

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 the county nearest to the franchisor’s principal place of business (currently Tarrant County, Texas). 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 Texas than in your own state.
2. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

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

To simplify the language in this disclosure document, the terms “we,” “us,” “our,” “UATP,” or “UATP Management” mean UATP Management, LLC, the franchisor. The terms “you” and “your” mean the individual, company, corporation, or partnership who buys the franchise, the franchisee. If the franchisee will operate through a business entity, “you” does not include the business entity’s owners unless otherwise stated. The term “Owners” refers to any individual or entity holding more than ten percent equity interest in you if you are a business entity (regardless of voting rights), and the franchisee individual(s) or entity(ies) that enter into the Franchise Agreement (defined below) if you are a business entity. It includes all officers, directors, and shareholders of a corporation, all managers and members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of the trust. If any Owner is a business entity, then the term “Owner” also includes the owners of that business entity.

THE FRANCHISOR AND ITS PARENT, PREDECESSORS, AND AFFILIATES

We are a Texas limited liability company, formed on May 31, 2013, and do business only under our legal name, and “Urban Air Adventure Park.” Our principal business address is 2350 Airport Freeway, Suite 505, Bedford, Texas, 76022. Our agents for service of process are identified in Exhibit C to this disclosure document.

We have been offering franchises for Urban Air Adventure Parks (each, an “Adventure Park”) similar to the type described in this disclosure document since our inception in May 2013. We do not engage in any other type of business. We are a wholly owned subsidiary of Unleashed Brands, LLC (“Unleashed Brands”), ~~which we consider our parent company.~~ Unleashed Brands’ parent company is Leviathan Intermediate Holdco, LLC, which is owned by UA Holdings, LLC (“UA Holdings”), ~~which we consider our parent company.~~ Unleashed Brands guarantees our performance of obligations under the Franchise Agreement and Development Agreement.

Our affiliate, UATP IP, LLC, owns and has granted us a license to use all the trademarks, copyrights, and proprietary information and products related to the operation of the franchises described in this disclosure document. Our affiliate, UASUA, LLC, (“Southlake UA”) has operated an Adventure Park in Southlake, Texas since December 2018. Our affiliate Fort Worth Urban Air, LLC has operated an Adventure Park in Fort Worth, Texas since February 2019. Our affiliates, Ridgmar Urban Air, LLC (“Ridgmar UA”), Waterbury Urban Air, LLC (“Waterbury UA”), and Manchester Urban Air, LLC (“Manchester UA”) each have operated an Adventure Park in Orange, Connecticut since February 2021, in Waterbury, Connecticut since September 2022, and in Manchester, Connecticut since March 2022, respectively. Our affiliate UA Attractions, LLC (“UA Attractions”) is the designated supplier and installer of Attractions in Adventure Parks located in the United States and Canada. Our affiliate Adventis Insurance, Inc. (“Adventis”) is obligated pursuant to a Retention Indemnification Policy to reimburse us for the cost of the deductible due under the general liability policy associated with the Urban Air Adventure Park master insurance program, as further described in Item 8. Our affiliate UATP Canada Franchising, Ltd. offers Adventure Park franchises in Canada. Unleashed Brands Foundation, the charitable affiliate of Unleashed Brands, is a Texas based nonprofit corporation which conducts certain charitable activities. Unleashed Brands, UA Holdings, Southlake UA, Ridgmar UA, Waterbury UA, Manchester UA, UATP Canada Franchising, Ltd., Unleashed Brands Foundation, and UATP IP, LLC share our principal business address at 2350 Airport Freeway, Suite 505, Bedford, Texas, 76022. The principal place of business for Adventis is 18835 North Thompson Peak Parkway, Suite 210, Scottsdale, Arizona 85255.

