materials, and content relating to Slick City or the Business, including without limitation any printed materials (such as business cards, signs, counter cards, banners, posters, displays, window clings, leaflets, direct mail materials, coupons, and published advertisements); promotional items (such as branded specialty and novelty items, products, and clothing); audio or video advertising (such as radio, television, or podcast ads or online video postings); and Digital Marketing.

“**Approved Vendor**” means a supplier, vendor, or distributor of Inputs which has been approved by Slick City Franchise Group.

“**Brand Fund**” means the fund established (or which may be established) by Slick City Franchise Group into which Brand Fund Contributions are deposited.

“**Business**” means the Slick City business owned by Franchisee and operated under this Agreement.

“**Competitor**” means any business which develops or operates an action or amusement park or any other recreational facility that contains more than 3 dry slides and a mix of other core Slick

City attractions including but not limited to Air Courts, Soft Play, Go-Karts, Zip Line, and Trapeze/Swing.

“Confidential Information” means all non-public information of or about the System, Slick City Franchise Group, and any Slick City business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, recipes, layouts, operating procedures, customer data, information, and know-how.

“Data Security Event” means any act, both actual or suspected, that initiates either internally or from outside the Business’ computers, point-of-sale terminals, and other technology or networked environment and violates any laws or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, other Slick City businesses, or their data or to view, copy, or use Privacy Information or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial of service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without Slick City Franchise Group’s knowledge, instruction, or consent.

“Digital Marketing” means social media accounts (such as Facebook, Twitter, Instagram, Pinterest, Snapchat, TikTok, etc.), applications, keyword or adword purchasing programs, accounts with websites featuring gift certificates or discounted coupons (such as Groupon, Living Social, etc.), mobile applications, online videos, display banner campaigns, branded content social media campaigns, e-mail marketing campaigns, or other means of digital advertising on the Internet or any other means of digital or electronic communications that are intended to promote Slick City and/or the Business.

“Gross Sales” means the total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit. “Gross Sales” includes, but is not limited to, any revenue from sources such as locker rents, [massage chairs](#), vending, [arcade games](#), [games or claw machines](#), groupon sales, ~~T2 Connect sales~~, or any other source that generates any revenue at or in relation to your business, as well as revenue from sales at other locations, if permitted. However, Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected by Franchisee, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales). Service gratuities directed by customers to employees are not counted towards Gross Sales.

“Input” means any goods, services, supplies, fixtures, equipment, attractions, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

“Location” means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with [Section 6.1](#).

“Losses” includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts;

judgments; loss of Slick City Franchise Group’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

“**Manual**” means Slick City Franchise Group’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

“**Marks**” means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Slick City Franchise Group from time to time for use in a Slick City business.

“**Owner**” means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

“**Privacy Information**” means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver’s license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer’s interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-related information; education information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer’s preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

“**Remodel**” means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Slick City business.

“**Required Vendor**” means a supplier, vendor, or distributor of Inputs which Slick City Franchise Group requires franchisees to use.

“**System Standards**” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Slick City Franchise Group, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design (such as construction, decoration, layout, furniture, fixtures and signs), attraction operation and regular inspection and maintenance, environmental protection and sustainability, equipment, inventory, maintenance, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings (including menu and beverages), quality of products and services, reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems (including credit and debit card systems, check verification services, and other payment systems, as well as any compliance programs relating to those systems), and internet access, as well as upgrades, supplements, and modifications thereto), recipes, temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

“**Protected Territory**” means the Protected ~~Store~~-Territory stated on the Summary Page. If no Protected ~~Store~~-Territory is stated on the Summary Page, then the Protected Territory is determined in accordance with Section 6.1.

“**Transfer**” means for Franchisee (or any Owner) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. Slick City Franchise Group grants to Franchisee the right to operate a Slick City business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open, and operate a Slick City business at the Location for the entire term of this Agreement. Franchisee shall exert its best efforts to promote and enhance the Business.

2.2 Protected Territory. Slick City Franchise Group shall not establish, nor license the establishment of, another business within the Protected Territory selling the same or similar goods or services under the same or similar trademarks or service marks as a Slick City business. This prohibition does not apply to any Slick City business operating or under construction when the Protected Territory is determined. Slick City Franchise Group and its affiliates retain the right to do any of the following (all without any compensation to Franchisee):

- (i) establish and license others to establish and operate Slick City businesses outside the Protected Territory, notwithstanding their proximity to the Protected Territory or their potential impact on the Business;

- (ii) operate and license others to operate businesses anywhere, including within the Protected Territory, that sell the same or similar goods or services as a Slick City business under trademarks or service marks that are not the same as or similar to the Marks;
- (iii) sell and license others to sell any products and services in the Protected Territory under any trademarks or service marks (including the Marks) through channels of distribution (including the internet) other than Slick City outlets;
- (iv) acquire or be acquired by (under any form of business transaction) a Competitor that has (or may in the future have) outlets in the Protected Territory which compete with the Business under trademarks or service marks other than the Marks; and
- (v) engage in any action not specifically precluded by the express terms of this Agreement.

Notwithstanding the rights retained by Slick City Franchise Group in this section, Slick City Franchise Group has entered into an agreement with its affiliate, Slick Slide, LLC in which Slick Slide, LLC has agreed, subject to the exceptions stated below, not to sell more than two (2) of its proprietary Slick Slides to any business, other than a Slick City business, in the Protected Territory during the term of this Agreement, or any successor agreement granted pursuant to the terms of this Agreement (the "Slide Limitation"). Slick City Franchise Group and Franchisee agree that the following four slides, or slide-like designs are excepted from the Slide Limitation and can be sold in any quantity to any business inside or outside the Protected Territory: Barrel Roll, Hybrid, Little Launch and Mini Off-Ramp. Slick City Franchise Group and Franchisee further agree that the Slide Limitation does not apply to non-slide attractions sold or distributed by Slick Slide, such as, but not limited to, Air Courts, zip lines, trapezes, go-karts and toddler attractions.

2.3 Franchisee Control. Franchisee represents that Attachment 1 (i) identifies each owner, officer, and director of Franchisee, and (ii) describes the nature and extent of each owner's interest in Franchisee. If any information on Attachment 1 changes (which is not a Transfer), Franchisee shall notify Slick City Franchise Group within 10 days. Franchisee shall furnish Slick City Franchise Group with its articles or certificate of incorporation, bylaws, and partnership or limited liability documentation or similar organization documents, and any other documents Slick City Franchise Group may reasonably request, and any amendments thereto or restatements thereof the are made during the term of this Agreement.

2.4 Principal Executive. Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. Slick City Franchise Group is entitled to rely on any communication, decision, or act by the Principal Executive as being the communication, decision, or act of Franchisee. The Principal Executive must have at least 5% ownership interest in Franchisee. The Principal Executive does not have to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to Slick City Franchise Group's reasonable

approval.

2.5 Guaranty. If Franchisee is an entity, then Franchisee shall have each Owner, and each Owner's spouse, if any, sign a personal guaranty of Franchisee's obligations to Slick City Franchise Group, in the form of Attachment 3.

2.6 No Conflict. Franchisee represents to Slick City Franchise Group that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

ARTICLE 3. TERM

3.1 Term. This Agreement commences on the Effective Date and continues for 10 years.

3.2 Successor Agreement. When the term of this Agreement expires, Franchisee may enter into a successor agreement for the Location for up to two additional periods of five years each, subject to the following conditions prior to each expiration:

- (i) Franchisee notifies Slick City Franchise Group of the election to renew between 180 and 365 days prior to the end of the term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Slick City Franchise Group (or any of its affiliates) at the time of election and at the time of renewal;
- (iii) Franchisee (and its affiliates) have been in substantial compliance with this Agreement and all other agreements with Slick City Franchise Group (or any of its affiliates) throughout the term of any such agreement(s);
- (iv) Franchisee has made or agrees to make (within a period of time acceptable to Slick City Franchise Group) renovations and changes to the Business as Slick City Franchise Group requires to conform to the then-current System Standards; such renovations and changes may include, without limitation, a Remodel, making changes to the façade, installing furnishings or fixtures, changing signage, and making upgrades to any technological features required by the System Standards;
- (v) Franchisee and its Owners execute Slick City Franchise Group's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that the form of the franchise agreement will be amended to provide that Franchisee will not pay another initial franchise fee and to provide that Franchisee will not receive more renewal or successor terms than originally granted to Franchisee;
- (vi) Franchisee pays a renewal fee of 25% of the then current Initial Franchise Fee;
- (vii) Franchisee and each Owner executes a general release (on Slick City Franchise Group's then-standard form) of any and all claims against Slick City Franchise Group, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

4.1 Initial Franchise Fee. Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

4.2 Royalty Fee.

4.3

- (a) Franchisee shall pay Slick City Franchise Group a weekly royalty fee (the “Royalty Fee”). The Royalty Fee will be a percentage of Gross Sales. During the first partial year of the term, and the first full calendar year of the term, the Royalty Fee will be equal to 7% of Gross Sales. During each subsequent calendar year, for as long as Franchisee is in compliance with its obligations under this Agreement, the Royalty Fee will be based on the prior calendar year’s Gross Sales as set forth below. During any period that Franchisee is not in compliance with its obligations under this Agreement, the Royalty Fee will be equal to 7% of Gross Sales regardless of the prior calendar year’s Gross Sales and regardless of whether Franchisee’s Royalty Fee had been reduced prior to Franchisee being in default of its obligations.
- If, during the prior calendar year, the Business’ Gross Sales were equal to or less than \$4,000,000.00~~4,499,999.99~~ the Royalty Fee will be 7% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were between ~~\$4,000,000.00~~4,500,000.00 and ~~\$4,499,999.99~~4,999,999.99 the Royalty Fee will be 6.75% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were between ~~\$4,500,000.00~~5,000,000.00 and ~~\$4,999,999.99~~5,499,999.99 the Royalty Fee will be 6.5% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were between ~~\$5,000,000.00~~5,500,000.00 and ~~\$5,499,999.99~~5,999,999.99 the Royalty Fee will be 6.25% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were between ~~\$5,500,000.00~~6,000,000.00 and ~~\$5,999,999.99~~6,499,999.99 the Royalty Fee will be 6% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were between ~~\$6,000,000.00~~6,500,000.00 and ~~\$6,499,999.99~~6,999,999.99, the Royalty Fee will be 5.75% of Gross Sales;
 - If, during the prior calendar year, the Business’ Gross Sales were ~~\$6,500,000.00~~7,000,000.00 or more, the Royalty Fee will be 5.5% of Gross Sales.
- (b) In addition, if Franchisee or its affiliate(s) own 3 or more Slick City businesses, not counting the one licensed under this Agreement, and in the calendar year prior to the opening of the Slick City business licensed under this Agreement, met or exceeded a certain Gross Sales threshold stated in the Manual (the “Multi-Unit Gross Sales Threshold”) Franchisee’s Royalty Fee will be 6.5% from the date the Slick City business licensed under this Agreement opens until December 31 of the year in which it opens. For each calendar year thereafter that Franchisee and, if

applicable, its affiliates(s) meet or exceed the then-applicable Multi-Unit Gross Sales Threshold from the operation of their Slick City businesses, Franchisee's Royalty Fee will be 0.5% less than it would otherwise be under Section 4.2(a). The current Multi-Unit Gross Sales Threshold is \$20,000,000. Slick City Franchise Group has the right to revise the Multi-Unit Gross Sales Threshold in its sole discretion by changing the amount in the Manual or otherwise providing Franchisee with notice of the change. However, Slick City Franchise Group agrees not to

increase the Multi-Unit Gross Sales Threshold more than once in any five-year period.

Franchisee shall pay the Royalty Fee for any given week so that it is received by Slick City Franchise Group on or before the first Tuesday of the following week.

4.4 Marketing Contributions.

(a) Brand Fund Contribution. Franchisee shall pay Slick City Franchise Group a contribution to the Brand Fund (the "Brand Fund Contribution") equal to 1% of Franchisee's Gross Sales (or such lesser amount as Slick City Franchise Group determines), at the same time as the Royalty Fee.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Sales (or other amount) determined by the Market Cooperative, not to exceed 5%.

4.5 Technology Fee. Slick City Franchise Group reserves the right to charge Franchisee a commercially-reasonable fee (the "Technology Fee") in exchange for software and other technology-related services and products provided by or through Slick City Franchise Group. The Technology Fee does not have to be a pass-through of Slick City Franchise Group's exact costs. Slick City Franchise Group has no liability or obligation to Franchisee with respect any third-party software or other technology-related services and products that Slick City Franchise Group provides to Franchisee. The Technology Fee does not necessarily encompass all of the costs Franchisee will incur related to technology as some costs will be paid directly to vendors. The Technology Fee for a given period is due and payable at the same time as the Royalty Fee, unless Slick City Franchise Group determines otherwise. Slick City Franchise Group may add, remove, or alter the software or technology products or services that it provides. Slick City Franchise Group may change Technology Fee after at least 30 days' notice.

4.6 Replacement / Additional Training Fee. If Franchisee sends an employee to Slick City Franchise Group's training program after opening, Slick City Franchise Group may charge its then-current training fee. As of the date of this Agreement, the training fee is \$450 per person per day.

4.7 Non-Compliance Fee. Slick City Franchise Group may charge Franchisee \$500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to Slick City Franchise Group) which Franchisee fails to cure after 30 days' notice. Thereafter, Slick City Franchise Group may charge Franchisee \$250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Slick City Franchise Group's internal cost of personnel time attributable to addressing the non-compliance, and it is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of Slick City Franchise Group's other rights and remedies (including default and termination under Section 14.2).

4.8 Reimbursement. Slick City Franchise Group may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If Slick City Franchise Group does so or intends to do so, Franchisee shall pay such amount plus a 10%

administrative charge to Slick City Franchise Group within 15 days after invoice by Slick City Franchise Group accompanied by reasonable documentation.

4.9 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Brand Fund Contribution, Technology Fee, and any other amounts owed to Slick City Franchise Group by pre-authorized bank draft or in such other manner as Slick City Franchise Group may require. Franchisee shall comply with Slick City Franchise Group's payment instructions, including executing all documents reasonably required by Slick City Franchise Group. If Slick City Franchise Group permits Franchisee to pay by credit card or other method which causes Slick City Franchise Group to incur a processing fee, Franchisee shall be responsible for the amount of the processing fee.

(b) Calculation of Fees. Franchisee shall report weekly Gross Sales to Slick City Franchise Group by Tuesday of the following week. If Franchisee fails to report weekly Gross Sales, then Slick City Franchise Group may withdraw estimated Royalty Fees and Brand Fund Contributions equal to 125% of the last Gross Sales reported to Slick City Franchise Group, and the parties will true-up the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that Slick City Franchise Group has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a \$100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. Slick City Franchise Group may charge \$30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection. Franchisee shall repay any costs incurred by Slick City Franchise Group (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(f) Application. Slick City Franchise Group may apply any payment received from Franchisee to any obligation and in any order as Slick City Franchise Group may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Slick City Franchise Group any fees or amounts described in this Agreement are not dependent on Slick City Franchise Group's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

(h) Taxes. Franchisee will be responsible for (and shall immediately remit to Slick City Franchise Group upon demand) all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to Slick City Franchise Group or its affiliates and on services or goods furnished to Franchisee by Slick City Franchise Group or its affiliates, unless the tax is an ~~income~~

~~tax~~incometax assessed on Slick City Franchise Group or its affiliate for doing business in the state where the Business is located.

