

# THE PICKLR

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## FRANCHISE DISCLOSURE DOCUMENT

Pickl Franchise Inc. is offering franchises for the use of the trademark “THE PICKLR” and related trademarks and service marks and logos (“Marks”) for the operation of a premier indoor pickleball facility and event center, including court reservations, leagues, tournaments, clinics, private/corporate events, pro shop, simple pre-packaged food and beverages (some facilities may sell alcoholic beverages) and [sponsorships](#) [services](#). (“Picklr Franchise”).

The Picklr redefines the indoor pickleball experience by cultivating connection, competition and pure fun. Picklr Facilities feature professional-grade surfacing and cutting-edge technology integration, packaged with an innovative membership-based business model. Whether your member is a novice or a seasoned pro, The Picklr's leagues, tournaments, and clinics offer opportunities for growth, camaraderie, and spirited competition.

The total investment necessary to begin operation of a single Picklr franchise is \$540,400 to \$1,178,300. This includes \$60,000 to \$62,000 that must be paid to the franchisor, or its affiliate(s).

The total investment necessary to begin operation of a three-unit Multi-Unit Development Agreement is \$610,400 to \$1,248,300 which includes \$130,000 (\$60,000 for the first unit, \$40,000 for the second unit and \$30,000 for the third unit) that must be paid to franchisor, or its affiliate(s), plus \$2,000 for a Corporate Guaranty Fee, if applicable.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchisor at 559 S. Deseret Drive, Kaysville, UT 84037, or call (801) 725-3041.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. Information comparing franchisors is available. Call your state agency or your public library for sources of information. More information on franchising, such as “A Consumer's Guide to Buying a Franchise,” is available from the FTC. You can contact the FTC at 1-877-FTCHELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

## How to Use This Franchise Disclosure Document

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

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

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Utah. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Utah than in your own state.
2. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
3. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
4. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify you business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.
5. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise agreement and loss of your investment.
6. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
7. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchises are experiencing delays in opening their outlets, you may also experience delays in opening your own outlet.

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

Mr. Walker has been Franchisor's Chief Development Officer since January 2024. From August 2023 to December 2023, he ~~serve~~served as Franchisor's Vice President of Real Estate. From January 2019 to December 2023, Mr. Walker was the Chief Revenue Officer and Co-Founder of Proper Seven, a revenue and marketing consulting agency, in Heber, Utah. For the last 8 years, he has managed his family's real estate portfolio within Utah Tri-State area.

**Vice President of Construction: Jason Bauerle**

Mr. Bauerle has been our Vice President of Construction since February 2022. Prior to joining us, Mr. Bauerle served as the Vice President of Construction for Utah Court Surfacing in Layton, Utah from January 2016 to February 2023.

**Sr. Vice President of Marketing: Kathryn Bullough**

Ms. Bullough has been our Sr. Vice President of Marketing since September 2023. Prior to joining us, Ms. Bullough served as the Sr. Vice President of Marketing for Axon in Scottsdale, Arizona from September 2021 to January 2023 and as the Senior Director of Marketing, Brand Manager of Skullcandy in Park City, Utah from April 2015 to August 2021.

**Sr. Director of Franchise Sales: David Fromal**

Mr. Fromal has been our Sr. Director of Franchise Sales since December 2023. Prior to joining us, Mr. Fromal was the Sr. Director of Franchise Sales for Huntington Learning Center in Denver, Colorado from April 2023 to December 2023, the Sr. Director of Franchise Sales for Mathnasium in Denver, Colorado from April 2022 to March 2023 and the Sr. Director of Franchise Sales for Vertical Enterprises in Denver, Colorado from January 2019 to March 2022.

**ITEM 3  
LITIGATION**

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

**ITEM 4  
BANKRUPTCY**

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

**ITEM 5  
INITIAL FEES**

**Single Unit Franchises**

The initial franchise fee is \$60,000 (“**Initial Franchise Fee**”) and due when you sign the Franchise Agreement. The Initial Franchise Fee is deemed fully earned by Franchisor once fully paid and is non-refundable. This fee covers the cost of initial training for up to two persons. The training takes place in Kaysville, UT or another site that Franchisor determine.

[If Franchisor is a guarantor on the lease for Franchisee’s Picklr Franchise, Franchisee will be required to pay Franchisor a quarterly Corporate Guaranty Fee equal to 2% of Gross Sales. If the landlord does not require a guaranty by the Franchisor or if Franchisor declines to provide a guaranty on the Franchisee's lease, the Corporate Guaranty Fee will not be charged.](#)

As of the end of Franchisor's fiscal year end, Franchisor collected Initial Franchise Fees for single unit franchises in the aggregate amount of \$135,000.

**Multi-Unit Developers**

At Franchisor’s discretion, Franchisor may offer to qualified candidates a multiple unit development agreement (“**Multi-Unit Development Agreement**”), attached to this Franchise Disclosure Document, pursuant to which the multi-unit developer (“**Multi-Unit Developer**”) obtains the right to develop and operate a prescribed number of Picklr Franchises. When Multi-Unit Developer signs a Multi-Unit Development Agreement for the development of more than one Picklr Franchise, Franchisor

will grant Franchisee the right to open and operate a mutually agreed upon number of Picklr Franchises in a specified Development Area in accordance with a specified Development Schedule.

As a Multi-Unit Developer, you must pay Franchisor an Initial Franchise Fee or a Development Franchise Fee for each Picklr Franchise to be developed as set forth in the Multi-Unit Development Agreement. Multi-Unit Developer will pay a multi-unit development fee (“**Multi-Unit Development Fee**”) as follows: \$60,000 for the first Picklr Franchise, \$40,000 for the second Picklr Franchise and the Multi-Unit Development Fee for three or more Picklr Franchises is \$30,000 each. By way of example only, if Franchisor grants the rights to a Multi-Unit Developer to develop a total of three Picklr Franchises, the total Multi-Unit Development Fee is \$130,000. Multi-Unit Developer must pay the Multi-Unit Development Fee when Multi-Unit Development signs the Multi-Unit Development Agreement. The Multi-Unit Development Fee is fully earned at the time Multi-Unit Developer signs the Multi-Unit Development Agreement and is not refundable for any reason regardless of whether Multi-Unit Developer ultimately opens any or all of its required Picklr Franchises.

If Franchisor is a guarantor on the lease for Franchisee’s Picklr Franchise, Franchisee will be required to pay Franchisor a quarterly Corporate Guaranty Fee equal to 2% of Gross Sales. If the landlord does not require a guaranty by the Franchisor or if Franchisor declines to provide a guaranty on the Franchisee’s lease, the Corporate Guaranty Fee will not be charged.

As of the end of Franchisor’s fiscal year end, Franchisor collected Multi-Unit Development Fees in the aggregate amount of \$3,357,500.

#### ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee <sup>†</sup>	7% of Gross Sales <sup>(1)</sup>	Due weekly on the Monday following the week in which the Gross Sales incurred	Payable by ACH.
Local Advertising Fund for advertising and related expenditures	The greater of 1% of each month’s Gross Sales or \$1,500	Due monthly on the Monday following the week in which the Gross Sales incurred	Payable to Franchisor by ACH and expended for advertising in Franchisee’s local trade area as Franchisor determines. The amount is subject to change upon prior notice to Franchisee.
National Marketing Fee <sup>†</sup>	A minimum of 2% of each month’s of Gross Sales	Due weekly on the Monday following the week in which the Gross Sales incurred	Payable by ACH. May increase by 0.1% in any 12-month period, up to a maximum of 1% of Gross Sales, unless the Franchise Advisory Council (if formed) consents to a more rapid increase.
Regional and National Partnership and Sponsorship Management Fee <sup>†</sup>	\$950 monthly management fee for Franchisor and/or its Affiliate to manage, promote and sell regional and national partnerships and	Due monthly by the 17 <sup>th</sup> of each month, commencing on the date the Picklr Franchise opens	Payable by ACH. Franchisor and/or its Affiliate will manage, sell and promote all partnerships and sponsorships. Franchisee will not engage in local, regional or national partnership and sponsorship activity without Franchisor’s prior approval.