We have never offered franchises in any other line of business. However, our affiliates offer franchises in other lines of business. All of the affiliates listed below have the same principal business address as us:

- Snapology, LLC (“Snapology”) offers SNAPOLOGY franchises, which provide curriculum-based courses, events and hands-on learning experiences using LEGO® brand bricks, K’Nex® brand

4th Quartile	Gross Sales ⁴	# of Parks	Cost of Goods Sold ⁵	Occupancy ⁶	Advertising ⁷	Payroll ⁸	Insurance ⁹	Other Costs ¹⁰	EBITDA ¹¹	EBITDA % ¹²
High	\$2,455,561	25	\$367,013	\$508,469	\$138,686	\$472,798	\$171,869	\$340,381	\$456,345	18.6%
Low	\$1,167,264		\$157,335	\$310,250	\$88,435	\$263,168	\$115,340	\$220,392	\$12,344	1.1%
Avg.	\$2,023,643		\$316,073	\$467,834	\$94,797	\$501,886	\$145,970	\$277,112	\$219,971	9.9%
Median	\$2,064,063		\$325,538	\$488,660	\$103,391	\$471,758	\$137,946	\$242,077	\$196,767	9.5%
No Above Avg.	14	14	16	16	9	11	12	11	12	

Table 2 – 2.5 Parks²

Column ³	1	2	3	4	5	6	7	8	9	10
All Parks	Gross Sales ⁴	# of Parks	Cost of Goods Sold ⁵	Occupancy ⁶	Advertising ⁷	Payroll ⁸	Insurance ⁹	Other Costs ¹⁰	EBITDA ¹¹	EBITDA % ¹²
High	\$7,443,102	23	\$752,376	\$1,198,281	\$314,204	\$1,296,547	\$237,091	\$836,423	\$2,808,180	37.7%
Low	\$2,609,189		\$322,972	\$571,258	\$113,665	\$779,488	\$178,493	\$289,594	\$353,718	13.6%
Avg.	\$4,381,993		\$502,521	\$867,990	\$202,091	\$1,070,726	\$276,794	\$552,558	\$909,314	20.8%
Median	\$4,339,091		\$426,506	\$681,753	\$189,694	\$893,285	\$273,456	\$536,558	\$1,337,839	30.8%
No. Units Above Avg.	10	12	11	11	13	10	9	8	34.9%	

Notes on all tables:

Note 1. At the end of our 2023 fiscal year, there were a total of 179 franchised Trampoline Parks and Adventure Parks open and in operation in the United States (comprised of 170 franchised Adventure Parks and 9 franchised Trampoline Parks). Table 1 excludes the 30 franchised Adventure Parks that opened during fiscal year 2023 but did not operate the entire year or reported incomplete data. The Gross Sales data for 9 franchised Trampoline Parks was excluded because we no longer offer the opportunity to acquire the right to develop and operate a Trampoline Park under this or any other disclosure document. Additionally, 8 Adventure Parks were owned by more than one ownership group in 2023 and have been excluded from the units providing full sales and operating expenses for the full year of 2023 (transferred per Table 2 in Item 20). Of the remaining Parks, 123 of these Parks provided gross sales and operating expenses for the full year of 2023, and 100 of those Parks were 2.0 Parks for which data is reflected in Table 1.

ILLINOIS

The following statements are added to the end of Item 17:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 or other federal law, Illinois law governs the Franchise Agreement.

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

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

MARYLAND

~~1. The following language is added to the end of Item 5 of the Franchise Disclosure Document:~~

~~Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we have secured a surety bond in the amount of \$1,712,390 from The Ohio Casualty Insurance Company. A copy of the surety bond is on file at the Maryland Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also, a copy of the surety bond is attached at the end of this Appendix Exhibit.~~

~~2. The following language is added to the end of the "Summary" sections of Item 17(c), entitled Requirements for franchisee to renew or extend, and Item 17(m), entitled Conditions for Franchisor approval of transfer:~~

~~Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law. (The form of general release that we currently intend to use in connection with franchise transfers and renewals is provided in Exhibit F of this Franchise Disclosure Document.)~~

~~3. The following language is added to the end of the "Summary" section of Item 17(h), entitled "Cause" defined non-curable defaults:~~