(i) If applicable law (state or local) prohibits or restricts Franchisee's ability to pay (or Slick City Franchise Group's ability to collect) Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages by the Business, or if such law would require Slick City Franchise Group be licensed to sell alcoholic beverages, then the parties will exclude alcoholic beverage sales from Gross Sales and mutually agree on a substitute so as to provide the same basic economic effect of a Royalty Fee.

ARTICLE 5. ASSISTANCE

5.1 Manual. Slick City Franchise Group shall make its Manual available to Franchisee in such format as Slick City Franchise Group deems appropriate.

5.2 Pre-Opening Assistance.

(a) Selecting Location. Slick City Franchise Group shall provide its criteria for Slick City locations to Franchisee. Slick City Franchise Group will review and advise Franchisee regarding potential locations submitted by Franchisee.

(b) Development. To the extent Slick City Franchise Group deems appropriate, Slick City Franchise Group shall advise Franchisee regarding the layout, design, and build-out of the Business. Slick City Franchise Group will also provide a suggested set of floor designs based on Franchisee's Location—after the Location has been approved.

(c) Vendors. To the extent applicable, Slick City Franchise Group shall provide its specifications and list of Approved Vendors and/or Required Vendors for equipment, signs, fixtures, opening inventory, and supplies to open the Business.

(d) Business Plan Review. If requested by Franchisee, Slick City Franchise Group may review and advise on pre-opening business plans and financial projections created by the Franchisee. **Franchisee acknowledges that Slick City Franchise Group accepts no responsibility for the performance of the Business.**

(e) Pre-Opening Training. Slick City Franchise Group shall make available its standard pre-opening training to the Principal Executive and up to ~~two~~three other employees, at Slick City Franchise Group's headquarters and/or at a Slick City business designated by Slick City Franchise Group. Slick City Franchise Group shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. Slick City Franchise Group reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(f) Market Introduction Plan. Slick City Franchise Group shall advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

(g) On-Site Opening Assistance. Slick City Franchise Group shall have a representative support Franchisee's business opening for one or two days of onsite opening training and assistance, at Slick City Franchise Group's expense.

5.3 Post-Opening Assistance.

(a) Advice, Consulting, and Support. If Franchisee requests, Slick City Franchise Group shall provide advice to Franchisee (by telephone or electronic communication) regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent Slick City Franchise Group deems reasonable. If Slick City Franchise Group provides in-person support in response to Franchisee's request, Slick City Franchise Group may charge its then-current fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).

(b) Pricing. Upon request, Slick City Franchise Group shall provide recommended prices for products and services offered by franchisees of the System as permitted by law.

(c) Procedures. Slick City Franchise Group shall provide Franchisee with Slick City Franchise Group's recommended administrative, bookkeeping, accounting, and inventory control procedures. Slick City Franchise Group may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. Slick City Franchise Group shall manage the Brand Fund.

(e) Internet. Slick City Franchise Group shall maintain a website for Slick City, which will include Franchisee's location (or territory) and telephone number.

ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

6.1 Determining Location and Protected Territory. If the Location and Protected Territory are not stated on the Summary Page, then Franchisee shall identify a potential Location within the Development Area described on the Summary Page. Franchisee acknowledges that the Development Area is only provided for the purpose of delineating the area within which Franchisee must locate an acceptable Location for the Business. So long as Franchisee is not in default under this Agreement, Franchisee will have the exclusive right to establish and operate a Slick City business in the Development Area, meaning that Slick City Franchise Group shall not operate or grant a franchise to any other person to operate a Slick City business within the Development Area, until the Location is approved. Once the Location has been approved, Franchisee's rights in the Development Area will cease, and Franchisee's rights will be limited to those protections set forth in Section 2.2. Franchisee acknowledges that if the Location is within three (3) miles of the edge of the Development Area, the Protected Territory established once the Location has been approved may be limited to the portions of the Development Area boundary that are within three (3) miles of the Location. Franchisee shall submit its proposed Location to Slick City Franchise Group for acceptance, with all related information and documents Slick City Franchise Group may request. If Slick City Franchise Group does not accept the proposed Location in writing within 30 days, then it is deemed rejected. When Slick City Franchise Group

accepts the Location, it will issue a Location Acceptance Letter in the form of Attachment 2 which states the Location and Protected Territory. Slick City Franchise Group shall determine the Protected Territory in its good faith discretion, substantially in accordance with Item 12 of the Franchise Disclosure Document. **Slick City Franchise Group’s advice regarding or acceptance of a proposed Location is not a representation or warranty that the Business will be successful or that the Business is permitted to be operated at the**

Location under applicable laws or zoning ordinances, and Slick City Franchise Group has no liability to Franchisee with respect to the location of the Business.

6.2 Lease. In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by Slick City Franchise Group, Franchisee must submit the proposed lease to Slick City Franchise Group for written approval, (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement, and (iii) Franchisee shall use commercially reasonable efforts to obtain the landlord's signature to a rider to the lease in the form required by Slick City Franchise Group.

6.3 Development. Franchisee shall construct (or remodel) and finish the Location in conformity with Slick City Franchise Group's System Standards. After Slick City Franchise Group provides Franchisee with a suggested set of floor designs, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not order any equipment or begin any construction or remodeling work without first obtaining Slick City Franchise Group's approval of Franchisee's plans and without first obtaining any required permits or licenses necessary to commence such construction or remodeling work. Franchisee must engage a qualified licensed general contractor to perform such construction or remodeling work. Slick City Franchise Group may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by Slick City Franchise Group or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and Slick City Franchise Group assumes no liability with respect thereto. Slick City Franchise Group's inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

6.4 New Franchisee Training. Franchisee's Principal Executive must complete Slick City Franchise Group's training program for new franchisees to Slick City Franchise Group's satisfaction at least four weeks before opening the Business.

6.5 Conditions to Opening. Franchisee shall notify Slick City Franchise Group at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) Slick City Franchise Group has inspected and approved the Business, (5) Franchisee has hired sufficient employees, (6) Franchisee's officers and employees have completed all of Slick City Franchise Group's required pre-opening training; and (7) Slick City Franchise Group has given its written approval to open, which will not be unreasonably withheld.

6.6 Opening Date. Franchisee shall open the Business to the public on or before the date stated on the Summary Page. Franchisee acknowledges and understands that time is of the essence in the construction and opening of the Business, and except for the occurrence of any events constituting force majeure, the construction shall be completed and the Business shall be open for business within eighteen months of the Effective Date of this Agreement. In Slick City Franchise Group's discretion, Slick City Franchise Group may allow Franchisee an additional 60-day extension of

the opening date for a fee of \$20,000 per extension. The fee for the extension shall be payable at the time Franchisee applies for the extension. If the extension is not granted, the fee will be refunded. Any further extensions shall be granted only in Slick City Franchise Group's sole discretion and upon payment of such additional extension fees as Slick City Franchise Group deems appropriate in its sole discretion.

6.7 Relocation. Franchisee shall not relocate the Business to new premises without the prior written approval of Slick City Franchise Group. If Franchisee requests approval of a relocation, Franchisee must pay \$2,500 upon submitting the request. If Slick City Franchise Group approves the relocation, Franchisee must (i) pay an additional \$2,500 relocation fee to Slick City Franchise Group upon approval, (ii) comply with the conditions set for in Sections 6.1, 6.2, and 6.6 with respect to the new location, and (iii) satisfy any other conditions required by Slick City Franchise Group.

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards, as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to Slick City Franchise Group.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws, rules, ordinances, and regulations applicable to Franchisee or to the Business. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business.

7.3 Products, Services, and Methods of Sale. Franchisee shall offer all products and services and only those products and services, from time to time prescribed by Slick City Franchise Group in the Manual or otherwise in writing. Franchisee shall make sales only to retail customers, and only at the Location. Unless otherwise approved or required by Slick City Franchise Group, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall maintain sufficient levels of inventory at all times. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards.

7.4 Prices. Slick City Franchise Group may require Franchisee to offer products and services at specific prices determined by Slick City Franchise Group if Slick City Franchise Group is promoting such products and services on a national, regional, or local market basis, for the duration of the promotion (but only to the extent permitted by applicable law).

7.5 Personnel.

(a) Management. The Business must at all times be under the on-site supervision of the Principal Executive or a general manager who has completed Slick City Franchise Group's training program.

(b) Service. Franchisee shall ensure that that all customers and members of the public receive competent and courteous service, and that customers are able to use all attractions in a safe and appropriate fashion consistent with Slick City Franchise Group's System Standards.

(c) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance, and hygiene standards set forth in the Manual.

(d) Staffing. Franchisee must hire or engage a sufficient number of personnel to service its volume of business, and Franchisee must comply with any System Standards regarding staffing levels and regarding the staffing at all slides.

(e) Sole Responsibility. Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Slick City Franchise Group are not joint employers, and no employee of Franchisee will be an agent or employee of Slick City Franchise Group. Within seven days of Slick City Franchise Group's request, Franchisee and each of its employees shall sign an acknowledgment form stating that Franchisee alone (and not Slick City Franchise Group) is the employee's sole employer. Franchisee shall use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and Franchisee shall not use the Marks on any of these documents.

7.6 Post-Opening Training. Slick City Franchise Group may at any time require that the Principal Executive and/or any other employees complete training programs, in any format and in any location determined by Slick City Franchise Group. Slick City Franchise Group may charge a reasonable fee for any training programs. Slick City Franchise Group may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

7.7 Software. Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Slick City Franchise Group. Franchisee shall enter into any subscription and support agreements that Slick City Franchise Group may require. Franchisee shall upgrade, update, or replace any software from time to time as Slick City Franchise Group may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give Slick City Franchise Group unlimited access to Franchisee's point of sale system and other software systems used in the Business, by any means designated by Slick City Franchise Group.

7.8 Customer Complaints. Franchisee shall use its best efforts to promptly resolve any customer complaints. Slick City Franchise Group may take any action it deems appropriate to resolve a customer complaint regarding the Business, and Slick City Franchise Group may require Franchisee to reimburse Slick City Franchise Group for any expenses.

7.9

7.10 Evaluation and Compliance Programs. Franchisee shall participate at its own expense in programs required from time to time by Slick City Franchise Group for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. Slick City Franchise Group shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Slick City Franchise Group for such programs. Slick City Franchise Group may set minimum scores that Franchisee must receive from the public on internet review sites (such as Yelp or Google).

7.11 Payment Systems. Franchisee shall accept payment from customers in any form or manner designated by Slick City Franchise Group (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Slick City Franchise Group. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

7.12 Gift Cards, Loyalty Programs, and Incentive Programs. At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive programs, designated by Slick City Franchise Group, in the manner specified by Slick City Franchise Group in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Slick City business. If Franchisee honors a gift card or other pre-paid system sold by another location, or vice versa, Slick City Franchise Group and Franchisee will cooperate so that the cash received is fairly allocated to the location where that gift card or other pre-paid system is redeemed (subject to fees and charges). Franchisee shall comply with all procedures and specifications of Slick City Franchise Group related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

7.13 Maintenance and Repair. Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all of the property of the Business in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Slick City Franchise Group may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment and décor. If such work is reserved to Franchisee's landlord under the terms of Franchisee's lease, then Franchisee shall use reasonable efforts to cause its landlord to perform such work. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, replacement, and repair.

7.14 Remodeling. In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Slick City Franchise Group may require Franchisee to undertake and complete a Remodel of the Location to Slick City Franchise Group's satisfaction. Franchisee must complete the Remodel in the time frame specified by Slick City Franchise Group. Slick City Franchise Group may require Franchisee to submit plans for Slick City Franchise Group's

reasonable approval prior to commencing a required Remodel, and Slick City Franchise Group

may require Franchisee to engage a qualified licensed contractor to perform the Remodel. Slick City Franchise Group's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer), and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel. In addition, Slick City Franchise Group reserves the right to require that Franchisee add new attractions to the Location at least once every three years.

7.15 Meetings. The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that Slick City Franchise Group requires, including any national or regional brand conventions or conferences. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings. Slick City Franchise Group may charge Franchisee the attendance fee for Slick City's national or regional brand convention, regardless of whether the Principal Executive attends. Franchisee is responsible for all travel and living expenses of attending any such meeting or convention.

7.16 Insurance.

(a) At its sole expense, Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by Slick City Franchise Group in the Manual as well as are required by applicable state law or by any lease, sublease, or mortgage. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

- (i) "Special" causes of loss coverage forms, including, a minimum, fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business including inventory, furniture, fixtures, equipment, supplies and other property used in the operation of the Business and all improvements and betterments, on a 100% replacement cost basis without coinsurance (subject to a reasonable deductible);
- (ii) Business interruption insurance in amounts and with terms acceptable to Slick City Franchise Group including loss of income and extra expense to cover lost income for at least 12 months;
- (iii) Comprehensive Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage against claims for bodily injury, death and property damage caused by, or occurring in conjunction with, the operation of the Business, written on an "occurrence" policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit;
- (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000;
- (v) Excess or umbrella liability coverage with a minimum limit of \$3,000,000;
- (vi) Workers Compensation coverage as required by state law; and

(vii) If Franchisee offers alcoholic beverages, insurance required also includes separate coverage for liquor liability (commonly referred to as Dram Shop Liability) with limits of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit.

(b) Franchisee's policies (other than Workers Compensation) must (1) list Slick City Franchise Group and its subsidiaries, affiliates, successors and assigns as an additional insured, (2) include a waiver of subrogation in favor of Slick City Franchise Group and its successors, assigns and affiliates, (3) be primary and non-contributing with any insurance carried by Slick City Franchise Group or its affiliates, and (4) stipulate that Slick City Franchise Group shall receive 30 days' prior written notice of cancellation. Unless excused in writing by Slick City Franchise Group, all such policies shall be written by an insurance company licensed in the state in which Franchisee operates and having at least an "A" Rating Classification and a Financial Size Rating of "IX" or better as indicated in the latest issue of A.M. Best's Key Rating Guide.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Slick City Franchise Group prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request from Slick City Franchise Group.

7.17 Obligations to Third Parties. Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

7.18 Public Relations. Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Slick City, the Business, or any particular incident or occurrence related to the Business, without Slick City Franchise Group's prior written approval, which will not be unreasonably withheld. Franchisee shall follow any System Standards or other requirements of Slick City Franchise Group related to press inquiries.

7.19 Association with Causes. Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization or cause, or (ii) act in support of any such organization or cause, without Slick City Franchise Group's prior written approval, which will not be unreasonably withheld.

7.20 No Other Activity Associated with the Business. Franchisee shall not engage in any business or other activity at the Location other than operation of the Slick City Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except Slick City businesses.

7.21 No Third-Party Management. Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of Slick City Franchise Group, which will not be unreasonably withheld.