Type of Fee	Amount	Due Date	Remarks
			ongoing basis.
<del>Fees for miscellaneous assistance</del>	<del>\$0—\$3,000</del>	<del>As Incurred</del>	<del>Periodically, Franchisor may provide various types of assistance to Franchisee for which Franchisor may charge a fee. Types of charges and fees will be set forth in the Operations Manual.</del>
Indemnification	\$0 - \$1 million	As incurred	Franchisee must reimburse Franchisor if Franchisor is held liable for claims resulting from Franchisee's operations of its Picklr Franchise.
Costs and Attorneys' Fees	\$0 - \$50,000	As Incurred	Payable to Franchisor in the event of Franchisee's failure to comply with the Franchise Agreement, Operations Manual and other agreements governing the Picklr Franchise.
Interest on Late Payments†	Lesser of 18% per annum or maximum allowed by law	Payable immediately upon the due date	Payable immediately.
Audit Fee†	Cost of the audit plus the amount due because of the misreporting and a fine as set forth in the Operations Manual	Payable immediately upon completion of the audit	Payable to Franchisor if it is determined that you have understated the amount due by greater than 2% or if you obstruct or fail to cooperate with Franchisor's audit or if you fail to provide required financial statements and Franchisor performs an audit instead.
Franchise Transfer Fee†	50% of the then current Initial Franchise Fee	Payable upon Franchisee's request for a transfer	Payable only if Franchisee requests to transfer its Picklr Franchise to a third party.
Development Transfer Fee†	50% of the then current Initial Franchise Fee for each opened Picklr Franchise and \$2,500 for each unopened Picklr Facility to be transferred	Payable upon Franchisee's request for a transfer	Payable only if Multi-Unit Developer requests to transfer its unopened and/or opened units to a third party.
Successor Franchise Fee†	\$10,000	Upon execution of Franchisee's Successor Franchise Agreement	Payable only if Franchisee signs a Successor Franchise Agreement at the end of the initial term.
Corporate Guaranty Fee†	2% of <del>gross revenue</del> <u>Gross Sales</u>	Monthly	See Item 5 for more information on the Corporate Guaranty fee

rates vary by the size of the premises, location of the premises, value of leasehold improvements, amount of inventory, and amount of wages and other related conditions. The amounts stated are Franchisor's best estimate of the range of costs associated with insurance policies.

- (6) POS Equipment, Software Licenses and Computer Systems: Initial POS equipment, Software Licenses and Computer Systems will be required before commencing business operations. The amounts stated are Franchisor's best estimate of the range of costs.
- (7) Rent & Deposit. Franchisee will need a ~~10,000~~22,000 to 45,000 square foot structure to adequately operate its Picklr Franchise. If Franchisee does not own a space that meets Franchisor's guidelines, Franchisee must lease space for its Picklr Franchise. Generally, this will require that Franchisee pay the first and the last month's rent, plus a security deposit, at the time Franchisee signs the Lease. Franchisor provides site selection guidelines and reserves the right to reject Franchisee's proposed Picklr Facility. In most cases, the business terms and conditions of all agreements relating to the lease, and alteration of the premises will be negotiated by Franchisee. Franchisor also requires that Franchisee incorporate certain legal provisions into Franchisee's lease. The amounts stated are Franchisor's best estimate of the range of costs for fees and security deposits.
- (8) Equipment and Installation. This includes the estimated cost to purchase and install equipment. This amount includes ball machines.
- (9) Branding Installation. This includes installation of all interior signs, millwork components, front counter, furniture and branding specifically for the Picklr Franchise; installation of the overhead sound baffling system, security system, sound system, AI pickleball system and other brand-specific components. Although not required to use Franchisor's vendors for branding installation, if Franchisee elects to use the Picklr Go Branding installation team, this cost will be between \$35,000-\$40,000.
- (10) Furnishings and Fixtures. Lights, nets, fencing and other supplies used for Picklr Franchise including cleaning and sanitation including a court cleaning machine); incident prevention and response; maintenance and upkeep; and office areas. The supply requirements may vary based on premises layout and pricing may vary based on vendors. The amounts stated are Franchisor's best estimate of the range of costs.
- (11) Signage. Franchisor provides the specifications associated with the signs and graphics and only those signs, graphics, and materials Franchisor authorizes will be permitted to be erected, posted, or distributed. At Franchisee's expense, Franchisee is responsible for the production and installation of signs and graphics and should do so in accordance with governmental and landlord requirements. The costs of fabricating and installing authorized signs and graphics can vary. All specified signs and graphics must be completed and properly erected and posted prior to commencing Franchisee's Picklr Franchise operations and signs and graphics must be maintained in a condition acceptable to Franchisor. The amounts stated are Franchisor's best estimate of the range of costs associated with printing and signage.
- (12) Digital Infrastructure. Franchisee is required to install digital signage platform through Revel, with speakers, cameras and Taylor-Winfield technology.
- (13) Transportation and Freight. Franchisee will pay transportation and freight charges on shipping equipment and supplies. This includes approximately \$6,000 to ship The Picklr SportCourt™.

Type of Expenditure <sup>(1)</sup>	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is Made
Utility deposits and fees <sup>(14)</sup>	\$100	\$3,500	As Incurred	As Required by Utility Company	Suppliers
Licenses and Permits <sup>(15)</sup>	\$500	\$4,000	Lump Sum	As Required by Government Agencies	Government Agencies
Legal and Accounting <sup>(16)</sup>	\$1,000	\$5,000	Lump Sum	Before Commencing and During Process	Attorney and Accountant
Travel and Wages for Initial Training <sup>(17)</sup>	\$5,000	\$12,000	As Incurred	As Required by Suppliers	Suppliers
Opening Inventory <sup>(18)</sup>	\$20,000	\$40,000	Lump Sum	Before Opening	Affiliates and Suppliers
Security System and Electronic Entry Access System <sup>(19)</sup>	\$1,000	\$7,000	As Incurred	Before Opening	Suppliers
Corporate Guaranty Fee <sup>(20)</sup>	\$0	\$2,000	As Incurred	As Incurred	Franchisor
Sinking Fund <sup>(21)</sup>	\$800	\$800	Monthly Deposit	Monthly	Third Parties
Additional Funds (initial 3 months) <sup>(22)</sup>	\$25,000	\$100,000	As Incurred	During First 3 Months of Operations	Third Parties
<b>TOTAL ESTIMATED INITIAL INVESTMENT</b> <sup>(23)</sup>	<b>\$610,400</b>	<b>\$1,248,300</b>			

- (1) The high and low ranges in the table are based on an average Picklr Franchise and on Franchisor's experience of developing seven Picklr Clubs. All estimated expenses are subject to change and Franchisor may update and change the requirements at any time in the Operations Manual. All fees imposed by Franchisor are non-refundable unless otherwise noted. (See ITEM 5). Fees and expenses paid to suppliers, vendors or other third parties may or may not be refundable depending on the arrangements Franchisee makes with them.
- (2) Initial Franchise Fee. The Initial Franchisee Fee is \$60,000 for the first Picklr Franchise that Franchisee opens. It is due when the Franchise Agreement is signed by Franchisee. Multi-Unit Development Fee is as follows: \$60,000 for the first Picklr Franchise, \$40,000 for the second Picklr Franchise and the Multi-Unit Development Fee for three or more Picklr Franchises is \$30,000 each. It is due when the Multi-Unit Development Agreement is signed by Franchisee. This fee includes Franchisee's Initial Training Program for two people but excludes employee wages and compensation, travel, lodging, and meal expenses during such training.
- (3) Start-Up Advertising and Promotions Expense. This includes approximately \$9,500 for a portable rollout pickleball court ("The Picklr SportCourt™").
- (4) Architecture and Design, Architect of Record, Leasehold Improvements. These amounts are an estimate of the range of costs for leasehold improvements, architecture and design and retaining an architect of record. These costs will vary substantially based on local conditions, including the availability and prices of labor and materials and size of the building. These estimates assume that a landlord will provide a "vanilla shell" space which, at a minimum, includes concrete floors, demised walls, working HVAC, roof, and utilities stubbed to the premises sufficient for a Picklr Franchise. These costs could be substantially higher in certain markets and for certain

sites. Franchisee should carefully investigate all costs in the area where Franchisee wishes to establish its Picklr Franchise. The previous tenant or the landlord may have already installed certain leasehold improvements that are compatible with Franchisor's specifications thus reducing certain costs. This estimate does not include any tenant improvement allowance Franchisee may receive from the landlord. This estimate does not include the costs of any necessary site development or site engineering work, nor does it include capitalized costs of rent or other occupancy costs, over either the life of the lease or the life of Franchisee's investment. These amounts do not include the purchase of a building or site on which a building would be built. Franchisor does have a recommended vendor, Lark Design Studios, for the layout and design of the Picklr Facility, for which Franchisee will contract with directly.

