

FRANCHISE DISCLOSURE DOCUMENT

BAM FRANCHISING, INC.
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~~Orem, Utah 84057~~
Provo, UT 84604

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(888) 534-6776

The Franchise offered is for the operation of a retail store that buys and sells new and used LEGO® building bricks, minifigures and accessories to the general public under the name “**Bricks and Minifigs®**”.

The total investment necessary to begin operation of a Bricks & Minifigs™ franchise is ~~\$120,120~~147,500 to ~~\$282,575~~304,100. This includes ~~\$35,000~~40,000 that must be paid to the Franchisor or its affiliate(s). The total investment necessary to begin operation of a Bricks & Minifigs™ territory for an area development is \$81,620 to \$223,075.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read the 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 any affiliate in connection with the proposed franchise sale. **Note, however, 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, contact: Ammon McNeff, President, BAM Franchising, Inc., ~~225 West 520~~4844 North ~~300 West, Orem~~Suite 202, Provo, Utah 8405784604, (888) 534-6776.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “[A Consumer’s Guide to Buying a Franchise](#),” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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: March 31, ~~2023~~2024

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS & AFFILIATES

The Franchisor is BAM Franchising, Inc., doing business as “**Bricks & Minifigs®**”. For ease of reference, BAM Franchising, Inc. is referred to as “**we**”, “**us**”, and “**our**” in this Disclosure Document. We refer to the person or entity who buys the franchise as “**you**” or “**your**” in this Disclosure Document. If you are a Limited Liability Company or Corporation, certain provisions of the Franchise Agreement also apply to your members or owners and will be noted.

We are an Oregon corporation, formed on April 29, 2011. We do business under the same name as our corporate name “**BAM Franchising, Inc.**” and may also use the names “**Bricks & Minifigs**”, “**Bricks and Minifigs**” or “**Bricks and Figs**”. Our principal business address is ~~225 West 520~~4844 North ~~300 West, Orem, UT 84057~~Suite 202, Provo, Utah 84604. We operate (through an affiliate disclosed below) and sell franchises for the operation of businesses that operate in a uniform system and in accordance with the business format created and developed by “**Bricks and Minifigs®**” (the ‘Business’ or ‘Franchise’). We offer a Franchise Agreement for the development and operation of a re-sale store specializing in LEGO® brand products at a specified location that is within a protected territory. We have offered franchises for this business since 2011. We do not have any other business activities. We have not conducted a business of the type to be operated by our franchisees, but our former affiliate, Cerebral Plastics Inc., an Oregon corporation, operated a Bricks and Minifigs business in Canby, Oregon from 2010 to 2017. Our former affiliate transferred the franchise to a franchisee in 2017. We have never offered franchises in any other line of business. Our agents for service of process are disclosed in Exhibit C.

Parents, Predecessors and Affiliates

We have no parents, predecessors ~~or affiliates~~ that are required to be disclosed in this Disclosure Document. We have not had any predecessors during the ten-year period immediately before the close of our most recent fiscal year.

We have one affiliate, Bricks by the Box, LLC, a Utah limited liability company that was formed on June 6, 2023. Its principal business address is 4844 North 300 West, Suite 202, Provo, Utah 84604. Bricks by the Box, LLC is a LEGO®-themed subscription box reseller and fulfillment company.

Our Business and the Franchises Offered in this State

The Bricks & Minifigs® Business has been developed to offer a complete solution for any group or person who is seeking to sell, trade or purchase new and/or used LEGO® building bricks, mini figures and accessories. This is a retail store typically located in shopping malls, strip centers or free standing structures (all of which must be approved by us) featuring high quality LEGO® products and related merchandise. A Bricks & Minifigs® franchise will provide programs permitting customers to sell and/or trade their used LEGO® bricks, LEGO® mini figures and accessories; offer for sale a wide selection of new and used LEGO® bricks, LEGO® mini figures and accessories sold in bulk or full play sets; and offer for sale apparel and other merchandise approved by us. Subject to our standards, specifications, and approval (if we so require), you may

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accommodations and employment opportunities. There may be other laws and codes applicable to your business and we urge you to make further inquiries about those laws and codes.

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect on your business and the cost of compliance. It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws, since they vary from place to place and can change over time. We recommend that you consult with your attorney for an understanding of all the laws applicable to your specific Bricks & Minifigs™ Franchise.

ITEM 2 **BUSINESS EXPERIENCE**

~~Reed Brimhall, Chief Financial Officer~~

~~Reed has been our Chief Financial Officer since June 2016. He has served as Senior Executive Vice President and Chief Financial Officer for Seentsy, Inc. in Meridian, Idaho since January 2015.~~

Ammon McNeff, Chief Executive Officer & President

Ammon has been our President since April 2018 and Chief Executive Officer since October 2021. He has served as President for Legally Mine, LLC in Orem, Utah since January 2011 until 2020. He has been co- owner of Kragle, LLC, our franchisee in Orem, Utah, since June 2017.

Matthew McNeff, ~~Treasurer~~ Chief Operations Officer

Matthew McNeff has been our Treasurer since April 2018. He has served as Vice-President of Marketing for Legally Mine, LLC in Orem, Utah since January 2011 until 2020. He has been co-owner of Kragle, LLC, our franchisee in Orem, Utah, since June 2017.

~~Matthew Thomas, Operations~~ Adam Brimhall, New Unit Onboarding Manager

~~Matthew Thomas has been our Operations Manager since April 2018. From November 2016 to April 2018, he was based in Canby, Oregon and provided Store Support to our franchisees. He served on the staff and served as Store Manager for the Bricks & Minifigs outlet in Canby, Oregon from June 2014 to 2018.~~

Adam Brimhall has been our New Unit Onboarding Manager since June 2022. Prior to this position, Adam was store manager for the Bricks & Minifigs Boise store since 2016. Adam also worked for Get Out Local as a copy writer from 2020 to 2022 when he transitioned to working for BAM Franchising, Inc. He has over 8 years of retail management experience.

Reed Brimhall, Chief Financial Officer

Reed has been our Chief Financial Officer since June 2016. He has served as Senior Executive Vice President and Chief Financial Officer for Sentsy, Inc. in Meridian, Idaho since January 2015.

Darin Hicks, Chief Development Officer

Darin Hicks has been our Chief Development Officer since January 2021. He has served as Chief Development Officer for several franchise brands, including the Kid-to-Kid and Uptown, Cheapskate brands, Key Renter, ARC Point Labs, and CityWide. He has over 25 years of franchise development and operations experience.

Mike Wu, Chief Technology Officer

Mike Wu has been our Chief Technology Officer since October 2023. He served as founding CTO of VSCO (a popular photo editing app), from 2011 to 2018. From 2018 to 2020 Mike worked as Head of Software Engineering, a software Engineer and did consulting for Seesaw Learning, Skillist, and Numberball software companies. In 2020 Mike became a software engineer at Handshake, an educational software company, and continued in that role through 2023 when he opened his Bricks & Minifigs franchise unit, and later that year accepted the role of CTO for BAM Franchising, Inc."

ITEM 3 **LITIGATION**

Other than these actions, no litigation is required to be disclosed in this Item.

On October 28, 2019, In Re: Franchise No Poaching Provisions (BAM Franchising, Inc.), No. 19-2-28285- 1 SEA, State of Washington, King County Superior Court, Franchisor entered into an Assurance of Discontinuance (“AOD”) with the Washington State Attorney General’s Office. BAM Franchising agreed to no longer include no-poach provisions in its future franchise agreements and to not enforce no-poach provisions in its existing agreements. BAM further agreed to notify all its franchisees in Washington of the AOD and to notify the Attorney General’s Office if it learns of any effort by a franchisee in Washington to enforce any existing no-poach provisions. BAM had language in its franchise agreements that restricted a franchisee’s ability to solicit or hire workers from another BAM franchisee. Washington asserted that this constituted a “contract, combination, or conspiracy in restraint of trade in violation of the Consumer Protection Act, RCW 19.86.030.” BAM expressly denied that the provision in its franchise agreement was a violation of the Consumer Protection Act, RCW 19.86.030 and expressly denied it had engaged in conduct that constitutes a contract, combination, or conspiracy in restraint of trade. The Assurance states: “BAM Franchising, Inc. enters into this AOD to avoid protracted and expensive litigation. Pursuant to RCW neither AOD nor its terms shall be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of BAM Franchising, Inc.

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ITEM 4 **BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

ITEM 5 **INITIAL FEES**

The Initial Franchise Fee for a single area Franchise (the “**Initial Franchise Fee**”) is ~~\$35,000~~40,000. The Initial Franchise Fee is payment, in part, for expenses incurred by us in furnishing assistance and services to you as set forth in the Franchise Agreement and for costs incurred by us, including general sales and marketing expenses, training, legal, accounting and other professional fees.

~~Currently, you are not~~Franchisees may be required to purchase ~~any equipment, products or certain~~ inventory and fixtures directly from ~~us~~the Franchisor or ~~our affiliates~~from required or approved vendors.

Currently, the Initial Franchise Fee for the purchase of an additional franchise is \$15,000.

The initial Franchise Fee is payable in full when you sign the Franchise Agreement, unless otherwise provided in the Multiple Franchise Purchase Addendum to the Franchise Agreement if you are purchasing multiple franchises simultaneously. The initial Franchise Fee is deemed fully earned and is non-refundable except as follows: If during the initial training program, we believe that you are not qualified to operate a Bricks & Minifigs™ Franchise, then we will terminate your Franchise and refund your franchise fee minus our demonstrated expenses without interest.

If you obtain a franchise by purchasing the business of one of our existing franchisees, you will not pay the Initial Franchise Fee, but you or the existing franchisee must pay us our then-current transfer fee (currently \$15,000). The mandatory initial training program is included in that fee. In the event that you sell your franchised operation, a separate transfer fee may apply. Payment of the transfer fee covers reasonable legal, accounting, credit check, and investigation expenses that result from the transfer and relieves you of your obligation to pay the Initial Franchise Fee.

Area Development Agreement

Although our franchises are site-specific and we do not automatically or by default grant territories for development, we may in some instances enter into an Area Development Agreement with a qualified franchisee who wishes to develop multiple businesses within a certain length of time after signing a Franchise Agreement.

Under the Area Development Agreement you must pay, when you sign the ADA, a development fee of ~~five~~seven thousand five hundred dollars (\$7,500) (the “**Development Fee**”) for each Bricks & Minifigs Business to be opened under the Development Schedule. The number of Bricks &

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Note 6: We may require or recommend that you to join and participate in various industry specific local or national associations. The cost of these organizations will vary depending on their membership requirements (Franchise Agreement Section 10). Whether or not membership dues are refundable depends on the professional organization. Due for membership in a professional organization are normally payable to that professional organization. Due for membership in a professional organization may or may not be uniformly imposed depending on the professional organization.

Note 7: You will be required to obtain our written approval for any product, vendor and/or supplier you wish to use in the operation of your Business that is not on our pre-approved list (as described in Item 8) and you will be responsible for paying us an assessment fee. This fee is \$100 for any single non-LEGO® or LEGO® compatible product, vendor and/or supplier you wish to sell, offer, use and/or substitute in your Business.

We may waive these fees if the products, vendors and/or suppliers you select meet our requirements and make it on our approved list of products, vendors and/or suppliers for all Franchise locations.

ITEM 7 **ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	\$35,000 <u>\$40,000</u>	\$35,000 <u>\$40,000</u>	Cash, Certified Check or Wire Transfer	At signing of the Franchise Agreement	Franchisor
Computers, Software POS System and Office Supplies	\$3,200 <u>\$2,500</u>	\$6,500 <u>\$4,500</u>	As Incurred	Before Opening	Vendors; See <u>Note 6:</u>
Furniture and Fixtures	\$16,500 <u>\$11,500</u>	\$41,375 <u>\$20,000</u>	As Incurred	Before Opening	Vendors; See <u>Note 1:</u>
Real Estate	\$4,500 <u>\$4,000</u>	\$13,000	As Incurred	Before Opening	Landlord; See <u>Note 7:</u>
Leasehold Improvements	\$5,000 <u>\$10,000</u>	\$35,000 <u>\$40,000</u>	As Incurred	Before Opening	Landlord; See <u>Note 2:</u>

Utility Deposit	\$100 <u>\$500</u>	\$300 <u>\$1,200</u>	Costs will vary due to policies of local utilities and this estimate includes a utility deposit.		Before Opening	Local Utility Suppliers
Inventory	\$24,650 <u>\$30,000</u>	\$54,230 <u>\$70,000</u>	Estimates for a startup inventory of products and supplies necessary for the operation of the Business.		Before opening as incurred over the course of the first month of operation	Payable to us or third parties; See <u>Note 3:</u>
Uniforms	\$300 <u>\$400</u>	\$600 <u>\$700</u>	Estimate varies depending upon number of staff.		Before Opening	Vendors
Signage	\$4,900 <u>\$6,000</u>	\$12,000 <u>\$14,000</u>	Estimated cost for the delivery and installation of exterior and interior signage. We specify and provide you with the guidelines in the Operations Manual. Signage expenses are not refundable.		Before Opening	Vendors
Grand Opening Marketing	\$5,000	\$10,000 <u>\$7,500</u>	Marketing will vary depending on several factors including your business plan, growth rate, cost of media in your area and ability to attract customers. Includes minimum amount of \$5,000 for grand opening expenses in conjunction with the opening of your Store and as we may specify in our Operations Manual.		As Incurred	Local Vendors
Staffing (First 3 Months)	\$3,770 <u>\$8,000</u>	\$20,020 <u>\$22,000</u>	As Incurred		As Incurred	Salaries and Expenses; See <u>Note 8:</u>
Insurance (12 Months)	\$800 <u>\$2,500</u>	<u>\$5,000</u>	\$2,500	As Incurred	Before Opening and As Incurred	Payable to third parties; See <u>Note 4:</u>
Travel, Lodging and Meals for Initial Training Program	\$800 <u>\$900</u>	\$4,550 <u>\$3,000</u>	As Incurred		As Incurred During Training	Vendors; See <u>Item 11</u>

Business Licenses, Permits and Professional Legal and Accounting Fees	\$600 <u>\$1,200</u>	\$2,500 <u>\$3,200</u>	As Incurred	Before Opening	Appropriate licensing authorities and Third Parties
Additional Funds - 3 Months	\$15,000 <u>\$25,000</u>	\$45,000 <u>\$60,000</u>	As Incurred	As Incurred	See <u>Note 5</u> :
Total	\$120,120 <u>\$147,500</u>	\$282,575 <u>\$304,100</u>			

Note 1: This is an estimate for the items we would expect you to need for fixtures, desks, chairs, shelving units for merchandise, display cases, cabinets, counters, storage racks, tables and other furniture necessary for the operation of your business. Actual furniture and fixture costs may vary due to square footage ~~as well as vendor deals and promotions at given times that may not be available to all franchisees (if based on geographic regions, availability, clearance deals, etc.)~~ While not currently required, we may require the purchase of LEGO® built sculptures, displays, and/or accent décor that stores may be required to purchase from specific vendors. This potential cost was factored into the potential estimated costs for furniture and fixtures. Until these potential LEGO® items are required, the fixture expenses may be as low as \$2,500 and as much as \$13,375. If applicable, you must also pay state and local sales tax on purchases of furnishings and fixtures. The sales taxes may range from 3% to 10% of the purchase price and are not included in these estimates. Expenses for the furniture and fixtures may or may not be refundable depending on the terms of the invoice or the purchase agreement.

Note 2: We advise you to find a space needing minimal leasehold improvements or fixtures. In most cases you will need to alter the interior of your Business before you open for operation. The costs will vary widely and may be significantly higher than what is projected in the table above depending on such factors as property location, the condition of the property and the extent of alterations required for the property. These sums do not include any sums for the purchase of real property, as we do not expect that you will buy real property. A typical leased location is a retail space in an outlet center, shopping mall or a non-traditional retail space and the typical franchised business has approximately 1,000-3,000 square feet of space. You may be able to reduce this expense if you are able to occupy a space in an existing location that compliments another business. The space must be an enclosed and separate from other businesses with its own locking door. Whether or not any build out expenses are refundable depend on the terms and conditions of your contracts with construction and mechanical contractors, as well as your lease agreement (Franchise Agreement Section 4). Lease payments for the periods of time that you occupy your premises are not refundable. In the event you leave your leased premises before the termination of your lease, you may owe the landlord payment for the entire lease term depending on the terms and conditions of your lease.

