# FRANCHISE DISCLOSURE DOCUMENT

**SCOOPS LACROSSE FRANCHISING LLC**
**A Massachusetts limited liability company**
**2 Sunday Woods Road**
**Weston, Massachusetts, 02493**
**508-259-1282**
**pete@scoopslax.com**
**www.scoopslax.com**

You will operate a youth lacrosse training program using the trademark “Scoops Lacrosse”.

The total investment necessary to begin the operation of one Scoops Lacrosse franchise territory ranges from $46,295 - $57,798. This includes $35,000 that must be paid to the franchisor or an affiliate.

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

The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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, DC, 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: May 17, 2024, amended July 7, 2024.

## 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 us by mediation, arbitration and litigation only in Massachusetts. Out-of-state mediation, arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate and litigate with us in Massachusetts than in your own state.

2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for your financial obligations under the franchise agreement, even though your spouse has no ownership interest in the business. This guarantee will place both your and your spouse's personal and marital assets, perhaps including your house, at risk if your franchise fails.

3. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

4. **Short Operating History**. The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

5. **Mandatory minimum payments.** You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

franchises, as well as independent businesses throughout the United States, that may offer similar products and services. The market for our products and services is not seasonal but does have peak periods.

**Industry Specific Regulations:**

Some states require mandatory background checks of all individuals who provide instructional services to children. You may be required to pay a fee to the state agency responsible for enforcing these requirements. You are responsible for obtaining all licenses and permits which may be required for your business.

You must comply with all local, state and federal laws and regulations that apply to the operation of your Franchised Business, including, among others, business operations, insurance, discrimination, and employment laws. Your advertising of the Franchised Business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Franchised Business in addition to those listed here.

## ITEM 2: BUSINESS EXPERIENCE

**Founder and Manager: Matt Belson**

Matt Belson is our Manager, a position he has held since our company's inception. Matt established the Scoops Lacrosse concept in Cohasset, Massachusetts, in November 2017, and since then has worked exclusively developing and growing the brand.

**Manager: Pete McIntire**

Pete McIntire is our Manager, a position he has held since our company's inception. Pete has also served as Chief Executive Officer of our affiliate, Scoops Lacrosse LLC, based in Cohasset, Massachusetts, since September 2023. Since June 2010, Pete has been the Chief Operating Officer of Mosaic Research Management LLC, in Weston, Massachusetts.

## ITEM 3: LITIGATION

No litigation is required to be disclosed in this Item.

## ITEM 4: BANKRUPTCY

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

## ITEM 5: INITIAL FEES

You must pay ~~an~~a non-refundable initial franchise fee of Thirty-Five Thousand Dollars ($35,000.00) ("Initial Franchise Fee") when you sign the Franchise Agreement. The Initial Franchise Fee is fully earned by us and due in lump sum when you sign the Franchise Agreement.

From time to time, we may offer special incentive programs as part of our franchise development activities. We reserve the right to offer, modify or withdraw any incentive program without notice to you. We currently offer a ten percent (10%) discount of the initial franchise fee to active members and honorably discharged veterans of the U.S. Armed Forces, including a spouse or widow of an active member or honorably discharged veteran. We also offer our existing franchisees who are in good standing a reduced Initial Franchise Fee of $17,500 for the purchase of an additional Scoops Lacrosse franchise.

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Liquidated Damages | Up to 24 months of Royalty Fees and Brand Fund Contributions | Upon termination of the Franchise Agreement | If the termination is due to your default, you must pay us the average monthly Royalty Fee and Brand Fund Contribution payable by you for the 12 months prior to your default multiplied by the lesser of 24 months or the number of months remaining in the term of your Franchise Agreement. |
| Insurance Reimbursement | Amount paid by us for your insurance obligations, plus a 10% administrative fee and other actual expenses | As incurred | You must reimburse us for any insurance costs and other fees we incur due to your failure to meet the insurance obligations required by the Franchise Agreement. |
| Indemnification | Amount of loss or damages plus costs | As incurred | See footnote 7. |
| Reimbursement of Cost and Expenses for Non-compliance | Actual costs and expenses | As incurred | See footnote 8. |
| Taxes | Amount of taxes | When incurred | You must reimburse us for any taxes that we must pay to any taxing authority on account of either the operation of your Franchised Business or payments that you make to us, including, but not limited to any sales, excise, use, privilege or income taxes imposed by any authority. |