7.22 Identification. Franchisee must identify itself as the independent owner of the Business in

the manner prescribed by Slick City Franchise Group. Franchisee must display at the Business

signage prescribed by Slick City Franchise Group identifying the Location as an independently owned franchise.

7.23 Privacy Practices.

(a) With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation.

(b) Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

(c) To the extent Slick City Franchise Group does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon Slick City Franchise Group's request, provide reasonable assistance to Slick City Franchise Group in responding to such requests.

(d) In the event of a Data Security Event, Franchisee must notify Slick City Franchise Group immediately after becoming aware of the Data Security Event and shall cooperate with Slick City Franchise Group and follow all of Slick City Franchise Group's reasonable requests to address the Data Security Event and to protect any Privacy Information and/or Confidential Information. Slick City Franchise Group, or its designee, has the right, but not the obligation, to take any action or pursue any proceeding with respect to the Data Security Event.

7.24 Communication. Franchisee shall respond promptly to requests for communication from Slick City Franchise Group, and in any event within three business days, except for any inquiries about an accident, claim or safety concern, in which case, Franchisee shall respond to such communication within one business day.

7.25 Business Practices. Franchisee, in all interactions with customers, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Slick City Franchise Group. Franchisee shall not take any action which injures or is likely to injure the goodwill associated with the Marks.

7.26 Food Service.

(a) Menu. Franchisee shall offer all menu items, beverages, and other products and services, and only those menu items, beverages, and other products and services, from time to time prescribed by Slick City Franchise Group in the Manual or otherwise in writing. [Slick City Franchise Group may consider alternative proposals for menu items, beverages, and other products and services proposed by franchisees and decide whether or not to approve of franchisees serving those items in its sole discretion following the Alternate Vendor Approval and/or Alternate Input Approval processes outline below, and may elect to limit newly approved menu items, beverages, and other products to specific locations for specific time periods.](#)

(b) Preparation. Franchisee shall follow all recipes prescribed by Slick City Franchise Group, including, without limitation, use of all ingredients specified or authorized by Slick City Franchise Group, and only such ingredients, unless prohibited from doing so by applicable local

laws or regulations. Franchisee shall prepare and serve all food products in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards.

(c) Inventory. Franchisee shall maintain sufficient levels of inventory at all times.

(d) Health Inspection Scores. In addition to Franchisee's obligations to comply with all System Standards pursuant to Section 7.1 and with all applicable laws pursuant to Section 7.2, Franchisee must achieve a health code inspection score of 90, "A" or higher pursuant to the grading or rating system of the applicable governmental authority. If the applicable government authority does not score inspections on a numerical or alphabetical scale, then a rating by the governing body similar in nature to a "90" or "A" will be the governing standard. Franchisee will provide Slick City Franchise Group with a copy of any inspection report and score within two business days after receipt.

7.27 Slides and Core Attractions. Franchisee shall ensure that its personnel are complying with all System Standards related to the condition of the slides and core attractions and the usage of the slides and core attractions by Franchisee's customers, as well as all safety criteria. If Slick City Franchise Group determines or has reason to believe that Franchisee is not following these System Standards, Slick City Franchise Group reserves the right to require Franchisee to shut down any relevant slide(s) or core attraction(s), as well as to take any other action permitted under this Agreement. If Slick City Franchise Group requires Franchisee to shut down any slide or core attraction, such slide or core attraction shall remain shut down to the public until Slick City Franchise Group notifies Franchisee in writing that Franchisee may re-open such slide or core attraction.

ARTICLE 8. SUPPLIERS AND VENDORS

8.1 Generally. Franchisee shall acquire all Inputs required by Slick City Franchise Group from time to time in accordance with System Standards. Slick City Franchise Group may require Franchisee to purchase or lease any Inputs from Slick City Franchise Group, Slick City Franchise Group's designee, Required Vendors, Approved Vendors, and/or under Slick City Franchise Group's specifications. Slick City Franchise Group may change any such requirement or change the status of any vendor. To make such requirement or change effective, Slick City Franchise Group shall issue the appropriate System Standards. Franchisee shall not use any products or supplies purchased from Slick City Franchise Group or its affiliates in any other businesses without Slick City Franchise Group's prior written consent. Franchisee shall not remove, sell or transfer any attractions to any other Slick City location or other business without Slick City Franchise Group's prior written consent.

8.2 Alternate Vendor Approval. If Slick City Franchise Group requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written proposal and provide any information, specifications and/or samples requested by Slick City Franchise Group. Slick City Franchise Group may approve or disapprove the alternative vendor in its sole discretion. Slick City Franchise Group may condition its approval on such criteria as Slick City Franchise Group deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, pricing, reputation, and reliability; inspections; product testing, and performance reviews, as well as a comparison against existing option(s) and a strategic analysis of the need for a new or additional supplier for a service or product that Slick City Franchise Group or a current approved supplier already offer. If Slick City Franchise Group does not respond to

such request within 30 days after receipt of Franchisee's request, the request shall be deemed to be denied.

8.3 Alternate Input Approval. If Slick City Franchise Group requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Slick City Franchise Group. Slick City Franchise Group may approve or disapprove the alternative Input in its sole discretion. If Slick City Franchise Group does not respond to such request within 30 days after receipt of Franchisee's request, the request shall be deemed to be denied.

8.4 Purchasing. Slick City Franchise Group may negotiate prices and terms with vendors on behalf of the System. Slick City Franchise Group may receive rebates, payments, or other consideration from vendors in connection with purchases by franchisees. Slick City Franchise Group has the right (but not the obligation) to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor and to impose a reasonable markup or charge for administering the payment program. Slick City Franchise Group may implement a centralized purchasing system. Slick City Franchise Group may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Slick City Franchise Group may determine.

8.5 No Liability of Franchisor. Slick City Franchise Group and its affiliates shall not have any liability to Franchisee for any claim, loss, or other Action related to any product provided or service performed by any Approved Vendor or Required Vendor (unless Slick City Franchise Group or its affiliate, as applicable, is the vendor), including without limitation for defects, delays, unavailability, failure, or breach of contract related to such products or services.

8.6 Shipment. Products and supplies purchased from Slick City Franchise Group or its affiliates shall be delivered to Franchisee's designated destination by Slick City Franchise Group's or its affiliate's designated carrier. Franchisee shall pay the cost of freight for shipment of all other products and supplies from Slick City Franchise Group pursuant to freight prices designated and revised by Slick City Franchise Group in its discretion. If Slick City Franchise Group or its affiliate is required to ship products or supplies to Franchisee on an expedited basis for any reason, then Franchisee shall pay Slick City Franchise Group or its affiliate for the increased cost of freight resulting from such expedited shipments. If any shipment is missing any products or supplies, or the products or supplies included are misstated, misidentified, or damaged, then Franchisee shall notify Slick City Franchise Group within five days of receipt. Franchisee shall not resend or otherwise transport any products or supplies obtained from Slick City Franchise Group or its affiliate across any national border without Slick City Franchise Group's prior written consent.

8.7 Shortages and Unavailability. Slick City Franchise Group and its affiliates shall not have liability to Franchisee for unavailability of, or delay in shipment or receipt of, any products or supplies from any vendor (including Slick City Franchise Group or its affiliates) resulting from shortages, order backlogs, production difficulties, delays, unavailability of transportation, fire, strikes, work stoppages, or other causes beyond the control of Slick City Franchise Group.

8.8 Warranties.

(a) Product Warranty. Slick City Franchise Group warrants that, with respect to the products purchased by Franchisee from Slick City Franchise Group pursuant to this Agreement: (i) all products will be merchantable; (ii) none of the products manufactured by Slick City Franchise Group will at the time of delivery to Franchisee be a misbranded hazardous substance or a banned hazardous substance within the meaning of the U.S. Federal Hazardous Substances Act; and (iii) at the time of tender to Franchisee, Slick City Franchise Group will have good title to all products, and those products will be free and clear of all liens and encumbrances. If any product fails to meet the warranties in this Section 8.8(a), then Slick City Franchise Group shall, at its option, replace that product, or refund to Franchisee the purchase price. Slick City Franchise Group shall not be responsible for any product that is defective as the result of Franchisee's failure to follow proper operating procedures with respect to the product, misuse or mishandling of the product, improper storage of the product, modification of the product without Slick City Franchise Group authorization, or use of the product after its expired shelf life. Slick City Franchise Group shall not be responsible for any defect in any product that Franchisee reasonably should have discovered (but did not report to Slick City Franchise Group) upon receipt or use, including without limitation products or packaging that appear opened, tampered with, mishandled, or damaged during shipping or delivery, or any product that appears discolored, noxious, or has an expired shelf life. EXCEPT AS SPECIFICALLY SET FORTH IN THIS SECTION 8.8(a), SLICK CITY FRANCHISE GROUP MAKES NO REPRESENTATION OR WARRANTY TO FRANCHISEE OR FRANCHISEE'S CUSTOMERS WITH RESPECT TO ANY SLICK CITY FRANCHISE GROUP PRODUCTS OR SUPPLIES, AND SPECIFICALLY DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED.

(b) Third-Party Warranties. If Franchisee purchases from Slick City Franchise Group any items not produced or manufactured by Slick City Franchise Group, including items produced or manufactured by an affiliate of Slick City Franchise Group, and if Slick City Franchise Group obtained for those items a transferable warranty, then Slick City Franchise Group shall transfer that warranty to Franchisee upon Franchisee's purchase. Slick City Franchise Group otherwise makes no warranty to Franchisee or to Franchisee's customers for such items. Except as subsequently agreed in writing, Slick City Franchise Group shall not be responsible for providing warranty service to Franchisee or to any Franchisee customer for any items. EXCEPT FOR THE WARRANTIES REFERENCED IN THIS SECTION 8.8(b) OR SET FORTH IN SECTION 8.78.8(a) ABOVE, SLICK CITY FRANCHISE GROUP PROVIDES NO WARRANTY TO FRANCHISEE OR FRANCHISEE'S CUSTOMERS WITH RESPECT TO ITEMS NOT PRODUCED OR MANUFACTURED BY SLICK CITY FRANCHISE GROUP. THE WARRANTIES, IF ANY, OF THE THIRD-PARTY MANUFACTURER OR SUPPLIER OF SUCH ITEMS, ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, QUALITY, PERFORMANCE, OR FITNESS FOR A PARTICULAR PURPOSE.

8.9 Notice of Defect; Compliance with Recall Procedures. If Franchisee becomes aware that any items purchased from Slick City Franchise Group, its affiliates, or an approved supplier, or any ingredient or component thereof, is or may become harmful to persons or property, or that the same is mislabeled, then Franchisee shall promptly notify Slick City Franchise Group of that problem or defect, and shall provide to Slick City Franchise Group all information in Franchisee's

possession with respect to that problem or defect. Franchisee shall take all steps required by law to protect the interests of the public, and any additional steps as Slick City Franchise Group may

specify related to that problem or defect, and Franchisee shall comply diligently with all product recall procedures established by Slick City Franchise Group or any governmental or regulatory agency. If Franchisee fails or refuses to comply with any such steps or recall procedures, then Slick City Franchise Group (or its affiliate) may (but is not required to) take any action Slick City Franchise Group (or the affiliate) deems necessary to suspend the sale of any affected products at any Slick City Franchise Group location and otherwise to protect consumers, and Franchisee shall reimburse Slick City Franchise Group for any costs and expenses Slick City Franchise Group thereby incurs.

ARTICLE 9. MARKETING

9.1 Advertising Standards. Except as otherwise provided in the Manual, Franchisee may use only Advertising and Promotional Content that Slick City Franchise Group has furnished or approved in writing in advance. Franchisee must ensure that all Advertising and Promotional Content that Franchisee uses is clear, factual, ethical, and not misleading; complies with all laws; and conforms to System Standards. Franchisee is prohibited from distributing Advertising and Promotional Content in the Protected Territory of another Slick City business without the prior written permission of both the owner of the other Slick City business and Franchisor. Unless Franchisee receives Franchisor's prior, written permission, Franchisee may only distribute Advertising and Promotional Content within the Protected Territory, unless Franchisee is using a form of advertising that does not permit restriction to the Protected Territory and then Franchisee must restrict its use of those forms to the smallest area possible. If Franchisor gives Franchisee prior, written approval to distribute Advertising and Promotional Content outside of the Protected Territory, Franchisee acknowledges that Franchisor has the authority to designate specifically what area Franchisee can advertise in and that Franchisor can withdraw, limit or change its approval at any time in its sole discretion. Except as otherwise provided in the Manual and Advertising and Promotional Content that Slick City Franchise Group furnishes to Franchisee, Franchisee must submit to Slick City Franchise Group for its written approval, at least 14 days before use, copies of all proposed Advertising and Promotional Content that Franchisee intends to use or implement. If Slick City Franchise Group does not respond, the material is deemed rejected. Slick City Franchise Group has the right to approve or disapprove any Advertising and Promotional Content, as well as the media in which Franchisee intends to use them, in its sole discretion. Slick City Franchise Group reserves the right to require Franchisee to discontinue the use of any Advertising and Promotional Content for any reason.

9.2 Digital Marketing. Slick City Franchise Group may (but is not obligated to) establish and operate all Digital Marketing and has the sole right to control all aspects of Digital Marketing, including those related to the Business. Without limiting the generality of Section 9.1, Franchisee shall not, directly or indirectly, conduct or be involved in any Digital Marketing without the prior written consent of Slick City Franchise Group. If Slick City Franchise Group permits Franchisee to conduct any Digital Marketing, Franchisee must (a) comply with any System Standards and must immediately modify or delete any Digital Marketing that Slick City Franchise Group determines, in its sole discretion, is not compliant with such System Standards; (b) only use materials that Slick City Franchise Group has approved and submit any proposed modifications to Slick City Franchise Group for approval; (c) not use any Mark (or words or designations similar to any Mark) in any domain name, electronic address, website, or other source identifier except as Slick City Franchise Group expressly permits; (d) include only the links that Slick City Franchise

Group approves or requires; [\(e\) use only one of Slick City Franchise Group's approved advertising or marketing agencies](#), and [\(ef\)](#) immediately take all actions necessary or that Slick City Franchise Group requests to provide Slick City Franchise Group with access to, or to transfer ownership of, all Digital Marketing relating to the Business to Franchisor, including, without limitation, providing login and password details and promptly signing all directions and authorizations as Slick City Franchise Group deems necessary to effect the intent and provisions of this Section. If Franchisee uses any Mark (or words or designations similar to a Mark) in any domain name, electronic address, website, or other source identifier, Slick City Franchise Group may register such name, address, website, or identifier and then license use of the registered item back to Franchisee under a separate agreement. Franchisee must pay all costs due for registration, maintenance, and renewal of any such names, addresses, websites, or identifiers that Slick City Franchise Group approves and maintains on Franchisee's behalf. Slick City Franchise Group may withdraw its approval for any Digital Marketing at any time.

9.3 Implementation. Franchisee shall implement any advertising or marketing materials, plans or campaigns (including Digital Marketing) required by Slick City Franchise Group.

9.4 Use by Slick City Franchise Group. Slick City Franchise Group may use any Advertising and Promotional Content developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to Slick City Franchise Group for such purpose.