Note 3: You must purchase products and supplies for the general operation of the franchised business as specified in the Operations Manual. You must purchase only approved products and supplies, and you must purchase products that meet our specifications, which may change from

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time to time. The types of products and supplies includes but is not limited to: New LEGO® kits, new and used LEGO® bricks and mini-figures in bulk, LEGO® posters and other miscellaneous products or supplies as specified by us. Such items may be purchased through us, our affiliates or approved vendors and/or suppliers locally and/or nationally and may not be refundable depending on the terms of the invoice or purchase agreement (Franchise Agreement Sections 4 and 8).

Note 4: This estimated amount represents twelve months of pre-paid insurance premiums that does not take into account workers' compensation insurance which may vary greatly by state, payroll and classification. You must obtain and keep general comprehensive liability insurance with a minimum policy limit of \$1,000,000 per occurrence and \$2,000,000 aggregate or an amount we reasonably specify. You are also required to obtain All Risk property insurance that covers the assets of the Business and Business Interruption Insurance (Franchise Agreement Section 8).

You may need other insurance such as tenant's liability, statutory workers' compensation insurance (if applicable) and employer's liability insurance with minimum policy limits of \$1,000,000 or an amount we reasonably specify. You may need automobile liability insurance, product liability insurance (covers you for damages that result in injury from products that you distribute), professional liability insurance (covers you for damages that you create that do not result in property or bodily injury) and employee dishonesty insurance are optional however we may require you to obtain this coverage in the future with liability limits of amounts we may reasonably specify. We may change these insurance requirements on reasonable notice to you. There are no other insurance requirements. Whether or not any insurance premiums are refundable depend on the terms and conditions of your insurance policies.

Note 5: Competitive conditions described in Item 1 will affect these costs. Estimate includes minimum working capital for the startup of your business. This also includes estimates of miscellaneous startup costs such as: rent for an additional two months, purchasing additional inventory, workman's compensation insurance payments, tax deposits, prepaid expenses, additional permits, legal fees, accounting fees and other miscellaneous costs, and additional training (if applicable). When preparing these figures, we considered our principals' combined expertise and experience operating businesses similar to the franchise we offer by this disclosure document.

Note 6: These estimated amounts include computers, software, printers, POS system, cash register, high- speed internet connection modems and routers, telephones with an answering, camera and security system, containers, packaging materials and general office supplies.

Note 7: Estimated expenses for your business location based on leasing 1,000 to 3,000 square foot facility. This estimate includes a security deposit.

Note 8: You may need to hire ~~full-time or~~ part-time sales staff. This is an estimate for the first three months of operation.

Total Estimated Initial Investment. We relied on our principals' combined expertise ~~and actual costs reported by franchisees over the years~~ when preparing these figures. The actual amount of funds you will need depends on a variety of factors, including the size of your store, the location of

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your store, the time of year when you start your business, the amount of inventory you purchase, implementation of a marketing plan, your own management skill, economic conditions, competition in your area and other factors. The estimate of initial investment funds is based on an owner- operated business or incorporating Franchise operations to an existing complimentary business and does not include salaries or benefits for full-time employees. As your Business grows, you may choose to hire employees to carry out support service tasks.

These figures are just estimates, and we cannot guarantee that you will not have higher costs. Competitive conditions described in Item 1 will affect these costs. This estimate of startup costs is calculated for a period of three months, with additional operating capital to be available as may be needed during the initial phase. These costs do not include your website hosting, maintenance fees or royalties which begin the first day the Franchise Agreement is effective after the initial training is completed. These costs should be included in your projections of overall operations costs beginning with your first month of operation. We acknowledge that you may choose to invest additional funds into your business during the first three months of operation, and sometimes longer, but we cannot estimate or promise when, or whether, you will achieve positive cash flow or profits. You should review the figures carefully with a business advisor and identify your individual expenses along with cash flow projections before making any decision to buy the franchise.

We do not offer financing, directly or indirectly, for any part of the initial investment for a Franchise. The availability and terms of third-party financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have, and the lending policies of financial institutions. The estimate does not include any finance charges, interest, or debt service obligation, or your living expenses. You should have sufficient capital or other means to pay for your living expenses for at least six months of operation.

The initial Franchise Fee is not refundable except as follows: If during the initial training program, we believe that you are not qualified to operate a Bricks & Minifigs™ Franchise, then we will terminate your Franchise and refund your Initial Franchise Fee minus our demonstrated expenses without interest. Except as provided in this Item, any other fees paid to us are not refundable. Amounts paid to any third parties may be refundable, depending upon the contracts between them and you.

YOUR ESTIMATED SINGLE UNIT INVESTMENT FOR AREA DEVELOPMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is Made
Additional Franchise Unit Fee	\$7,500	\$15,000	Cash, Certified Check or Wire Transfer	At signing of the Franchise Agreement	Franchisor; See <u>Note 9</u>

You must purchase the POS system we require from approved or designated suppliers. You must only use the merchant services processor we designate. You must only use the gift card processor and system we designate.

Unless you are professionally qualified to perform bookkeeping and accounting services, you must hire a qualified bookkeeper who will maintain your financial records related to your franchised business, who will meet with you as often as needed to help ensure accuracy of your financial records, and who can assist you with your annual financial statement requirements per the Franchise Agreement. You must hire a Certified Public Accountant or other qualified tax preparer who will prepare your annual tax returns related to your franchised business.

You are not permitted to sell any non-LEGO® branded products or LEGO® compatible products not approved by us, purchase items from an unapproved supplier or use the services of an unapproved vendor, unless you first submit a written request to us for approval. We base our specifications for products, supplies, vendor and supplier approvals on our discretionary determination of quality, accuracy of product claims, safety, value, prompt attention to complaints, frequency of delivery, appearance and contributions or other benefits to us and/or any marketing fund. We do not otherwise make our specific criteria for approving suppliers available to franchisees. We have the right to disapprove requests for alternate supply sources from you. We may require vendors and/or suppliers to provide certain information in addition to signing a nondisclosure agreement and agree to guarantee our level of quality and produce sufficient samples to allow us to test the sample at your expense. We may require you to submit to us sufficient specifications, photographs, drawings or other information and samples to determine whether the items meet our specifications. A list of approved vendors and suppliers from whom products, supplies and services may be purchased will be provided to you and may be amended by us periodically. There is a product and vendor assessment fee for supplier approval and we require third party testing, in which case you will pay the actual cost of the tests. We will approve or disapprove of your adequate request to approve a product, vendor and/or supplier within 30 days after we receive your request. If we approve, then you may contract with the alternative supplier who meets our criteria. We may revoke approval in our sole discretion, including for failure to continue to meet our criteria, by providing written notice to you of such revocation.

We may become approved suppliers or the only approved supplier(s) for other products, supplies and services.

You must maintain an inventory of new and/or used LEGO® branded building bricks, mini figures and accessories in compliance with our specifications.

We will derive revenue from providing products and services directly to our franchisees. In ~~2022~~2023, we received such revenue in the amount of ~~\$394,935.05~~\$715,083.01 (which was ~~20.18~~13.92% of our total revenue of ~~\$1,956,803~~\$5,136,588 as reflected in our most recent audited financial statements). No affiliates of BAM derived any revenue, rebates or other material consideration based on the required purchases or leases.

~~In the past, we receive rebates from our designated merchant processor based on franchisees' transactions, of around 15% to 30% of the merchant processor's net revenue based on~~

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~~the total number of open and active merchant accounts in our franchise system. We also previously received a one-time payment of \$25 per activated merchant account. These payments did not increase the rate paid to the designated merchant processor. Since switching merchant processors, we no longer receive these payments.~~ Currently, neither we nor any affiliate(s) receive any other rebates, price adjustments, or discounts on products or services sold to you by recommended or approved suppliers. However, we reserve the right to do so in the future.

We have not yet established any purchasing or distribution cooperatives for the purchase of supplies. We may, in the future, negotiate purchase arrangements with suppliers for your benefit in the areas of cost and customer support.

It is estimated that all your initial expenditures from us, our affiliates or the vendors that we specify and/or approve that meet our standards and specifications will represent approximately 5% to 25% of your total initial purchases. It is anticipated that during the operation of your franchised business, required purchases from us, our affiliates or the vendors that we specify or approve (not including royalties or labor costs) are estimated to be approximately 5% to 10% of your total annual purchases of goods or services in the continuing operation of your Store (this depends on the size of your Store, amount of inventory your purchase and sales volume).

We do not provide material benefits (for example renewal or additional franchises) to you based solely on your use of designated or approved sources.

Insurance

Before you open a Bricks & Minifigs® for business, you must obtain the insurance coverage for the Store required by the Franchise Agreement. This currently includes, but is not limited to, comprehensive general liability insurance (\$1,000,000 per occurrence and \$2,000,000 aggregate); “All Risks” or “Special Form” coverage for the full cost of replacement of the business premises; business interruption insurance; and workers’ compensation insurance as required by applicable law. The insurance coverage must be maintained during the term of the Franchise Agreement, and you must provide evidence of insurance to us that insurance has been obtained from a responsible carrier or carriers acceptable to us.

Summary of National Marketing Fund Contributions and Expenses for Fiscal Year 2022

Expenses:	Administrative Expenses	\$24,358 <u>\$12,402.11</u>	16.52% <u>3.97%</u>
	Production	\$30,234 <u>\$84,040.36</u>	20.5% <u>26.92%</u>
	Media Placement	\$92,890 <u>\$215,636.18</u>	62.98% <u>69.11%</u>
Total expenses:		\$147,482 <u>\$312,079.65</u>	100%
Advertising fund contributions:		\$35,907 <u>\$219,675</u>	
Excess of expenses over contributions:		\$(111,575) <u>\$(92,405)</u>	

The franchise spent all of the advertising funds collected. In addition, the franchise spent additional funds from their operational accounts (amounting to ~~\$114,860~~92,405) to fund Media Placements for the benefit of all of the stores.

While advertising materials may note that franchises are available from us, no advertising fees or assessments we collect from our franchisees are used for advertising that is principally a solicitation for the sale of franchises.

- (iii) We have formed a Franchisee Advisory Council whose purposes include providing counsel and advice on the Fund usage and advertising policies. We retain all operational and decision making authority concerning advertising, and the Advisory Council will serve only in an advisory capacity. The Advisory Council will not be separately incorporated, and therefore, it will not have any written documents. Membership of the Advisory Council is determined by appointment by us. Notwithstanding the foregoing, we have the power to select and approve the members and to form, change, dissolve or merge the Advisory Council.
- (iv) Neither we nor any Franchisee Advisory Council undertake any obligation to ensure that expenditures by the Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Fund by Franchisees operating in such geographic area or that you or your Store will benefit directly or in proportion to your contribution to the Fund. Neither the Fund nor we shall be liable to you with respect to the maintenance, direction, or administration of the Fund, including without limitation, with respect to contributions, expenditures, investments or borrowings, except for acts constituting willful misconduct. Bricks & Minifigs®

Bricks & Minifigs®

~~2023~~2024 Franchise Disclosure Document

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Initial Training Program

Before the opening of your Franchise, you must attend the up to 6-day franchise training program for a Bricks & Minifigs® at our corporate headquarters (currently in ~~Orem~~[Provo](#), Utah). We maintain a regular calendar for the training program and the trainings are held approximately six to eight times per year (or more frequently if needed). You must begin the initial training program within 45 days of signing the Franchise Agreement. The training program is included in your Initial Franchise Fee. You are responsible for all costs associated with attending the program such as travel, room and board.

You must complete the Training Program to our satisfaction. If, during the Training Program we determine, in our sole discretion, that you (or your managing partner or shareholder) is not qualified to manage a Bricks & Minifigs® Franchise, we have the right to terminate the Franchise Agreement and we will refund the Initial Franchise Fee, minus our demonstrated expenses, without interest.

We will provide training for you as noted in the following training schedule, which is subject to change. This training curriculum is fully detailed in the Bricks & Minifigs® Operations Manual and will change periodically. Our training team will include directors from our staff from the Bricks & Minifigs® corporate headquarters, members of our website development team, members from our approved suppliers and service providers.

Training Schedule: At Corporate Offices

The Bricks & Minifigs™ Franchise Training Program includes an Operations Manual, classroom training, on the job training and demos.

TRAINING PROGRAM

Subject	Classroom Hours	On-The-Job Training Hours	Location
The Bricks & Minifigs® System and Introduction	1 Hour		Corporate headquarters currently in Orem Provo , Utah or as we otherwise specify
LEGO® Products, Play Sets, Accessories and Specifications	1 Hour	3 Hours	
Product Presentation and Merchandising	1 Hour	3 Hours	
Daily Store Operations, Checklists and How to Run the Store Efficiently		8 Hours	
Strategies for Purchasing LEGO® Play Sets, Supplies and	5 Hours	5 Hours	

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Inventory		
Pricing Guidelines	1 Hour	3 Hours
Tracking Your Inventory	1 Hour	1 Hour
Programs to Buy and Trade from Customers	2 Hours	2 Hours
Party Planning and Performing Offsite Events	1 Hour	
Safety, OSHA Requirements and Quality Control	1 Hour	
Counter Operations, POS System and Software Training*		2 Hours
Customer Service and Handling Complaints		2 Hours
Marketing and Advertising Your Business	2 Hours	
Staffing and Labor Costs	1 Hour	
Financial and Accounting Procedures	2 Hours	

*Additional software training programs may be provided to you online after initial training above is completed.

Our training supervisor is ~~Matthew Thomas~~[Adam Brimhall](#). Mr. ~~Thomas~~[Brimhall](#) has been our ~~Operations~~[New Unit Onboarding](#) Manager since ~~2018~~[2022](#). His experience in the subjects he teaches and supervises at training is based on his management of the Bricks ~~and~~[&](#) Minifigs operation in ~~Canby, Oregon~~[Boise, Idaho](#) from ~~2013~~[2016](#) through ~~2018~~[2022](#).

Occasionally, different guest speakers may make an appearance at the training program to provide information about various products, services and programs offered by us. For example, some speakers may be our employees, Franchisees or industry experts.

Any instructor providing training to new franchisees will have a minimum of 200 hours of subject matter experience, and be certified on their topic of expertise.

to use the trademarks and service marks listed in this Item 13 in any manner material to the franchise.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. We have the sole discretion to take such action, as we deem appropriate and the right to exclusively control any litigation, USPTO proceeding or other administrative proceeding.

We are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or participate in your defense, protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy, we intend to defend the Marks vigorously.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in, any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions with respect to a reasonable time after notice by us. You, in connection with the use of a new or modified Mark, may be required, at your own expense, to remove existing signage from your Store, and to purchase and install new signage. We have no liability to you.

There are no infringing uses actually known to us at the time of this agreement that could materially affect your use of the Marks in any state. There may be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights without our knowledge. Before starting business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

You are reselling products and services that contain the Lego trademark/trademarks. We ~~have not obtained any license from The Lego Group~~ are an authorized retailer of ~~companies to use the Lego trademarks~~ LEGO brand with very specific requirements and guidelines. Therefore, you may not make use of The Lego Group's trademarks in any advertising, marketing, and promotional materials without our prior written consent.

You must follow our rules when you use the Marks. You may not use the Marks in any manner we have not authorized in writing. You may not use or give others permission to use the Marks, or any colorable imitation of them, combined with any other words or phrases.

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~~ITEM 19~~ITEM 21
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.

