



FRANCHISE DISCLOSURE DOCUMENT

USL PRO-2, LLC

A Florida Limited Liability Company
1715 N. Westshore Blvd. Suite 825
Tampa, Florida 33607
(813) 963-3909

<http://www.USLeagueOne.com>

You will operate a team in the men's professional soccer league known as "USL League One" under a Franchise Agreement with us.

The total initial investment necessary to begin operation of a Club is set forth below, and the amounts set forth adjacent to the total initial investment below must be paid to franchisor or its affiliates:

<u>Total Initial Investment</u>	<u>Portion of Initial Investment Paid to Franchisor or its Affiliates</u>	<u>Franchise Fee</u>
\$7,682,700 - \$11,418,600	\$5,228,700 – \$5,313,600	\$5,000,000

This Franchise Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this document and all accompanying agreements carefully. You must receive this Franchise Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Note, however, that no governmental agency has certified 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 Garrison Mason, 1715 N. Westshore Blvd., Suite 825, Tampa, FL 33607, (813) 514-1767.

The terms of your contract will govern your franchise relationship. Do not rely on the Franchise Disclosure Document alone to understand your contract. Read the entire contract carefully. Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information of franchising.

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

Issuance Date: February 15, 2023

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit [D].
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit [F-1] includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only [XYZ] business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be [an XYZ] franchisee?	Item 20 or Exhibit [D] lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

WHAT YOU NEED TO KNOW ABOUT FRANCHISING *GENERALLY*

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

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

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

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

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

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

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

SOME STATES REQUIRE REGISTRATION

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

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 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 Florida. 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 Florida than in your own state.

2. Sales Performance Required. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
Item 1 – The Franchisor and any Parents, Predecessors, and Affiliates	1
Item 2 – Business Experience	4
Item 3 – Litigation	5
Item 4 – Bankruptcy.....	5
Item 5 – Initial Fees	7
Item 6 – Other Fees.....	8
Item 7 – Estimated Initial Investment.....	12
Item 8 – Restrictions on Sources of Products and Services	19
Item 9 – Franchisee’s Obligations	21
Item 10 – Financing	23
Item 11 – Franchisor’s Assistance, Advertising, Computer Systems, and Training.....	24
Item 12 – Territory.....	28
Item 13 – Trademarks	30
Item 14 – Patents, Copyrights, and Proprietary Information	32
Item 15 – Obligation to Participate in the Actual Operation of the Franchise Business.....	33
Item 16 – Restrictions on What the Franchise May Sell.....	34
Item 17 – Renewal, Termination, Transfer and Dispute Resolution.....	35
Item 18 – Public Figures	41
Item 19 – Financial Performance Representations.....	42
Item 20 – Outlets and Franchisee Information.....	43
Item 21 – Financial Statements.....	50
Item 22 – Contracts.....	51
Item 23 – Receipts	52

EXHIBITS

- A-1. Form of Franchise Agreement
- A-2. Form of Owner Guaranty
- A-3. Form of Lease Addendum
- B. Director of State Administrators & Agencies
- C. Agent for Service of Process
- D. List of Current Franchisees
- E. List of Franchisees Who Have Left the System
- F-1. Financial Statements
- F-2. Guaranty
- G. State Addenda to Franchise Disclosure Document
 - G.1 California
 - G.2 Illinois
 - G.3 Minnesota
 - G.4 New York
 - G.5 North Dakota
 - G.6 Rhode Island
 - G.7 Washington
- H. Manuals – Tables of Contents
- I. Receipt

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

The franchisor is USL Pro-2, LLC, a Florida limited liability company. The name used to conduct business is USL League One. To simplify the language in this Franchise Disclosure Document, USL Pro-2, LLC d/b/a USL League One is referred to as “Franchisor,” “we” or “us.” United Soccer Leagues, LLC, a Florida limited liability company, is our sole owner. To simplify the language in this Franchise Disclosure Document, United Soccer Leagues, LLC is referred to as our “parent” or our “parent company.” Our and our parent’s principal business address is 1715 N. Westshore Blvd., Suite 825, Tampa, Florida 33607.