~~The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.~~

~~4. The "Summary" section of Item 17(v), entitled Choice of forum, is deleted in its entirety and the following is substituted in its place:~~

~~Arbitration of most disputes within 10 miles of our then current principal office (currently in Bedford, Texas), except that, subject to your arbitration obligation, and to the extent required by the Maryland Registration and Disclosure Law, you may bring an action in Maryland.~~

~~5. The "Summary" section of Item 17(w), entitled Choice of law, is deleted in its entirety and the following is substituted in its place:~~

~~Texas law generally applies, except for the Federal Arbitration Act, other federal law, and claims arising under the Maryland Franchise Registration and Disclosure Law.~~

~~6. The following language is added to the end of the chart in Item 17:~~

~~You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.~~

MINNESOTA

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

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

2. The following paragraphs are added to the end of Item 17:

For franchises governed by the Minnesota Franchises Law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the franchise agreement.

Minnesota Statutes, Section 80C.21 and Minn. Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. However, we and you will enforce these provisions in the Agreement to the extent the law allows.

3. The following paragraphs are added to Item 13 of the Disclosure Document:

WE DO NOT OWN THE PROPRIETARY MARKS. HOWEVER, OUR AFFILIATE, UATP IP, LLC, HAS LICENSED THE USE OF THE PROPRIETARY MARKS TO US AS DISCLOSED IN ITEM 13 OF THIS FRANCHISE DISCLOSURE DOCUMENT.

Pursuant to Minnesota Stat. §80C.21, Subj. 1(g), we are required to protect any rights which you have to use our proprietary marks.

4. The last paragraph of Item 17 of the Disclosure Document shall be supplemented by the addition of the following language:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waiver compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void. We will comply with Minn. Stat. §80C.14, subds. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of for nonrenewal of the Franchise Agreement.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation or waiver that would relive any person from liability imposed by Minnesota Statutes §80C.01-80C.22.

2. The “Summary” section in Item 17(w), entitled Choice of law, is deleted in its entirety and the following is substituted in its place:

Texas law applies, except for Federal Arbitration Act, other federal law, and claims arising under the Rhode Island Franchise Investment Act.

VIRGINIA

The following language is added to the end of the “Summary” section of Item 17(e), entitled “Termination by franchisor without cause”:

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

~~STATE OF MARYLAND~~
~~SECURITIES DIVISION~~
~~FRANCHISOR SURETY BOND~~

**EXHIBIT C
TO URBAN AIR ADVENTURE PARK
FRANCHISE DISCLOSURE DOCUMENT**

LIST OF AGENTS FOR SERVICE OF PROCESS

<p>CALIFORNIA Department of Financial Protection and Innovation Division of Corporations 320 W. 4th Street, Suite 750 Los Angeles, California 90013 (866) 275-2677</p> <p>HAWAII: Commissioner of Securities Hawaii Dept. of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Suite 203 Honolulu, HI 96813 (808) 586-2722</p> <p>ILLINOIS: Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4462</p> <p>INDIANA: Indiana Secretary of State 200 West Washington Street, Room 201 Indianapolis, IN 46204 (317) 232-6531</p> <p>MARYLAND: <u>Maryland</u> Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p> <p>MICHIGAN: Michigan Department of consumer and Industry Services 6546 Mercantile way P.O. Box 30222 Lansing, MI 48909 (517) 241-6470</p>	<p>NORTH DAKOTA Securities Commissioner 600 East Boulevard Avenue State Capitol Fifth Floor Dept 414, Bismarck ND 58505-0510 (701) 328-4712</p> <p>RHODE ISLAND Securities Division Department of Business Regulations 1511 Pontiac Avenue John O. Pastore Complex-Building 69-1 Cranston, Rhode Island 02920 (401) 462-9527</p> <p>SOUTH DAKOTA Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (701) 328-2910</p> <p>TEXAS: Registered Agents Inc. 5900 Balcones Drive, Suite 100 Austin, Texas 78731</p> <p>VIRGINIA Clerk, State Corporation Commission Tyler Building, 1st Floor 1300 Eat Main Street Richmond, Virginia 23219 (804) 371-9733</p> <p>WASHINGTON Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 903-8760</p>
---	--

“Ideas and Concepts” means processes, innovations, improvements, ideas, concepts, methods, techniques, materials or customer information relating to the System, Confidential Information and/or the Adventure Park(s) that you or any of your Owners, Affiliates, personnel or independent contractors discovers, invents, creates, develops or derives from time to time in connection with the development or operation of the Franchised Business.