The following tables are historical financial performance representations for our ~~36~~ franchisee-owned and ~~5~~ company-owned outlets that were in operation for the entire ~~2022~~2023 calendar year. Additional information is found in the notes following the tables. ~~None of the franchisee-owned or company-owned outlets included in this representation closed during 2022. One outlet that was reacquired by the Franchisor in Oregon was transferred to a franchisee during 2022.~~

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

Table No. 1
~~2022~~2023 Franchisee Performance Totals

2022 <u>2023</u>	# of Franchise Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	36 <u>49</u>	\$18,288,094.42 <u>\$28,412,780.97</u>	\$508,002.62 <u>\$579,852.67</u>	\$986,179.05 <u>1,210,402.81</u>	\$480,734.81 <u>\$572,270.66</u>	\$182,359.52 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			16 (44%) <u>22 (45%)</u>		18 (50%) <u>25 (51%)</u>	

Table No. 2

~~2022~~2023 Franchisee Top, Middle, & Bottom Performance Totals

2022 <u>2023</u>	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Top 1/3	12 <u>16</u>	\$8,675,639.18 <u>\$13,725,320.80</u>	\$722,969.93 <u>\$857,832.55</u>	\$986,179.05 <u>\$1,210,401.8</u> <u>1</u>	\$659,421.54 <u>\$814,588.66</u>	\$596,545.82 <u>\$678,130.86</u>
# and % of Units that Attained or Surpassed the Stated Results			5 (42%) <u>7 (44%)</u>		6 <u>8</u> (50%)	
Middle 1/3	12 <u>17</u>	\$5,892,381.45 <u>\$9,370,657.32</u>	\$491,031.79 <u>\$551,215.14</u>	\$587,640.61 <u>\$676,927.83</u>	\$480,734.81 <u>\$572,270.36</u>	\$417,015.67 <u>\$429,184.41</u>
# and % of Units that Attained or Surpassed the Stated Results			6 (55%) <u>9 (53%)</u>		6 (55%) <u>9 (53%)</u>	
Bottom 1/3	12 <u>16</u>	\$3,720,073.79 <u>\$5,316,802.85</u>	\$310,006.15 <u>\$332,300.18</u>	\$403,774.29 <u>\$419,082.50</u>	\$326,025.52 <u>\$354,055.16</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			8 (67%) <u>9 (56%)</u>		6 <u>8</u> (50%)	

Below is a breakdown of financial data of active corporate units from the ~~2022~~2023 fiscal year. The data included was taken from 5 corporate owned units that were in operation for the entire ~~2022~~2023 fiscal year.

Table No. 3

~~2022~~2023 Corporate Unit Performance Totals

2022	# of Corporate Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	5	\$1,805,692.38 <u>\$2,250,250.80</u>	\$361,138.48 <u>\$450,050.16</u>	\$587,505.98 <u>\$603,326.21</u>	\$319,569.14 <u>\$434,290.73</u>	\$212,734.17 <u>\$303,498.25</u>
# and % of Units that Attained or Surpassed the Stated Results			2 (40%)		3 (60%)	

Below is a breakdown of the combined financial data of all active units from the ~~2022~~2023 fiscal year. The data included was taken from the 36 franchised units and the 5 corporate units, bringing the total to 41 units that were in operation for the entire ~~2022~~2023 fiscal year.

Table No. 4

~~2022~~2023 Combined All Unit Performance Totals

2022	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	41 <u>54</u>	\$20,093,786.80 <u>\$30,636,031.77</u>	\$490,092.36 <u>\$567,833.92</u>	\$986,179.05 <u>\$1,210,401.81</u>	\$462,420.22 <u>\$530,698.55</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			17 (42%) <u>26 (48%)</u>		20 (49%) <u>27 (50%)</u>	

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Table No. 5

~~2022~~2023 Combined Units Top, Middle, & Bottom Performance Totals

2022 <u>2023</u>	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Top 1/3	13 <u>18</u>	\$9,263,279.79 <u>\$15,058,993.02</u>	\$712,559.98 <u>\$836,610.72</u>	\$986,179.05 <u>\$1,210,401.81</u>	\$648,187.68 <u>\$778,817.57</u>	\$587,640.61
# and % of Units that Attained or Surpassed the Stated Results			5 <u>7</u> (39%)		7 (54%) <u>9 (50%)</u>	
Middle 1/3	14 <u>18</u>	\$6,688,762.85 <u>\$9,593,040.10</u>	\$477,768.78 <u>\$532,946.67</u>	\$587,505.98 <u>\$638,250.74</u>	\$462,420.22 <u>\$530,698.55</u>	\$392,741.74 <u>\$429,184.41</u>
# and % of Units that Attained or Surpassed the Stated Results			6 (43%) <u>9 (50%)</u>		7 <u>9</u> (50%)	
Bottom 1/3	14 <u>18</u>	\$4,141,744.16 <u>\$6,010,998.65</u>	\$295,838.87 <u>\$333,944.37</u>	\$383,248.48 <u>\$419,082.50</u>	\$317,073.85 <u>\$354,055.16</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			8 (57%) <u>10 (56%)</u>		7 <u>9</u> (50%)	

Notes:

1. As of December 31, ~~2022~~2023, there were ~~56~~85 total franchisees in operation (~~50 in the United States and 1 in Canada~~) and 5 stores owned by us or an affiliate (“**Company-Owned Stores**”). As of December 31, ~~2022~~2023, ~~36~~49 franchisees and 5 Company-Owned Stores had been in operation for at least 12 months and ~~15~~36 franchisees had been in operation for less than 12 months.

2. In this Item 19, “**Total Revenue**” means gross revenue minus adjustments, discounts, credits, returns, and sales taxes.

3. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn this much.

~~5.~~ Written substantiation for this financial performance representation is available to you upon reasonable written request.

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4. ~~6.~~ Our contact information for purposes of this Item follows: Ammon McNeff, President, BAM Franchising, Inc., ~~225 West 520~~4844 North 300 West, ~~Orem~~Suite 202, Provo, Utah ~~84057~~84604, (888) 534-6776.

5. ~~7.~~ We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable and consult with professional advisors before signing the Franchise Agreement.

~~Other than the preceding financial performance representation, BAM Franchising, Inc. 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 Ammon McNeff, President, BAM Franchising, Inc., 225 West 520 North, Orem, Utah 84057, (888) 534-6776, the Federal Trade Commission, and the appropriate state regulatory agencies.~~

~~ITEM 20~~~~ITEM 22~~
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Fiscal Years ~~2020~~2021 thru ~~2022~~2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2020	37	34	-6
	2021	34 <u>30</u>	35 <u>34</u>	4
	2022	35 <u>34</u>	52	17 <u>18</u>
	<u>2023</u>	<u>52</u>	<u>82</u>	<u>30</u>
Company-Owned**	2020	2	5	3
	2021	5	5	0
	2022	6	5	4 -1
	<u>2023</u>	<u>4</u>	<u>5</u>	<u>1</u>
Total Outlets	2020	35	39	-3
	2021	36 <u>35</u>	40 <u>39</u>	4
	2022	41 <u>39</u>	57 <u>56</u>	16 <u>17</u>
	<u>2023</u>	<u>56</u>	<u>87</u>	<u>31</u>

* This includes the unit franchise owned and operated by our subfranchisor in Labrador, Canada.

** These “company-owned” outlets are owned and operated by entities in which one or more of our officers owns an interest.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
For Fiscal Years ~~2020 Thru 2022~~2021 thru 2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arizona	2020 2021	0 0

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	2022	1
	<u>2023</u>	<u>0</u>
Colorado	2020 2021	0
	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
<u>Kentucky</u>	2021	0
	2022	1 0
	<u>2023</u>	<u>1</u>
Oregon	2020	0
	2021	1
	2022	0
	<u>2023</u>	<u>0</u>
<u>Texas</u>	<u>2021</u>	<u>0</u>
	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>3</u>
Totals	2020	0 1
	2021	1 2
	2022	2 5

Table No. 3

Status of Franchise Outlets

For Fiscal Years ~~2020 Thru 2022~~2021 thru 2023

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termination s	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations — Other Reasons	Column 9 Outlets at End of the Year
Alabama	2020 2021	0 0	0 0	0 0	0 0	0 0	0 0	0 0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Arizona	2020 2021	1 2	1 2	0 0	0 0	0 0	0 0	2 4
	2022	4	2	0	0	0	0	6
	<u>2023</u>	<u>6</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
California	2020 2021	3 3	0 1	0 0	0 0	0 0	0 0	3 4

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	2022	4	1	0	0	0	0	5
	<u>2023</u>	<u>5</u>	<u>8</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>11</u>
Colorado	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	2	0	0	0	0	4
	<u>2023</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
Connecticut	2020	1	0	0	1	1	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Florida	2020	1	0	1	0	1	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Georgia	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Illinois	2020	2	0	0	0	0	0	2
	<u>2021</u>							
	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
<u>Kansas</u>	2021	20	0	0	0	0	0	20
	2022	20	01	0	0	0	0	21
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Kentucky	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Massachusetts	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Michigan	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	2	0	0	0	0	3
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
<u>Minnesota</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

FRANCHISE DISCLOSURE DOCUMENT

BAM FRANCHISING, INC.
~~225 West 520~~4844 North ~~300 West, Suite 202~~
~~Orem, Utah 84057~~
Provo, UT 84604

www.BricksandMinifigs.com
Franchise@BricksandMinifigs.com



(888) 534-6776

The Franchise offered is for the operation of a retail store that buys and sells new and used LEGO® building bricks, minifigures and accessories to the general public under the name “**Bricks and Minifigs®**”.

The total investment necessary to begin operation of a Bricks & Minifigs™ franchise is ~~\$120,120~~147,500 to ~~\$282,575~~304,100. This includes ~~\$35,000~~40,000 that must be paid to the Franchisor or its affiliate(s). The total investment necessary to begin operation of a Bricks & Minifigs™ territory for an area development is \$81,620 to \$223,075.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read the 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 any affiliate in connection with the proposed franchise sale. **Note, however, 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, contact: Ammon McNeff, President, BAM Franchising, Inc., ~~225 West 520~~4844 North ~~300 West, Orem~~Suite 202, Provo, Utah 8405784604, (888) 534-6776.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “[A Consumer’s Guide to Buying a Franchise](#),” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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: March 31, ~~2023~~2024

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS & AFFILIATES

The Franchisor is BAM Franchising, Inc., doing business as “**Bricks & Minifigs®**”. For ease of reference, BAM Franchising, Inc. is referred to as “**we**”, “**us**”, and “**our**” in this Disclosure Document. We refer to the person or entity who buys the franchise as “**you**” or “**your**” in this Disclosure Document. If you are a Limited Liability Company or Corporation, certain provisions of the Franchise Agreement also apply to your members or owners and will be noted.

We are an Oregon corporation, formed on April 29, 2011. We do business under the same name as our corporate name “**BAM Franchising, Inc.**” and may also use the names “**Bricks & Minifigs**”, “**Bricks and Minifigs**” or “**Bricks and Figs**”. Our principal business address is ~~225 West 520~~4844 North ~~300 West, Orem, UT 84057~~Suite 202, Provo, Utah 84604. We operate (through an affiliate disclosed below) and sell franchises for the operation of businesses that operate in a uniform system and in accordance with the business format created and developed by “**Bricks and Minifigs®**” (the ‘Business’ or ‘Franchise’). We offer a Franchise Agreement for the development and operation of a re-sale store specializing in LEGO® brand products at a specified location that is within a protected territory. We have offered franchises for this business since 2011. We do not have any other business activities. We have not conducted a business of the type to be operated by our franchisees, but our former affiliate, Cerebral Plastics Inc., an Oregon corporation, operated a Bricks and Minifigs business in Canby, Oregon from 2010 to 2017. Our former affiliate transferred the franchise to a franchisee in 2017. We have never offered franchises in any other line of business. Our agents for service of process are disclosed in Exhibit C.

Parents, Predecessors and Affiliates

We have no parents, predecessors ~~or affiliates~~ that are required to be disclosed in this Disclosure Document. We have not had any predecessors during the ten-year period immediately before the close of our most recent fiscal year.

We have one affiliate, Bricks by the Box, LLC, a Utah limited liability company that was formed on June 6, 2023. Its principal business address is 4844 North 300 West, Suite 202, Provo, Utah 84604. Bricks by the Box, LLC is a LEGO®-themed subscription box reseller and fulfillment company.

Our Business and the Franchises Offered in this State

The Bricks & Minifigs® Business has been developed to offer a complete solution for any group or person who is seeking to sell, trade or purchase new and/or used LEGO® building bricks, mini figures and accessories. This is a retail store typically located in shopping malls, strip centers or free standing structures (all of which must be approved by us) featuring high quality LEGO® products and related merchandise. A Bricks & Minifigs® franchise will provide programs permitting customers to sell and/or trade their used LEGO® bricks, LEGO® mini figures and accessories; offer for sale a wide selection of new and used LEGO® bricks, LEGO® mini figures and accessories sold in bulk or full play sets; and offer for sale apparel and other merchandise approved by us. Subject to our standards, specifications, and approval (if we so require), you may

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accommodations and employment opportunities. There may be other laws and codes applicable to your business and we urge you to make further inquiries about those laws and codes.

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect on your business and the cost of compliance. It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws, since they vary from place to place and can change over time. We recommend that you consult with your attorney for an understanding of all the laws applicable to your specific Bricks & Minifigs™ Franchise.

ITEM 2 **BUSINESS EXPERIENCE**

~~Reed Brimhall, Chief Financial Officer~~

~~Reed has been our Chief Financial Officer since June 2016. He has served as Senior Executive Vice President and Chief Financial Officer for Seentsy, Inc. in Meridian, Idaho since January 2015.~~

Ammon McNeff, Chief Executive Officer & President

Ammon has been our President since April 2018 and Chief Executive Officer since October 2021. He has served as President for Legally Mine, LLC in Orem, Utah since January 2011 until 2020. He has been co- owner of Kragle, LLC, our franchisee in Orem, Utah, since June 2017.

Matthew McNeff, ~~Treasurer~~ Chief Operations Officer

Matthew McNeff has been our Treasurer since April 2018. He has served as Vice-President of Marketing for Legally Mine, LLC in Orem, Utah since January 2011 until 2020. He has been co-owner of Kragle, LLC, our franchisee in Orem, Utah, since June 2017.

~~Matthew Thomas, Operations~~ Adam Brimhall, New Unit Onboarding Manager

~~Matthew Thomas has been our Operations Manager since April 2018. From November 2016 to April 2018, he was based in Canby, Oregon and provided Store Support to our franchisees. He served on the staff and served as Store Manager for the Bricks & Minifigs outlet in Canby, Oregon from June 2014 to 2018.~~

Adam Brimhall has been our New Unit Onboarding Manager since June 2022. Prior to this position, Adam was store manager for the Bricks & Minifigs Boise store since 2016. Adam also worked for Get Out Local as a copy writer from 2020 to 2022 when he transitioned to working for BAM Franchising, Inc. He has over 8 years of retail management experience.

Reed Brimhall, Chief Financial Officer

Reed has been our Chief Financial Officer since June 2016. He has served as Senior Executive Vice President and Chief Financial Officer for Sentsy, Inc. in Meridian, Idaho since January 2015.

Darin Hicks, Chief Development Officer

Darin Hicks has been our Chief Development Officer since January 2021. He has served as Chief Development Officer for several franchise brands, including the Kid-to-Kid and Uptown, Cheapskate brands, Key Renter, ARC Point Labs, and CityWide. He has over 25 years of franchise development and operations experience.

Mike Wu, Chief Technology Officer

Mike Wu has been our Chief Technology Officer since October 2023. He served as founding CTO of VSCO (a popular photo editing app), from 2011 to 2018. From 2018 to 2020 Mike worked as Head of Software Engineering, a software Engineer and did consulting for Seesaw Learning, Skillist, and Numberball software companies. In 2020 Mike became a software engineer at Handshake, an educational software company, and continued in that role through 2023 when he opened his Bricks & Minifigs franchise unit, and later that year accepted the role of CTO for BAM Franchising, Inc."

ITEM 3 **LITIGATION**

Other than these actions, no litigation is required to be disclosed in this Item.