- (5) Insurance. Franchisee must purchase and at all times maintain in full force and effect insurance policies, in such amounts and on such terms, as prescribed in Item 8 and as may be modified in the Operations Manual. It is difficult to estimate the exact amount the insurance will cost because rates vary by the size of the premises, location of the premises, value of leasehold improvements, amount of inventory, and amount of wages and other related conditions. The amounts stated are Franchisor's best estimate of the range of costs associated with insurance policies.
- (6) POS Equipment, Software Licenses and Computer Systems: Initial POS equipment, Software Licenses and Computer Systems will be required before commencing business operations. The amounts stated are Franchisor's best estimate of the range of costs.
- (7) Rent & Deposit. Franchisee will need a stand-alone, ~~10,000~~22,000 to 45,000 square foot structure to adequately operate its Picklr Franchise. If Franchisee does not own a space that meets Franchisor's guidelines, Franchisee must lease space for its Picklr Franchise. Generally, this will require that Franchisee pay the first and the last month's rent, plus a security deposit, at the time Franchisee signs the Lease. Franchisor provides site selection guidelines and reserves the right to reject Franchisee's proposed Picklr Facility. In most cases, the business terms and conditions of all agreements relating to the lease, and alteration of the premises will be negotiated by Franchisee. Franchisor also requires that Franchisee incorporate certain legal provisions into Franchisee's lease. The amounts stated are Franchisor's best estimate of the range of costs for fees and security deposits.
- (8) Equipment and Installation. This includes the estimated cost to purchase and install equipment. This amount includes ball machines.
- (9) Branding Installation. This includes installation of all interior signs, millwork components, front counter, furniture and branding specifically for the Picklr Franchise; installation of the overhead sound baffling system, security system, sound system, AI pickleball system and other brand-specific components. Although not required to use Franchisor's vendors for branding installation, if Franchisee elects to use the Picklr Go Branding installation team, this cost will be between \$35,000-\$40,000.
- (10) Furnishings and Fixtures. Lights, nets, fencing and other supplies used for Picklr Franchise including cleaning and sanitation including a court cleaning machine); incident prevention and response; maintenance and upkeep; and office areas. The supply requirements may vary based on premises layout and pricing may vary based on vendors. The amounts stated are Franchisor's best estimate of the range of costs.
- (11) Signage. Franchisor provides the specifications associated with the signs and graphics and only those signs, graphics, and materials Franchisor authorizes will be permitted to be erected, posted, or distributed. At Franchisee's expense, Franchisee is responsible for the production and installation of signs and graphics and should do so in accordance with governmental and landlord

for 12 months; (x) any other such insurance required by the state in which your Picklr Franchise is located; and (xi) any additional insurance and types of coverage as may be required by the terms of your lease. We may periodically increase the categories and amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties. For comprehensive general liability coverage and such other insurance (which Franchisor has the right to adjust periodically at its discretion) as set forth in the Operations Manual and Franchise Agreement. Franchisee must also procure and maintain all other insurance required by state or federal law including workers compensation insurance and unemployment insurance. If Franchisee fails to procure and maintain the required insurance coverage, Franchisor has the right and authority to procure the insurance coverage and charge Franchisee, which charges, together with a fee for Franchisor’s expenses incurred in this procurement, Franchisee will pay immediately upon notice.

Franchisor does not have any purchasing or distribution co-operatives as of the date of this Franchise Disclosure Document. If Franchisor negotiates purchase arrangements with suppliers and distributors of authorized products for the benefit of its franchisees and Franchisor reserves the right to receive rebates on volume discounts from Franchisor’s purchase of products that Franchisor may re-sell to Franchisee. Franchisor does not provide material benefits, such as renewing or granting additional franchises to franchisees, based on Franchisee’s use of designated or authorized suppliers and distributors. There are no caps or limitations on the maximum amount of rebates Franchisor may receive from its suppliers and distributors as the result of franchisee purchases.

Franchisee will be required to set up a sinking fund (“Sinking Fund”) which Franchisee will deposit \$800 per month. This Sinking Fund will be a separate account from the Franchisee’s general operating account and will only be used for updates and remodels to Picklr Facilities, replacement of flooring, lighting and other expenses exceeding \$5,000. The Sinking Fund will not be used by Franchisee for routine maintenance and replacement of equipment, inventory, merchandise or products. The amount is Franchisor's best estimate of the monthly amount that should be preserved for updates and remodels. Franchisee will be required to provide Franchisor with a bank statement of the Sinking Fund on a quarterly basis.

## ITEM 9 FRANCHISEE’S OBLIGATIONS

**This table lists your principal obligations under the franchise and other agreements. It will help Franchisee find more detailed information about its obligations in these agreements and in other items of this Franchise Disclosure Document.**

Obligation	Section in Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Definitions and Section 7 of the Franchise Agreement	ITEM 11
b. Pre-opening purchases/leases	Sections 8 & 10 of the Franchise Agreement	ITEMS 8 & 11
c. Site development and other pre-opening requirements	Section 8 of the Franchise Agreement	ITEMS 6, 7 & 11
d. Initial and ongoing training	Sections 7 & 8 of the Franchise Agreement	ITEM 11
e. Opening	Section 7 of the Franchise Agreement	<del>None</del> <a href="#">ITEM 11</a>
f. Fees	Sections 5, 6 & 12 of the Franchise Agreement; Section 3 of the Multi-Unit Development Agreement	ITEMS 5, 6 & 7

the successor business manager to Initial Training Program. Franchisee may be charged a training fee for Franchisee’s replacement business manager and the costs for airfare, ground transportation, lodging, meals, personal expenses, and Franchisee’s replacement business manager’s wages and compensation must be paid by Franchisee during training.

Other than the Initial Franchise Fee, there is no additional fee for the Initial Training Program for up to two people. If Franchisee desires to have more than two people attend the Initial Training Program there will be a \$1,000 per person training fee for each additional person. Franchisor does not pay any employee wages and compensation, travel expenses, lodging, meals, ground transportation or other personal expenses for any person attending the Initial Training Program. The Initial Training Program will be held after a Franchise Agreement has been executed, and before The Picklr Facility is opened for business.

Franchisor’s Initial Training Program consists of up to seven calendar days of training as follows:

### THE PICKLR INITIAL TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE- JOB TRAINING	LOCATION
General Facility Training	2 to 5 hours	5 to 10 hours	Kaysville, UT, or another location designated by Franchisor
Picklr Pickleball Programs	2 to 5 hours	5 to 10 hours	Kaysville, UT, or another location designated by Franchisor
Instructor Certification Course	3 to 6 hours	6 to 12 hours	Kaysville, UT, or another location designated by Franchisor
Picklr Pro Shop Training	1 to 2 hours	2 to 4 hours	Kaysville, UT, or another location designated by Franchisor
Onboard	0	One Week	Franchisee Location

Franchisor provides a minimum of 8 to 18 hours of classroom training in Franchisor’s company offices, and approximately 40 hours of additional training at Franchisee’s Picklr Facility. Training is conducted by: Whitney Jorgensen ~~who has 2 years of relevant experience~~; whose background is outlined in Item 2, and has 2 years of relevant experience who has 2 years relevant experience; and Peniamina Mobley who has 2 years of relevant experience.