“Initial Franchise Fee” means the initial fee Franchisee must pay to Franchisor upon Franchisee’s execution of this Agreement as set forth in Section 6.A, and in the amount set forth in the Summary Page.

“Intellectual Property” means all intellectual property or other proprietary rights throughout the world, whether existing under contract, statutes, convention, civil law, common law or any law whatsoever, now or hereafter in force or recognized, including (1) patents and rights to inventions; (2) trademarks, service marks, logos, trade dress and design rights; (3) works of authorship, including, without limitation, copyrights, source codes, moral rights, and neighboring rights; (4) trade secrets; (5) Ideas and Concepts; (6) publicity and privacy rights; (7) any rights analogous to those set forth herein and any other intellectual property and proprietary rights; (8) any application or right to apply for any of the rights referred to in subsections (1) through (7) above; and (9) any and all renewals, divisions, continuations, continuations-in-part, re-issuances, re-examinations, extensions and restorations of any of the foregoing (as applicable).

“Local Marketing Expenditure” means the amount Franchisee must spend monthly on local advertising for the Franchised Business in the Protected Area each month as set forth in Section 15.A and in the amount set forth in the Summary Page, as may be amended.

“Manual” or “Operations Manual” means the series of documents, publications, bulletins, materials, drawings, memoranda, CDs, DVDs, MP3s, and other media Franchisor may loan you from time-to-time, which sets forth the System’s operating systems, procedures, policies, methods, standards, specifications, and requirements for operating your Franchised Business, and which contains information and knowledge necessary and material to the System, and designated by Franchisor as the mandatory guide for the development and operation of Urban Air Adventure Parks, including, without limitation, the Urban Air Adventure Park confidential and proprietary Operations Manual, as Franchisor may, in its sole discretion, revise, amend, modify, or update from time-to-time upon notice of such revisions, amendment, modification, or update to you or your Affiliates.

“Opening Date” means the date by which the Franchised Business must open for business to the public, as set forth in Attachment B, which date will be no later than ~~365 days~~ 24 months following the Effective Date.

“Owner(s)” means you if you are an individual, or each individual or entity holding more than a ten percent equity interest in you if you are a Business Entity (regardless of voting rights), and the franchisee individual(s) or entity(ies) that enter into the Franchise Agreement if you are a Business Entity. It includes all officers, directors, and shareholders of a corporation, all managers and members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of the trust. If any Owner is a Business Entity, then the term “Owner” also includes the Owners of that Business Entity.

“Person” means an individual (and the heirs, executors, administrators, or other legal representatives of an individual), a partnership, a corporation, a limited liability company, a government, or any department or agency thereof, a trust, and any other incorporated or unincorporated association or organization.

“Proprietary Marks” means the trade names, service marks, trademarks, logos, emblems, and indicia of origin as Franchisor may designate in writing for use in connection with the System, including, but not limited to, the collection of trademarks listed in the chart below for the country in which your Franchised Business is located.

“Protected Area” means the geographic area identified in Attachment B to this Agreement.

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	May 1, 2024
Illinois	May 1, 2024
Indiana	May 1, 2024
Maryland	Pending
Michigan	May 1, 2024
Minnesota	Pending
New York	May 1, 2024
North Dakota	<u>Pending June 21, 2024</u>
Rhode Island	<u>Pending May 25, 2024</u>
South Dakota	<u>Pending May 2, 2024</u>
Virginia	<u>Pending May 16, 2024</u>
Washington	May 1, 2024
Wisconsin	May 1, 2024

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