9.5 Brand Fund. Slick City Franchise Group has established or may establish a Brand Fund to promote the System on a local, regional, national, and/or international level. If Slick City Franchise Group has established a Brand Fund:

(a) Account. Slick City Franchise Group shall hold the Brand Fund Contributions from all franchisees in one or more bank accounts separate from Slick City Franchise Group's other accounts.

(b) Use. Slick City Franchise Group shall use the Brand Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional, national, and/or international level) for Slick City, and related overhead. The foregoing includes such activities and expenses as Slick City Franchise Group reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Brand Fund (including the compensation of Slick City Franchise Group's employees working on marketing and for accounting, bookkeeping, reporting, legal, collections, and other expenses related to the Brand Fund).

(c) Discretion. Franchisee agrees that expenditures from the Brand Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Brand Fund will be spent at Slick City Franchise Group's sole discretion, and Slick City Franchise Group has no fiduciary duty with regard to the Brand Fund.

(d) Contribution by Other Outlets. Slick City Franchise Group is not obligated to (i) have all other Slick City businesses (whether owned by other franchisees or by Slick City Franchise Group or its affiliates) contribute to the Brand Fund, or (ii) have other Slick City businesses that do contribute to the Brand Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. Slick City Franchise Group may accumulate funds in the Brand Fund and carry the balance over to subsequent years. If the Brand Fund operates at a deficit or requires additional funds at any time, Slick City Franchise Group may loan such funds to the Brand Fund on reasonable terms.

(f) Financial Statement. Slick City Franchise Group shall prepare an unaudited annual financial statement of the Brand Fund within 120 days of the close of Slick City Franchise Group's fiscal year and shall provide the financial statement to Franchisee upon written request.

9.6 Market Cooperatives. Slick City Franchise Group may establish market advertising and promotional cooperative funds ("Market Cooperative") in any geographical areas. If a Market Cooperative for the geographic area encompassing the Location has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Cooperative. If a Market Cooperative for the geographic area encompassing the Location is established during the term of this Agreement, Franchisee shall become a member of such Market Cooperative within 30 days of notice from Slick City Franchise Group. Slick City Franchise Group shall not require Franchisee to be a member of more than one Market Cooperative. If Slick City Franchise Group establishes a Market Cooperative:

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by Slick City Franchise Group. Slick City Franchise Group may require the Market Cooperative to adopt bylaws or regulations prepared by Slick City Franchise Group. Unless otherwise specified by Slick City Franchise Group, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. Slick City Franchise Group will be entitled to attend and participate in any meeting of a Market Cooperative. Any Slick City business owned by Slick City Franchise Group in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative are unable or fail to determine the manner in which Market Cooperative monies will be spent, Slick City Franchise Group may assume this decision-making authority after 10 days' notice to the members of the Market Cooperative.

(b) Purpose. Each Market Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to Slick City Franchise Group's approval) standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a

Market Cooperative or furnished to its members without the prior approval of Slick City Franchise

Group pursuant to Section 9.1. Slick City Franchise Group may designate the national or regional advertising agencies used by the Market Cooperative.

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and not more than 5% of Gross Sales.

(e) Enforcement. Only Slick City Franchise Group will have the right to enforce the obligations of franchisees who are members of a Market Cooperative to contribute to the Market Cooperative.

(f) Termination. Slick City Franchise Group may terminate any Market Cooperative. Any funds left in a Market Cooperative upon termination will be transferred to the Brand Fund.

9.7 Required Spending. After the Business opens to the public, Franchisee shall spend at least 3% of Gross Sales each calendar year on marketing the Business (however, Slick City Franchise Group reserves the right to increase this to up to 5% of Gross Sales). Within 30 days after request by Slick City Franchise Group, Franchisee shall furnish proof of its compliance with this Section. Slick City Franchise Group has the discretion to determine in good faith what activities constitute “marketing” under this Section. If Franchisee contributes to a Market Cooperative as required by Section 9.6 above, the amount of the contribution will ~~be counted~~count towards Franchisee’s required spending under this Section. If Franchisee fails to satisfy its obligations under this Section 9.7, Slick City Franchise Group reserves the right to require Franchisee to pay any short-fall into the Brand Fund, separate from Franchisee’s Brand Fund Contribution.

9.8 Market Introduction Plan. Franchisee must develop a market introduction plan and obtain Slick City Franchise Group’s approval of the market introduction plan at least 30 days before the projected opening date of the Business. The market introduction plan must include at least \$5,000 to \$10,000 in marketing, advertising and promotional activities to be executed in the days preceding the opening of Franchisee’s Slick City business, and at least an additional ~~\$5,000~~10,000 to \$15,000 in marketing, advertising and promotional activities to be executed in the 30 days following the opening of Franchisee’s Slick City business for a total of at least \$20,000 in spending. This amount is only a minimum requirement, and we do not represent that it is the optimal amount of money for you to spend on your initial marketing. Within 30 days after request by Slick City Franchise Group, Franchisee shall furnish proof of the amount it spent on its market introduction plan. If Franchisee fails to spend the minimum amounts on its market introduction plan, Slick City Franchise Group reserves the right to require Franchisee to pay any short-fall into the Brand Fund, separate from Franchisee’s Brand Fund Contribution.

ARTICLE 10. RECORDS AND REPORTS

10.1 Systems. Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as Slick City Franchise Group may specify in the Manual or otherwise in writing.

10.2 Reports.

(a) Financial Reports. Franchisee shall provide such periodic financial reports as Slick

City Franchise Group may require in the Manual or otherwise in writing, including:

- (i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of each calendar year; and
- (iii) any information Slick City Franchise Group requests in order to prepare a financial performance representation for Slick City Franchise Group's franchise disclosure document, within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly notify Slick City Franchise Group of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Slick City Franchise Group may request.

(c) Government Inspections. Franchisee shall give Slick City Franchise Group copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to Slick City Franchise Group such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Slick City Franchise Group may reasonably request (either upon specific request or on a regular basis as directed by Slick City Franchise Group, as applicable). Slick City Franchise Group acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant Slick City Franchise Group the right to access personnel records of Franchisee's employees.

10.3 Initial Investment Report. Within 120 days after opening for business, Franchisee shall submit to Slick City Franchise Group a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of Slick City Franchise Group's Franchise Disclosure Document and with such other information as Slick City Franchise Group may reasonably request.

10.4 Business Records. Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as Slick City Franchise Group may specify in the Manual or otherwise in writing.

10.5 Records Audit. Slick City Franchise Group may examine and audit all books and records related to the Business (other than personnel records of Franchisee's employees), and supporting documentation, at any reasonable time. Slick City Franchise Group may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting

documentation to a location designated by Slick City Franchise Group. Franchisee shall also

reimburse Slick City Franchise Group for all costs and expenses of the examination or audit if (i) Slick City Franchise Group conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Gross Sales by 3% or more for any 4-week period.

ARTICLE 11. FRANCHISOR RIGHTS

11.1 Manual; Modification. The Manual, and any part of the Manual, may be in any form or media determined by Slick City Franchise Group. Slick City Franchise Group may supplement, revise, or modify the Manual, and Slick City Franchise Group may change, add or delete System Standards at any time in its discretion. Slick City Franchise Group may inform Franchisee thereof by any method that Slick City Franchise Group reasonably deems appropriate (which need not qualify as “notice” under Section 18.9). In the event of any dispute as to the contents of the Manual, Slick City Franchise Group’s master copy will control.

11.2 Inspections. Slick City Franchise Group may enter the premises of the Business from time to time at any reasonable time (including during normal business hours), with or without advance notice, and conduct an inspection. Franchisee shall cooperate with Slick City Franchise Group’s inspectors. Slick City Franchise Group will use reasonable efforts to not disrupt Franchisee’s business operations during any such inspection. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Slick City Franchise Group may videotape and/or take photographs of the inspection and the Business. Slick City Franchise Group may set a minimum score requirement for inspections, and Franchisee’s failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Slick City Franchise Group’s other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Slick City Franchise Group conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then Slick City Franchise Group may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

11.3 Slick City Franchise Group’s Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, Slick City Franchise Group may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee, including entering the premises of the Business and curing the default without notice to Franchisee. Franchisee shall reimburse Slick City Franchise Group for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

11.4 Right to Discontinue Supplies Upon Default. While Franchisee is in default or breach of this Agreement, Slick City Franchise Group and any of its affiliates may (i) require that Franchisee pay cash on delivery for products or services supplied by Slick City Franchise Group or such affiliate, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by Slick City Franchise Group or its affiliates shall be a breach or constructive termination of this Agreement, change in competitive circumstances, or similarly characterized, and Franchisee shall

not be relieved of any obligations under this Agreement because of any such action. Such rights of Slick City Franchise Group, and its affiliates, are in addition to any other right or remedy available to Slick City Franchise Group or such affiliates.

11.5 Business Data. All customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is deemed to be Confidential Information and is exclusively owned by Slick City Franchise Group. Slick City Franchise Group hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

11.6 Innovations. Franchisee shall disclose to Slick City Franchise Group all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee or its employees, agents, or contractors. Slick City Franchise Group will automatically own all Innovations, and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by Slick City Franchise Group to document Slick City Franchise Group's ownership of Innovations. All Innovations must be proposed in writing and approved by Slick City Franchise Group prior to implementation by Franchisee. Slick City Franchise Group reserves the right to pause or terminate the implementation of any Innovation at Slick City Franchise Group's sole discretion.

11.7 Communication Systems. If Slick City Franchise Group provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes Slick City Franchise Group to access such communications.

11.8 Communication with Employees. Slick City Franchise Group encourages free and open communication between, and suggestions from, all the stakeholders in the System, including franchisee employees. While it is very important that Franchisee ensures its employees understand that they are employed by Franchisee and not by Slick City Franchise Group, Franchisee should let its employees know that Slick City Franchise Group is always happy to hear from them about ideas for improvement and other pertinent issues.

11.9 Communications with Landlord and Lenders. Franchisee irrevocably authorizes Slick City Franchise Group to communicate with Franchisee's landlord and lender(s), or prospective landlord and lender(s), about matters relating to the Business, and to provide information about the Business to them.

11.10 Delegation. Slick City Franchise Group may delegate any duty or obligation of Slick City Franchise Group under this Agreement to an affiliate or to a third party.

11.11 System Variations. Slick City Franchise Group may vary or waive any System Standard for any one or more Slick City franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

11.12 Franchisor's Discretion. Slick City Franchise Group may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that Slick City Franchise Group has a certain right, that right is absolute and the parties intend that Slick City Franchise Group's exercise of that right will not be subject to any limitation or review. Slick City Franchise Group has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever Slick City Franchise Group agrees to exercise its rights reasonably or in good faith, Slick City Franchise Group will have satisfied its obligations whenever it exercises reasonable business judgment in making a decision or exercising its rights. Slick City Franchise Group's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if Slick City Franchise Group's decision or action is intended, in whole or significant part, to promote or benefit the System or the Slick City brand generally even if the decision or action also promotes Slick City Franchise Group's financial or other individual interest. Examples of items that will promote or benefit the System or the Slick City brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Slick City outlets.

11.13 Temporary Management. If (i) the Principal Executive dies or becomes incapacitated, (ii) this Agreement is terminated or expires and Slick City Franchise Group elects to purchase assets of the Business as provided in Section 14.6, (iii) Franchisee is in default of this Agreement; or (iv) Franchisee is operating the Business in a manner which, in Slick City Franchise Group's reasonable opinion, constitutes a danger to the health or safety of any person, then Slick City Franchise Group may (but is not obligated to) enter the Location and operate and manage the Business for Franchisee's (or Franchisee's estate's) account until this Agreement is terminated, the Business is transferred, the Business is purchased by Slick City Franchise Group, or Slick City Franchise Group returns the Business to Franchisee. Slick City Franchise Group's operation and management will not continue for more than 90 days without Franchisee's consent (or the consent of the representatives of Franchisee's estate). If this Agreement has not terminated or expired, then Slick City Franchise Group will account to Franchisee for all net income from the Business during the period in which Slick City Franchise Group operates the Business. Slick City Franchise Group may collect a temporary management fee equal to 10% of Gross Sales for the period in which Slick City Franchise Group operates the Business, plus all expenses (including internal costs of personnel and overhead) incurred by Slick City Franchise Group, which is in addition to Royalty Fees, Brand Fund Contributions, or other amounts owed under this Agreement. If Slick City Franchise Group or a third party assumes the Business's management, Franchisee acknowledges that Slick City Franchise Group or the third party will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any losses the Business incurs or obligations to creditors.

11.14 Temporary Public Safety Closure. If Slick City Franchise Group discovers or becomes aware of any aspect of the Business which, in Slick City Franchise Group's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Slick City Franchise Group's order, Franchisee must temporarily cease operations of the Business and remedy the

dangerous condition. Slick City Franchise Group shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

ARTICLE 12. MARKS

12.1 Authorized Marks. Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by Slick City Franchise Group, and only in the manner as Slick City Franchise Group may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of Slick City Franchise Group.

12.2 Change of Marks. Slick City Franchise Group may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Slick City Franchise Group makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

12.3 Infringement.

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) Slick City Franchise Group shall defend Franchisee (at Slick City Franchise Group's expense) against any Action by a third-party alleging infringement by Franchisee's use of a Mark, and (ii) Slick City Franchise Group shall indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify Slick City Franchise Group if Franchisee becomes aware of any possible infringement of a Mark by a third party. Slick City Franchise Group may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. Slick City Franchise Group shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

12.4 Name. If Franchisee is an entity, it shall not use the words "Slick City" or any confusingly similar words in its legal name.

ARTICLE 13. COVENANTS

13.1 Confidential Information. With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by Slick City Franchise Group for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized in writing by Slick City Franchise Group, (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by Slick City Franchise Group (except for Confidential Information which Slick City Franchise Group licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

13.2 Covenants Not to Compete.

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee, any Owner, nor any spouse of an Owner (the “Restricted Parties”) shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor within five miles of Franchisee’s the Protected Territory or within five miles of the territory of any other Slick City business operating on the date of expiration, termination, or transfer, as applicable. If this Agreement is terminated before the Protected Territory is determined, then the area of non-competition will be the Development Area and within five miles territory of any other Slick City business operating on the date of termination. If a given Slick City business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any arbitrator or court, then the parties intend that the arbitrator or court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Slick City Franchise Group. Franchisee agrees that the existence of any claim it may have against Slick City Franchise Group shall not constitute a defense to the enforcement by Slick City Franchise Group of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

13.3 General Manager and Key Employees. If requested by Slick City Franchise Group, Franchisee shall cause its general manager and other key employees reasonably designated by Slick City Franchise Group to sign Slick City Franchise Group’s then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

ARTICLE 14. DEFAULT AND TERMINATION

14.1 Termination by Franchisee. Franchisee may terminate this Agreement only if Slick City Franchise Group violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after Slick City Franchise Group receives written notice of termination.

14.2 Termination by Slick City Franchise Group.

(a) Subject to 10-Day Cure Period. Slick City Franchise Group may terminate this Agreement if Franchisee does not make any payment to Slick City Franchise Group when due, or if Franchisee does not have sufficient funds in its account when Slick City Franchise Group attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10

days after Slick City Franchise Group gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c), and Franchisee fails to cure such breach to Slick City Franchise Group's satisfaction within 30 days after Slick City Franchise Group gives notice to Franchisee of such breach, then Slick City Franchise Group may terminate this Agreement.