If Franchisee is opening its second or subsequent Picklr Franchise, Franchisor reserves the right to reduce the Initial Training Program and onsite opening assistance.

If Franchisee is purchasing a Picklr Franchise from an existing Picklr franchisee, a portion of Franchisee’s training may be conducted by the existing franchisee on Franchisor’s behalf and in Franchisor’s discretion. This training will generally be conducted within two weeks before the transfer of

chain, whether franchised or corporately owned and whether located adjacent to Franchisee's Picklr Facility.

Franchisor reserves the right, among others, to implement multi-area marketing programs which may allow Franchisor or others to solicit or sell to customers anywhere. Franchisor also reserves the right to issue mandatory policies to coordinate these multi-area marketing programs.

### **Multi-Unit Development Agreement**

Franchisee may purchase Multi-Unit Development rights to open and operate three or more Picklr Franchises. If you purchase Multi-Unit Development rights for Picklr Franchises, Franchisee will be granted a territory ("**Development Territory**") in which Franchisee's Picklr Franchises must be established during implementation of the development schedule. Multi-Unit Developers will receive an exclusive Development Territory for so long as its Multi-Unit Development Agreement remains in place. Multi-Unit Developer may face competition from other franchisees, from outlets that Franchisor or its Affiliates own, or from other channels of distribution or competitive brands Franchisor controls. Franchisee's Development Territory will be determined by the population density and other related factors. When and if Franchisee's Development Schedule has been timely satisfied, Franchisee will no longer have the entire Development Territory and each Picklr Franchise will be limited to the zip codes applicable to the location of the Picklr Facility. Franchisee will not receive rights of first refusal to acquire additional franchises, except as otherwise stated in the Development Agreement for the Franchise Agreement.

During the term of the Multi-Unit Development Agreement, Franchisor does not have the right to establish its own, or to grant to others the right to establish, Picklr Franchises within the Development Territory; however, Franchisor reserves the right to sell Products and Services, under the Marks or any other marks, through any other channels of distribution.

While preservation of a Development Territory is not contingent upon sales volume, if a Multi-Unit Developer does not meet its Development Schedule, grounds for default exist. Loss of exclusivity in the Development Territory could then result as Franchisor may elect, in its discretion, to terminate the Multi-Unit Development Agreement, reduce or eliminate the territorial exclusivity, or reduce the size of the Development Territory.

Unless a renewal of the Multi-Unit Development Agreement and an extension of the Development Schedule are negotiated by the parties, the Multi-Unit Developer will no longer have a Development Territory upon the expiration or termination of the Multi-Unit Development Agreement.

### **ITEM 13 TRADEMARKS**

The Franchise Agreement grants Franchisee the nonexclusive right to use Franchisor's Marks, including the service mark "THE PICKLR" and various designs and logo types associated with Franchisor's Products and Services. Franchisee may also use Franchisor's other current or future Marks as Franchisor may designate to operate Franchisee's Picklr Franchise.

Picklr, L.L.C., a Utah limited liability company, owns and licenses the Marks to Franchisor under a non-exclusive License Agreement for purposes of franchising Picklr Franchises. The term of the license is for 10-year consecutive terms, commencing March 1, 2023. The license agreement cannot be modified or terminated except by mutual agreement of the parties.

[We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally-registered trademark. If our right to use the](#)

[trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.](#)

Pickl, L.L.C ~~owns the~~[has two](#) federal trademark ~~registration for the following marks~~ on the Supplemental Register of the U.S. Patent and Trademark Office ("USPTO") [for the following marks](#):

Mark	Registration Date	Registration Number	Status
THE PICKLR*	1/16/2024	7281393	Registered on Supplemental Register
THE PICKLR SHOP*	1/23/2024	7290508	Registered on Supplemental Register

[\\*A cancellation proceeding is currently pending with the USPTO for these marks and a hearing has been set. This pending matter does not currently impact the use of the trademarks. However, if we lose our right to use the trademarks, you may have to change to an alternative trademark, which may increase your expenses.](#)

In addition to the Marks in the table immediately above, the Picklr, L.L.C. has filed applications for the following marks with the USPTO:

Mark	Registration or Filing Date	Application or Registration Number	Status
Best of the Best	10/30/2023	98246281	Pending
Connect.Dink.Compete	10/30/2023	98246366	Pending
Next Level Academy	10/30/2023	98246360	Pending
The Picklr Shop B&W Service mark	10/31/2023	98247674	Pending
The Picklr B&W service Mark	10/31/2023	98247682	Pending
The Picklr wordmark	10/30/2023	98246341	Pending
The Picklr Shop wordmark	10/30/2023	98246352	Pending

Franchisor may also use a number of unregistered, common law trademarks. Franchisee must follow Franchisor’s rules when Franchisee uses Franchisor’s Mark(s). Franchisee may not use any of the Mark(s) alone or with modifying words, designs or symbols as part of a corporate or business name or in any form on the Internet, including but not limited to URLs, domain names, e-mail addresses, locators, links, metatags or search techniques. Franchisee must get Franchisor’s prior written approval of Franchisee’s company name before Franchisee files any registration documents. Franchisee must indicate, as required in the Franchise Agreement and specified in the Operations Manual, that Franchisee

**ITEM 16  
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

Franchisee must refrain from using or permitting the use of its Picklr Franchise for any other purpose or activity at any time without first obtaining Franchisor’s written consent.

Unless Franchisor provides prior written approval otherwise, Franchisee must sell or offer for sale only those Services and Products which are authorized by Franchisor and which meet Franchisor’s standards and specifications. Franchisee must follow Franchisor’s policies, procedures, methods, and techniques. Unless Franchisor provides prior written approval otherwise, Franchisee must sell or offer for sale all types of Services and Products specified by Franchisor. Franchisor may change or add to its required Services and Products at its discretion with prior notice to Franchisee. Franchisee must discontinue selling and offering for sale any Services or Products which Franchisor may, in its discretion, disapprove in writing at any time. Franchisor reserves the right to establish maximum resale prices for use with multi-area marketing programs and special price promotions.

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**ITEM 17  
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**This table lists certain important provisions of the franchise and related agreements. Franchisee should read these provisions in the agreements attached to this Franchise Disclosure Document.**

**THE FRANCHISE RELATIONSHIP**

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise term	Section 3	10 years.
b. Renewal or extension of the term	Section 3	Franchisee’s successor franchise right permits Franchisee to remain as a Franchise after the initial term of its Franchise Agreement expires. If Franchisee wishes to do so, and Franchisee satisfies the pre-conditions to obtaining a Successor Franchise, Franchisor will offer Franchisee the right to obtain 2 additional consecutive terms of 5 years each.
c. Requirements for Franchisee to renew or extend	Section 3	Franchisee must sign Franchisor’s then-current Franchise Agreement (“ <b>Successor Franchise Agreement</b> ”) for the Successor Term, and this new Successor Franchise Agreement may have materially different terms and conditions from the Franchise Agreement that covered Franchisee’s original term; be current in all payments to Franchisor and any other payments material to the Business, sign the required release, pay Successor Franchise Fee.
d. Termination by Franchisee	Not Applicable	<del>Not Applicable</del> <a href="#">Subject to state law</a>
e. Termination by	Not Applicable	Not Applicable

Provision	Section in Franchise Agreement	Summary
inventory and equipment		if Franchisee's Picklr Franchise is terminated for any reason.
p. Franchisee's death or disability	Section 16.9	Franchisee's estate or legal representative must apply to Franchisor for the right to transfer to the next of kin within 180 days of Franchisee's death or disability.
q. Non-competition covenants during the term of franchise	Section 15	Franchisee can have no involvement in a competing business.
r. Non-competition covenants after the franchise is terminated or expires	Sections 15 & 18	No competing business for 2 years within 25 miles of the Picklr Facility, within 25 miles of any of Franchisor's Affiliate owned Picklr Franchises or within 25 miles of any Picklr Clubs.
s. Modification of agreement	Sections 2.3, 3.3 & 22.10	No modifications of Franchise Agreement during term generally, but the Operations Manual subject to change in Franchisor's discretion.
t. Integration/merger clause	Section 22.5	Only the terms of the Franchise Agreement are binding (subject to state law); Any representations or promises outside of this Franchise Disclosure Document and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 21	Except for certain claims, all disputes must be arbitrated in Salt Lake, Utah <a href="#">(subject to applicable state law)</a> .
v. Choice of forum	Sections 21.3 & 22.1	Litigation and arbitration must be in Salt Lake County, Utah, except as provided in a State Specific Addendum (subject to applicable state law).
w. Choice of law	Sections 21.3 & 22.1	Utah law applies, except as provided in a State Specific Addendum (subject to applicable state law).