On October 28, 2019, In Re: Franchise No Poaching Provisions (BAM Franchising, Inc.), No. 19-2-28285- 1 SEA, State of Washington, King County Superior Court, Franchisor entered into an Assurance of Discontinuance (“AOD”) with the Washington State Attorney General’s Office. BAM Franchising agreed to no longer include no-poach provisions in its future franchise agreements and to not enforce no-poach provisions in its existing agreements. BAM further agreed to notify all its franchisees in Washington of the AOD and to notify the Attorney General’s Office if it learns of any effort by a franchisee in Washington to enforce any existing no-poach provisions. BAM had language in its franchise agreements that restricted a franchisee’s ability to solicit or hire workers from another BAM franchisee. Washington asserted that this constituted a “contract, combination, or conspiracy in restraint of trade in violation of the Consumer Protection Act, RCW 19.86.030.” BAM expressly denied that the provision in its franchise agreement was a violation of the Consumer Protection Act, RCW 19.86.030 and expressly denied it had engaged in conduct that constitutes a contract, combination, or conspiracy in restraint of trade. The Assurance states: “BAM Franchising, Inc. enters into this AOD to avoid protracted and expensive litigation. Pursuant to RCW neither AOD nor its terms shall be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of BAM Franchising, Inc.

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ITEM 4 **BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

ITEM 5 **INITIAL FEES**

The Initial Franchise Fee for a single area Franchise (the “**Initial Franchise Fee**”) is ~~\$35,000~~40,000. The Initial Franchise Fee is payment, in part, for expenses incurred by us in furnishing assistance and services to you as set forth in the Franchise Agreement and for costs incurred by us, including general sales and marketing expenses, training, legal, accounting and other professional fees.

~~Currently, you are not~~Franchisees may be required to purchase ~~any equipment, products or certain~~ inventory and fixtures directly from ~~us~~the Franchisor or ~~our affiliates~~from required or approved vendors.

Currently, the Initial Franchise Fee for the purchase of an additional franchise is \$15,000.

The initial Franchise Fee is payable in full when you sign the Franchise Agreement, unless otherwise provided in the Multiple Franchise Purchase Addendum to the Franchise Agreement if you are purchasing multiple franchises simultaneously. The initial Franchise Fee is deemed fully earned and is non-refundable except as follows: If during the initial training program, we believe that you are not qualified to operate a Bricks & Minifigs™ Franchise, then we will terminate your Franchise and refund your franchise fee minus our demonstrated expenses without interest.

If you obtain a franchise by purchasing the business of one of our existing franchisees, you will not pay the Initial Franchise Fee, but you or the existing franchisee must pay us our then-current transfer fee (currently \$15,000). The mandatory initial training program is included in that fee. In the event that you sell your franchised operation, a separate transfer fee may apply. Payment of the transfer fee covers reasonable legal, accounting, credit check, and investigation expenses that result from the transfer and relieves you of your obligation to pay the Initial Franchise Fee.

Area Development Agreement

Although our franchises are site-specific and we do not automatically or by default grant territories for development, we may in some instances enter into an Area Development Agreement with a qualified franchisee who wishes to develop multiple businesses within a certain length of time after signing a Franchise Agreement.

Under the Area Development Agreement you must pay, when you sign the ADA, a development fee of ~~five~~seven thousand five hundred dollars (\$7,500) (the “**Development Fee**”) for each Bricks & Minifigs Business to be opened under the Development Schedule. The number of Bricks &

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Note 6: We may require or recommend that you to join and participate in various industry specific local or national associations. The cost of these organizations will vary depending on their membership requirements (Franchise Agreement Section 10). Whether or not membership dues are refundable depends on the professional organization. Due for membership in a professional organization are normally payable to that professional organization. Due for membership in a professional organization may or may not be uniformly imposed depending on the professional organization.

Note 7: You will be required to obtain our written approval for any product, vendor and/or supplier you wish to use in the operation of your Business that is not on our pre-approved list (as described in Item 8) and you will be responsible for paying us an assessment fee. This fee is \$100 for any single non-LEGO® or LEGO® compatible product, vendor and/or supplier you wish to sell, offer, use and/or substitute in your Business.

We may waive these fees if the products, vendors and/or suppliers you select meet our requirements and make it on our approved list of products, vendors and/or suppliers for all Franchise locations.

ITEM 7 **ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee	\$35,000 <u>\$40,000</u>	\$35,000 <u>\$40,000</u>	Cash, Certified Check or Wire Transfer	At signing of the Franchise Agreement	Franchisor
Computers, Software POS System and Office Supplies	\$3,200 <u>\$2,500</u>	\$6,500 <u>\$4,500</u>	As Incurred	Before Opening	Vendors; See <u>Note 6:</u>
Furniture and Fixtures	\$16,500 <u>\$11,500</u>	\$41,375 <u>\$20,000</u>	As Incurred	Before Opening	Vendors; See <u>Note 1:</u>
Real Estate	\$4,500 <u>\$4,000</u>	\$13,000	As Incurred	Before Opening	Landlord; See <u>Note 7:</u>
Leasehold Improvements	\$5,000 <u>\$10,000</u>	\$35,000 <u>\$40,000</u>	As Incurred	Before Opening	Landlord; See <u>Note 2:</u>

Utility Deposit	\$100 <u>\$500</u>	\$300 <u>\$1,200</u>	Costs will vary due to policies of local utilities and this estimate includes a utility deposit.		Before Opening	Local Utility Suppliers
Inventory	\$24,650 <u>\$30,000</u>	\$54,230 <u>\$70,000</u>	Estimates for a startup inventory of products and supplies necessary for the operation of the Business.		Before opening as incurred over the course of the first month of operation	Payable to us or third parties; See <u>Note 3:</u>
Uniforms	\$300 <u>\$400</u>	\$600 <u>\$700</u>	Estimate varies depending upon number of staff.		Before Opening	Vendors
Signage	\$4,900 <u>\$6,000</u>	\$12,000 <u>\$14,000</u>	Estimated cost for the delivery and installation of exterior and interior signage. We specify and provide you with the guidelines in the Operations Manual. Signage expenses are not refundable.		Before Opening	Vendors
Grand Opening Marketing	\$5,000	\$10,000 <u>\$7,500</u>	Marketing will vary depending on several factors including your business plan, growth rate, cost of media in your area and ability to attract customers. Includes minimum amount of \$5,000 for grand opening expenses in conjunction with the opening of your Store and as we may specify in our Operations Manual.		As Incurred	Local Vendors
Staffing (First 3 Months)	\$3,770 <u>\$8,000</u>	\$20,020 <u>\$22,000</u>	As Incurred		As Incurred	Salaries and Expenses; See <u>Note 8:</u>
Insurance (12 Months)	\$800 <u>\$2,500</u>	<u>\$5,000</u>	\$2,500	As Incurred	Before Opening and As Incurred	Payable to third parties; See <u>Note 4:</u>
Travel, Lodging and Meals for Initial Training Program	\$800 <u>\$900</u>	\$4,550 <u>\$3,000</u>	As Incurred		As Incurred During Training	Vendors; See <u>Item 11</u>

Business Licenses, Permits and Professional Legal and Accounting Fees	\$600 <u>\$1,200</u>	\$2,500 <u>\$3,200</u>	As Incurred	Before Opening	Appropriate licensing authorities and Third Parties
Additional Funds - 3 Months	\$15,000 <u>\$25,000</u>	\$45,000 <u>\$60,000</u>	As Incurred	As Incurred	See <u>Note 5</u> :
Total	\$120,120 <u>\$147,500</u>	\$282,575 <u>\$304,100</u>			

Note 1: This is an estimate for the items we would expect you to need for fixtures, desks, chairs, shelving units for merchandise, display cases, cabinets, counters, storage racks, tables and other furniture necessary for the operation of your business. Actual furniture and fixture costs may vary due to square footage ~~as well as vendor deals and promotions at given times that may not be available to all franchisees (if based on geographic regions, availability, clearance deals, etc.)~~ While not currently required, we may require the purchase of LEGO® built sculptures, displays, and/or accent décor that stores may be required to purchase from specific vendors. This potential cost was factored into the potential estimated costs for furniture and fixtures. Until these potential LEGO® items are required, the fixture expenses may be as low as \$2,500 and as much as \$13,375. If applicable, you must also pay state and local sales tax on purchases of furnishings and fixtures. The sales taxes may range from 3% to 10% of the purchase price and are not included in these estimates. Expenses for the furniture and fixtures may or may not be refundable depending on the terms of the invoice or the purchase agreement.

Note 2: We advise you to find a space needing minimal leasehold improvements or fixtures. In most cases you will need to alter the interior of your Business before you open for operation. The costs will vary widely and may be significantly higher than what is projected in the table above depending on such factors as property location, the condition of the property and the extent of alterations required for the property. These sums do not include any sums for the purchase of real property, as we do not expect that you will buy real property. A typical leased location is a retail space in an outlet center, shopping mall or a non-traditional retail space and the typical franchised business has approximately 1,000-3,000 square feet of space. You may be able to reduce this expense if you are able to occupy a space in an existing location that compliments another business. The space must be an enclosed and separate from other businesses with its own locking door. Whether or not any build out expenses are refundable depend on the terms and conditions of your contracts with construction and mechanical contractors, as well as your lease agreement (Franchise Agreement Section 4). Lease payments for the periods of time that you occupy your premises are not refundable. In the event you leave your leased premises before the termination of your lease, you may owe the landlord payment for the entire lease term depending on the terms and conditions of your lease.

Note 3: You must purchase products and supplies for the general operation of the franchised business as specified in the Operations Manual. You must purchase only approved products and supplies, and you must purchase products that meet our specifications, which may change from

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time to time. The types of products and supplies includes but is not limited to: New LEGO® kits, new and used LEGO® bricks and mini-figures in bulk, LEGO® posters and other miscellaneous products or supplies as specified by us. Such items may be purchased through us, our affiliates or approved vendors and/or suppliers locally and/or nationally and may not be refundable depending on the terms of the invoice or purchase agreement (Franchise Agreement Sections 4 and 8).

Note 4: This estimated amount represents twelve months of pre-paid insurance premiums that does not take into account workers' compensation insurance which may vary greatly by state, payroll and classification. You must obtain and keep general comprehensive liability insurance with a minimum policy limit of \$1,000,000 per occurrence and \$2,000,000 aggregate or an amount we reasonably specify. You are also required to obtain All Risk property insurance that covers the assets of the Business and Business Interruption Insurance (Franchise Agreement Section 8).

You may need other insurance such as tenant's liability, statutory workers' compensation insurance (if applicable) and employer's liability insurance with minimum policy limits of \$1,000,000 or an amount we reasonably specify. You may need automobile liability insurance, product liability insurance (covers you for damages that result in injury from products that you distribute), professional liability insurance (covers you for damages that you create that do not result in property or bodily injury) and employee dishonesty insurance are optional however we may require you to obtain this coverage in the future with liability limits of amounts we may reasonably specify. We may change these insurance requirements on reasonable notice to you. There are no other insurance requirements. Whether or not any insurance premiums are refundable depend on the terms and conditions of your insurance policies.

Note 5: Competitive conditions described in Item 1 will affect these costs. Estimate includes minimum working capital for the startup of your business. This also includes estimates of miscellaneous startup costs such as: rent for an additional two months, purchasing additional inventory, workman's compensation insurance payments, tax deposits, prepaid expenses, additional permits, legal fees, accounting fees and other miscellaneous costs, and additional training (if applicable). When preparing these figures, we considered our principals' combined expertise and experience operating businesses similar to the franchise we offer by this disclosure document.

Note 6: These estimated amounts include computers, software, printers, POS system, cash register, high- speed internet connection modems and routers, telephones with an answering, camera and security system, containers, packaging materials and general office supplies.

Note 7: Estimated expenses for your business location based on leasing 1,000 to 3,000 square foot facility. This estimate includes a security deposit.

Note 8: You may need to hire ~~full-time or~~ part-time sales staff. This is an estimate for the first three months of operation.

Total Estimated Initial Investment. We relied on our principals' combined expertise ~~and actual costs reported by franchisees over the years~~ when preparing these figures. The actual amount of funds you will need depends on a variety of factors, including the size of your store, the location of

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your store, the time of year when you start your business, the amount of inventory you purchase, implementation of a marketing plan, your own management skill, economic conditions, competition in your area and other factors. The estimate of initial investment funds is based on an owner- operated business or incorporating Franchise operations to an existing complimentary business and does not include salaries or benefits for full-time employees. As your Business grows, you may choose to hire employees to carry out support service tasks.

These figures are just estimates, and we cannot guarantee that you will not have higher costs. Competitive conditions described in Item 1 will affect these costs. This estimate of startup costs is calculated for a period of three months, with additional operating capital to be available as may be needed during the initial phase. These costs do not include your website hosting, maintenance fees or royalties which begin the first day the Franchise Agreement is effective after the initial training is completed. These costs should be included in your projections of overall operations costs beginning with your first month of operation. We acknowledge that you may choose to invest additional funds into your business during the first three months of operation, and sometimes longer, but we cannot estimate or promise when, or whether, you will achieve positive cash flow or profits. You should review the figures carefully with a business advisor and identify your individual expenses along with cash flow projections before making any decision to buy the franchise.

We do not offer financing, directly or indirectly, for any part of the initial investment for a Franchise. The availability and terms of third-party financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have, and the lending policies of financial institutions. The estimate does not include any finance charges, interest, or debt service obligation, or your living expenses. You should have sufficient capital or other means to pay for your living expenses for at least six months of operation.

The initial Franchise Fee is not refundable except as follows: If during the initial training program, we believe that you are not qualified to operate a Bricks & Minifigs™ Franchise, then we will terminate your Franchise and refund your Initial Franchise Fee minus our demonstrated expenses without interest. Except as provided in this Item, any other fees paid to us are not refundable. Amounts paid to any third parties may be refundable, depending upon the contracts between them and you.

YOUR ESTIMATED SINGLE UNIT INVESTMENT FOR AREA DEVELOPMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is Made
Additional Franchise Unit Fee	\$7,500	\$15,000	Cash, Certified Check or Wire Transfer	At signing of the Franchise Agreement	Franchisor; See <u>Note 9</u>

You must purchase the POS system we require from approved or designated suppliers. You must only use the merchant services processor we designate. You must only use the gift card processor and system we designate.

Unless you are professionally qualified to perform bookkeeping and accounting services, you must hire a qualified bookkeeper who will maintain your financial records related to your franchised business, who will meet with you as often as needed to help ensure accuracy of your financial records, and who can assist you with your annual financial statement requirements per the Franchise Agreement. You must hire a Certified Public Accountant or other qualified tax preparer who will prepare your annual tax returns related to your franchised business.

You are not permitted to sell any non-LEGO® branded products or LEGO® compatible products not approved by us, purchase items from an unapproved supplier or use the services of an unapproved vendor, unless you first submit a written request to us for approval. We base our specifications for products, supplies, vendor and supplier approvals on our discretionary determination of quality, accuracy of product claims, safety, value, prompt attention to complaints, frequency of delivery, appearance and contributions or other benefits to us and/or any marketing fund. We do not otherwise make our specific criteria for approving suppliers available to franchisees. We have the right to disapprove requests for alternate supply sources from you. We may require vendors and/or suppliers to provide certain information in addition to signing a nondisclosure agreement and agree to guarantee our level of quality and produce sufficient samples to allow us to test the sample at your expense. We may require you to submit to us sufficient specifications, photographs, drawings or other information and samples to determine whether the items meet our specifications. A list of approved vendors and suppliers from whom products, supplies and services may be purchased will be provided to you and may be amended by us periodically. There is a product and vendor assessment fee for supplier approval and we require third party testing, in which case you will pay the actual cost of the tests. We will approve or disapprove of your adequate request to approve a product, vendor and/or supplier within 30 days after we receive your request. If we approve, then you may contract with the alternative supplier who meets our criteria. We may revoke approval in our sole discretion, including for failure to continue to meet our criteria, by providing written notice to you of such revocation.

We may become approved suppliers or the only approved supplier(s) for other products, supplies and services.

You must maintain an inventory of new and/or used LEGO® branded building bricks, mini figures and accessories in compliance with our specifications.