This Disclosure Document will refer to the person or entity that buys the franchise from us as “you” or “your”, and the term includes your partners if you are a partnership, your members if you are a limited liability company, or your shareholders if you are a corporation. If you are a corporation, partnership or limited liability company, certain of your owners will have to guarantee your obligations and be obligated to comply with the terms of the franchise agreement and ancillary documents described in this Disclosure Document.

Franchisor and its Parent

Our parent company was originally formed as a Delaware corporation known as USISL, Inc. on April 1, 1996 to operate a soccer league known as the USISL. On July 1, 1997, Umbro International, Inc. acquired a majority of the shares of capital stock in USISL, Inc. By April 11, 2008, Umbro International, Inc. had acquired all of the issued and outstanding capital stock of USISL, Inc. Nike, Inc. acquired Umbro International, Inc. as of May 31, 2008. As a result of that transaction, USISL, Inc. was a wholly-owned subsidiary of NIKE International Holding, Inc., which is a wholly-owned subsidiary of Nike, Inc. On August 27, 2009, NuRock Soccer Holdings LLC, a Georgia limited liability company (“NuRock”), acquired all of the issued and outstanding capital stock of USISL, Inc. USISL, Inc. was converted into a Georgia limited liability company on October 1, 2009 and simultaneously changed its legal name to United Soccer Leagues, LLC. Our parent company is the same legal entity as USISL, Inc. NuRock remains the majority owner of our parent company and its principal business address is 800 North Point Parkway, Suite 12, Alpharetta, Georgia 30005.

We currently operate the League. Our parent began offering franchises for the League generally on August 19, 1996 and has continuously been engaged in such line of business, provided that our parent ceased offering franchises for the League on December 31st, 2016 and we began offering franchises for the League on January 1st, 2017.

Prior to August 19, 1996, neither we nor our parent offered franchises for the same type of business that is to be operated by you. We do not offer franchises in any other lines of business; however, we reserve the right to do so in the future.

Predecessors and Affiliates

We have affiliates that currently operate multiple soccer leagues, from the youth to the professional level, and related businesses. As part of an internal restructuring that took place on January 1, 2017 (the “Restructuring”), our parent created four other subsidiaries that operate various portions of the business previously operated directly by our parent and contributed all of its assets that primarily related to each of those businesses to the subsidiary that would operate that business in the future. Specifically, our parent formed:

- USL Pro, LLC, which owns, operates, coordinates, and sells franchises for teams to participate in the men’s professional soccer league known as “USL Championship.”

- Premier Development League, LLC, which owns, operates and coordinates, and sells franchises for teams to participate in, the men's elite amateur soccer League currently known as the "Premier Development League" or "PDL."
- Super Y League, LLC, which owns, operates and coordinates an elite youth soccer membership league currently known as the "Super Y League." This company does not sell franchises.
- USL Productions, LLC, which owns the rights to, produces, and disseminates the broadcasts of all League matches and ancillary programming in any form of media and the related content. This company does not sell franchises.

Subsequent to the Restructuring, our Parent also formed:

- USL W League, LLC, which operates and sells franchises for teams to participate in the women's elite amateur soccer league known as the "USL W League".
- USL Super League, LLC, which will operate and sells franchises for teams to participate in the women's professional soccer league known as the "USL Super League".

Except as described above, we do not have any predecessors or affiliates that currently offer, or offered in the past, franchises for the same type of business that is to be operated by you or in any other line of business. We do not have any predecessors or affiliates that provide products or services to our franchisees; however, we reserve the right to have them do so in the future.

All leagues (including the League) owned and operated by our affiliates are referred to in this document as the "System."

Agent for Service of Process

Our agent for service of process for your state, if any, is identified in Exhibit C to this Franchise Disclosure Document.

The Franchise

We sell and grant franchises to people like you to field a team (your "Club") that participates in the League. We do not currently own any team that participates in the League, but we may in the future. Our primary purpose is to operate and coordinate the League. We do not engage in business activities that are unrelated to the League.

As of the Issuance Date of this Franchise Disclosure Document, the League has been sanctioned as a Men's Professional Outdoor Division 3 league by the United States Soccer Federation ("USSF") for the 2023 season. USSF may elect not to sanction or approve the League at any time without our input or approval. In addition, we may determine not to continue the foregoing affiliation in the future, to seek affiliations with other organizations, and/or to seek sanctioning of a different level or division within those organizations.