(c) Without Cure Period. Slick City Franchise Group may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Slick City Franchise Group;
- (iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;
- (iv) Franchisee fails to open for business by the date specified on the Summary Page;
- (v) Franchisee loses possession of the Location;
- (vi) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;
- (vii) Franchisee ceases operation of the Business for more than five consecutive days, or Slick City Franchise Group reasonably concludes that Franchisee has ceased operation of the Business;
- (viii) Franchisee or any Owner slanders or libels Slick City Franchise Group or any of its employees, directors, or officers;
- (ix) Franchisee refuses to cooperate with or permit any audit or inspection by Slick City Franchise Group or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;
- (x) the Business is operated in a manner which, in Slick City Franchise Group's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Slick City Franchise Group or otherwise);

- (xi) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xii) Slick City Franchise Group (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give Slick City Franchise Group the right to terminate this Agreement);
- (xiii) Franchisee fails to meet the health inspection standards described in Section 7.25 two or more times in any 36-month period;
- (xiv) Franchisee fails to achieve a passing score on an inspection conducted by Slick City Franchise Group two or more times in any 24-month period;
- (xv) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or
- (xvi) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in Slick City Franchise Group's opinion is reasonably likely to materially and unfavorably affect the Slick City brand.

14.3 Effect of Termination. Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition (Section 13.2(b)), confidentiality (Section 13.1), indemnity (Article 16), and dispute resolution (Article 17), will remain in effect, and Franchisee must immediately:

- (i) pay all amounts owed to Slick City Franchise Group based on the operation of the Business through the effective date of termination or expiration;
- (ii) return to Slick City Franchise Group all copies of the Manual, Confidential Information and any and all other materials provided by Slick City Franchise Group to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items (to the extent in the possession or control of Franchisee); and delete all Confidential Information and proprietary materials from electronic devices;
- (iii) immediately take all action required (a) to cancel all assumed name or equivalent registrations relating to Franchisee's use of the Marks; and (b) to cancel or transfer to Slick City Franchise Group or its designee all telephone numbers, post office boxes, directory listings, and Digital Marketing accounts used by Franchisee in connection with the Business or the Marks, including, without limitation, by providing login and password details and promptly signing all directions and authorizations necessary or appropriate to accomplish the foregoing. Franchisee hereby irrevocably appoints Slick City Franchise Group, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary

or appropriate to accomplish the foregoing. The telephone company, the postal service, registrars, Internet service providers and each listing agency may accept such direction by Slick City Franchise Group pursuant to this Agreement as conclusive evidence of Slick City Franchise Group's exclusive rights in such accounts and its authority to direct their transfer; and

- (iv) cease doing business under any of the Marks and cease using the Marks in any way.

14.4 Remove Identification. Within 30 days after termination or expiration, Franchisee shall at its own expense “de-identify” the Location so that it no longer contains the Marks, signage, or any trade dress of a Slick City business, to the reasonable satisfaction of Slick City Franchise Group. Franchisee shall comply with any reasonable instructions and procedures of Slick City Franchise Group for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Slick City Franchise Group may enter the Location to remove the Marks and de-identify the Location. In this event, Slick City Franchise Group will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Slick City Franchise Group.

14.5 Liquidated Damages. ~~If~~

(a) Liquidated Damages After Opening. If, after the Business is open and operating for at least a full week, Slick City Franchise Group terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to Slick City Franchise Group a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average weekly Royalty Fees and Brand Fund Contributions that Franchisee owed to Slick City Franchise Group under this Agreement for the last 52 full weeks that Franchisee operated the Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 104 or (2) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 52 full weeks, then (x) will equal the average weekly Royalty Fees and Brand Fund Contributions that Franchisee owed to Slick City Franchise Group during the full weeks that Franchisee operated the Business. The “average Royalty Fees and Brand Fund Contributions that Franchisee owed to Slick City Franchise Group” shall be based on the obligations stated in Article 4 and shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Brand Fund Contributions agreed to by Slick City Franchise Group unless this Section 14.5 is specifically amended.

(b) Liquidated Damages Prior To Opening. If, before the Business is open and operating for at least a full week, Slick City Franchise Group terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to Slick City Franchise Group a lump sum (as liquidated damages and not as a penalty) calculated as follows: an amount equal to (x) eight percent (8%) multiplied by (y) the average monthly Gross Revenue of all Slick City businesses, both company owned and franchised, operating during each of the prior 24 months; multiplied by (z) twelve.

(c) Acknowledgments Relating to Liquidated Damages. Franchisee acknowledges that a precise calculation of the full extent of Slick City Franchise Group's damages under ~~these~~the circumstances referenced in subsections 14.5(a) and 14.5(b) above is difficult to determine and the ~~method~~methods of calculation of such damages as set forth in this Section 14.5 is reasonable. Franchisee's payment to Slick City Franchise Group under this Section will be in lieu of any direct monetary damages that Slick City Franchise Group may incur as a result of Slick City Franchise Group's loss of Royalty Fees and Brand Fund Contributions that would have been owed to Slick City Franchise Group after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.3 and Section 14.4, Slick City Franchise Group's right to injunctive relief for enforcement of Article 13, and any attorneys' fees and other costs and expenses to which Slick City Franchise Group is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Slick City Franchise Group may have under this Agreement or otherwise.

14.6 Purchase Option. When this Agreement ~~expires or~~ is terminated, or expires and is not renewed, Slick City Franchise Group will have the right (but not the obligation) to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to Slick City Franchise Group. To exercise this option, Slick City Franchise Group must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that Slick City Franchise Group elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Slick City Franchise Group's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. Slick City Franchise Group may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by Slick City Franchise Group. If Slick City Franchise Group exercises the purchase option, Slick City Franchise Group may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Slick City Franchise Group to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Slick City Franchise Group may pay a portion of the purchase price directly to the lienholder to pay off such lien. Slick City Franchise Group may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Slick City Franchise Group may assign this purchase option to another party.

ARTICLE 15. TRANSFERS

15.1 By Slick City Franchise Group. Slick City Franchise Group may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and Slick City Franchise Group may undergo a change in ownership and/or control, without the consent of Franchisee.

15.2 By Franchisee. Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Slick City Franchise Group entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing Slick City Franchise Group at least 60 days prior notice of the proposed Transfer, and without obtaining Slick City Franchise Group's consent. In granting any such consent, Slick City Franchise Group may impose conditions, including, without limitation, the following:

- (i) Slick City Franchise Group receives a transfer fee equal to \$5,000 plus any broker fees and other out-of-pocket costs incurred by Slick City Franchise Group;

- (ii) the proposed Transferee and its owners have completed Slick City Franchise Group's franchise application processes, met Slick City Franchise Group's then-

applicable standards for new franchisees, and have been approved by Slick City Franchise Group as franchisees;

- (iii) the proposed Transferee is not a Competitor;
- (iv) the proposed Transferee executes Slick City Franchise Group's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the form will be amended to provide that proposed assignee will not be required to pay an initial franchise fee);
- (v) all owners of the proposed Transferee, and their spouses, if any, provide a guaranty in accordance with Section 2.5;
- (vi) Franchisee has paid all monetary obligations to Slick City Franchise Group and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Slick City Franchise Group or its affiliates;
- (vii) the proposed Transferee and its owners and employees undergo such training as Slick City Franchise Group may require;
- (viii) Franchisee, its Owners, and the Transferee and its owners execute a general release of Slick City Franchise Group in a form satisfactory to Slick City Franchise Group; and
- (ix) the Business fully complies with all of Slick City Franchise Group's most recent System Standards.

15.3 Transfer for Convenience of Ownership. If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to Slick City Franchise Group, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by Slick City Franchise Group, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5.

15.4 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), unless another Owner is approved to be the Principal Executive, the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Slick City Franchise Group ~~(or to another person who was an Owner at the time of death or incapacity of the largest Owner)~~ within nine months after death or incapacity. Such transfer must comply with Section 15.2.

15.5 Slick City Franchise Group's Right of First Refusal. Before Franchisee (or any Owner)

engages in a Transfer (except under Section 15.3, to a co-Owner, or to a spouse, sibling, or child of an Owner), Slick City Franchise Group will have a right of first refusal, as set forth in this

Section. Franchisee (or its Owners) shall provide to Slick City Franchise Group a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Slick City Franchise Group's receipt of such copy, Slick City Franchise Group will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that if some or all of the purchase price is not payable in cash, Slick City Franchise Group may pay the equivalent value in cash for the purchase price). If Slick City Franchise Group does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

15.6 No Sublicense. Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

15.7 No Lien on Agreement. Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend (with counsel reasonably acceptable to Slick City Franchise Group) Slick City Franchise Group, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Slick City Franchise Group and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the development or operation of the Business (including any Data Security Event). Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions which Franchisee proves arose solely as a result of any Indemnitee's intentional misconduct or negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitee. This indemnity will continue in effect after this Agreement ends.

16.2 Assumption. An Indemnitee may elect to assume the defense of any Action subject to this indemnification, and control all aspects of defending the Action, including negotiations and settlement, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

ARTICLE 17. DISPUTE RESOLUTION

17.1 Agreement to Use Procedure. Except to the extent that Slick City Franchise Group seeks payments owed by Franchisee to Slick City Franchise Group or its affiliates, or Slick City Franchise Group seeks injunctive relief or other equitable relief or specific performance to enforce provisions of this Agreement (“Exempted Disputes”), Articles 17.2 and 17.3 shall apply to all disputes between Slick City Franchise Group or its affiliates, owners, officers, directors, and employees and Franchisee and/or Franchisee’s Owner(s) and/or their affiliates, owners, officers, directors, managers, members, guarantors under the Guaranty attached hereto, and employees, arising out of or relating to this Agreement (including any claim that any omissions occurring prior to execution of the Agreement, and/or to any business relationship that exists, or activities that are conducted, as a result of this Agreement or any other agreement entered into among the parties (each, a “Dispute”).

17.2 First Meeting of Executives.

(a) Before commencing mediation or arbitration, the parties shall attempt in good faith to resolve any Dispute promptly by negotiation between executives who have the authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for the administration of this Agreement if such party has a person in a higher level of management than the person with direct responsibility for the administration of this Agreement. Any party may give the other party written notice of any Dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit a written response to the other party. The notice and response shall include with reasonable particularity (a) a statement of each party’s position and a summary of arguments supporting that position, and (b) the name and title of the one executive who will represent that party in the meeting. This meeting shall be limited to one executive/management person for each party and shall be held in person unless the parties mutually agree otherwise. Within 30 days after delivery of the notice, the executives of both parties shall meet at a mutually acceptable time and place.

(b) Unless otherwise agreed in writing by the negotiating parties, the above-described negotiation shall end at the close of the first meeting of executives described above (the "**First Meeting**"). Such closure shall not preclude continuing or later negotiations if the parties mutually desire.

(c) All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation.

(d) A no time prior to the First Meeting shall either side initiate arbitration or litigation related to this Agreement, except that Slick City Franchise Group may initiate arbitration or litigation, as set forth in this Article, relating to any Dispute that is an Exempted Dispute, or either party may initiate arbitration or litigation if the other party refuses to comply with the requirements

of Paragraph 17.2(a).

(e) All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in Article 17.2 are pending and for 15 calendar days thereafter. The parties will take such action, if any, required to effectuate such tolling.

(f) If the matter is not resolved by negotiation pursuant to this Section 17.2, then the matter shall proceed to mediation as set forth in Section 17.3.

17.3 Mediation. If a Dispute remains unresolved after the First Meeting, a party shall initiate a mediation process by notifying the other party in writing, describing with specificity the nature of the dispute and the relief sought. The parties agree to conduct the mediation in good faith and in accordance with the then-current Commercial Mediation Procedures of the American Arbitration Association (“AAA”), except to the extent that those rules conflict with this Agreement, in which case this Agreement shall control. However, the mediation need not be administered by the AAA unless the parties cannot agree upon the selection of a mediator within fifteen (15) days of the receipt of the written notice of mediation. If the parties cannot agree upon the selection of a mediator, either party may commence a mediation proceeding by making a request to the AAA, with a copy to the other party. The written request for mediation to the AAA shall also describe with specificity the nature of the dispute and the relief sought. Both parties are required to engage in the mediation in good faith.

(a) The mediation process shall begin promptly, but in no event later than thirty (30) days after cessation of negotiations between the parties as set forth in Section 17.2, and shall be concluded within forth-five (45) days of the day the request for mediation is made, unless the parties mutually agree otherwise.

(b) Mediation shall be private and nonbinding. The mediator shall be neutral and impartial. The fees and expenses of the AAA (or other administrator) and the mediator shall be shared equally by the parties. Each party shall bear its own attorneys’ fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation. The mediator shall be disqualified as a witness, consultant, expert, or counsel for either party with respect to the matters in Dispute and any related matters. At least seven days before the first scheduled session of the mediation, each party shall deliver to the mediator a concise written summary of its position with respect to the matters in dispute (such as claims or defenses) and such other matters required by the mediator.

(c) Unless the parties agree otherwise, the entire mediation process shall be confidential and without prejudice. The parties and the mediator shall not disclose any information, documents, statements, positions, or terms of settlement. Nothing said or done or provided by the parties in the course of mediation shall be reported or recorded or, except as ordered by a court of competent jurisdiction, placed in any legal proceeding or construed for any purpose as an admission against interest. Nevertheless, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in mediation.

(d) All mediation proceedings shall take place in the city and state where Slick City

Franchise Group's headquarters are located at the time of the mediation.

(e) Except in regard to an Exempted Dispute, if one party exercises its right to initiate mediation pursuant to this Section 17.3, mediation shall be a condition precedent to either party's commencement or pursuit of any action which may be the subject of the Dispute.

17.4 Disputes Subject to Arbitration.

(a) Any Dispute that is not resolved pursuant to negotiation or mediation held pursuant to Sections 17.2 and 17.3 above, including any question of enforceability of this agreement to arbitrate, the scope of arbitration, or arbitrability, shall be resolved by arbitration administered by the AAA in accordance with its then-current Commercial Arbitration Rules which are incorporated into this Agreement and which shall govern except to the extent that those rules conflict with this Agreement, in which case this Agreement shall control. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator must follow the law and shall not disregard terms of this Agreement. The award shall be in writing and accompanied by a reasoned opinion. The arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the Dispute or to the outcome of the Dispute. The document requests shall be restricted in terms of timeframe, subject matter and persons or entities to which the requests pertain. No party shall propound interrogatories or requests for admission unless the parties later mutually agree to their use. The provisions of this Article 17 shall continue in full force and effect subsequent to and notwithstanding the expiration, termination or non- renewal of this Agreement.

(b) Location. The place of arbitration shall be the city and state where Slick City Franchise Group's headquarters are located.

(c) Intellectual Property Claims. Any claims involving an alleged infringement of any of Slick City Franchise Group's intellectual property rights must be brought in a court authorized to hear such claims consistent with Section 17.8 of this Agreement.