We will derive revenue from providing products and services directly to our franchisees. In ~~2022~~2023, we received such revenue in the amount of ~~\$394,935.05~~\$715,083.01 (which was ~~20.18~~13.92% of our total revenue of ~~\$1,956,803~~\$5,136,588 as reflected in our most recent audited financial statements). No affiliates of BAM derived any revenue, rebates or other material consideration based on the required purchases or leases.

~~In the past, we receive rebates from our designated merchant processor based on franchisees' transactions, of around 15% to 30% of the merchant processor's net revenue based on~~

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~~the total number of open and active merchant accounts in our franchise system. We also previously received a one-time payment of \$25 per activated merchant account. These payments did not increase the rate paid to the designated merchant processor. Since switching merchant processors, we no longer receive these payments.~~ Currently, neither we nor any affiliate(s) receive any other rebates, price adjustments, or discounts on products or services sold to you by recommended or approved suppliers. However, we reserve the right to do so in the future.

We have not yet established any purchasing or distribution cooperatives for the purchase of supplies. We may, in the future, negotiate purchase arrangements with suppliers for your benefit in the areas of cost and customer support.

It is estimated that all your initial expenditures from us, our affiliates or the vendors that we specify and/or approve that meet our standards and specifications will represent approximately 5% to 25% of your total initial purchases. It is anticipated that during the operation of your franchised business, required purchases from us, our affiliates or the vendors that we specify or approve (not including royalties or labor costs) are estimated to be approximately 5% to 10% of your total annual purchases of goods or services in the continuing operation of your Store (this depends on the size of your Store, amount of inventory your purchase and sales volume).

We do not provide material benefits (for example renewal or additional franchises) to you based solely on your use of designated or approved sources.

Insurance

Before you open a Bricks & Minifigs® for business, you must obtain the insurance coverage for the Store required by the Franchise Agreement. This currently includes, but is not limited to, comprehensive general liability insurance (\$1,000,000 per occurrence and \$2,000,000 aggregate); “All Risks” or “Special Form” coverage for the full cost of replacement of the business premises; business interruption insurance; and workers’ compensation insurance as required by applicable law. The insurance coverage must be maintained during the term of the Franchise Agreement, and you must provide evidence of insurance to us that insurance has been obtained from a responsible carrier or carriers acceptable to us.

Summary of National Marketing Fund Contributions and Expenses for Fiscal Year 2022

Expenses:	Administrative Expenses	\$24,358 <u>\$12,402.11</u>	16.52% <u>3.97%</u>
	Production	\$30,234 <u>\$84,040.36</u>	20.5% <u>26.92%</u>
	Media Placement	\$92,890 <u>\$215,636.18</u>	62.98% <u>69.11%</u>
Total expenses:		\$147,482 <u>\$312,079.65</u>	100%
Advertising fund contributions:		\$35,907 <u>\$219,675</u>	
Excess of expenses over contributions:		\$(111,575) <u>\$(92,405)</u>	

The franchise spent all of the advertising funds collected. In addition, the franchise spent additional funds from their operational accounts (amounting to ~~\$114,860~~92,405) to fund Media Placements for the benefit of all of the stores.

While advertising materials may note that franchises are available from us, no advertising fees or assessments we collect from our franchisees are used for advertising that is principally a solicitation for the sale of franchises.

- (iii) We have formed a Franchisee Advisory Council whose purposes include providing counsel and advice on the Fund usage and advertising policies. We retain all operational and decision making authority concerning advertising, and the Advisory Council will serve only in an advisory capacity. The Advisory Council will not be separately incorporated, and therefore, it will not have any written documents. Membership of the Advisory Council is determined by appointment by us. Notwithstanding the foregoing, we have the power to select and approve the members and to form, change, dissolve or merge the Advisory Council.
- (iv) Neither we nor any Franchisee Advisory Council undertake any obligation to ensure that expenditures by the Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Fund by Franchisees operating in such geographic area or that you or your Store will benefit directly or in proportion to your contribution to the Fund. Neither the Fund nor we shall be liable to you with respect to the maintenance, direction, or administration of the Fund, including without limitation, with respect to contributions, expenditures, investments or borrowings, except for acts constituting willful misconduct. Bricks & Minifigs®

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Initial Training Program

Before the opening of your Franchise, you must attend the up to 6-day franchise training program for a Bricks & Minifigs® at our corporate headquarters (currently in ~~Orem~~[Provo](#), Utah). We maintain a regular calendar for the training program and the trainings are held approximately six to eight times per year (or more frequently if needed). You must begin the initial training program within 45 days of signing the Franchise Agreement. The training program is included in your Initial Franchise Fee. You are responsible for all costs associated with attending the program such as travel, room and board.

You must complete the Training Program to our satisfaction. If, during the Training Program we determine, in our sole discretion, that you (or your managing partner or shareholder) is not qualified to manage a Bricks & Minifigs® Franchise, we have the right to terminate the Franchise Agreement and we will refund the Initial Franchise Fee, minus our demonstrated expenses, without interest.

We will provide training for you as noted in the following training schedule, which is subject to change. This training curriculum is fully detailed in the Bricks & Minifigs® Operations Manual and will change periodically. Our training team will include directors from our staff from the Bricks & Minifigs® corporate headquarters, members of our website development team, members from our approved suppliers and service providers.

Training Schedule: At Corporate Offices

The Bricks & Minifigs™ Franchise Training Program includes an Operations Manual, classroom training, on the job training and demos.

TRAINING PROGRAM

Subject	Classroom Hours	On-The-Job Training Hours	Location
The Bricks & Minifigs® System and Introduction	1 Hour		Corporate headquarters currently in Orem Provo , Utah or as we otherwise specify
LEGO® Products, Play Sets, Accessories and Specifications	1 Hour	3 Hours	
Product Presentation and Merchandising	1 Hour	3 Hours	
Daily Store Operations, Checklists and How to Run the Store Efficiently		8 Hours	
Strategies for Purchasing LEGO® Play Sets, Supplies and	5 Hours	5 Hours	

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Inventory		
Pricing Guidelines	1 Hour	3 Hours
Tracking Your Inventory	1 Hour	1 Hour
Programs to Buy and Trade from Customers	2 Hours	2 Hours
Party Planning and Performing Offsite Events	1 Hour	
Safety, OSHA Requirements and Quality Control	1 Hour	
Counter Operations, POS System and Software Training*		2 Hours
Customer Service and Handling Complaints		2 Hours
Marketing and Advertising Your Business	2 Hours	
Staffing and Labor Costs	1 Hour	
Financial and Accounting Procedures	2 Hours	

*Additional software training programs may be provided to you online after initial training above is completed.

Our training supervisor is ~~Matthew Thomas~~[Adam Brimhall](#). Mr. ~~Thomas~~[Brimhall](#) has been our ~~Operations~~[New Unit Onboarding](#) Manager since ~~2018~~[2022](#). His experience in the subjects he teaches and supervises at training is based on his management of the Bricks ~~and~~[&](#) Minifigs operation in ~~Canby, Oregon~~[Boise, Idaho](#) from ~~2013~~[2016](#) through ~~2018~~[2022](#).

Occasionally, different guest speakers may make an appearance at the training program to provide information about various products, services and programs offered by us. For example, some speakers may be our employees, Franchisees or industry experts.

Any instructor providing training to new franchisees will have a minimum of 200 hours of subject matter experience, and be certified on their topic of expertise.

to use the trademarks and service marks listed in this Item 13 in any manner material to the franchise.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. We have the sole discretion to take such action, as we deem appropriate and the right to exclusively control any litigation, USPTO proceeding or other administrative proceeding.

We are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or participate in your defense, protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy, we intend to defend the Marks vigorously.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in, any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions with respect to a reasonable time after notice by us. You, in connection with the use of a new or modified Mark, may be required, at your own expense, to remove existing signage from your Store, and to purchase and install new signage. We have no liability to you.

There are no infringing uses actually known to us at the time of this agreement that could materially affect your use of the Marks in any state. There may be other businesses using trademarks, trade names or other symbols similar to our Marks with superior rights to our rights without our knowledge. Before starting business, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your business name.

You are reselling products and services that contain the Lego trademark/trademarks. We ~~have not obtained any license from The Lego Group~~ are an authorized retailer of ~~companies to use the Lego trademarks~~ LEGO brand with very specific requirements and guidelines. Therefore, you may not make use of The Lego Group's trademarks in any advertising, marketing, and promotional materials without our prior written consent.

You must follow our rules when you use the Marks. You may not use the Marks in any manner we have not authorized in writing. You may not use or give others permission to use the Marks, or any colorable imitation of them, combined with any other words or phrases.

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~~ITEM 19~~ITEM 21
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.

The following tables are historical financial performance representations for our ~~36~~ franchisee-owned and ~~5~~ company-owned outlets that were in operation for the entire ~~2022~~2023 calendar year. Additional information is found in the notes following the tables. ~~None of the franchisee-owned or company-owned outlets included in this representation closed during 2022. One outlet that was reacquired by the Franchisor in Oregon was transferred to a franchisee during 2022.~~

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

Table No. 1
~~2022~~2023 Franchisee Performance Totals

2022 <u>2023</u>	# of Franchise Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	36 <u>49</u>	\$18,288,094.42 <u>\$28,412,780.97</u>	\$508,002.62 <u>\$579,852.67</u>	\$986,179.05 <u>1,210,402.81</u>	\$480,734.81 <u>\$572,270.66</u>	\$182,359.52 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			16 (44%) <u>22 (45%)</u>		18 (50%) <u>25 (51%)</u>	

Table No. 2

~~2022~~2023 Franchisee Top, Middle, & Bottom Performance Totals

2022 <u>2023</u>	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Top 1/3	12 <u>16</u>	\$8,675,639.18 <u>\$13,725,320.80</u>	\$722,969.93 <u>\$857,832.55</u>	\$986,179.05 <u>\$1,210,401.8</u> <u>1</u>	\$659,421.54 <u>\$814,588.66</u>	\$596,545.82 <u>\$678,130.86</u>
# and % of Units that Attained or Surpassed the Stated Results			5 (42%) <u>7 (44%)</u>		6 <u>8</u> (50%)	
Middle 1/3	12 <u>17</u>	\$5,892,381.45 <u>\$9,370,657.32</u>	\$491,031.79 <u>\$551,215.14</u>	\$587,640.61 <u>\$676,927.83</u>	\$480,734.81 <u>\$572,270.36</u>	\$417,015.67 <u>\$429,184.41</u>
# and % of Units that Attained or Surpassed the Stated Results			6 (55%) <u>9 (53%)</u>		6 (55%) <u>9 (53%)</u>	
Bottom 1/3	12 <u>16</u>	\$3,720,073.79 <u>\$5,316,802.85</u>	\$310,006.15 <u>\$332,300.18</u>	\$403,774.29 <u>\$419,082.50</u>	\$326,025.52 <u>\$354,055.16</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			8 (67%) <u>9 (56%)</u>		6 <u>8</u> (50%)	

Below is a breakdown of financial data of active corporate units from the ~~2022~~2023 fiscal year. The data included was taken from 5 corporate owned units that were in operation for the entire ~~2022~~2023 fiscal year.

Table No. 3

~~2022~~2023 Corporate Unit Performance Totals

2022	# of Corporate Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	5	\$1,805,692.38 <u>\$2,250,250.80</u>	\$361,138.48 <u>\$450,050.16</u>	\$587,505.98 <u>\$603,326.21</u>	\$319,569.14 <u>\$434,290.73</u>	\$212,734.17 <u>\$303,498.25</u>
# and % of Units that Attained or Surpassed the Stated Results			2 (40%)		3 (60%)	

Below is a breakdown of the combined financial data of all active units from the ~~2022~~2023 fiscal year. The data included was taken from the 36 franchised units and the 5 corporate units, bringing the total to 41 units that were in operation for the entire ~~2022~~2023 fiscal year.

Table No. 4

~~2022~~2023 Combined All Unit Performance Totals

2022	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Total Qualifying Units	41 <u>54</u>	\$20,093,786.80 <u>\$30,636,031.77</u>	\$490,092.36 <u>\$567,833.92</u>	\$986,179.05 <u>\$1,210,401.81</u>	\$462,420.22 <u>\$530,698.55</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			17 (42%) <u>26 (48%)</u>		20 (49%) <u>27 (50%)</u>	

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Table No. 5

~~2022~~2023 Combined Units Top, Middle, & Bottom Performance Totals

2022 <u>2023</u>	# of Units	Total Revenue	Avg. Revenue	Highest Revenue	Median Revenue	Lowest Revenue
Top 1/3	13 <u>18</u>	\$9,263,279.79 <u>\$15,058,993.02</u>	\$712,559.98 <u>\$836,610.72</u>	\$986,179.05 <u>\$1,210,401.81</u>	\$648,187.68 <u>\$778,817.57</u>	\$587,640.61
# and % of Units that Attained or Surpassed the Stated Results			5 <u>7</u> (39%)		7 (54%) <u>9 (50%)</u>	
Middle 1/3	14 <u>18</u>	\$6,688,762.85 <u>\$9,593,040.10</u>	\$477,768.78 <u>\$532,946.67</u>	\$587,505.98 <u>\$638,250.74</u>	\$462,420.22 <u>\$530,698.55</u>	\$392,741.74 <u>\$429,184.41</u>
# and % of Units that Attained or Surpassed the Stated Results			6 (43%) <u>9 (50%)</u>		7 <u>9</u> (50%)	
Bottom 1/3	14 <u>18</u>	\$4,141,744.16 <u>\$6,010,998.65</u>	\$295,838.87 <u>\$333,944.37</u>	\$383,248.48 <u>\$419,082.50</u>	\$317,073.85 <u>\$354,055.16</u>	\$182,359.60 <u>\$171,142.74</u>
# and % of Units that Attained or Surpassed the Stated Results			8 (57%) <u>10 (56%)</u>		7 <u>9</u> (50%)	

Notes:

1. As of December 31, ~~2022~~2023, there were ~~56~~85 total franchisees in operation (~~50 in the United States and 1 in Canada~~) and 5 stores owned by us or an affiliate (“**Company-Owned Stores**”). As of December 31, ~~2022~~2023, ~~36~~49 franchisees and 5 Company-Owned Stores had been in operation for at least 12 months and ~~15~~36 franchisees had been in operation for less than 12 months.

2. In this Item 19, “**Total Revenue**” means gross revenue minus adjustments, discounts, credits, returns, and sales taxes.

3. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn this much.

~~5~~-Written substantiation for this financial performance representation is available to you upon reasonable written request.

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4. ~~6.~~ Our contact information for purposes of this Item follows: Ammon McNeff, President, BAM Franchising, Inc., ~~225 West 520~~4844 North 300 West, ~~Orem~~Suite 202, Provo, Utah ~~84057~~84604, (888) 534-6776.

5. ~~7.~~ We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable and consult with professional advisors before signing the Franchise Agreement.