The League's current season for matches is from approximately mid-March through mid-October of each year, and your Club would begin participating in the League in the 2024 season (or later, if applicable).

In operating your Club, you must comply with our Minimum Standards for matches and our league rules,

which are contained in our manuals (the “Manuals”), copies of which we will loan to you following your purchase of a franchise. You must also comply with the standards, rules and regulations of USSF, as the governing body for soccer in the United States, and any other organization responsible for governing or overseeing the League, which standards may change without notice or approval from us. USSF’s standards currently relate to such topics as: ownership composition; ownership net worth; stadium seating capacity requirements; financial reporting; field dimensions; field surfaces; and personnel. If your Club competes outside the United States, it may be subject to the rules and regulations of governing bodies for professional or amateur soccer leagues in those jurisdictions.

You will be required to meet the Minimum Performance Standard for Local Revenues and turnstile attendance. You will be considered not to have met the Minimum Performance Standard if your (a) Local Revenues or (b) turnstile attendance at League Matches do not exceed half of the median local revenues or median turnstile attendance of the other team operators in the League. If you do not meet the Minimum Performance Standard for a period of two consecutive Fiscal Years, you will be required to create and present to us a plan to meet the Minimum Performance Standard. Throughout the remainder of the Term, if you do not meet the Minimum Performance Standard in any two consecutive years, we may require you to transfer your franchise. If you are unable to transfer your franchise, we may terminate the franchise agreement.

Market and Competition

You will compete in the general market for, among other things, live viewers, attendees of your franchise’s events, merchandise, and sponsorships. Your competitors in these markets include other sporting organizations and forms of live entertainment in your geographic area. Specifically within the sport of soccer, your competitors may include Major League Soccer (MLS), the National Women’s Soccer League (NWSL), the North American Soccer League (NASL), the National Independent Soccer League (NISA), USL League Two, operated by our affiliate as described above, the USL Championship, operated by our affiliate as described above, the National Premier Soccer League (NPSL), and various other regional and local amateur soccer leagues, and any professional leagues that may exist now or in the future.

Board of Governors

With certain exceptions specified in your franchise agreement, the Board of Governors is made up of one representative from each Club that is unconditionally obligated to play in an upcoming season. Your franchise agreement sets forth the authority of the Board of Governors and requires you to abide by the Board of Governors’ decisions.

ITEM 2 – BUSINESS EXPERIENCE

Chairman of the Board: Robert Hoskins

Mr. Hoskins has served as the chairman of our parent's board of directors since September 2, 2009 and our chairman since January 1, 2017. Mr. Hoskins serves in his current capacity in Alpharetta, Georgia.

Director and Chief Executive Officer: Alec Papadakis

Mr. Papadakis has served as a director of our parent since September 2, 2009, our parent's Chief Executive Officer since September 2, 2009 and our Chief Executive Officer since January 1, 2017. Mr. Papadakis serves in his current capacity in Tampa, Florida. Alec Papadakis is the father of Director, Chief Operating Officer, and Chief Real Estate Officer, Justin Papadakis.

Director, Chief Operating Officer, and Chief Real Estate Officer: Justin Papadakis

Papadakis has served as a director, Chief Operating Officer, and Chief Real Estate Officer of our parent since February 2018. Mr. Papadakis serves in his current capacity in Tampa, Florida. Justin Papadakis is the son of Director and Chief Executive Officer, Alec Papadakis.

President: Jake Edwards

Jake Edwards has acted as our parent's President since March of 2015 and our President since January of 2017. Mr. Edwards serves in his current capacity in Tampa, Florida.

ITEM 3 – LITIGATION

1. *Ricky Hill v. SLSG Pro, LLC (f/d/b/a St. Louis FC) and United Soccer Leagues, LLC, United States District Court for the N.D. Illinois, Case No. 1:21-CV-06278*

The lawsuit above was filed on November 22, 2021 by Ricky Hill against SLSG Pro, LLC (f/d/b/a St. Louis FC) and our parent (United Soccer Leagues, LLC) in the United States District Court for the Northern District of Illinois. Mr. Hill alleged in the charge that (i) he had applied for a head coaching position with Saint Louis FC during various occasions and (ii) that Saint Louis FC discriminated against him by hiring other white and non-black applicants for those positions. Mr. Hill seeks damages of an undetermined amount. Other than having sought employment with one of our clubs, Mr. Hill has never had any relationship with USL. USL has denied the allegations, on the grounds that it does not make hiring/firing decisions for its clubs, including Saint Louis FC, and has no knowledge about the specific allegations. The lawsuit remains ongoing.