(d) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit shall be confidential, except as required by law or as required for Slick City Franchise Group to comply with laws and regulations applicable to the sale of franchises.

(e) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, Slick City Franchise Group and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

17.5 Damages. In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or exemplary damages.

17.6 Waiver of Class Actions. The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

17.7 Time Limitation. Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by Slick City Franchise Group related to non-payment of Royalty Fees and other amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

17.8 Venue Other Than Arbitration. For any legal proceeding not required to be submitted to arbitration, the parties agree that such proceeding will be brought in the United States District Court where Slick City Franchise Group's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where Slick City Franchise Group's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

17.9 Legal Costs. In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. In any proceeding involving more than one allegation or issue, where neither party prevails on all allegations or issues, the arbitrator or court, as the case may be, shall apportion fees, costs and expenses between the parties.

17.10 Franchisor Personnel. The provisions of this Article 17 will apply to any Action by Franchisee or its Owners, officers, directors, shareholders, members, managers, employees, and/or agents against Slick City Franchise Group's officers, directors, shareholders, members, managers, employees, and/or agents. Nothing in this Agreement authorizes any Action against Slick City Franchise Group's officers, directors, shareholders, members, employees, and/or agents or makes those persons liable for Slick City Franchise Group's conduct.

ARTICLE 18. MISCELLANEOUS

18.1 Relationship of the Parties. The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. Slick City Franchise Group is not a fiduciary of Franchisee. Slick City Franchise Group does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect Slick City Franchise Group's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. Slick City Franchise Group has no liability for Franchisee's obligations to any third party whatsoever.

18.2 No Third-Party Beneficiaries. Except as stated in Article 16 or Article 17, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Slick City Franchise Group, and Slick City Franchise Group's affiliates.

18.3 Entire Agreement. This Agreement constitutes the entire agreement of the parties and

supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Slick City Franchise Group in its franchise disclosure document.

18.4 Modification. No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit Slick City Franchise Group’s rights to modify the Manual or System Standards.

18.5 Consent; Waiver. No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party’s rights as to any subsequent exercise of that right or any other right. No delay, forbearance, or omission by a party to exercise any right will constitute a waiver of such right.

18.6 Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.7 Severability. The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

18.8 Governing Law. The laws of the state of Missouri (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Missouri law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to Slick City Franchise Group, addressed to 17379 Edison Ave, Chesterfield, MO 63005. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; (3) sent via overnight courier; or (4) sent via email with confirmation of delivery. Notices will be effective upon the earlier of: (i) receipt by the recipient, (ii) first rejection by the recipient, (iii) three business days after mailing if sent via registered or certified mail; or (iv) the next business day after mailing if sent via overnight courier or sent via email after business hours. Notwithstanding the foregoing, Slick City Franchise Group may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication, in which case notice would be effective on Franchisee upon the delivery of the electronic mail or other electronic communication.

18.10 Force Majeure. If either party is unable to perform an obligation due to riots, terrorist act, war, disaster (such as an earthquake, hurricane, or tornado), health emergency (such as epidemics, pandemic, and quarantines), or any other act of God or nature beyond the reasonable control of such party (a “Force Majeure”), such party’s performance of the obligation shall be excused for so

long as the Force Majeure exists, but not longer than 180 days. This section shall not excuse a party's obligation to make a payment owed under this Agreement.

18.11 Holdover. If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time (regardless of any course of dealing by the parties), Slick City Franchise Group may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Slick City Franchise Group specifies, or (ii) bind Franchisee to a renewal term of 5 years, collect the renewal fee this Agreement specified in Section 3.2(v) and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi).

18.12 Joint and Several Liability. If two or more people sign this Agreement as “Franchisee”, each will have joint and several liability.

18.13 No Offer and Acceptance. Delivery of a draft of this Agreement to Franchisee by Slick City Franchise Group does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and Slick City Franchise Group.

[Signatures on next page]

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH
MAY BE ENFORCED BY THE PARTIES.**

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

[if an individual:]

Name: _____

Date: _____

[if an entity:]

By: _____

Name: _____

Title: _____

Date: _____

(Check if applicable) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

- _____ Illinois
- _____ Indiana
- _____ Maryland
- _____ Minnesota
- _____ New York
- _____ North Dakota
- _____ Ohio

_____ Rhode Island
_____ Washington

Attachment 1 to Franchise Agreement

OWNERSHIP INFORMATION

6. 1. Form of Ownership. Franchisee is a (check one):

- _____ *Sole Proprietorship*
- _____ *Partnership*
- _____ *Limited Liability Company*
- _____ *Corporation*

State: _____

2. Owners. If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. Officers. If Franchisee is a limited liability company or corporation:

Name	Title

Attachment 2 to Franchise Agreement

LOCATION ACCEPTANCE LETTER

To: _____

3. This Location Acceptance Letter is issued by Slick City Franchise Group LLC for your Slick City franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

2. The Protected Territory of the Business is:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

Attachment 3 to Franchise Agreement

GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”).

Background Statement: _____ (“Franchisee”) desires to enter into a Franchise Agreement with Slick City Franchise Group for the franchise of a Slick City business (the “Franchise Agreement”; capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce Slick City Franchise Group to enter into the Franchise Agreement.

Guarantor agrees as follows:

1. Guaranty. Guarantor hereby unconditionally guarantees to Slick City Franchise Group and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to Slick City Franchise Group and its affiliates, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and Slick City Franchise Group or its affiliates upon demand from Slick City Franchise Group. Guarantor waives (a) acceptance and notice of acceptance by Slick City Franchise Group of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that Slick City Franchise Group make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

2. Confidential Information. With respect to all Confidential Information, Guarantor shall (a) adhere to all security procedures prescribed by Slick City Franchise Group for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Slick City Franchise Group, (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or

use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by Slick City Franchise Group or its affiliates (except for Confidential Information which Slick City Franchise Group licenses from another person or entity). Guarantor acknowledges that all customer data collected or generated by the Business and all data collected or generated by the point-of-sale system (other than data regarding employees) is Confidential Information belonging to Slick City Franchise Group. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

3. Covenants Not to Compete.

(a) Restriction - In Term. During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within five miles of Franchisee’s Protected Territory or within five miles of the territory of any other Slick City business operating on the date of expiration, termination, or transfer, as applicable. If the Franchise Agreement is terminated before the Protected Territory is determined, then the area of non-competition will be the Development Area and within five miles the territory of any other Slick City business operating on the date of termination. If a given Slick City business does not have a defined territory, then for purposes of this Section its territory will be deemed to be a 3-mile radius.

(c) Interpretation. Guarantor agrees that each of the foregoing covenants is independent of any other covenant or provision of this Guaranty or the Franchise Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Slick City Franchise Group. Guarantor agrees that the existence of any claim it or Franchisee may have against Slick City Franchise Group shall not constitute a defense to the enforcement by Slick City Franchise Group of the covenants of this Section. If Guarantor fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

4. Modification. Guarantor agrees that Guarantor’s liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which Slick City Franchise Group may from time to time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

5. Governing Law; Dispute Resolution. This Guaranty shall be governed by and construed in accordance with the laws of the state of Missouri (without giving effect to its principles of conflicts of law). The parties agree that any Missouri law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute

Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Slick City Franchise Group all costs incurred by Slick City Franchise Group (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

Name: _____
Address: _____

Date: _____

Name: _____
Address: _____

Date: _____

Name: _____
Address: _____

Date: _____

Name: _____
Address: _____

Date: _____

Name: _____

Address: _____

Date: _____

Name: _____

Address: _____

Date: _____

Attachment 4 to Franchise Agreement

CONDITIONAL ASSIGNMENT OF BRAND ACCOUNTS

This Assignment of Brand Accounts (this “Assignment”) is executed by the undersigned (“Franchisee”) in favor of Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”).

Background Statement: Slick City Franchise Group and Franchisee are parties to a Franchise Agreement pursuant to which Slick City Franchise Group granted Franchisee a license to operate a Slick City franchised business (the “Business”). Slick City Franchise Group or its affiliates are the sole owner of the Slick City brand and all names, logos, trademarks, service marks, and other intellectual property associated therewith. To protect Slick City Franchise Group’s interest in and control of Slick City, Franchisee acknowledges and agrees that Slick City Franchise Group has the right to control all telephone numbers, directory listings, and internet marketing accounts related to Slick City.

Franchisee agrees as follows:

- 1. Conditional Assignment.** Franchisee hereby assigns to Slick City Franchise Group (or its designee) all of Franchisee’s rights, title, and interest in and to all telephone numbers, directory listings, email accounts, websites, social media accounts, and all other accounts and profiles for advertising and marketing on the internet or any electronic communications network (“Brand Accounts”) associated with Slick City and registered by Franchisee from time to time in connection with the operation of Franchisee’s Business, such assignment to be effective upon (a) termination or expiration of the Franchise Agreement, or (b) notice from Slick City Franchise Group to Franchisee, at which time Slick City Franchise Group will have the right to assume ownership of any one or all Brand Accounts.
- 2. Transfer or Deletion.** Franchisee hereby authorizes the service provider of each Brand Account (the “Provider”) to transfer the Brand Account to Slick City Franchise Group (or its designee) or to delete the Brand Account upon the written instruction of Slick City Franchise Group. Franchisee hereby grants Slick City Franchise Group an irrevocable limited power of attorney on behalf of Franchisee to direct any Provider to transfer or delete a Brand Account. In such an event, Franchisee will have no further right, title or interest in the Brand Account but will remain liable to the Provider for all past due fees owing to the Provider on or before the date on which the assignment is effective. Slick City Franchise Group will have no liability or obligation of any kind to a Provider arising prior to the effective date of transfer or deletion. Franchisee agrees to take all reasonable steps necessary to effectuate the transfer or deletion (as determined by Slick City Franchise Group) of each Brand Account.

[Signatures on next page]

Executed by:

FRANCHISEE:
[if an individual:]

By:

Name:

Title:

Date:

[if an entity:]

By:

Name:

Title:

Date:

Attachment 5 to Franchise Agreement

FRANCHISEE QUESTIONNAIRE

[if an individual:]

Name: _____ Date: _____

[if an entity:]

By: _____ Name: _____ Title: _____ Date: _____

[To be completed by Franchisee and all Owners before signing Franchise Agreement]

California Franchisees should not complete the Questionnaire.

Do not sign this Questionnaire if you are a resident of Maryland or your business will operate in Maryland.

As you know, you are about to enter into a franchise agreement for the development, opening and operation of a Slick City business with SLICK CITY FRANCHISE GROUP, LLC (the "Franchisor"). Please review each of the following questions carefully and provide honest and complete responses to each question. **None of the following questions are intended to cause you to surrender or believe that you have surrendered rights to which you are entitled under federal or state law or to shift Franchisor's disclosure duties under federal or state law to you.**

WHERE REQUESTED OR NECESSARY TO ANSWER ANY QUESTION, GIVE A COMPLETE EXPLANATION OF ANY RESPONSES ON THE LAST PAGE (REFER TO QUESTION NUMBER)

- | | |
|--|--|
| Yes <input type="checkbox"/> No <input type="checkbox"/> | <u>1. Did you receive the Franchise Disclosure Document ("FDD") that Franchisor provided to you?</u> |
| Yes <input type="checkbox"/> No <input type="checkbox"/> | <u>2. Did you sign a receipt for the FDD and include the date you received the FDD?</u> |
| Yes <input type="checkbox"/> No <input type="checkbox"/> | <u>3. Did you return the Receipt to the Franchisor?</u> |
| Yes <input type="checkbox"/> No <input type="checkbox"/> | <u>4. Did you receive the Franchise Agreement and all exhibits or schedules attached to the Franchise Agreement? If any exhibits or schedules were not attached, please identify any missing exhibit or schedule on the Explanation of Responses attached.</u> |

Yes No

5. Were all of the blanks in the Franchise Agreement filled in? If not, please identify any missing information on the Explanation of Responses attached.

Yes No

6. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?

Yes No

7. Did any broker, employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Slick City business that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes No

8. Did any broker, employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Slick City business will generate, that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes No

9. Did any broker, employee or other person speaking on our behalf make any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is different from the information contained in the Franchise Disclosure Document?

Yes No

10. Did any broker, employee or other person providing services to you on our behalf solicit or accept any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Slick City business purchase with exception of those payments or loans provided in the FDD and Franchise Agreement?

**PROSPECTIVE
FRANCHISEES/APPLICANTS :**

By: _____

By: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

Each person who signs or guarantees the Franchise Agreement must sign and date a copy of this Franchisee Questionnaire and return it to SLICK CITY FRANCHISE GROUP LLC, Attention: Alex Benepe, 17379 Edison Ave., Chesterfield, Missouri 63005, prior to signing the Franchise 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. The Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100 and the rules adopted thereunder.

**EXPLANATION OF RESPONSES TO
FRANCHISEE QUESTIONNAIRE STATEMENT**

<u>Question Number</u>	<u>Explanation</u>

EXHIBIT C

MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (this “MUDA”) is made between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”) on the Effective Date.

Background Statement: On the same day as they execute this MUDA, Slick City Franchise Group and Franchisee have entered into a Franchise Agreement for the franchise of a Slick City business (the “Franchise Agreement”; capitalized terms used but not defined in this MUDA have the meanings given in the Franchise Agreement). Slick City Franchise Group and Franchisee desire that Franchisee develop multiple Slick City businesses.

1. Multi-Unit Commitment.

(a) Development Schedule; Fee. Franchisee shall develop and open Slick City businesses on the following schedule:

Store #	Deadline for Opening	Total # of Stores to be Open and Operating on Deadline	Initial Franchise Fee
1		1	\$_____
2		2	\$_____
3		3	\$_____
Total Initial Franchise Fee:			

(b) Payment. Upon execution of this MUDA, Franchisee shall pay the total Initial Franchise Fee to Slick City Franchise Group. The Initial Franchise Fee is non-refundable.

2. Form of Agreement. For Store #1, Franchisee and Slick City Franchise Group have executed the Franchise Agreement simultaneously with this MUDA. For each additional Slick City franchise, Franchisee shall execute Slick City Franchise Group’s then-current standard form of franchise agreement before Franchisee leases or acquires a location. This MUDA does not give Franchisee the right to construct, open, or operate a Slick City business, and Franchisee acknowledges that Franchisee may construct, open, and operate each Slick City business only pursuant to a separate franchise agreement executed pursuant to this MUDA for each such Slick City business.

3. Development Area. Franchisee shall locate each Slick City business it develops under this MUDA within the following area: _____ (the “Development Area”). So long as Franchisee is not in default under this Agreement, Franchisee will have the exclusive right to establish and operate Slick City businesses in the Development Area, meaning that Slick City Franchise Group shall not operate or grant a franchise to any other person to operate a Slick City business within the Development Area. After the expiration or termination of this Agreement, Slick City Franchise Group may own, operate, franchise, or license other to operate additional Slick City businesses anywhere, without restriction, including within the Development Area, except within any Protected Area granted under any Franchise Agreement(s) with Franchisee, or its affiliate(s), which remain in effect.