~~Other than the preceding financial performance representation, BAM Franchising, Inc. 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 Ammon McNeff, President, BAM Franchising, Inc., 225 West 520 North, Orem, Utah 84057, (888) 534-6776, the Federal Trade Commission, and the appropriate state regulatory agencies.~~

	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Missouri	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Montana	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
Nebraska	2020	1	0	0	0	0	0	1
	<u>2021</u>							
	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</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>0</u>	<u>1</u>
Nevada	2021	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
New Jersey	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
New Mexico	2020	1	0	0	0	0	0	1
	<u>2021</u>							
	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</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>0</u>	<u>1</u>
New York	2021	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
North Carolina	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Ohio	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Oklahoma	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2020	5	0	0	0	0	0	5

Oregon	2021							
	2022	5	1	0	0	1	0	5
	2023	5	2	0	0	1	0	6
Rhode Island	2021	50	0	0	0	0	0	50
	2022	50	10	0	0	10	0	50
	2023	0	1	0	0	0	0	1
South Carolina	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
South Dakota	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Tennessee	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Texas	2020	8	0	0	0	0	2	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	6	0	0	0	0	12
Utah	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
Virginia	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2
Washington	2020	3	0	2	0	1	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Wisconsin	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
St. Johns,	2020	1	0	0	0	0	0	1

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Labrador, Canada	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Total	2020	37	1	3	1	3	3	31
	2021	31	4	0	0	0	0	35
	2022	30	4	0	0	0	0	34
	2022	35	18	0	0	1	0	52
	2023	52	35	0	2	2	0	82

Table No. 4

Status of Company-Owned Outlets
For Fiscal Years ~~2020 Thru 2022~~ 2021 thru 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 Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of Year
Connecticut	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Florida	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	0	0	0	0	0	0
Idaho	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Montana	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	0	0	1	0	0	1
Oregon	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	1	0	0	0	0	1
	2023	1	0	1	0	1	1
Utah	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

Washington	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	1	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	2020	2	0	3	0	0	5
	2021	5	0	0	0	0	5
	2022	6 <u>5</u>	0 <u>1</u>	0	0	2	5 <u>4</u>
	<u>2023</u>	<u>4</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>1</u>	<u>5</u>

Table No. ~~5~~Five

Projected New Franchised Outlets

As of ~~January 1, 2023 for the period ending~~ December 31, ~~2022~~2023

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
<u>Arizona</u>	<u>1</u>	<u>3</u>	<u>0</u>
California	9 <u>10</u>	6 <u>5</u>	0 <u>2</u>
Colorado	2 <u>1</u>	3	0
<u>Conneticut</u>	<u>1</u>	<u>1</u>	<u>0</u>
Florida	1 <u>2</u>	5	0
<u>Idaho</u>	<u>1</u>	<u>2</u>	<u>0</u>
Illinois	1	2 <u>3</u>	0 <u>1</u>
<u>Iowa</u>	<u>1</u>	<u>1</u>	<u>0</u>
Missouri <u>Kansas</u>	1	2	0
<u>Kentucky</u>	<u>1</u>	<u>1</u>	<u>0</u>
<u>Louisiana</u>	<u>1</u>	<u>3</u>	<u>0</u>
<u>Michigan</u>	<u>1</u>	<u>4</u>	<u>0</u>
<u>Minnesota</u>	<u>4</u>	<u>6</u>	<u>0</u>
New Jersey <u>Montana</u>	1	1	0
Nevada	1 <u>0</u>	2 <u>1</u>	0 <u>1</u>
North Carolina	3 <u>4</u>	2 <u>4</u>	0

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	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Missouri	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Montana	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
Nebraska	2020	1	0	0	0	0	0	1
	<u>2021</u>							
	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</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>0</u>	<u>1</u>
<u>Nevada</u>	2021	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>New Jersey</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
New Mexico	2020	1	0	0	0	0	0	1
	<u>2021</u>							
	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</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>0</u>	<u>1</u>
<u>New York</u>	2021	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>North Carolina</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	1 <u>0</u>	0	0	0	0	0	1 <u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Ohio</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Oklahoma	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2020	5	0	0	0	0	0	5

Oregon	<u>2021</u>							
	<u>2022</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>6</u>
Rhode Island	2021	50	0	0	0	0	0	50
	2022	50	10	0	0	10	0	50
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
South Carolina	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
South Dakota	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Tennessee	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Texas	2020	8	0	0	0	0	2	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	<u>2023</u>	<u>6</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
Utah	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Virginia	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Washington	2020	3	0	2	0	1	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Wisconsin	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
St. Johns,	2020	1	0	0	0	0	0	1

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Labrador, Canada	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Total	2020	37	1	3	1	3	3	31
	2021	31	4	0	0	0	0	35
	2022	30	4	0	0	0	0	34
	2022	35	18	0	0	1	0	52
	2023	52	35	0	2	2	0	82

Table No. 4

Status of Company-Owned Outlets
For Fiscal Years ~~2020 Thru 2022~~ 2021 thru 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 Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of Year
Connecticut	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Florida	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Idaho	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Montana	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Oregon	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Utah	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1

Washington	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	1	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	2020	2	0	3	0	0	5
	2021	5	0	0	0	0	5
	2022	6 <u>5</u>	0 <u>1</u>	0	0	2	5 <u>4</u>
	<u>2023</u>	<u>4</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>1</u>	<u>5</u>

Table No. ~~5~~Five

Projected New Franchised Outlets

As of ~~January 1, 2023 for the period ending~~ December 31, ~~2022~~2023

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
<u>Arizona</u>	<u>1</u>	<u>3</u>	<u>0</u>
California	9 <u>10</u>	6 <u>5</u>	0 <u>2</u>
Colorado	2 <u>1</u>	3	0
<u>Conneticut</u>	<u>1</u>	<u>1</u>	<u>0</u>
Florida	1 <u>2</u>	5	0
<u>Idaho</u>	<u>1</u>	<u>2</u>	<u>0</u>
Illinois	1	2 <u>3</u>	0 <u>1</u>
<u>Iowa</u>	<u>1</u>	<u>1</u>	<u>0</u>
Missouri <u>Kansas</u>	1	2	0
<u>Kentucky</u>	<u>1</u>	<u>1</u>	<u>0</u>
<u>Louisiana</u>	<u>1</u>	<u>3</u>	<u>0</u>
<u>Michigan</u>	<u>1</u>	<u>4</u>	<u>0</u>
<u>Minnesota</u>	<u>4</u>	<u>6</u>	<u>0</u>
New Jersey <u>Montana</u>	1	1	0
Nevada	1 <u>0</u>	2 <u>1</u>	0 <u>1</u>
North Carolina	3 <u>4</u>	2 <u>4</u>	0

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New York	1	3	0
Ohio	1 <u>3</u>	2 <u>4</u>	0
Rhode Island	1	0	0
South Carolina	2	2	0
Tennessee	1	2	0
Texas	5 <u>9</u>	6 <u>14</u>	0
Utah	1 <u>3</u>	1 <u>4</u>	0
Virginia	1 <u>5</u>	2 <u>6</u>	0
<u>Washington</u>	<u>4</u>	<u>4</u>	<u>0</u>
Wisconsin	1 <u>2</u>	2	0
TOTALS	32 <u>57</u>	43 <u>79</u>	0 <u>4</u>

A list of the names of all Franchisees and the addresses and telephone numbers of their Bricks & Minifigs® business are listed as Exhibit F to this Disclosure Document.

A list of the name and last known home address and telephone number of every Franchisee who has had their franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently concluded fiscal year or who has not communicated with us within 10 weeks of our application date is attached as Exhibit G.

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

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you. For example, some former franchisees have signed mutual termination and release agreements that prohibit the former franchisees from disparaging us.

The following is a list, to the extent known to us, of the names, addresses, telephone numbers, email addresses, and Web address of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored, or endorsed:

Brick & Minifigs Franchisee Advisory Council

Created by BAM FRANCHISING, INC. (Franchisor)
Contact: ~~Ammon~~Matthew McNeff, Franchisor's ~~President~~Chief Operation Officer
~~225 West 520~~4844 North ~~300 West~~, ~~Orem~~Suite 202, Provo, Utah ~~84057~~84604
www.BricksandMinifigs.com
Franchise@BricksandMinifigs.com

Bricks & Minifigs®

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There are no independent franchisee organizations that have asked to be included in this disclosure document.

~~ITEM 21~~~~ITEM 23~~
FINANCIAL STATEMENTS

Our audited financial statements as of December 31, 2020, 2021 and 2022, as well as, the unaudited interim financials, dated June 30, 2022 and October 2, ~~2023~~2024 are attached to this Disclosure Document as Exhibit H. Our fiscal year end is December 31.

~~ITEM 22~~~~ITEM 24~~
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

- Exhibit A Franchise Agreement
 - Schedule 1 Acknowledgement Addendum (page 59)
 - Schedule 2 Ownership Addendum
 - Schedule 3 Guaranty
 - Schedule 4 Lease Addendum
 - Schedule 5 Investor personal Covenants Regarding Confidentiality & Non-Competition
 - Schedule 6 Authorization Agreement For Prearranged Payments
 - Schedule 7 Site Selection Addendum
 - Schedule 8 Assignment of Telephone Number(s)
 - Schedule 9 SBA Addendum
 - Schedule 10 State Specific Addenda
- Exhibit B Area Development Agreement
 - Schedule A Development Area and Schedule
 - Schedule A-1 Development Area Map
 - Schedule B Ownership Addendum
 - Schedule C Guaranty
 - Schedule D Investor Personal Covenants Regarding Confidentiality and Non-Competition
 - Schedule E State Specific Addendum
- Exhibit C List of State Franchise Regulators
- Exhibit D Disclosure Acknowledgement and Agreement (page 63)
- Exhibit E Operations Manual Table of Contents
- Exhibit F List of Franchisees
- Exhibit G Franchisees Who Left the System
- Exhibit H Financial Statements
- Exhibit I Form of General Release
- Exhibit J State Addenda
- Exhibit K State Effective Dates & Receipts

Bricks & Minifigs®

~~2023~~2024 Franchise Disclosure Document

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Franchise Agreement

BAM Franchising, Inc.

~~225 West 520~~4844 North 300 West, Suite 202

~~Orem, UT 84057~~

Provo, Utah 84604

Phone: (888) 534-6722

www.bricksandminifigs.com



BAM Franchising Franchise Agreement

Franchisee

Location

Date of Agreement

Franchise Agreement

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Schedule 6	Authorization Agreement for Prearranged Payments
Schedule 7	Site Selection Addendum
Schedule 8	Assignment of Telephone Number(s)
Schedule 9	SBA Addendum
Schedule 10	State Specific Addenda

BAM FRANCHISING, INC. FRANCHISE AGREEMENT

This Franchise Agreement (the “**Agreement**”) is made and entered into as of _____, 20____, by and between BAM Franchising, Inc., a _____ corporation, with its principal place of business at ~~225 West 520~~4844 North 300 West, Orem UT 84057 Suite 202, Provo, Utah 84604 (“**we**”, “**us**”, the “**Company**” or “**Franchisor**” or “**BAM**”) and _____, (“**you**” or “**Franchisee**”) whose principal address is _____ [address]. The Company and Franchisee are sometimes collectively referred to in this Agreement as the “**Parties**.”

1. INTRODUCTION

A. BRICKS & MINIFIGS®.

We own, operate, and franchise The Bricks & Minifigs® businesses that are retail stores, typically located in shopping malls, strip malls or as free-standing structures, featuring high-quality LEGO® products and related merchandise (the “**System**” or the “**Bricks & Minifigs System**”). We and or our Affiliates, have developed and own a comprehensive system for developing and operating Bricks & Minifigs® stores, which includes trademarks, distinctive store designs and layouts, décor and color schemes, vendor relationships, resale methods, advertising methods and strategies, specifications and procedures for quality control, marketing materials, training programs and certain operational and business standards and policies, all of which we may improve, further develop or otherwise modify. A Bricks & Minifigs® TM franchise will: provide programs permitting customers to sell and/or trade their used LEGO® bricks, LEGO® mini figures and accessories; offer for sale a wide selection of new and used LEGO® bricks, LEGO® mini figures and accessories sold in bulk or full play sets in addition to selling apparel and pre-approved non-LEGO® branded and/or LEGO® compatible products and other merchandise approved by us (the “**Products**”). Additionally, Franchisee may also offer: consignment services, approved themed entertainment services (such as birthday parties, holiday parties, or school events), approved off-site events, after school project-based programs teaching the principals of building with LEGO® bricks to children and other toy related services approved by us (the “**Services**”). Products and Services are also customizable, upon our approval, as Franchisee may also offer, for example, online LEGO® sales, LEGO® memorabilia and LEGO® posters

B. Your Acknowledgements.

You have read this Agreement, our Franchise Disclosure Document, and all agreements relating to these documents. You acknowledge that you have had ample time and opportunity to consult advisors of your own choosing about the potential benefits and risks of entering into this Agreement. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that the LEGO® resale industry is highly competitive. You recognize that the nature of Bricks & Minifigs® stores may change over time, that an investment in Bricks & Minifigs® stores involves business risks and that the success of the venture is largely dependent on your own business abilities, efforts, and financial resources.

renewal rights, and contain a general release of any and all claims against us or our Affiliates and our and their respective officers, directors, attorneys, shareholders and employees;

- (iii) You met all of our then-current qualification and training requirements;
- (iv) At our request, you refurbish, remodel, redecorate, and renovate your Store at the commencement of the renewal term to meet our then-current System Standards, including designs and service systems, trade dress and our then-current site criteria;
- (v) You have complied with all of the material terms and conditions of this Agreement or any other agreement between you and us during the initial term; and you and your Owners have been in substantial compliance with this Agreement throughout the Term;
- (vi) All monetary obligations owed by you to us, our Affiliates or your suppliers or creditors, whether pursuant to this Agreement or otherwise, have been satisfied before renewal, and have been paid in a timely manner throughout the Term; and
- (vii) You have the right to continue to lease or own the location of the Accepted Location for the duration of the renewal term.
- (viii) You have not committed three (3) or more material breaches of this Agreement in the preceding twenty-four (24) months prior to expiration.

If you have the right to renew, you must pay a renewal fee of \$5,000. We retain the right to change your fee for any renewal of your Agreement.

We will give you notice, not later than 30 days after receipt of your election to renew, of our decision whether or not you have the right to renew this Agreement pursuant to this Section.

Failure by you (and your Owners) to sign these agreements and releases within 30 days after delivery to you shall be deemed an election by you not to renew the franchise rights for your Store.

D. Interim Period.

If Franchisee does not sign a successor Franchise Agreement prior to the expiration of this Agreement, pursuant to Section 2.C., above, and continues to accept the benefits of this Agreement after the expiration of this Agreement, then at Franchisor's option, this Agreement may be treated either as: (i) expired as of the date of the expiration with Franchisee then operating without a license to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis ("Interim Period") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice to terminate the Interim Period. In the latter case, all of Franchisee's obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and

all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

E. ~~D.~~ Our Reservation of Rights.

Except as otherwise expressly provided in this Agreement, we and our Affiliates (and our respective successors and assigns, by purchase, merger, consolidation, or otherwise) retain all of our rights and discretion with respect to the Marks, the System, and Bricks & Minifigs® stores anywhere in the world, and the right to engage in any business whatsoever, including the right to: (1) except within the Territory, operate, and grant to others the right to operate, Bricks & Minifigs® stores at locations and on terms and conditions as we deem appropriate (you acknowledge that these Bricks & Minifigs® stores may be in direct competition with your Store, without regard to any adverse effects of these activities on your Store and without any obligation or liability to you); and (2) sell any products or services under any trade names, trademarks, service marks or trade dress, including the Marks, through other channels of distribution (including wholesale distribution of merchandise to Store, Internet, catalogs, smartphone applications, and other outlets). You acknowledge and agree that, except as expressly provided to the contrary in Section 2.A hereof, your rights hereunder shall be non-exclusive. You waive, to the fullest extent permitted under law, all claims, demands or causes of action arising from or related to any of the foregoing activities by us or any of our Affiliates.

We also reserve the right to use the Marks and System to sell any Bricks & Minifigs® products, and other goods, which are similar to those products and services offered by the Franchised Business. This includes, but is not limited to, other channels of distribution such as television, mail order, catalog sales, wholesale sale to unrelated franchises, or over the Internet, or through smartphone applications, or through other forms of electronic media (including social technology, social media and social networking platforms). The Internet is a channel of distribution reserved exclusively to Franchisor, and Franchisee may not independently market on the Internet or conduct e-commerce without Franchisor's express written approval. Franchisor has the sole right to market and sell on the Internet and use the Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media. Franchisee may not separately register any domain name or any portion of a domain name containing the Marks or participate or market on any website or other form of electronic media using the Marks unless Franchisee first obtains written approval from Franchisor. Franchisee's general conduct on the Internet or other forms of electronic media, including Franchisee's use of the Marks or any advertising, is subject to the terms and conditions of this Agreement and any other rules, requirements or policies that Franchisor may identify from time to time.