2. *Ricky Hill v. AMB Sports & Entertainment, LLC, et al., United States District Court for the N.D. Illinois, Case No. 1:22-cv-02961*

The lawsuit above was filed on June 6, 2022 by Ricky Hill against: AMB Sports & Entertainment, LLC d/b/a Atlanta United; Inter Miami CF, LLC; Las Vegas Soccer LLC d/b/a Las Vegas Lights FC; Major League Soccer, LLC; Memphis 901 FC LLC; Prodigal Soccer d/b/a OKC Energy FC; Tepper Sports & Entertainment d/b/a Charlotte FC; and our parent (United Soccer Leagues, LLC). SLSG Pro, LLC (f/d/b/a St. Louis FC) and our parent in the United States District Court for the Northern District of Illinois. Similar to Case No. 1:21-CV-06278 (referenced above), Mr. Hill alleged in the charge that; (i) he had applied for a head coaching position at various clubs within the USL Championship and Major League Soccer (ii) the clubs discriminated against him by hiring other white and non-black applicants for those positions; and (iii) that USL and Major League Soccer have tacitly fostered or otherwise failed to prevent discriminatory conduct. Mr. Hill requested damages of an undetermined amount, as well as injunctive relief “necessary to cure Defendants’ discriminatory policies and practices.” Following motions to dismiss, the court found in favor of each of the defendants and the case was terminated on February 16, 2023. Specifically with respect to USL, the court found Mr. Hill’s allegations too vague to state a claim. .

ITEM 4 – BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 – INITIAL FEES

To obtain a franchise, you must pay a one-time Franchise Fee of \$5,000,000. The Franchise Fee is not refundable.

You are required to secure your payments and other obligations by providing us with a cash deposit or letter of credit (the “Letter of Credit”) in the amount of \$250,000. The Letter of Credit is generally due on or before September 15th preceding the applicable season. However, if a governing body (like the United States Soccer Federation) requires the Letter of Credit to be in a different amount than set forth above, you are required to abide by the requirements of that organization. As a result, the actual amount of the Letter of Credit you are required to provide may be different than as described above. In such case that a governing body increases these standards, you will have to provide to us the amount of the revised Letter of Credit within fifteen (15) days of written notice of the new amount, at which time we will return the original Letter of Credit to you.

Assuming the team’s first scheduled season was in 2024, you would also pay a participation fee of up to \$115,000 and between \$128,700 and \$198,600 to Franchisor in pass-through costs, as further set forth in Item 7 of this FDD.

Additionally, we reserve the right at the end of the term of your franchise agreement, or if we reasonably decide it is necessary to protect us or the League, to change the Letter of Credit amount to one we deem acceptable. If you renew your franchise agreement, you will be required to acquire a new Letter of Credit in the amount we designate for the required period.

We may draw on the Letter of Credit upon your failure to pay any obligations incurred in connection with the operation of your Club, including: (a) any amounts owed to us under your franchise agreement or any fees, fines or other amounts set forth in the Manual and/or with respect to violations of our rules or minimum standards; and (b) any amounts owed to any other team, League vendors, professional players, or landlords of your stadium.

If we draw on the Letter of Credit, we will take only the amount necessary to satisfy the delinquent obligation (which may include any associated interest and late fees and our costs and expenses incurred in satisfying such obligation), and you will replenish the amount of the Letter of Credit to the amount specified above within thirty (30) days of the date of our draw. We will return the Letter of Credit (or whatever portion of the Letter of Credit is remaining) to you within thirty (30) days following the expiration or termination of your franchise agreement.

All of your direct and indirect owners of greater than 5% are required to execute a guaranty, indemnification and acknowledgment of the franchisee’s obligations under the franchise agreement in the form provided in Exhibit A-2.