~~All fees and expenses described~~Except as otherwise noted in this Item ~~-~~ 6, all fees are ~~nonrefundable~~imposed and collected by and payable to us. Except as noted above, all fees are non-refundable and currently are uniformly imposed~~. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and you must pay them to us.~~

[1] "Gross Revenue" includes all revenues and income from any source derived or received by you from, by or on account of the operation of the Franchised Business or made pursuant to the rights granted to you by the Franchise Agreement, regardless of whether you have collected the amount of the sales. Gross Revenue is calculated on a cash basis. "Gross Revenue" does not include (a) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (b) properly documented refunds to customers, and (c) properly documented promotional discounts (i.e. coupons). If you do not report Gross Revenue for any reporting period, then we will collect 120% of the last Continuing Royalty Fee collected and settle the balance the next period in which you report Gross Revenue. You are required to set up an authorization at your bank to allow us to electronically transfer funds from your bank account to our bank account. Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds. Gross Revenue does not include gift card purchases, at the time of purchase, but Gross Revenue does include the redemption amount of purchases made by gift card.

## ITEM 11: FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

**Except as listed below, we are not required to provide you with any assistance.**

### 1. Pre-Opening Obligations

Before you open your Franchised Business, we will:

a. designate the boundaries of your territory. (Franchise Agreement, Article 2, Section 10.1). You may operate the Franchised Business from your home. You have no obligation to locate a site, negotiate a lease, or construct or remodel premises, and we provide no assistance in this regard (Franchise Agreement, Section 8.1).

~~b.~~b. You may operate the Franchised Business from your home. You have no obligation to locate a site, negotiate a lease, or construct or remodel premises for the office of your Franchised Business, and we provide no assistance in this regard, but you must have our prior written approval (Franchise Agreement, Section 8.1).

c provide access to the Scoops Lacrosse Operations Manual, and other manuals and training aids we designate for use in the operation of your Scoops Lacrosse business, as they may be revised from time to time (Franchise Agreement, Section 10.2).

~~c~~d. in our discretion, provide you with samples or digital artwork of advertising and promotional materials for your initial marketing activities (Franchise Agreement, Section 10.4)

~~d~~e. provide a written list of equipment, signage, supplies and products that will be required to open the Franchised Business and approved or recommended vendors for these items. We do not provide, purchase, deliver, or install any of these items for you (Franchise Agreement, Section 10.3).

~~e~~f. provide initial training at our headquarters. We have the right to designate an alternative location for the initial training program. We will determine, in our sole discretion, whether you satisfactorily complete the initial training program. (Franchise Agreement, Sections 7.1, 7.2).

~~h~~g. provide a trainer for on-site training, supervision and assistance for 2 days prior to the opening of your Franchised Business. (Franchise Agreement, Section 7.3).

~~i~~h. provide you with standards for training of your employees. We do not otherwise assist you with employee hiring and/or training (Franchise Agreement, Section 12.1.8).

~~j~~i. offer guidance regarding prices for products and services (Franchise Agreement, Section 12.5).

### 2. Time to Open

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your Franchised Business is between 45 to 90 days. Factors that may affect this time period include your ability to acquire financing or permits, and completion of required training. If you have not opened your Franchised Business within 90 days after you sign the Franchise Agreement, you must obtain our consent to extend the time to open, which we may or may not grant, at our discretion. Failure to open your Franchised Business within the original time as extended, is a default of the Franchise Agreement. (Franchise Agreement, Sections 8.2).

### 3. Obligations After Opening

to this information. We may retrieve, download, analyze and store such information and data at any time. We own all customer and financial data stored in the Computer System.

There are no contractual limitations on the frequency and cost of upgrades and/or updates to the above-described systems or programs. We have no obligation to maintain, repair, update or upgrade your computer hardware and software. At your cost, you must provide on-going maintenance and repairs to your hardware and software. You must upgrade your computer as necessary to operate the most current version of our required software and applications or any replacements thereto. We cannot estimate the cost of maintaining, updating and upgrading your computer hardware and software because it will depend on the make and model of your hardware, required upgrades to operate our current management and payment processing applications, repair history, usage, local cost of computer maintenance services in your area and technological advances that we cannot predict.

6. **Table of Contents of Operations Manual**

The Table of Contents of our operations manual, current as of the date of this Disclosure Document is attached as Exhibit D. The operations manual has a total of 140 pages.