Additionally, we reserve the right to purchase or be purchased by, or merge with, or combine with, or affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any businesses of any kind that competes directly with Franchisee's Franchise wherever located, including, without limitation, any business that offers products or services the same as or similar to those offered by Franchisee under the System and proprietary marks, within or outside the protected territory.

not correct this failure within 10 days after written notice of this failure is delivered to you; and

(xx) fail to notify us of your Operation Partner, store manager, or assistant manager's termination and/or fail to hire or select a successor Operating Partner who satisfies the requirements provided for in Section 7.C will be considered as a breach of this Agreement.

(xxi) the Franchisee or any owner of greater than 10% of the Franchisee entity or operator is convicted of a crime involving fraud, a crime involving moral turpitude, or any crime of offense that is reasonably likely, in the reasonable opinion of the Franchisor, to materially and unfavorably affect the System, the Marks, Franchisor's or the System's goodwill or Franchisor's or the System's reputation.

We have no obligation whatsoever to refund any portion of the franchise fee upon any termination.

15. RIGHTS AND OBLIGATIONS OF THE COMPANY AND FRANCHISEE UPON TERMINATION OR EXPIRATION OF THE FRANCHISE.

A. Revision of Rights.

You agree that upon termination or expiration of this Agreement, all of your rights to use the Marks and all other rights and licenses granted herein and the right and license to conduct business under the Marks at your Store and on the Accepted Location shall revert to us without further act or deed of any party. All right, title and interest of you in, to, and under this Agreement shall become our property.

B. Payment of Amounts Owed to Us and Others /Liquidated damages.

You must pay us within 15 days after the date of termination or expiration of this Agreement, or such later date as the amounts due to us are determined, the Royalty Fees, marketing fees, amounts owed for purchases by you from us or our Affiliates, interest due on any of the foregoing and all other amounts owed to us or our Affiliates which are then unpaid. If we terminate this Agreement for cause, you must pay us liquidated damages equal to the average monthly Royalty Fees paid by you during the 12 months immediately preceding the period multiplied by the remaining months in the term of this Agreement.

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages. The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Royalty Fees or Minimum Royalty Fee. It does not cover any other damages, including damages to Franchisor's reputation with the public and damages arising from a violation of any provision of this Agreement other than the Royalty section. Franchisee and each of its owners

agree that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fees section.

C. Discontinuance of the Use of the Marks Following Termination or Expiration.

You agree that, upon termination or expiration of this Agreement, you will:

- (i) Not directly or indirectly at any time or in any manner (except with respect to other Bricks & Minifigs® stores owned and operated by you) identify yourself or any business as a current or former Bricks & Minifigs® stores, or as a franchisee, licensee or dealer of us or our Affiliates, and not use any Mark, any colorable imitation of a Mark or other indicia of a Bricks & Minifigs® stores in any manner or for any purpose or use for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with us or our Affiliates;
- (ii) Deliver to us all signs, sign-faces, sign-cabinets, marketing materials, forms, invoices and other materials containing any Mark or otherwise identifying or relating to a Bricks & Minifigs® stores and allow us, without liability, to remove all these items from your Store;
- (iii) Take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;
- (iv) If we do not exercise our right to purchase your Store pursuant to Section 15.E, promptly remove from the Accepted Location, and discontinue using for any purpose, all signs, fixtures, furniture, décor items, advertising materials, forms and other materials and suppliers which display any of the Marks or any distinctive features, images, or designs associated with Bricks & Minifigs® stores and, at your expense, make such alterations as may be necessary to distinguish the Accepted Location so clearly from its former appearance as a Bricks & Minifigs® stores and from other Bricks & Minifigs® stores as to prevent any possibility of confusion by the public;
- (v) Deliver all materials and supplies identified by the Marks in full cases or packages to us for credit and dispose of all other materials and supplies identified by the Marks within 30 days after the effective date of termination of this Agreement;
- (vi) Notify the telephone company and all telephone directory publishers of the termination of your right to use any telephone and telecopy numbers and any regular, classified or other telephone directory listings associated with any Mark and to authorize transfer of those rights to us, or at our direction, our designee. You agree that, as between you and us, we have the right to and interest in all telephone and fax numbers and directory listings associated with any Mark. You authorize us and appoint us and any of our officers as your attorney-in-fact, to direct the

the Franchisor shall be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the Bricks & Minifigs® stores is located.

13. Landlord agrees that during and after the term of the Lease, it will not disclose or use Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease. "Confidential Information" as used herein shall mean all non-public information and tangible things, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, or otherwise obtained by Landlord, regarding the design and operations of the business located at the Accepted Location, including all information identifying or describing the floor plan, equipment, furniture, fixtures, wall coverings, flooring materials, shelving, decorations, trade secrets, trade dress, "look and feel," layout, design, formulas, manner of operation, suppliers, vendors, and all other products, goods, and services used, useful or provided by or for Franchisee on the Accepted Location. Landlord acknowledges that all Confidential Information belongs exclusively to Franchisor. Landlord agrees that should it breach or threaten to breach this provision of the Addendum, Franchisor will suffer irreparable damages and its remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor (which, along with successors and assigns, is an intended third-party beneficiary of the provisions of this paragraph), shall be entitled to all remedies available to Franchisor at law or in equity, including injunctive relief.

14. Landlord agrees to provide that a memorandum of the Lease be recorded in the appropriate recorder's office in the county in which the Store is located and that a copy of the recording certificate be sent to Franchisor.

15. Landlord acknowledges that it has reviewed the Approved Bricks & Minifigs Design and Signage Package. Landlord agrees and consents to Franchisee's use of one or more of the signs described in the Approved Bricks & Minifigs Design and Signage Package and all trade dress elements found in the same Approved Bricks & Minifigs Design and Signage Package as required by Franchisor.

16. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at:

BAM Franchising, Inc.

~~225 West 520~~4844 North ~~300 West, Suite 202~~

~~Orem~~Provo, Utah ~~84057~~84604

with a copy to General Counsel at the same address or such other address as Franchisor shall specify by written notice to Landlord.

SCHEDULE 7 SITE SELECTION ADDENDUM

BAM Franchising, Inc., (“we”, “us”, the “Company” or “Franchisor”) and _____, (“you” or “Franchisee”) have, this ____ day of _____, 20____, entered into a certain ~~Labyrinth~~Bricks and Minifigs Franchise Agreement (“Franchise Agreement”) and desire to supplement its terms, as set out below. The Parties therefore agree as follows:

1. Criteria for Site Approval.

You agree that within _____ (____) days after the signing of the Franchise Agreement, you will locate and obtain our approval for a site within the Territory for the establishment of your Store. For purposes of this Agreement, “Territory” is defined as _____.

You must submit to us the following:

- (a) a complete a site proposal form containing population, growth, income, and other potential customer demographics information, traffic patterns, access, visibility, location of other retail Store and relative sales performance (including other Bricks & Minifigs® stores) and size, condition, configuration, appearance and other physical characteristics of the site and all other information that we reasonably require for the site;
- (b) if the Accepted Location for the proposed site are to be leased, satisfactory evidence that the lessor will agree to the minimum requirements contained in the Lease Addendum to be signed between us, you and the lessor, attached to the Franchise Agreement as Schedule 4; and
- (c) any other information or materials as we may require, such as a letter of intent or other document which confirms your favorable prospects for obtaining the proposed site.

2. Site Approval.

We will approve or reject each site for which you submit to us a complete Site Proposal Package in accordance with Section 4.A of the Franchise Agreement and, if we approve the site, we will do so by delivering our standard Site Approval Letter. Our Site Approval Letter, duly signed by us, is the exclusive means by which we approve a proposed site, and no other direct or indirect representation, approval or acceptance, whether in writing or verbally, by any of our officers, employees or agents, shall be effective or bind us. We will use all reasonable efforts to make a site approval decision and, if the site is approved, deliver a Site Approval Letter to you within 30 days after we receive the complete Site Proposal Package and any other materials we have requested. In deciding whether to approve or reject a site you propose, we may consider such factors as we, in our sole discretion, deem appropriate, including the general location and neighborhood, population, growth, income, and other potential customer demographics information, traffic patterns, access, visibility, location of other Store (including other Bricks & Minifigs® stores) and size, condition, configuration, appearance and other physical characteristics of the site. Neither our approval of a proposed site, nor any information communicated to you regarding our standard site selection criteria or the proposed site, constitutes a warranty or representation of any kind, express or implied, as to the suitability of the proposed site, but merely

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 figure to obtain your net income or net profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in the Franchise Disclosure Document may be one source of this information.

~~Labyrinth~~[Bricks and Minifigs](http://www.LabyrinthBricksandMinifigs.com) Uniform Resource Locator (“URL”) address for locating its internet website is: <http://www.LabyrinthBricksandMinifigs.com>. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. 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.

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

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 CALIFORNIA SECTION OF THIS ADDENDUM APPLIES ONLY TO
FRANCHISEES WHO ARE RESIDENTS OF CALIFORNIA OR WHO LOCATE THEIR
FRANCHISES IN CALIFORNIA.**

HAWAII

1. The following list reflects the status of our franchise registrations in the states which have franchise registration and/or disclosure laws:

This registration is currently effective in California and Washington.

There are no states which have refused, by order or otherwise, to register these franchises.

There are no states which have revoked or suspended the right to offer these franchises.

2. The Franchise Agreement has been amended as follows:

The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If the Franchise Agreement,

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

Your 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 of any other law of Illinois is void.

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.

(See the last page for your required signature)

MARYLAND

The Disclosure Document is amended to state:

“~~Labyrinth~~Bricks and Minifigs has not registered the trademark, service mark/logo in the State of Maryland. You must register the name “~~Labyrinth~~Bricks and Minifigs” as a dba for the entity operating the franchise in the state where the franchise marketing area is located.”

Item 17 of the Disclosure Document and Sections 2.C(ii) and 13.C(vii) of the Franchise Agreement are amended to state:

“Any release signed in connection with the Franchise Agreement is not intended to, nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

The Disclosure Document and Sections 17 and 18.D of the Franchise Agreement are amended to state:

“Notwithstanding anything in this Agreement to the contrary, UNLESS GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.) OR OTHER FEDERAL LAW OR MATTERS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW WHICH SHALL BE GOVERNED THEREBY, THIS AGREEMENT AND THE RELATIONSHIP

Area Development Agreement

BAM Franchising, Inc.

~~West 520~~4844 North 300 West, Suite 202

~~Orem, UT 84057~~

Provo, Utah 84604

Phone: (888) 534-6722

www.bricksandminifigs.com



Area Developer

Location

Date of Agreement

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Schedule C ~~=~~ Guaranty

Schedule D ~~=~~ Investor Personal Covenants Regarding Confidentiality and Non-Competition

Schedule E ~~=~~ State Specific Addenda

BAM FRANCHISING, INC.
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (the “**Agreement**”) is made and entered into as of _____, 20____, by and between BAM Franchising, Inc., an Oregon corporation, with its principal place of business at ~~225 West 520~~4844 North ~~Orem~~300 West, Suite 202, Provo, Utah ~~84057~~84604 (“**we**”, “**us**”, the “**Company**” or “**Franchisor**”) and _____ (“**you**” or “**Area Developer**”), whose principal address is _____. The Company and Area Developer may sometimes collectively be referred to in this Agreement as the “**Parties**” or each individually as a “**Party**.”

1. INTRODUCTION

A. BRICKS & MINIFIGS.

We own, operate, and franchise Bricks & Minifigs® businesses that are retail stores, typically located in shopping malls, strip malls or as free-standing structures, featuring high-quality LEGO® products and related merchandise (the “**System**” or the “**Bricks & Minifigs System**”). We and or our Affiliates, have developed and own a comprehensive system for developing and operating Bricks & Minifigs® stores, which includes trademarks, distinctive store designs and layouts, décor and color schemes, vendor relationships, resale methods, advertising methods and strategies, specifications and procedures for quality control, marketing materials, training programs and certain operational and business standards and policies, all of which we may improve, further develop or otherwise modify. A Bricks & Minifigs® TM franchise will: provide programs permitting customers to sell and/or trade their used LEGO® bricks, LEGO® mini figures and accessories; offer for sale a wide selection of new and used LEGO® bricks, LEGO® mini figures and accessories sold in bulk or full play sets in addition to selling apparel and pre-approved non- LEGO® branded and/or LEGO® compatible products and other merchandise approved by us (the “**Products**”). Additionally, Area Developer may also offer: consignment services, approved themed entertainment services (such as birthday parties, holiday parties, or school events), approved off-site events, after school project-based programs teaching the principals of building with LEGO® bricks to children and other toy related services approved by us (the “**Services**”). Products and Services are also customizable, upon our approval, Area Developer may also offer, for example, online LEGO® sales, LEGO® memorabilia and LEGO® posters.

B. YOUR ACKNOWLEDGEMENTS.

You have read and understood this Agreement, our Franchise Disclosure Document, and related agreements, if any. You acknowledge that you have had ample time and opportunity to consult advisors of your own choosing about the potential benefits and risks of entering into this Agreement. By signing this Agreement, you understand that the Bricks & Minifigs concept offers businesses that are retail stores, typically located in shopping malls, strip malls or as free-standing structures, featuring high-quality LEGO® products and related merchandise. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that the LEGO resale industry is competitive, with constantly changing market conditions and consumer tastes. You recognize that the nature of a Bricks & Minifigs business may change over time, that an investment in a Bricks & Minifigs business involves business risks and that the

(ii) The initial franchise fee payable for each Bricks & Minifigs Business required to be developed by Area Developer pursuant to this Agreement shall be ~~Ten~~Fifteen Thousand Dollars (\$~~10,000~~15,000), payable upon execution of the Franchise Agreement, and the royalty fees shall not exceed the percentage set forth in our standard form Franchise Agreement being offered as of the date of this Agreement. ~~Five~~Seven Thousand Five Hundred Dollars (\$~~5,000~~7,500) of the Development Fee paid in accordance with Section 2.A above will be applied against the initial franchise fee payable under each Franchise Agreement entered into pursuant to the terms of this Agreement. You acknowledge and agree that no portion of the Development Fee shall be refunded for any Bricks & Minifigs Business that you have failed to develop in accordance with the terms of this Agreement.

E. RESTRICTIONS ON DEBT.

In connection with the development of the Development Area, including payment to us of the Development Fee set forth in Schedule A, the payment of franchise fees and the costs and expenses to be incurred pursuant to Franchise Agreements, you and each Owner represent, warrant, covenant and agree that neither you nor any Owner borrowed any funds or otherwise incurred any debt to obtain any funds for the payment of any fees, costs, and expenses, except as specifically permitted in this Section 3.E. You and each Owner shall not, without our prior written consent, which we may grant or deny in our sole discretion, directly or indirectly borrow any money or incur any debt or liability (other than lease obligations for the Bricks & Minifigs Business's land and building and trade payables in the ordinary course of business) to develop the Development Area or to establish, operate and maintain the Bricks & Minifigs Businesses, which may be established in the Development Area pursuant to this Agreement, except that you shall be allowed to borrow, in connection with each Bricks & Minifigs Business an amount not to exceed seventy five percent of the cost of the leasehold improvements, furniture, fixtures, kitchen equipment, and signs required for the opening of each Bricks & Minifigs Business; provided, however, that this borrowing shall have a repayment term of no more than ten years from the date of the opening of the Bricks & Minifigs Business. For purposes of this Section 3.E, any equity or other interests that we deem to be substantially similar to debt or borrowed funds (e.g. equity interests with preferences, dividends, etc) shall be deemed debt or borrowed funds. You shall not extend, renew, refinance, modify, or amend any debt or liability permitted by this Section 3.E without our prior written consent, which consent we may grant or deny in our sole discretion.