ITEM 6 – OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS (Note 1)
Participation Fee	Up to \$115,000 (if starting in 2024), subject to a maximum annual increase of 15% or 12% plus CPI	October 15 and January 1 [split evenly] preceding each season during the Term of the applicable franchise agreement	Notes 2 and 3
Change of Control Fee	10% of then-current published Franchise Fee for the League	Upon closing of the transfer	Fee not applicable to transfers to an entity wholly-owned by a franchisee who is an individual, to family members, other owners of franchisee or in connection with the death of franchisee or its owners
Annual USSF Membership Fee	Variable	On demand	The League's annual membership fee to USSF is passed through equally to each team. As of 2022, the Division 3 league membership fee is \$73,150 (which is divided equally amongst participating teams)
USSF Player Registration Fee	\$1,333	On demand	Each team is required to pay an annual player registration fee to USSF. We pay this to USSF and require you to reimburse us. As of 2022, the Team Fee for Player Registration charged by USSF is \$1,333
Referees	Variable	On demand	Each team is required to pay an equal amount towards referees

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS (Note 1)
Reporting Software	Variable	On demand	You are required to use certain software to report operational and financial information. We pay this to providers and you reimburse us.
Website Hosting and Maintenance	Variable	On demand	You are required to pay us an annual fee for hosting and maintaining the team website
Website Re-Design	Variable	On demand	Only if you request the redesign
Insurance Premiums	Variable	On demand	We may require you to purchase certain forms of insurance, which may be as part of a group plan with other teams in the League.
Product Purchases	Variable	On Demand	We may require you to buy or lease products or services that (i) meet our standards and specifications and (ii) are purchased from suppliers designated or approved by us. We reserve the right to designate ourselves or affiliates as the exclusive supplier for certain products. If we do so, then you must purchase them from us.
Pool Payments	Variable	On demand	We may require you to make payments that are pooled together amongst the teams for a particular purpose (e.g., travel pool), and we would distribute such funds in accordance with the parameters established by the Board of Governors.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS (Note 1)
Board of Governor Approved Payments	Variable	On demand	You may be required to make certain payments required by the Board of Governors, even if such payments would otherwise not be permissible under your agreement
Operational Fines	Variable	As incurred	You must pay us any fines we assess for non-compliance with the franchise agreement or the Manuals. We reserve all other rights and remedies
Relocation Fee	10% of then-current published Franchise Fee for the League	Upon approval of relocation	This amount would be payable to us and any other franchises affected by such relocation
Indemnification	Variable	As incurred	You must reimburse us for damages or other relief related to the operation of your franchise
Costs and Attorney's Fees	Variable	As incurred	Excluding indemnification, payable to the prevailing party in any litigation
Interest and Late Fees	1.5% per month, or the maximum rate permitted by law, whichever is less (Note 2), plus a late fee of 5% of overdue amount	On demand	Payable on any amounts not paid when due. Note 4.

Note: (1) All fees are payable to us and, except as described in Note (2) below, are non-refundable.

(2) Should we disband the League prior to or during a season (as further described in Item 17 below and Section 11.2.4 of your franchise agreement), you will receive a refund of any participation fees paid for any season in which your Club did not have an opportunity to participate.

(3) Subject to the authority of the Board of Governors (see ITEM 1), the maximum participation fee increase from year to year is generally limited to 15% or 12% plus CPI of the prior year's participation fee.

(4) For franchises in California, the maximum interest rate allowed is ten percent (10%) annually.

ITEM 7 – ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
TYPE OF EXPENDITURE	AMOUNT (Note 1)		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	<i>Low End</i>	<i>High End</i>			
Franchise Fee	\$5,000,000	\$5,000,000	Wire transfer	At Signing of Franchise Agreement	Franchisor
Participation Fee	\$100,000	\$115,000	Wire transfer or check	October 15, 2023 and January 15, 2024 [split into equal installments]	Franchisor
Letter of Credit (Note 2)	\$12,500	\$250,000	Letter of credit, cash or cashier's check	No later than September 15, 2023	Bank (if letter of credit) or Franchisor (if cash to be held)
Stadium Lease (Note 3)	\$25,000	\$150,000	As required in Lease	As required in Lease	Landlord
Stadium and Field Improvements	\$500,000	\$1,500,000	As required by Suppliers	As required by Suppliers	Suppliers
Practice Field Rental (Note 4)	\$0	\$20,000	As required in rental agreement	As required in rental agreement	Landlord
Office Lease	\$50,000	\$100,000	As required in Lease	As required in Lease	Landlord
Office Expenses	\$25,000	\$75,000	As required by Suppliers	As required by Suppliers	Suppliers
Soccer Equipment/Field Related Supplies (Note 5)	\$25,000	\$50,000	As required by Suppliers	As required by Suppliers	Suppliers
Player Wages (Note 6)	\$250,000	\$300,000	As required in the player contracts	As required in the player contracts	Players
Player Housing (Note 7)	\$25,000	\$75,000	As required by Suppliers	As incurred	Apartment Lessors, Players