7. **Training** (Franchise Agreement, Article 7)

You (if the franchisee is an individual) or at least 1 owner (if the franchisee is a business entity) and 1 key employee or coach/instructor must complete our initial training program, to our satisfaction, no later than 6 weeks after signing the Franchise Agreement~~.~~ , and at least 2 weeks prior to the scheduled opening date of the Franchised Business. Prior to attending training, each trainee must produce clearances from his or her respective state to work with children. You will receive training at our headquarters or at another site we specify.

**TRAINING PROGRAM**

| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS OF ON THE JOB TRAINING | LOCATION |
|---|---|---|---|
| **Introduction**: Welcome, Our Brand Culture, History, Mission, and Vision | 2 | 0 | Greater Boston, MA area |
| **Personnel**: Scheduling, Team Management and Development | 2 | 2 | Greater Boston, MA area |
| **Marketing**: Advertising, Community Awareness, Networking, Program Model, Partnering with Towns | 2 | 2 | Greater Boston, MA area |
| **Operations**: Class/Clinic Management, Creating the Coaching Environment, Parent/Player Relations, Safety and Security | 5 | 20 | Greater Boston, MA area |

| | | | |
|---|---|---|---|
| **Financial Management**: Fiscal Responsibility, Goal Setting, KPIs and Reporting, Royalties and Franchise Obligations | 2 | 0 | Greater Boston, MA area |
| **Review:** Assessment, Next Steps in Planning Launch | 2 | 1 | Greater Boston, MA area |
| **TOTAL** | **15** | **25** | |

We typically schedule training 4 to 6 times a year, approximately every 8 to 12 weeks. Training will be provided by or under the direction of Matt Belson, our founder and manager~~. Matt established the Scoops Lacrosse brand in November 2017 and provides training on all aspects of the Franchised Business, including but not limited to, marketing, operations, and financial reporting~~, whose biographical information can be found in Item 2. Each of our instructors has up to 1 year of experience relevant to the subject being taught, and under 1 year of experience with us and/or our affiliate-owned outlets. We reserve the right to make changes to our training staff as we deem necessary and advisable without prior notice.

Our training materials consist of our operations manual, supplemented with active observation, participation, and/or video or verbal instruction.

If you do not complete our initial training program to our satisfaction, we have the right to terminate the Franchise Agreement.

We will provide you, at no charge, on-site training, supervision and assistance for 2 days prior to the opening of your Franchised Business. We will assess your grand opening plans and your capacity to operate the Franchised Business. If we do not approve you to open, you may be required to undergo additional training.

We may offer mandatory and/or optional additional training programs, including an annual business meeting or convention, from time to time. If we require it, you must participate in additional training for up to 10 days per year at a location we designate. We have the right to impose a reasonable fee for all additional training programs, including the annual convention. You are responsible for any and all incidental expenses incurred by you and your personnel in connection with additional training or attendance at Franchisor's national business meeting or annual convention, including, without limitation, costs of travel, lodging, meals and wages. If you fail to attend any mandatory training program, you are required to pay us a non-attendance fee and obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs.

## ITEM 12: TERRITORY

Under the Franchise Agreement, you have the right to establish and operate one Franchised Business within a limited protected territory or territories (the "Territory"). Your Territory is located in one or more towns or counties and will be identified by zip codes, name, jurisdiction boundaries, geographic demarcation lines or a marked map. Each Territory will contain a minimum population of 500,000.

You must maintain an office in your Territory. The Franchise Agreement permits you to operate from a home-based office, provided that your home is in your Territory. You may change the location of your Franchised Business office with our consent, which we will not unreasonably withhold, provided that the office is in your Territory. You are required to remove all identifying signs and property from the original office location.

# EXHIBIT G

# STATE ADDENDA

**CALIFORNIA ADDENDUM TO THE**
**FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT**

The Department of Financial Protection and Innovation for the State of California requires that certain provisions contained in franchise documents be amended to be consistent with California Franchise Investment Law, Cal. Corp. Code Section 31000 et seq., and of the Rules and Regulations promulgated thereunder. To the extent that this Disclosure Document, Franchise Agreement and Multi-Unit Development Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended.

**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.**

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

OUR WEBSITE www.scoopslax.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.

Neither Franchisor nor any person described in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C. 8.78(a) et seq. suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code sections 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act.

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

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

Section 31125 of the California Corporation Code requires us to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

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

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

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

11. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. As long as this represents the law of the State of California, we will not interpret the Franchise Agreement as permitting or requiring maximum price limits.

12. The highest interest rate allowed by law in California is 10% annually.

13. 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.

14. 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