4. Default and Termination. Slick City Franchise Group may terminate this MUDA by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee fails to satisfy the development schedule; or
- (ii) Slick City Franchise Group has the right to terminate any franchise agreement between Slick City Franchise Group and Franchisee (or any affiliate thereof) due to Franchisee’s default thereunder (whether or not Slick City Franchise Group actually terminates such franchise agreement).

5. Limitation of Liability. Franchisee’s commitment to develop Slick City businesses is in the nature of an option only. If Slick City Franchise Group terminates this MUDA for Franchisee’s default, Franchisee shall not be liable to Slick City Franchise Group for lost future revenues or profits from the unopened Slick City businesses. Franchisee may terminate this MUDA at any time.

6. Conditions. Franchisee’s right to develop each Slick City franchise after the Store #1 is subject to the following:

- (i) Franchisee must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Slick City business, in the reasonable judgment of Slick City Franchise Group, and
- (ii) Franchisee must be in full compliance with all brand requirements at its open Slick City businesses, and not in default under any Franchise Agreement or any other agreement with Slick City Franchise Group.

7. Dispute Resolution; Miscellaneous. The laws of the State of Missouri (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Missouri law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 7. Franchisee shall not Transfer this MUDA without the prior written consent of Slick City Franchise Group, and any Transfer without Slick City Franchise Group’s prior written consent shall be void. The provisions of Article 17 (Dispute Resolution) and Article

18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

[Signatures on Next Page]

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH
MAY BE ENFORCED BY THE PARTIES.**

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

[if an individual:]

Name: _____

[if an entity:]

By: _____

Name: _____

Title: _____

Date: _____

(Check if applicable) At the same time as the parties execute this Agreement, they are also executing a Rider to Multi-Unit Development Agreement pursuant to:

- _____ Illinois
- _____ Indiana
- _____ Maryland
- _____ Minnesota
- _____ New York
- _____ North Dakota
- _____ Ohio
- _____ Rhode Island
- _____ Washington

EXHIBIT D

RIDER TO LEASE AGREEMENT

Landlord: _____
Notice Address: _____

Telephone: _____

Franchisor: Slick City Franchise Group LLC
Notice Address: 17379 Edison Ave,
Chesterfield, MO 63005
Telephone: 877-705-2489

Tenant: _____

Leased Premises: _____

1. Use. Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of a Slick City business (or any name authorized by Franchisor).

2. Notice of Default and Opportunity to Cure. Landlord shall provide Franchisor with copies of any written notice of default (“Default”) given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 10 days after the expiration of the period in which Tenant may cure the Default.

3. Termination of Lease. Landlord shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant’s Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

5. Assignment and Subletting. Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor or its affiliate, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease unless otherwise agreed by Landlord. If Franchisor or its affiliate becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the Slick City brand. Any provision of the Lease which limits Tenant’s right to own or operate other Slick City outlets in proximity to the Leased Premises shall not apply to Franchisor or to its affiliates.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant’s business.

7. Right to Enter. Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

8. No Liability. By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

Executed by:

LANDLORD:

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT E

FORM OF GENERAL RELEASE

[This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.]

This General Release (“Release”) is executed by the undersigned (“Releasor”) in favor of Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”).

Background Statement: *[describe circumstances of Release]*

Releasor agrees as follows:

- 1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the “Releasing Parties”)) hereby releases Slick City Franchise Group, its affiliates, and their respective directors, officers, shareholders, employees, franchise sellers, and agents (collectively, the “Released Parties”) from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, “Claims”).
- 2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.
- 3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor’s choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.
- 4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Slick City Franchise Group reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

5. State Addenda.

[Maryland Residents]: This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

[Washington Residents]: A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

Name: _____
Date: _____

EXHIBIT F

FINANCIAL STATEMENTS

- **OUR 2023 AUDITED BALANCE SHEET**
- **OUR 2023 UNAUDITED INCOME STATEMENT**
- **OUR UNAUDITED BALANCE SHEET FOR THE PERIOD FROM JANUARY 1, 2024 TO APRIL 15, 2024**
- **OUR UNAUDITED INCOME STATEMENTS FOR THE PERIOD FROM JANUARY 1, 2024 TO APRIL 15, 2024**

NEW

SLICK CITY FRANCHISE GROUP LLC

Financial Statements For The Year Ended December 31, 2023

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Independent Accountant Audit Report	3-4
Profit & Loss Statement	5
Balance Sheet.....	6
Statement of Cashflows	7
Statement of Shareholders' Equity	8
Notes to Accompanied Financial Statements	9-12

INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of SLICK CITY FRANCHISE GROUP LLC

Opinion

We have audited the financial statements of SLICK CITY FRANCHISE GROUP LLC (the “Company”), which comprise the Balance Sheet as of December 31, 2023, the related Profit & Loss Statement, the related Statement of Cashflows, the related Statement of Shareholders’ Equity, and the related notes for the twelve-month period then ended. (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023, and the results of its operations and its cash flows for the twelve-month period ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

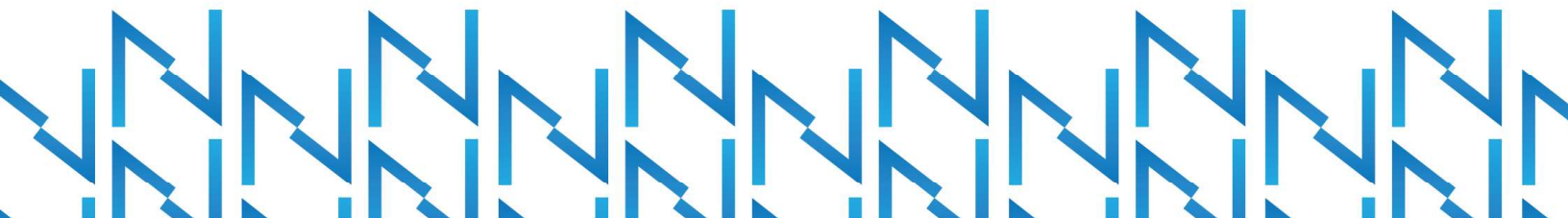
In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.



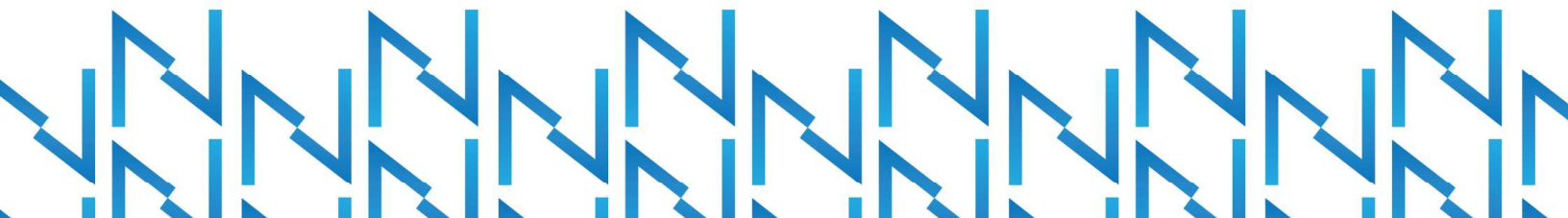
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Omar Alnuaimi, CPA

Naperville, IL
January 19, 2024



SLICK CITY FRANCHISE GROUP LLC
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

Revenue	
Royalty & Service Revenue	\$ 287,763
Other Revenue	4,500
Cost of Sales	-
Gross Profit	<u>292,263</u>
Operating Expense	
Management Fees	125,000
Shared Service Center	80,000
Wages & Salaries	64,042
Advertising & Marketing Expense	62,798
Legal & Professional Services	43,404
Travel Expense	21,210
Other SGA Expenses	16,522
Insurance Expense	<u>13,472</u>
Total Operating Expense	426,448
Net Income From Operations	(134,184)
Other Income (Expense)	
Interest Expense	<u>(6,400)</u>
Total Other Income (Expense)	(6,400)
Net Income Before Provision for Income Tax	(140,584)
Provision for Income Taxes	-
Net Income (Loss)	<u><u>\$ (140,584)</u></u>

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

SLICK CITY FRANCHISE GROUP LLC
BALANCE SHEET
DECEMBER 31, 2023

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 32,334
Accounts Receivable	9,809
TOTAL CURRENT ASSETS	<u>42,144</u>

NON-CURRENT ASSETS

TOTAL NON-CURRENT ASSETS	<u>-</u>
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TOTAL ASSETS	<u><u>42,144</u></u>
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LIABILITIES AND OWNER'S EQUITY

CURRENT LIABILITIES

Company Credit Card	22,195
Accounts Payable	533
TOTAL CURRENT LIABILITIES	<u>22,728</u>

NON-CURRENT LIABILITIES

Due to Related Party	160,000
TOTAL NON-CURRENT LIABILITIES	<u>160,000</u>

TOTAL LIABILITIES	<u>182,728</u>
-------------------	----------------

OWNER'S EQUITY

Retained Earnings	-
Net Income (Loss)	(140,584)
TOTAL SHAREHOLDERS' EQUITY	<u>(140,584)</u>

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$ 42,144</u></u>
--	-------------------------

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

SLICK CITY FRANCHISE GROUP LLC
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

OPERATING ACTIVITIES

Net Income	\$ (140,584)
Non-Cash Adjustments	
Changes in Current Assets	(9,809)
Changes in Current Liabilities	22,728
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(127,665)</u>

INVESTING ACTIVITIES

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>
--	----------

FINANCING ACTIVITIES

Due to Related Party	160,000
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>160,000</u>

NET INCREASE (DECREASE) IN CASH	32,334
CASH AT BEGINNING OF PERIOD	<u>-</u>
CASH AT END OF PERIOD	\$ 32,334

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

SLICK CITY FRANCHISE GROUP LLC
STATEMENT OF SHAREHOLDERS' EQUITY
DECEMBER 31, 2023

	Opening Equity Balance	Yearly Changes	Total
Balance, December 31, 2022	\$ -	\$ -	\$ -
Net Income For The Period Ended December 31, 2023	-	(140,584)	(140,584)
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2023	\$ -	\$ (140,584)	\$ (140,584)

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

SLICK CITY FRANCHISE GROUP LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2023

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

SLICK CITY FRANCHISE GROUP LLC (the “Company”) was incorporated under the laws of the State of Delaware for the purpose of offering franchise opportunities to entrepreneurs who want to own their own ‘Slick City’ location, as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Franchisee Receivables

The Company’s franchisee receivables primarily result from initial franchise fees, royalty fees, brand development contributions and training fees charged to franchisees. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. The Company reports these receivables at net realizable value.

Management determines the allowance for doubtful accounts based on historical losses, current expectations, and economic conditions. On a continuing basis, management analyzes delinquent accounts receivable and, once these accounts receivable are determined to be uncollectible, they are written off through a charge against an existing allowance account. The allowance account is reviewed regularly and adjusted against earnings as appropriate. The Company determined that an allowance on outstanding franchisee receivables of \$0 was necessary as of December 31, 2023. Franchisee bad debt expense was \$0 for the year ended December 31, 2023. Franchisee amounts written off were \$0 for the year ended December 31, 2023.

SLICK CITY FRANCHISE GROUP LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2023, the carrying amounts of the Company’s financial assets and liabilities reported in the balance sheets approximate their fair value.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees are fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

SLICK CITY FRANCHISE GROUP LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the standalone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

Income Taxes

The Company, with the consent of its shareholders, has elected to be a Partnership (for tax purposes). In lieu of corporate income taxes, the partners of a Partnership are taxed based on their proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2023, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

SLICK CITY FRANCHISE GROUP LLC
NOTES TO FINANCIAL STATEMENTS
For The Year Ended December 31, 2023

NOTE C - TRANSACTIONS WITH RELATED PARTY

The Due to Related Party account represents one loan in the amount of \$160,000 due to a related party, who shares common ownership of the Company. This loan is unsecured, and repayment will commence upon the Company generating positive operating cashflows.

NOTE D – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE E – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 19, 2024, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

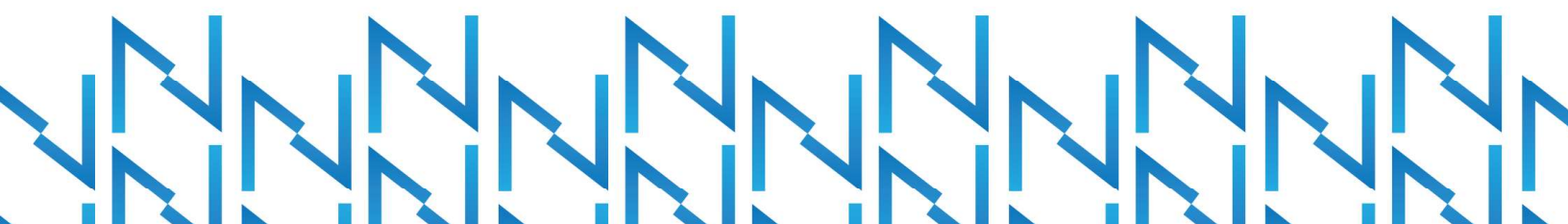
CONSENT

Omar Alnuaimi, CPA, consents to the use in the Franchise Disclosure Document issued by SLICK CITY FRANCHISE GROUP LLC (“Franchisor”) on January 20, 2024, as it may be amended, of my report dated January 19, 2024 relating to the Balance Sheet as of December 31, 2023, the related Profit & Loss Statement, the related Statement of Cashflows, and the related Statement of Shareholders Equity for the 12-month period then ended of Franchisor.