**This table lists important provisions of the Multi-Unit Development and related agreements. Franchisee should read these provisions in the agreements attached to this Franchise Disclosure Document.**

Provision	Section in Multi-Unit Development Agreement	Summary
a. Length of the Multi-Unit Development Agreement	Sections 2 & 4	The term of the Multi-Unit Development Agreement will be negotiated by the parties.
b. Renewal or extension of the term	Not Applicable	
c. Requirements for Multi-Unit Developer to renew or extend	Not Applicable	
d. Termination by Multi-Unit Developer	Not Applicable	<del>Not Applicable</del> <a href="#">Subject to state law.</a>

<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
p. Multi-Unit Developer's death or disability	Not Applicable	Not Applicable
q. Non-competition covenants during the term of the Multi-Unit Development Agreement	Section 11	Multi-Unit Developer can have no involvement in competing business anywhere.
r. Non-competition covenants after the Multi-Unit Development Agreement is terminated or expires	Section 11.2	Multi-Unit Developer can have no involvement in competing business for two years within 25-mile radius of the Development Territory or within 25-mile radius of any Picklr Franchise owned by a franchisee, Franchisor, its Affiliates or a multi-unit developer.
s. Modification of the Multi-Unit Development Agreement	Section 12	No modifications of Multi-Development Agreement during term generally, except and only upon written agreement of the parties.
t. Integration/ merger clause	Section 12	Only the terms of the Multi-Unit Development Agreement are binding (subject to applicable state laws). Any representations or promises outside of this Franchise Disclosure Document and the Multi-Unit Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 21	Except for certain claims, all disputes will be arbitrated in Salt Lake City, Utah ( <a href="#">subject to applicable state law</a> ).
v. Choice of forum	Section 21	Litigation and arbitration must be in Salt Lake County, Utah, except as provided in a State Specific Addendum. (subject to applicable state law)
w. Choice of law	Section 18	Utah law applies, except as provided in a State Specific Addendum. (subject to applicable state law)

**ITEM 18  
PUBLIC FIGURES**

**Tylor Loong**

Tyler Loong, a top 5 pickleball athlete, is an owner in Picklr Inc. While Franchisor does not directly provide Mr. Loong with any compensation or other benefits arising from the use of his name or likeness, or from his endorsement or recommendation of the franchise to prospective franchisees, Mr. Loong will be involved in promoting the sale of Picklr Franchises. As such, Mr. Loong may benefit directly or indirectly from the fees paid by franchisees to Franchisor. Mr. Loong does not own any interest in Franchisor, and is not involved in the management or control of Franchisor.

## Drew Brees

Drew Brees is a former football quarterback who played in the National Football League for 20 years. Mr. Brees is an ambassador for the Franchisor to promote the brand and its mission to provide state-of-the-art sports facilities of all ages and skills levels. Mr. Brees will receive a payment of \$120,000 in 2024, fifteen percent (15%) of the National Marketing Fee collected from Picklr franchisees and up to 100,000 shares of Series A Stock subject to a vesting schedule.

### ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

The following table reflects ~~financial~~ the historical gross sales information for the 12-month period ending on December 31, 2023, for the Franchisor's parent company, Picklr, Inc., which operates five Picklr Clubs similar to a Picklr Franchise. All five units have been open and operating for full 12 months. The information presented is unaudited and was prepared using uniform accounting methods consistent with generally accepted accounting principals.

"Gross Sales" means the total revenue derived from the sale of products or services less sales tax, discounts, allowances and returns.

There was only one Picklr Franchise open and operating at the end of the fiscal year ending December 31, 2023, however it did not operate as a Picklr Franchise for an entire 12-month period and, therefore, its financial information is not included below.

The clubs owned Picklr Parent do not pay a Royalty Fee, National Marketing Fee, training fees or other fees that would otherwise be due by the Franchisee and required pursuant to the Franchise Agreement.

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	<u>Average</u>	<u>Average</u>	<u>Median</u>	<u>Median</u>
<b>Average</b>	<b>Jan 1, 2023 – Jul 31, 2023</b>	<b>Aug 1, 2023 – Dec 31, 2023</b>	<b>Jan 1, 2023 – Jul 31, 2023</b>	<b>Aug 1, 2023 – Dec 31, 2023</b>
Gross <b>Revenue</b> <u>Sales</u>	\$ 202,120.60	\$ 399,226.00	<u>\$ 200,936.00</u>	<u>\$ 388,429.00</u>
Cost of Goods Sold	\$ 1,684.00	\$ 17,451.80	<u>\$ 1,832.00</u>	<u>\$ 12,632.00</u>
Gross Profit	\$ 200,436.60	\$ 381,744.20	<u>\$ 199,095.00</u>	<u>\$ 377,440.00</u>
Expenses				
Occupancy	\$ 145,787.60	\$ 122,297.60	<u>\$ 161,994.00</u>	<u>\$ 127,642.00</u>
Payroll	\$ 52,338.80	\$ 85,017.60	<u>\$ 57,773.00</u>	<u>\$ 88,246.00</u>
Advertising and Marketing	\$ 299.80	\$ 2,421.60	<u>\$ 320.00</u>	<u>\$ 2,396.00</u>
General and Admin Expenses	\$ 7,193.80	\$ 13,496.80	<u>\$ 5,686.00</u>	<u>\$ 12,880.00</u>
Total Expenses	\$ 205,620.00	\$ 223,206.60	<u>\$ 225,773.00</u>	<u>\$ 231,164.00</u>
EBITDA	\$ (5,183.40)	\$ 158,567.60		
EBITDA	-2.6%	39.7%		
High Gross Sales	\$ 250,619.00	\$ 466,396.00		
Low Gross Sales	\$ 129,213.00	\$ 369,133.00		
Median Gross Sales	\$ 200,936.00	\$ 388,429.00		
<u>Average Gross Sales</u>	<u>\$ 202,120.60</u>	<u>\$ 399,226.00</u>		

On August 1, 2023, Picklr, Inc. implemented a membership-based model which resulted in higher revenues and higher EBITDA. From January 2023 to July 2023 revenue was derived from charging each customer an hourly rate to use a court in the Picklr Club.

Variations in franchisee operating level performance are subject to variety factors outside of the control of Franchisor. Factors may include size and demographic characteristics of your local community, and size of the Picklr Franchise premises, competition, your ability to effectively develop and manage the Picklr Franchise.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that **Franchisee**you will earn as much.**

Franchisor encourages Franchisee to consult with its own accounting, business and legal advisors and to make necessary allowances for changes in financial results to income, expenses or both. Franchisee should conduct an independent investigation of the costs and expenses Franchisee will incur in operating its Picklr Franchise.

Written substantiation of the financial performance representation will be made available upon reasonable request at 559 S. Deseret Drive, Kaysville, UT 84037.