F. ANNUAL REPORTS.

You must furnish us: (i) within 90 days after the end of each calendar year, (a) a consolidated year- end balance sheet and income statement and statement of cash flow for you and all of your Affiliates that develop, own or operate Bricks & Minifigs Businesses, all prepared in accordance with generally accepted accounting principles, consistently applied, reflecting all year-end adjustments and accrual; (b) similar information from all Owners who have signed guaranties of this Agreement; and (c) such summaries of financial information as we may require; and (ii) within 30 days of our request, such other information as we may periodically require, including sales mix data, labor cost reports, sales and income tax statements and a consolidated Business Plan for all Bricks & Minifigs Businesses that you and your Affiliates own or operate. All reports shall use our then-current standard chart of accounts. You must sign a verification that the information in each such report and financial statement is complete and accurate. We reserve

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EXHIBIT F

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Justin and Candi Fritz

9118 S. Western Ave., Ste E
Oklahoma City, Oklahoma 73139
405-735-7356

Oregon

~~Lynnette Scott~~
~~3205 SW Cedar Hills Blvd., Suite 44~~
~~Beaverton, Oregon, 97005~~
~~503-644-5701~~

~~Christina Cooper, David Thornton and Leah Brown~~
~~250 SW 1st Ave.~~
~~Canby, Oregon 97013~~
~~503-263-3337~~

Brian Aljian
780 Blair Boulevard
Eugene, Oregon 97402
541-225-4981

Nathaniel Funk
3040 NE Sandy Blvd
Portland, Oregon 97232
503-908-32639

Neil and Lidia Jones
711 Stewart Ave.
Medford, Oregon 97501
541-414-1717

Chrystal Law and Benjamin Gorman
3670 River Rd. N.
Keizer, Oregon 98272
503-390-1830

Marc and Natasha Perrault
540 NW Eastman Pkwy.
Gresham, Oregon 97030
503-328-8848

Lynnette Scott
3205 SW Cedar Hills Blvd., Suite 44
Beaverton, Oregon, 97005
503-644-5701

Rhode Island

Byron and Connie Willeford
1000 Bald Hill Rd., Ste 5
Warwick, Rhode Island 02886
401-320-8390

South Carolina

Rebecca and Kyle Kapp
1054 E. Butler Rd., Ste C
Greenville, South Carolina 29607
864-214-1566

Jamie Volkmar and John Volkmar
99 Westedge St., #1700
Charleston, South Carolina 29403
843-872-1868

South Dakota

~~Jenn~~Jennica and Ryan Dean
2804 W. 41st St.
Sioux Falls, South Dakota 57105
605-274-7447

Tennessee

Jake Faust and Brad and Kristen Faust
91 Seaboard Dr., Ste 108
Brentwood, Tennessee 37027
615-873-4328

Bradley and Talana Patterson
4650 Merchants Park Circle
Collierville, Tennessee 38017
901-207-3007

Texas

Christina Escobedo and Maybin Simfukwe
8004 Indiana Ave.
Lubbock, Texas 79423
806-407-5534

Chris and Rena Foreman

1827 SW Green Oaks Blvd., Ste 119
Arlington, Texas 76017
682-323-4188

Gary and Holly Friedman
14010 N Hwy 183, Suite 525
Austin, Texas 78717
512-520-8019

~~Scott and Heather Zachary~~
~~2030 Glade Road~~
~~Grapevine, Texas 76051~~
~~833-289-5346~~

~~Chris and Jamie Donnell~~
~~12415 Bandera Rd, #212~~
~~Helotes~~

Alfredo Gomez
5347 W. Loop 1604 N., #137
San Antonio, Texas ~~78023~~ 78253
210-437-2985

~~Devon Shows~~
~~Broadway Street, Suite 710~~
~~Pearland, TX 77581~~
~~281-741-0279~~

~~Jason~~

Alfredo Gomez
21850 Bulverde Rd Ste 102
San Antonio, Texas 78259
210-437-2985

Thomas and Dana Keene
28765 I-10 W., #101
Boerne, Texas 78006
830-755-6164

Andrea Klima
7224 Independence Pkwy, Suite 332
Plano, Texas 75025
972-618-2343

~~Chris and Jamie Donnell~~
~~21850 Bulverde Rd Ste 102~~
~~San Antonio~~
Kason and Tamara Menges
2406 Texas Ave., Ste A
College Station, Texas ~~78259~~ 77840
~~210-437-2985~~
979-575-7500

Blake and Jennifer Mitchell
7850 W. Grand Pkwy S., Ste 800
Richmond, Texas 77406
281-762-0583

Devon Shows
Broadway Street, Suite 710
Pearland, Texas 77581
281-741-0279

Tammy Silvas
2101 Harwood Rd., Ste 124
Bedford, Texas 76201
682-503-6191

Thomas and Sarah Smith
6600 Montana Ave., Ste E
El Paso, Texas 79925
915-306-3232

Scott and Jennifer Stewart
5201 S. Broadway Ave., Ste 134
Tyler texas 75703
903-747-8049

Utah

Cory Anderson
1086 W South Jordan Parkway, Suite 105
South Jordan, Utah 84095
385-645-5346

Cory Anderson
755 E 3300 S
Salt Lake City, Utah 84106
385-429-0166

[Jason and Kristen Messer](#)
[555 W. 100 N.](#)
[Providence, Utah 84331](#)
[435-932-6155](#)

Virginia

~~Steve and Sharon Jensen~~
~~14650 N Kelsey St. Suite 102~~
~~Monroe, Washington 98272~~
~~360-243-3068~~

[Nick and Heather Gerow](#)
[2050 Bond St., Unity 110](#)
[Charlottesville, Virginia 22901](#)
[434-956-4108](#)

[Paul and Carrie Indelicato](#)
[10953 West Broad St.](#)
[Glen Allen, Virginia 23060](#)
[804-308-3119](#)

Washington

Steve and Sharon Jensen
14650 N Kelsey St. Suite 102
Monroe, Washington 98272
360-243-3068

[Kevin Wanner](#)
[8700 NE Vancouver Mall Dr., #236](#)
[Vancouver, Washington 98662](#)
[360-723-5032](#)

Wisconsin

[Chris and Tammy Eyerly](#)
[7300 Green Bay Rd.](#)
[Kenosha, Wisconsin 53142](#)
[262-764-0048](#)

Dan Jacobsohn
3000 Cahill Main St., Suite 114
Fitchburg, Wisconsin 53711
608-286-1302

~~Chris and Tammy Eyerly
7300 Green Bay Rd.
Kenosha, Wisconsin 53142
262-764-0048~~

~~Newfoundland, Canada~~

~~Chad Graham
29 Stavanger Dr.
St. John's, NL A1A5E8
709-237-5700~~

~~Joseph and Sarah Schmidt
1350 W. American Dr.
Neenah, Wisconsin 54956
920-502-0008~~

**List of Franchisees Who ~~Have~~Had Signed Franchise Agreements but Not Yet Opened as of
December 31, ~~2022~~2023**

Arizona

Rachel Mangum and Theresa Bartholomew

California

~~Ryan Spalding and Yi Yang Spalding~~

~~Katherine and Tim Leuschner~~

~~Ryan and Carissa McDivett~~

~~Michael and Michelle Wu~~

~~Chris Davis~~

Vanagan Connors-Gaboudian and Hovig Gaboudian

Rafael and Shauna Garcia

Thomas and Rachel Harpham

James Kim

Henry and Janet Leyvas

Robert and Betty Poquez

Clarence and Deanna Rivette

Timothy and Ashley Schmitt

Robert and Monica Schwaniger

~~Miguel and Diala Zuniga~~

~~Henry and Janet Leyvas~~

~~Aimee and Kevin Paul~~

Victor Solis

Mario and Suzy Torres

Nikki Wallace and Matthew Sabin

Colorado

Jon and Patricia McGuire

Rick Snyder

~~Donnie and Cindy Greenfield~~

Conneticut

David and Lindsey Orr

Florida

James Olk ~~Jennifer and Jonathan Martin~~

Douglas and Margaret Phares

Channing and Lena Strong

Idaho

Art and Genevieve Miner

Illinois

~~Madrigal Brown-Vorce~~

~~Missouri~~

~~Phillip and Tiffany Vice~~

~~Nevada~~

~~Edgar Garcia and Xin Gan~~

~~New Jersey~~

~~Scott and Rebecca Warren~~

~~New York~~

~~Lawrence Joffe~~

Bradley Banaszek

Iowa

Jordan and Allison Hartog

Kansas

James and Carol Linder and Tracy Dewitt

Kentucky

Quentin Stephenson

Louisiana

Luke Fontenot

Michigan

Kevin and Cara Suksi

Minnesota

Stephen and Katie Ryan

Robert and Mindy Warland

Montana

Brad and Lib Martinich

North Carolina

Steve and Trisha Brewer

[Barbara Cannon](#)

[Paul and Barbara Eagle](#)

Travis and Chelsea Parker

~~Steve Brewer and Trisha Loder~~

Demetrius and Anne Grandel

Ohio

~~Vikran and Priya Reddy~~

Rhode Island

~~Byron and Connie Willeford~~

South Carolina

~~Jamie Volkmar and Jon Volkmar~~

~~Rebecca and Kyle Kapp~~

Tennessee

~~Jake Faust~~

[Keith Baggs](#)

[Matthew & Lindsey Reeves](#)

[Mike & Katie Ulring](#)

Texas

~~Thomas and Dana Keene~~

~~Scott and Jennifer Stewart~~

[Michael Alsdorf, Ankur Laoria, and James Lugert](#)

[Michael and Meghan Bingham](#)

[Douglas and Angela Egbert](#)

[Kevin Gaines](#)

[Abe and Jessica Hughes](#)

[Jenna Lambert](#)

[Juan Carlos Martin and Esther Rafael](#)

Thomas and ~~Sarah Smith~~[Rebecca White](#)

~~Chris and Rena Foreman~~

~~Blake and Jennifer Mitchell~~

Utah

~~Jason Messer~~

[Cory and Daniella Anderson](#)

[Joshua and Kristen Brereton](#)

[Braden and Tess Forsey](#)

Virginia

~~Nick Gerow~~

[Jacob and Allison Crawley](#)

[Paul and Carrie Indelicato](#)

[Jayesh Lawani](#)

[Laura and Christian Luik](#)

[Adam and Katherine Watson](#)

Washington

[Alex and Natalie Caetano](#)

[Anthony and Stacie Capelli](#)

[Edward Highfield](#)

[Robert Hildebrand](#)

Wisconsin

~~Joseph and Sarah Schmidt~~

[Wade and Kimberly Bosworth](#)

[Christopher and Alexandra Hoepfner](#)

[Jessica and Seth Vandaleest](#)

**Outlets Owned and Operated by Corporate and/or One or More of Our Officers as of
December 31, ~~2022~~2023**

Connecticut

~~Traci Schneider~~

Zach Giles

1173 Queen St.
Southington, Connecticut 06489
860-385-1007

(Operated by an entity owned by BAM Franchising Inc.)

Idaho

Reed Brimhall
10150 W. Fairview Ave.
Boise, Idaho 83704
208-377-4386

(Owned and operated by an entity in which our CFO is an owner)

Montana

Jacob Blackburn

1911 Kings Highway West, Suite 9
Billings, Montana 59102
406-969-2931

(Operated by an entity owned by BAM Franchising Inc.)

Oregon

~~Chrystal Law~~

~~3670 River Rd. N~~

~~Keizer~~

Michael Kornish

250 SW 1st Ave.

Canby, Oregon ~~97303~~97013

~~503-390-1830~~

503-263-3337

~~*(Owned and operated*~~*Operated* *by an entity owned by BAM Franchising, Inc.)*

Utah

Matthew, Karen, Ammon, and Nicole McNeff
658 S. State St.
Orem, UT 84058
801-874-2362

EXHIBIT G
FRANCHISEES WHO LEFT THE SYSTEM
DURING OUR LAST FISCAL YEAR AS OF DECEMBER 31, 2022

Transferred to New Owner:

~~Tom and Lindsey Hayden~~
~~Littleton Colorado~~
~~720-484-5700~~

~~Jennifer Pyer~~
~~Avondale Arizona~~
~~623-518-3113~~

Chris Donnell
San Antonio, Texas
210-994-8100

Adam Blust
Louisville, Kentucky
502-709-4202

Mutual Termination:

~~Matthew Bauman~~
~~Salem Oregon~~
~~503-390-1830~~

Kevin Woods
Billings, Montana
406-969-2931

Termination:

~~None~~
Christina Cooper, David Thornton and Leah Brown
Canby, Oregon
503-263-3337

Scott and Heather Zachary

Grapevine, Texas

817-952-7002

Ceased Operations — Other Reasons:

None

RECEIPT

BAM FRANCHISING, INC

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 BAM FRANCHISING, INC. 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 and Rhode Island law require delivery at the earlier of the first personal meeting or at least 10 business days, and Michigan and Wisconsin law require delivery at least 10 business days, before signing/paying.)

If BAM FRANCHISING, INC. 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency as identified on Exhibit B.

BAM FRANCHISING, INC.'s franchise sellers are Ammon McNeff, Matthew McNeff, ~~Matthew Thomas, Reed Brimhall~~, Carson Bird, Darin Hicks, Ashley Wells, Josh Johnson, Kiou Amini, Ernesto Olaza, and David Ortiz, ~~225 West 520~~4844 North, ~~Orem, UT 84057~~ 300 West, Suite 202, Provo, Utah 84604, (888) 534-6776.

Issuance Date: March 31, ~~2023~~2024 (and effective as of the individual state registration dates reflected on the cover page).

BAM FRANCHISING, INC., authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state.

I have received a Bricks & Minifigs® disclosure document dated as indicated above that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement with attached Schedules | E. Operations Manual Table of Contents |
| B. Area Development Agreement with attached schedules | F. List of Franchisees |
| C. List of State Agencies and Regulators | G. Franchisees Who Have Left the System |
| D. Disclosure Acknowledgement and Agreement | H. Financial Statements |
| | I. Form of General Release |
| | J. State Addenda |
| | K. State Effective Dates & Receipts |

DATED this ___ day of _____, 20__.

Signatures of All Prospective Franchisees:

Signature: _____ Signature: _____

Print Name: _____ Print Name: _____

Name of Corporation/LLC/Partnership (if applicable): _____

By: _____ Title: _____

RETURN THIS SIGNED FORM TO THE FRANCHISOR.

Mail to BAM Franchising, Inc., ~~225 West 520~~4844 North 300 West, ~~Orem~~Suite 202, Provo, Utah ~~84057~~84604, or email scanned copy to Franchise@BricksandMinifigs.com, or fax to (888) 801-6454.

Bricks & Minifigs®
~~2023~~2024 FDD Exhibit K

RECEIPT

BAM FRANCHISING, INC

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 BAM FRANCHISING, INC. 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 and Rhode Island law require delivery at the earlier of the first personal meeting or at least 10 business days, and Michigan and Wisconsin law require delivery at least 10 business days, before signing/paying.)

If BAM FRANCHISING, INC. 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency as identified on Exhibit B.

BAM FRANCHISING, INC.'s franchise sellers are Ammon McNeff, Matthew McNeff, Matthew Thomas, Reed Brimhall, Carson Bird, Darin Hicks, Ashley Wells, Josh Johnson, Kiou Amini, Ernesto Olaza, and David Ortiz, ~~225 West 520~~4844 North, ~~Orem, UT 84057~~ 300 West, Suite 202, Provo, Utah 84604, (888) 534-6776.

Issuance Date: March 31, ~~2023~~2024 (and effective as of the individual state registration dates reflected on the cover page).

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I have received a Bricks & Minifigs® disclosure document dated as indicated above that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement with attached Schedules | E. Operations Manual Table of Contents |
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| C. List of State Agencies and Regulators | G. Franchisees Who Have Left the System |
| D. Disclosure Acknowledgement and Agreement | H. Financial Statements |
| | I. Form of General Release |
| | J. State Addenda |
| | K. State Effective Dates & Receipt |

L. _____

DATED this ___ day of _____, 20__.

Signatures of All Prospective Franchisees:

Signature: _____ Signature: _____

Print Name: _____ Print Name: _____

Name of Corporation/LLC/Partnership (if applicable): _____

By: _____ Title: _____

RETURN THIS SIGNED FORM TO THE FRANCHISOR.

Mail to BAM Franchising, Inc., ~~225 West 520~~4844 North 300 West, ~~Orem~~Suite 202, Provo, Utah ~~84057~~84604, or email scanned copy to Franchise@BricksandMinifigs.com, or fax to (888) 801-6454.