Omar Alnuaimi, CPA

Naperville, IL
January 20, 2024



UNAUDITED FINANCIAL STATEMENTS THROUGH ~~NOVEMBER~~APRIL 30, ~~2023~~2024

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

Slick City Franchise Group LLC

Profit and Loss

January - December 2023

	TOTAL
Income	
3005 - Franchise Fees	287,763.39
Total Income	\$287,763.39
Cost of Goods Sold	
4000-Cost of Goods	
4004 - Merch COGS	1,624.65
4005 - Supplier Rebates	-4,500.00
Total 4000-Cost of Goods	-2,875.35
5000-Personnel	
5010-Salary & Wages	
5010.1 - Manager Salaries	55,416.83
Total 5010-Salary & Wages	55,416.83
5020.1 - Payroll Taxes	4,498.20
5030 - Workmans Compensation	1,835.00
5040 - Employee Benefits	1,584.70
5050 - Payroll Prep Billing	707.54
5400 - Shared Services	80,000.00
Total 5000-Personnel	144,042.27
Total Cost of Goods Sold	\$141,166.92
GROSS PROFIT	\$146,596.47
Expenses	
7000-Operating Expenses	
7012 - Business Liability Insurance	13,471.66
7020 - Office Supplies & Expenses	1,643.33
7041 - Bank Charges	130.95
7104 - Accounting and Tax Prep	16,665.00
7210 - Management Fees	125,000.00
7550 - Meals & Entertainment	1,282.91
7701 - Shipping	144.64
7750 - Travel Expense	21,210.05
7751 - Trade Show	4,031.66
7800 - Supplies	127.80
7825 - Legal & Professional Services	26,738.50
7850 - Computer Software & Repairs	7,259.88
7865 - License Fees	276.35
Total 7000-Operating Expenses	217,982.73

Slick City Franchise Group LLC

Profit and Loss

January - December 2023

	TOTAL
7100 - Marketing	19,354.00
7150 - Online	1,000.00
7150.1 - Email Services	3,794.00
7151 - Branding	38,649.88
Total 7150 - Online	43,443.88
Total 7100 - Marketing	62,797.88
7870 - Interest Paid	6,400.00
Total Expenses	\$287,180.61
NET OPERATING INCOME	\$ -140,584.14
NET INCOME	\$ -140,584.14

Slick City Franchise Group LLC

Balance Sheet

As of April 15, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1001 US Bank Checking	350,110.58
Ad Bank Account	53,198.43
Total Bank Accounts	\$403,309.01
Accounts Receivable	
Accounts Receivable (A/R)	0.00
Total Accounts Receivable	\$0.00
Total Current Assets	\$403,309.01
TOTAL ASSETS	\$403,309.01
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	0.00
Total Accounts Payable	\$0.00
Credit Cards	
US Bank Central Bill Card	49,556.80
Total Credit Cards	\$49,556.80
Other Current Liabilities	
Other Deferred Liability	
Deffered Franchise Revenue	235,000.00
Total Other Deferred Liability	235,000.00
Slick Slide Funding Note	210,000.00
Total Other Current Liabilities	\$445,000.00
Total Current Liabilities	\$494,556.80
Total Liabilities	\$494,556.80
Equity	
Retained Earnings	-140,584.14
Net Income	49,336.35
Total Equity	\$ -91,247.79
TOTAL LIABILITIES AND EQUITY	\$403,309.01

Slick City Franchise Group LLC

Profit and Loss January - March, 2024

	TOTAL
Income	
3004 - Franchise Territory Fees	205,000.00
3005 - Franchise Fees	65,930.89
3006 - Advertising Income	51,071.43
3007 - Tech Fees	2,127.00
Total Income	\$324,129.32
Cost of Goods Sold	
5000-Personnel	
5010-Salary & Wages	
5010.1 - Manager Salaries	45,000.10
Total 5010-Salary & Wages	45,000.10
5010.38 - Bonus Wages	11,083.37
5020.1 - Payroll Taxes	4,822.81
5040 - Employee Benefits	1,006.25
5050 - Payroll Prep Billing	434.82
5400 - Shared Services	25,000.00
Total 5000-Personnel	87,347.35
6004 - Merch COGS	123.48
6005 - Supplier Rebates	-2,000.00
Total Cost of Goods Sold	\$85,470.83
GROSS PROFIT	\$238,658.49
Expenses	
7000-Operating Expenses	
7012 - Business Liability Insurance	3,971.00
7020 - Office Supplies & Expenses	529.13
7041 - Bank Charges	182.28
7104 - Accounting and Tax Prep	9,999.00
7210 - Management Fees	37,500.00
7550 - Meals & Entertainment	3,246.47
7701 - Shipping	282.31
7750 - Travel Expense	7,696.20
7751 - Trade Show	6,277.16
7825 - Legal & Professional Services	27,143.17
7850 - Computer Software & Repairs	2,403.47
Total 7000-Operating Expenses	99,230.19

Slick City Franchise Group LLC

Profit and Loss

January - March, 2024

	TOTAL
7100 - Marketing	17,345.00
7150 - Online	
7150.3 - Print	4,850.00
7150.4 - Social Media	5,479.40
7151 - Branding	30,946.00
Total 7150 - Online	41,275.40
Total 7100 - Marketing	58,620.40
Total Expenses	\$157,850.59
NET OPERATING INCOME	\$80,807.90
Other Income	
3087- Credit Card Points	1,700.00
Total Other Income	\$1,700.00
NET OTHER INCOME	\$1,700.00
NET INCOME	\$82,507.90

EXHIBIT G

BRAND STANDARDS MANUAL TABLE OF CONTENTS

Manual Section	Number of Pages	Page
Preface & Introduction	35	<u>11</u>
Establishing My Franchise Business	37	<u>25</u>
Personnel	48	<u>51</u>
Administrative Procedures	25	<u>78</u>
Daily Procedures	62	<u>83</u>
Selling & Marketing	22	<u>89</u>
<u>Daily Operations</u>		<u>101</u>
Total Number of Pages	229	<u>119</u>

EXHIBIT H

CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

None

Franchisees who had signed franchise agreements as of the end of our last fiscal year but are not yet open:

None

Note: We did not have any multi-unit developers at the close of our last fiscal year.

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

EXHIBIT I
STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE OFFERING CIRCULAR.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
AT www.dfpi.ca.gov.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

Neither franchisor nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person

acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Chesterfield, Missouri, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Missouri . This provision may not be enforceable under California law.

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

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Slick City business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: _____
2. A proposed registration or filing is or will be shortly on file in the following states:

3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the “Act”), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

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

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

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

The Illinois Attorney General’s Office imposed a surety bond requirement due to the Franchisor’s financial condition.

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

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.

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 17:

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

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

You have the 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.

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

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

The Maryland Attorney General's Office imposed a surety bond requirement due to the Franchisor's financial condition. The surety bond is on file with the Maryland Securities Division.

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 risk investment.

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.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- Item 21 of the Disclosure Document is amended to include the following, "Due to the franchisor's financial condition, Minnesota has required the franchisor to satisfy a form of financial assurance. Franchisor has opted to post a Minnesota Surety Bond in an amount equal to the amount of the initial franchise fee multiplied by the number of franchises franchisor projects opening in Minnesota.
- 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).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- NSF checks and related interest and attorneys' fees are governed by Minnesota Statute §604.113, which puts a cap of \$30 on initial service charges and requires notice and an opportunity to cure prior to assessing interest and attorneys' fees.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

- Minnesota Rule 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.
- No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of:
 - (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending

action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

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

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

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

7. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by franchisor**”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

8. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”: The foregoing choice of law should not be

considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
11. Statements, Questionnaires and Acknowledgments: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

Slick City Franchise Group LLC

August 1, 2023

READ THIS DISCLOSURE DOCUMENT CAREFULLY

The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.

The following disclosure document contains the disclosures required by Ohio law.

In the State of Ohio only, this Disclosure Document is further amended as follows: The following is added to Item 19:

CAUTION

Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

SOUTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of South Dakota only, this Disclosure Document is amended as follows:

The South Dakota Department of Labor & Regulation, Division of Securities' Office has imposed a surety bond requirement due to the Franchisor's financial condition. The surety bond is on file with the South Dakota Securities Division.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

Under 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 do 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.

Under 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 the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

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

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit J for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

EXHIBIT J
STATE ADDENDA TO AGREEMENTS

ILLINOIS RIDER TO FRANCHISE AGREEMENT [*if applicable*: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

- 1. Governing Law.** Illinois law governs the Agreement.
- 2. Waivers Void.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section 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 this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.
- 3. Jurisdiction.** 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 occur outside of Illinois.
- 4. Termination/Non-Renewal.** Franchisee’s rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
- 5. Surety Bond Requirement.** The Illinois Attorney General’s Office imposed a surety bond requirement due to the Franchisor’s financial condition.
- 6. Disclaimers.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. 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.

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

INDIANA RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Indiana Acts” means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

2. Certain Provisions Modified. Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase

notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

SLICK CITY FRANCHISE GROUP LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MARYLAND RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Registration and Disclosure Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.
- 2. Releases, Estoppels and Waivers of Liability.** 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. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
- 3. Statute of Limitations.** Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.
- 4. Jurisdiction.** Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.
- 5. Amendments.** The Agreement is amended to comply with the following:

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

Surety Bond: If franchisor does not fulfill its pre-opening obligations to franchisee, franchisee may make a claim against the surety bond posted by franchisor, and placed on file with the Maryland Securities Division.

- 6.** [If applicable: Section 7 of the Multi-Unit Development Agreement (Exhibit C) is amended to add the following:

"Nothing in the Agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document."]

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

MINNESOTA RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Minnesota Act” means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. Amendments. The Agreement is amended to comply with the following:

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

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

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).

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

NSF checks and related interest and attorneys’ fees are governed by Minnesota Statute § 604.113, which puts a cap of \$30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys’ fees.

Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state “No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues.”

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by: ~~FRANCHISOR:~~

~~FRANCHISEE:~~

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

~~SLICK CITY FRANCHISE GROUP LLC~~ _____

By: _____ Name: _____ Title: _ Date: _

By: _____ Name: _____ Title: _____ Date: _____

NEW YORK RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
- 2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Slick City Franchise Group or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the “New York Franchise Law”).
- 3. Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Slick City Franchise Group with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.
- 4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR: _____ FRANCHISEE: _____

SLICK CITY FRANCHISE GROUP LLC _____

By: _____ Name: _____ Title: _____ Date: _____

~~By: _____ Name: _____ Title: _____ Date: _____~~

FRANCHISOR:

FRANCHISEE:

SLICK CITY FRANCHISE GROUP LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Amendments. The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.
- (11) Statements, Questionnaires and Acknowledgments: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any

claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. **Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

OHIO RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “BOPA” means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

- 2. Applicability of BOPA.** Franchisee acknowledges that Slick City Franchise Group is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of Slick City Franchise Group constitutes an intent that BOPA apply to the transaction between Slick City Franchise Group and Franchisee or an admission by Slick City Franchise Group that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, “disclosure requirements and prohibitions concerning franchising,” 16 C.F.R. 436.1 et seq.

- 3. No Delivery of Goods or Services during Cancellation Period.** Slick City Franchise Group will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

- 4. Jurisdiction and Venue.** In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

- 5. Cancellation.** You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

- 6. Agent for Service of Process.** The name and address of Slick City Franchise Group’s agent authorized to receive service of process in Ohio is [_____].

Agreed to by:

FRANCHISOR:

FRANCHISEE:

SLICK CITY FRANCHISE GROUP LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**OHIO
NOTICE OF CANCELLATION**

[Insert Date Agreement Signed by FRANCHISEE]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Slick City Franchise Group LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Slick City Franchise Group at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Slick City Franchise Group regarding the return shipment of the goods at Slick City Franchise Group's expense and risk. If you do make the goods available to Slick City Franchise Group and Slick City Franchise Group does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Slick City Franchise Group, or if you agree to return them to Slick City Franchise Group and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Slick City Franchise Group LLC, at 17379 Edison Ave., Chesterfield, MO 63005, or send a fax to Slick City Franchise Group at *[Insert facsimile number]* or an e-mail to Slick City Franchise Group at *[Insert email address]*, not later than midnight of *[Insert date that is five business days after the date above]*.

I hereby cancel this transaction.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

SOUTH DAKOTA RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

1. Surety Bond Requirement. The South Dakota Department of Labor & Regulation, Division of Securities' Office imposed a surety bond requirement due to the Franchisor’s financial condition.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

SLICK CITY FRANCHISE GROUP LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [if applicable: and Multi-Unit Development Agreement] dated _____ (the “Agreement”), between Slick City Franchise Group LLC, a Delaware limited liability company (“Slick City Franchise Group”) and _____, a _____ (“Franchisee”).

- 2. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

- 3. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

- 4. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

SLICK CITY FRANCHISE GROUP LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AGREEMENT [if applicable: AND MULTI-UNIT
DEVELOPMENT AGREEMENT]**

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

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

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

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

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

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

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

Agreed to by:

FRANCHISOR:

SLICK CITY FRANCHISE GROUP LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT K

EFT AUTHORIZATION FORM

Bank Name: _____
ABA#: _____
Acct. #: _____
Acct. Name: _____

Effective as of the date of the signature below, _____ (“Franchisee”) hereby authorizes Slick City Franchise Group LLC (“Franchisor”) or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Franchisor under the franchise agreement (the “Franchise Agreement”) between Franchisor and Franchisee: (1) all Royalty Fees; (2) all Brand Fund Contributions; (3) all other fees authorized under the Franchise Agreement; and (4) any amounts charged by Franchisor or its affiliates in connection with equipment, inventory, supplies, and/or services that Franchisee purchases from Franchisor or its affiliates, as and when such amounts become due and owing to Franchisor and/or its affiliates. Franchisee acknowledges that Royalty Fees, Brand Fund Contributions, and all other fees may be collected by Franchisor in the manner provided for in the Franchise Agreement. The parties further agree that all capitalized terms not specifically defined herein will be given the same definition as set forth in the Franchise Agreement.

Such withdrawals shall occur on a weekly basis, or on such other schedule as Franchisor shall specify in writing. This authorization shall remain in force and effect until terminated in writing by Franchisor. Franchisee shall provide Franchisor, in conjunction with this authorization, a voided check from the above-referenced account.

Agreed to by:

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

PLEASE ATTACH A VOIDED BLANK CHECK FOR PURPOSES OF SETTING UP BANK AND TRANSIT NUMBERS

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	Not Registered Pending
Hawaii	Not Registered
Illinois	Pending
Indiana	September 21, 2023 Pending
Maryland	Pending
Michigan	Not Registered
Minnesota	Pending
New York	Not Registered Pending
North Dakota	Pending
Rhode Island	Not Registered
South Dakota	Pending
Virginia	Pending
Washington	Not Registered Pending
Wisconsin	Not Registered

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.

RECEIPT

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

If Slick City Franchise Group LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Slick City Franchise Group LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

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

Name	Principal Business Address	Telephone Number
Bron Launsby	17379 Edison Ave, Chesterfield, MO 63005	877-705-2489
Gary Schmit	17379 Edison Ave, Chesterfield, MO 63005	877-705-2489
Kevin Van Hazel	17379 Edison Ave, Chesterfield, MO 63005	877-705-2489
Alex Benepe	17379 Edison Ave, Chesterfield, MO 63005	877-705-2489
<u>Wade Powell</u>	<u>17379 Edison Ave, Chesterfield, MO 63005</u>	<u>877-705-2489</u>

Issuance Date: ~~August 15th, 2023, as amended December 1, 2023~~ May 16, 2024

I received a disclosure document dated ~~August 15th, 2023, as amended December 1, 2023~~ May 16, 2024 that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Rider to Lease Agreement
- E. Form of General Release
- F. Financial Statements
- G. Brand Standards Manual Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. EFT Authorization Form

Signature: _____

Print Name: _____

On Behalf Of: _____

Date Received: _____

Keep This Copy For Your Records

RECEIPT

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

If Slick City Franchise Group LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Slick City Franchise Group LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

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

Name	Principal Business Address	Telephone Number
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- G. Brand Standards Manual Table of Contents
- H. Current and Former Franchisees
- I. State Addenda to Disclosure Document
- J. State Addenda to Agreements
- K. EFT Authorization Form

Signature: _____

Print Name: _____

On Behalf Of: _____

Date Received: _____

Return This Copy To Us at Slick City Franchise Group LLC, 17379 Edison Ave, Chesterfield, MO 63005

Document comparison by Workshare Compare on Thursday, May 16, 2024
3:16:36 PM

Input:	
Document 1 ID	netdocuments://4864-3735-3399/1
Description	Slick City 2024 FDD
Document 2 ID	netdocuments://4864-3735-3399/11
Description	Slick City 2024 FDD
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	1263
Deletions	863
Moved from	12
Moved to	12
Style changes	0
Format changes	0
Total changes	2150