YOUR ESTIMATED INITIAL INVESTMENT					
TYPE OF EXPENDITURE	AMOUNT (Note 1)		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	<i>Low End</i>	<i>High End</i>			
Front Office Staff (Note 8)	\$400,000	\$700,000	As required in staff contracts	As required in staff contracts	Staff
Coaching Staff (Note 9)	\$170,000	\$250,000	As required in staff contracts	As required in staff contracts	Staff
Worker's Compensation Insurance (Note 10)	\$50,000	\$90,000	As required by insurance carrier	As required by insurance carrier	Insurance carriers
Benefits (Note 11)	\$85,500	\$285,000	As required in staff contracts	As required in staff contracts	Staff / Gov't
Referees (Note 12)	\$75,000	\$125,000	Wire transfer or check	Prior to start of season	Franchisor (pass-through)
Home Game Costs (Operations) (Note 13)	\$100,000	\$250,000	As required by Suppliers	At or before game	Suppliers
Away Game Costs (Note 14)	\$175,000	\$300,000	As required by Suppliers	Prior to or during travel	Suppliers
Marketing/Sales Costs (Note 15)	\$150,000	\$300,000	As required by Suppliers	As incurred	Suppliers
Uniforms and Supplies (Note 16)	\$20,000	\$35,000	As required by Suppliers	As incurred	Suppliers
USSF Membership Fee (Note 17)	\$3,000	\$9,000	As required by USSF	Prior to start of season	Franchisor (pass-through)
USSF Player Registration Fee (Note 17)	\$1,000	\$2,000	As required by USSF	Prior to start of season	Franchisor (pass-through)
U.S. Open Cup Application Fee (Note 17)	\$600	\$1,000	As required by USSF	Prior to start of season	Franchisor (pass-through)

YOUR ESTIMATED INITIAL INVESTMENT					
TYPE OF EXPENDITURE	AMOUNT (Note 1)		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	<i>Low End</i>	<i>High End</i>			
Insurance (Note 18)	\$10,000	\$15,000	As required by insurance carrier	As required by insurance carrier	Franchisor (pass-through)
Travel Pool - Playoffs (Note 19)	\$5,000	\$10,000	Wire transfer or check	Prior to Start of Season	Franchisor (pass-through)
Reporting Costs (Note 20)	\$1,500	\$3,000	Wire transfer or check	Prior to Start of Season	Franchisor
BMI / ASCAP Costs	\$0	\$1,000	As required by Suppliers	Prior to Start of Season	Franchisor (pass-through)
Local Broadcast Production Costs (Note 21)	\$100,000	\$200,000	As required by Suppliers	As incurred	Suppliers
Broadcast Transmission and Archival	\$25,000	\$25,000	Wire transfer or check	As incurred	Franchisor (pass-through)
Attendance at AGM and Training (Note 22)	\$1,000	\$5,000	As required by Suppliers	As required by Suppliers	Suppliers
Team Name and Trademark Design and Registration	\$5,000	\$30,000	As required by Suppliers	As incurred	Suppliers
Signage System	\$10,000	\$50,000	As required by Suppliers	As incurred	Suppliers
Professional Fees	\$10,000	\$25,000	As required by Suppliers	As incurred	Suppliers
Initial Merchandise Inventory	\$5,000	\$50,000	As required by Suppliers	As incurred	Suppliers
Website Design and Setup (Note 23)	\$6,000	\$6,000	Wire transfer or check	As incurred	Franchisor (pass-through)