Other than the preceding financial performance representation, Franchisor does not make any financial performance representation. Franchisor also does not authorize its employees or representatives to make any such representations either orally or in writing. If Franchisee is purchasing an existing outlet, however, Franchisor may provide Franchisee with the actual records of that outlet. If Franchisee receives any other financial performance information or projections of Franchisee's future income, Franchisee should report it to the Franchisor's management by contacting Jonathan Fornaci at 559 S. Deseret Drive, Kaysville, UT 84037 or telephone 801-725-3041, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1: System-wide Outlet Summary  
For Years 2021 - 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change (+ or -)
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	1	+1
Company-Owned*	2021	0	1	+1
	2022	1	6	+5
	2023	<del>7</del> <u>6</u>	6	<del>+1</del> <u>0</u>
Total Outlets	2021	0	1	1
	2022	1	6	+5
	2023	<del>7</del> <u>6</u>	7	<del>0</del> <u>+1</u>

**Table No. 2: Transfers of Franchised Outlets  
For Years 2021 - 2023**

State	Year	Number of Transfers
All States	2021	0
	2022	0
	2023	0
TOTAL	2021	0
	2022	0
	2023	0

**Table No. 3: Status of Franchised Outlets  
For Years 2021 - 2023**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation - Other Reasons	Outlets at End of the Year
Colorado	2021	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operation – Other Reasons	Outlets at End of the Year
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
TOTAL	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1

**Table No. 4: Status of Company-Owned Outlets\*  
For Years 2021 - 2023**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Colorado	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	1	0
Utah	2021	0	<u>0</u>	0	0	0	<u>0</u>
	2022	<u>0</u>	<u>15</u>	0	0	0	<u>16</u>
	2023	<u>16</u>	<u>50</u>	0	0	0	6
TOTAL	2021	0	0	0	0	0	<u>0</u>
	2022	<u>0</u>	<u>15</u>	0	0	0	<u>16</u>
	2023	<u>16</u>	<u>61</u>	0	0	1	<u>76</u>

\*The Company-Owned Picklr Franchises are owned and operated by Franchisor’s Affiliate, The Picklr Clubs, Inc.

**Table No. 5: Projected Openings as of January 1, 2024**

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
Arizona	5 <sup>(1)</sup>	3	0
Alabama	1 <sup>(2)</sup>	1	0
Colorado	3 <sup>(2)</sup>	2	0
Delaware	1	1	0
Florida	2	2	0
Georgia	2	2	0
Illinois	5 <sup>(2)</sup>	4	0
Indiana	1	1	0
Massachusetts	1	1	0

Michigan	2 <sup>(2)</sup>	1	0
Minnesota	1 <sup>(2)</sup>	1	0
Nebraska	1 <sup>(2)</sup>	1	0
Nevada	2	2	0
New Hampshire	2	2	0
North Jersey	2 <sup>(1)</sup>	1	0
New York	2	2	0
Pennsylvania	3 <sup>(2)</sup>	2	0
Texas	6 <sup>(2)</sup>	5	0
Utah	4	4	0
Washington	1 <sup>(2)</sup>	1	0
Wisconsin	1	1	0
<b>TOTAL</b>	<b>48</b>	<b>40</b>	<b>0</b>

Note to Table 5:

(1) One of the Arizona Franchise Agreements was signed after the Fiscal year end, but prior to the issuance date of this disclosure document.

(2) After the fiscal year end, but prior to the issuance date of this disclosure document, Franchisor signed eleven (11) Multi-Unit Development Agreements totaling 36 additional units to be developed. The Multi-Unit Development Agreements require the multi-unit franchisees to develop facilities in the following matter: three franchisees to develop and operate two Picklr Franchises each, in Texas/Idaho, Michigan/Ohio, Washington; five franchisees were granted the right to develop and operate three Picklr Franchises each in Alabama, Minnesota, Nebraska, Arizona and New Jersey; two franchisees were granted the right to develop and operate four Picklr Franchises each in Pennsylvania and Illinois; one franchisee was granted the right to develop and operate seven Picklr Franchises in Colorado/Ohio. The first Franchise Agreement under each Multi-Unit Development Agreement mentioned in this paragraph was executed and reflected in the first column. Additionally, we project that the first new Picklr Franchise under each Multi-Unit Development Agreement mentioned in this paragraph will be opened in the next fiscal year.

The names, addresses and telephone numbers of all current franchisees are listed in **Exhibit DE**. Also listed in **Exhibit DE** are the names and last known home address and telephone number of every franchisee who has had an outlet terminated, canceled, transferred, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement through December 31, 2023 or who has not communicated with Franchisor within 10 weeks of the date of this Franchise Disclosure Document. If Franchisee buys a Picklr Franchise, Franchisee's contact information may be disclosed to other buyers when Franchisee leaves the franchise system.

As of the date of this Franchise Disclosure Document, Franchisor is not offering any existing franchised outlets to prospective franchisees, including those that either have been reacquired by Franchisor or are still being operated by current franchisees pending a transfer. In the event that Franchisor begins to offer any such outlet, specific information about the outlet will be provided to Franchisee in a separate Addendum to this Franchise Disclosure Document.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with Franchisee their experiences as a franchisee in Franchisor's franchise system.

[There are currently no trademark-specific franchisee organizations associated with the franchise system being offered in this FDD.](#)

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Picklr franchising franchise system. While Franchisor encourages Franchisee to speak with current and former franchisees, be aware that not all such franchisees will be able to communicate with Franchisee.

## **ITEM 21 FINANCIAL STATEMENTS**

Franchisor has included its audited financials as of December 31, 2023 in **Exhibit A**. Franchisor has not been in business for three years or more and cannot include all financial statements required in accordance with Section (u)(2)(iv) ITEM 21, Financial Statements of the NASAA Amended and Restated Guidelines. Franchisor's fiscal year ends December 31.

## **ITEM 22 CONTRACTS**

Attached are the following agreements proposed for use in connection with Franchisor offering of franchises:

**Exhibit:**

- B. Franchise Agreement
- C. Multi-Unit Development Agreement
- F. State-Specific Addendum
- H. Nondisclosure and Noncompetition Agreement
- I. Statement of Franchisee

**EXHIBIT E**

**PICKLR FRANCHISE INC.**

**LIST OF CURRENT FRANCHISEES AND FORMER FRANCHISEES**

**Current Franchisees**

The name, business address, and business telephone number of each current franchisee as of the end of our last fiscal year, which is December 31, 2023, are listed below.

FRANCHISEE	FRANCHISEE'S EMAIL	PHONE	ADDRESS	CITY	ST	ZIP
Loveland Pickleball LLC	Chad.preiss@thepicklrfanchise.com	970-215-2823	4036 Mountain Shadow Way	Timnath	CO	80547

**List of Franchisees with Unopened Outlets as of December 31, 2023**

NAME	ENTITY NAME	CITY	STATE	PHONE	EMAIL
Ryan Werlich	Paddles Up LLC*	TBD	AZ	480-658-5262	<a href="mailto:Ryan.werlich@thepicklrfanchise.com">Ryan.werlich@thepicklrfanchise.com</a>
John Allred	ATP Pickleball LLC*	TBD	AZ	801-668-5044	<a href="mailto:John.allred@thepicklrfanchise.com">John.allred@thepicklrfanchise.com</a>
Amber & Brian Reiman*		TBD	CO	706-315-2366	<a href="mailto:Amber.reiman@thepicklrfanchise.com">Amber.reiman@thepicklrfanchise.com</a>
Jeffrey Maguire, James Maguire & Chase Lockard		TBD	DE, MA, ME, NH, PA	603-508-1079	<a href="mailto:Jeff.maguire@thepicklrfanchise.com">Jeff.maguire@thepicklrfanchise.com</a>
Cory Ellis	Ellbee Holdings LLC*	TBD	FL, GA	512-788-8324	<a href="mailto:Cory.ellis@thepicklrfanchise.com">Cory.ellis@thepicklrfanchise.com</a>
Dave Gilreath & Ron Brock	Pickle Indy LLC*	Indianapolis	IN	317-407-3515	<a href="mailto:David.gilreath@thepicklrfanchise.com">David.gilreath@thepicklrfanchise.com</a>
Ronald & Natalie Weiland*		Chicago	IL	773-531-1268	<a href="mailto:Ron.weiland@thepicklrfanchise.com">Ron.weiland@thepicklrfanchise.com</a>
Shawn Hassett and Christian Quayle Wood*	Indoor Pickleball Holdings LLC*	Las Vegas	NV	702-274-8128	<a href="mailto:Shawn.hassett@thepicklrfanchise.com">Shawn.hassett@thepicklrfanchise.com</a>
Aaron Harris	Harris Dream LLC*	Reno	NV	702-326-1880	<a href="mailto:Aaron.harris@thepicklrfanchise.com">Aaron.harris@thepicklrfanchise.com</a>
Thomas Neale	Pickleball Long Island LLC*	Long Island	NY	516-353-4908	<a href="mailto:Thomas.neale@thepicklrfanchise.com">Thomas.neale@thepicklrfanchise.com</a>
David & Karen Hoisington*		Austin	TX	512-940-8730	<a href="mailto:David.hoisington@thepicklrfanchise.com">David.hoisington@thepicklrfanchise.com</a>
Christopher Genneralli & Jennifer Zanfardino*		Austin	TX	646-468-8180	<a href="mailto:Christopher.generalli@thepicklrfanchise.com">Christopher.generalli@thepicklrfanchise.com</a>
Zion Meer		Crowley	TX	817-243-4808	<a href="mailto:Zion.meer@thepicklrfanchise.com">Zion.meer@thepicklrfanchise.com</a>
Ryan Barker, Nicholas S. Barker, Shankar Gopal & Chad Maulsby	Dink Dynasty LLC*	TBD	TX	469-207-0750	<a href="mailto:Ryan.barker@thepicklrfanchise.com">Ryan.barker@thepicklrfanchise.com</a>
Joseph Murray and Bryon James Kolbeck	Murko Capital LLC*	TBD	TX	972-877-6179	<a href="mailto:Joe.murray@thepicklrfanchise.com">Joe.murray@thepicklrfanchise.com</a>
Braxton Buckway		Farr West	UT	801-710-4484	<a href="mailto:Braxton.buckway@thepicklrfanchise.com">Braxton.buckway@thepicklrfanchise.com</a>
John Allred	ATP Pickleball LLC*	TBD	UT	801-668-5044	<a href="mailto:John.allred@thepicklrfanchise.com">John.allred@thepicklrfanchise.com</a>
David & Shannon Norton*	TBD	Utah County	UT	801-372-4671	<a href="mailto:David.norton@thepicklrfanchise.com">David.norton@thepicklrfanchise.com</a>
Joseph Murray, Dean Murray & Bryon James Kolbeck	Murko Capital LLC*	TBD	WI	972-877-6179	<a href="mailto:Joe.murray@thepicklrfanchise.com">Joe.murray@thepicklrfanchise.com</a>
Wai Chun Yiu*		TBD	NJ	908-723-2686	<a href="mailto:Wai.yiu@thepicklrfanchise.com">Wai.yiu@thepicklrfanchise.com</a>
Marcus Chugh		TBD	MI	734-740-3989	<a href="mailto:marcus.chugh@thepicklrfanchise.com">marcus.chugh@thepicklrfanchise.com</a>

\*Multi-unit developer

**Former Franchisees:**

**None.**

## STATE ADDENDA AND AGREEMENT RIDERS

### ADDENDUM TO FRANCHISE AGREEMENT, FRANCHISE DISCLOSURE DOCUMENT, AND MULTI-UNIT DEVELOPMENT AGREEMENT FOR CERTAIN STATES FOR PICKLR FRANCHISE INC.

The following modifications are made to the Picklr Franchise Inc. (“**Franchisor**,” “**us**,” “**we**,” or “**our**”) Franchise Disclosure Document (“**FDD**”) given to Franchisee (“**Franchisee**,” “**you**,” or “**your**”) and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between Franchisee and Franchisor dated \_\_\_\_\_ (“**Franchise Agreement**”).

The following states laws may supersede provisions of the Franchise Agreement, including the areas of termination and renewal of Franchisee’s Franchise: ARKANSAS (Stat. Section 70-807), CALIFORNIA (Bus. & Prof. Code Sections 20000-20043), CONNECTICUT (Gen. Stat. Section 42-133e et seq.), DELAWARE (Code, Tit. 6, Ch. 25, Sections 2551-2556), HAWAII (Rev. Stat. Section 482E-1), ILLINOIS (815 ILCS 705/1-44), INDIANA (Stat. Sections 23-2-2.7 and 23-2-2.5), IOWA (Code Sections 523H.1-523H.17), MARYLAND (MD. CODE ANN., BUS. REG. §§14-201 TO 14-233 (2004 Repl. Vol.)), MICHIGAN (Stat. Section 19.854(27)), MINNESOTA (Stat. Section 80C.14), MISSISSIPPI (Code Section 75-24-51), MISSOURI (Stat. Section 407.400), NEBRASKA (Rev. Stat. Section 87-401), NEW JERSEY (Stat. Section 56:10-1), SOUTH DAKOTA (Codified Laws Section 37-5B), VIRGINIA (§§ 13.1-557 through 13.1-574 of the Code of Virginia), WASHINGTON (Code Section 19.100.180), WISCONSIN (Stat. Section 135.03).

Depending on state law, the provisions of this State-Specific Addendum (“**State Addendum**”) may apply to modify the FDD that was given to Franchisee, as well as the Franchise Agreement, and any applicable Addenda, Exhibits, Appendices, or mutually agreed modifications thereto. Specifically, this State Addendum will apply to Franchisee’s Franchise Agreement only if the jurisdictional requirements of a listed state’s laws are met independently and without reference to this Addendum, to the Franchise Agreement, or to the FDD. For purposes of the State Addendum, the “**Franchisor’s Choice of Law State**” is the state where the Picklr Franchise is located. If any inconsistency arises between the Franchise Agreement or FDD and this State Addendum, the terms of this State Addendum shall control. Nothing in this State Addendum, the FDD or Franchise Agreement should be interpreted or construed as providing an independent basis for Franchisee’s assertion that any particular state law or provision applies to the FDD or Franchise Agreement that would not otherwise apply due to the jurisdictional requirements of such state law or provision.

### CALIFORNIA

#### **Item 1 of the Franchise Disclosure Document is revised to include the following under Industry-Specific Laws:**

Because Franchisee collects information from customers, it may contain personal information of individuals which is protected by law. Franchisee is also responsible for complying with all applicable current and future federal, state and local laws, regulations and requirements, including the California Consumer Privacy Act (as applicable), pertaining to the collection, protection, use, sale, disposal and maintenance of such personal information. Personal information includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or

Franchisee must sign a general release of claims if Franchisee renews or transfers its Franchise. California Corporations Code Section 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

Franchisor's website, [www.thepickl.com](http://www.thepickl.com) has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

In the state of California, the highest interest rate permitted by law is ten percent (10%).

Exhibit I violates California Corporations Code Section 31512 and is therefore not applicable to California Residents or Franchisees and is hereby deleted in its entirety.

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 requirement for us to maintain a surety bond under California Corporations Code section 31113 and 10 C.C.R. section 310.113.5 which must remain in effect during our registration period. The surety bond in in the ~~amount~~ of ~~\$1.2-million~~950,000 with ~~Universal Business Insurance Services~~Capitol Indemnity Corporation and is available for you to recover damages in the event we do not fulfill our obligations to you to open your franchised business. We will provide you with a copy of the surety bond upon request

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation or endorsement by the commissioner.**

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[remainder of page blank; Surety Bonds on following page]

**ILLINOIS**

Item 5 of the Franchise Disclosure Document, Section 4.1 of the Franchise Agreement and Section 3.1 of the Multi-Unit Development Agreement are revised to include the following:

Pursuant to an order by the Illinois Office of the Attorney General, we have posted a surety bond in the amount of \$~~300,000.00~~250,000.00. The Illinois Office of the Attorney General imposed this bond requirement due to our financial condition. A copy of the bond is attached to this Addenda.

Illinois law governs the Franchise Agreement.

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

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 or 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.

Intending to be legally bound, Franchisor and Franchisee sign and deliver this Addendum effective on the date of the Agreement.

**FRANCHISOR**

**FRANCHISEE (If an Individual):**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CAPITOL INDEMNITY CORPORATION  
POWER OF ATTORNEY**

CIC1949950

Bond Number

KNOW ALL MEN BY THESE PRESENTS, That the CAPITOL INDEMNITY CORPORATION, a corporation of the State of Wisconsin, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-----THOMAS J. LINCOLN-----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

-----ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED: \$20,000,000.00-----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of CAPITOL INDEMNITY CORPORATION at a meeting duly called and held on the 15th day of May, 2002.

"RESOLVED, that the President, Executive Vice President, Vice President, Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings, and other writings obligatory in the nature thereof, one or more resident vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of this company; the signature of such officers and seal of the Company may be affixed to any such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company, and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

IN WITNESS WHEREOF, the CAPITOL INDEMNITY CORPORATION has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of September, 2022.

Attest:

*RJ Byrnes*  
Ryan J. Byrnes  
Senior Vice President,  
Chief Financial Officer and Treasurer  
*Todd Burrick*  
Todd Burrick  
Chief Underwriting Officer



CAPITOL INDEMNITY CORPORATION

*Adam L. Sills*  
Adam L. Sills  
Chief Executive Officer and President

STATE OF WISCONSIN }  
COUNTY OF DANE } S.S.:

On the 1st day of September, 2022 before me personally came Adam L. Sills, to me known, who being by me duly sworn, did depose and say: that he resides in the County of New York, State of New York; that he is Chief Executive Officer and President of CAPITOL INDEMNITY CORPORATION, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



*David J. Regele*  
David J. Regele  
Notary Public, Dane Co., WI  
My Commission Is Permanent

STATE OF WISCONSIN }  
COUNTY OF DANE } S.S.:

I, the undersigned, duly elected to the office stated below, now the incumbent in CAPITOL INDEMNITY CORPORATION, a Wisconsin Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this 8th day of April, 2024



*Suzanne M. Broadbent*  
Suzanne M. Broadbent  
Secretary

THIS DOCUMENT HAS BEEN GENERATED FOR A SPECIFIC BOND. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450. CIC-ePOA-M (Rev. 09-2022)

## **SOUTH DAKOTA**

Item 5 of the Franchise Disclosure Document, Section 4.1 of the Franchise Agreement and Section 3.1 of the Multi-Unit Development Agreement are revised to include the following:

Pursuant to an SDCL 37-5B-5 and the South Dakota Securities Regulation Office, we have posted a surety bond in the amount of \$130,000. The South Dakota Securities Regulation Office imposed this bond requirement due to our financial condition. A copy of the bond is on file with the South Dakota Securities Regulation Office.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SURETY BOND ON FOLLOWING PAGE](#)

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SURETY BOND

**WHEREAS**, Picklr Franchise, Inc., a corporation with principal offices at 559 S. Deseret Drive, Kaysville, UT 8437, as principal, has made application to the administrator for registration of the offer of its franchisees under the South Dakota Codified Law; and

**WHEREAS**, the administrator has authority to require principal assurance of its financial capability to furnish goods and/or services to assist its franchisees in establishing and opening their franchise businesses;

**NOW, THEREFORE**, principal and Capitol Indemnity Corporation, a surety company incorporated under the law of the State of Wisconsin as surety, are indebted to franchisees in the State of South Dakota as obliges, in the sum of \$150,000 for the sale of goods and provision of services provided by principal to obligee. The condition of this bond is that principal shall in all things stand to and abide by, keep and perform the covenants, conditions and provisions of the franchise agreement entered into between the principal and the obligee and any alterations thereof made, to be kept and performed and at the time and in the manner therein specified and shall indemnify and save harmless the obligee as stipulated in the franchise agreement.

Principal shall pay all damages suffered by any person by reason of the violation of the South Dakota Codified Law or any rules, or orders promulgated thereunder of any acts, rules or orders amendatory thereof and/or supplementary thereto, or hereafter enacted relating to the offering and sale of franchises in the State of South Dakota, or by reason of any misrepresentation, deceit, fraud or omission to state a material fact necessary in order to make any statement made in light of the circumstances under which such statement was made, not misleading, including, but not limited to, the failure to disclose, as required by the South Dakota Codified Law and the rules and regulations promulgated thereunder, the true financial condition of franchisor.

This bond and obligation hereunder shall be deemed to run continuously and shall remain in full force and effect for three (3) full years after the effective date of principal's registration and the offer of franchises under the South Dakota Codified Law.

In the event that any action or proceeding is initiated with respect to this bond, the parties agree that the venue thereof shall be the state or province in which the offer or sale of the franchise occurred.

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76000403;1

IN WITNESS WHEREOF, Principal and Surety have executed this instrument at \_\_\_\_\_  
Hartford, CT \_\_\_\_\_, this 17th day of April \_\_\_\_\_, 2024.

**PRINCIPAL:**  
**PICKLR FRANCHISE, INC.**

By: SR  
Name: Steven Russell  
Title: Co Founder

(SEAL)



**SURETY:**  
Capitol Indemnity Corporation

By: Thomas J. Lincoln  
Name: Thomas J. Lincoln  
Title: Attorney-In-Fact

7600403;1

## VIRGINIA

Item 5 of the Franchise Disclosure Document, Section 5.1 of the Franchise Agreement and Section 3.2 of the Multi-Unit Development Agreement are revised to include the following:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Item 17(h). The following is added to Item 17(h):

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Picklr Franchise Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 8 and Item 17.h.

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

No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

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RCW 49.62.060 prohibits Franchisor from restricting, restraining, or prohibiting Franchisee from (i) soliciting or hiring any employee of Franchisee of the same Franchisor or (ii) soliciting or hiring any employee of the Franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

**Use of Franchise Brokers.** The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor

Sections 1 and 23 of the Franchise Agreement is hereby deleted as those provisions violate the North American Securities Administrators Association Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments which has been adopted by the Washington Department of Financial Institutions, Securities Division.

[Section 23.6 of the Multi-Unit Development Agreement is hereby deleted as the provision violates the North American Securities Administrators Association Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments which has been adopted by the Washington Department of Financial Institutions, Securities Division.](#)

Exhibit I – Statement of Franchisee is hereby deleted in its entirety.

No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
FRANCHISOR

\_\_\_\_\_  
FRANCHISEE

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**SURETY BOND ON FOLLOWING PAGE**

**EXHIBIT J**

**PICKLR FRANCHISE INC.**

**STATEMENT OF FRANCHISEE**

If Franchisee is a franchisee in any of the following states, please do not answer Questions 1 – 7, under the Heading “Representations” below, as such questions are not applicable to Franchisee: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin.

[Note: Dates and Answers Must be Completed in the Prospective Franchisee’s Own Handwriting]

\*\*\*

Please do not sign if Franchisee is a resident of California, Maryland or Washington or the business will be operated in the states of California, Maryland or Washington.

In order to make sure that no misunderstanding exists between you, the Franchisee, and Franchisor, Picklr Franchise Inc. (the “Franchisor” or “we”), and to make sure that no violations of law might have occurred, and understanding that Franchisor is relying on the statements you make in this document, you assure Franchisor as follows:

A. The following dates are true and correct:

	Date	Initials	
1.	_____, 20__	_____	The date on which I received a Franchise Disclosure Document regarding the Picklr Franchise.
2.	_____, 20__	_____	The date of my first face-to-face meeting with Marketing Representative to discuss a possible purchase of the Picklr Franchise.
3.	_____, 20__	_____	The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed.
4.	_____, 20__	_____	The date on which I signed the Franchise Agreement.
5.	_____, 20__	_____	The earliest date on which I delivered cash, check or other consideration to the Marketing Representative or an officer of Franchisor.

B. Representations.

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side agreements,” options, rights-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to advertising, marketing, site location, operational,

## STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	<a href="#">February 23, 2024</a>
Maryland	
Michigan	<a href="#">March 16, 2024</a>
Minnesota	
New York	<a href="#">March 12, 2024</a>
North Dakota	
Rhode Island	February 27, 2024
South Dakota	
Virginia	<a href="#">March 13, 2024</a>
Washington	<del>Pending</del> <a href="#">March 21, 2024</a>
Wisconsin	February 23, 2024

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

Please sign this copy of the receipt, date your signature, send it to  
[Franchise@thepickl.com](mailto:Franchise@thepickl.com) [michelebeauvois@thepickl.com](mailto:michelebeauvois@thepickl.com)