YOUR ESTIMATED INITIAL INVESTMENT					
TYPE OF EXPENDITURE	AMOUNT (Note 1)		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	<i>Low End</i>	<i>High End</i>			
Website Hosting and Maintenance (Note 24)	\$1,600	\$1,600	Wire transfer or check	April 1 each season	Franchisor (pass-through)
Dues and Subscriptions	\$10,000	\$15,000	As required by Suppliers	As incurred	Suppliers
Additional Funds for Year 1 (Note 25)	\$250,000	\$1,000,000	As required by Suppliers	As incurred	Suppliers
TOTAL FIRST YEAR EXPENSES	\$7,682,700	\$11,418,600			

Notes:

- (1) All fees described in this Item 7 that are payable to us are non-refundable, other than (a) the Participation Fee for a particular season, which may be refunded to you if there are not at least 6 teams participating in your League during that season or we disband your League after the 2024 season (as described in Item 6 (Note 2) above), and (b) the Letter of Credit, which we are holding to secure your obligations under the franchise agreement and which will be returned to you upon expiration or termination of your franchise agreement (unless it is terminated as described in Item 5 above). We do not offer direct or indirect financing of the Franchise Fee.
- (2) This amount may change based upon the requirements of any governing body (namely, the United States Soccer Federation and/or the Canadian Soccer Association, CONCACAF, and FIFA), as described in Item 5 above. In 2023, the Letter of Credit amount is two hundred and fifty thousand dollars (\$250,000). However, we do accept letters of credit, and the cost of obtaining a letter of credit is typically between one and eight percent (1% - 8%) annually of the face amount of the letter of credit. The Letter of Credit is used to secure your payments and other obligations under your franchise agreement and other agreements entered into in connection with the operation of your Club. We may draw upon the Letter of Credit at such times and in such amounts as described in Item 5 above and in Section 4.8 of your franchise agreement. If we draw upon your Letter of Credit, you must replenish it to the required amount. We will return the Letter of Credit (or whatever portion of the Letter of Credit is remaining) to you within thirty (30) days following the expiration or termination of your franchise agreement.
- (3) You must lease or own a stadium, which must be within your protected territory and approved by us in advance. The stadium must comply with all League Rules. Some of the main requirements currently included in League Rules are: (i) the stadium must be enclosed; (ii) the playing field must be at least 110x70 yards; (iii) the playing field must either be grass or artificial turf certified as FIFA Quality; (iv) stadium capacity of 3,500; (v) field lighting of at least 125 foot candles; (vi) locker rooms with showers within a one (1) minute walk of the field; and (vii) a

press box. The current set of League Rules relating to stadium requirements will be made available to you upon request. We may inspect your stadium from time to time to ensure compliance with League Rules. Stadium rent varies depending on a number of factors such as size, amenities, location, whether renovations are necessary, included services, and any revenue-sharing arrangements.

- (4) You are required to have access to a training field for use by the visiting team upon request. The surface of the training field must match the surface of the game field. The training field is viewed as an extension of your Home Stadium, and you must make security available upon request of the visiting team.
- (5) This amount does not include the cost of a field-level signage system, which is included separately.
- (6) You determine the amount of payment to players, but they typically range from \$20,000 to \$80,000 per player per season.
- (7) Teams typically, and may be required to, provide housing for their players while those players are training with the team. These costs vary by team, market, quality, availability, and other factors.
- (8) You are required to employ at all times, at minimum, a President, Director of Marketing, Director of Ticket Sales, Director of Corporate Sales, Director of Operations, Director of Communications/Media Relations, Director of Promotions/Community Relations, four (4) Ticket Sales Account Executives, and a clerical staff. This estimate does not include any health insurance, retirement contributions, or other benefits that may be offered by you to your employees.
- (9) You are required to employ at all times, at minimum, a Head Coach, Assistant Coach, and trainer. This estimate does not include any health insurance, retirement contributions, or other benefits that may be offered by you to your employees.
- (10) Workers compensation costs vary depending upon the state and other factors, such as the loss history of other professional soccer teams and other similarly classified professional teams (e.g., lacrosse). However, as a rule of thumb, workers compensation costs are typically between 20%-30% of player and technical staff salaries.
- (11) Benefits include anything paid to or on behalf of your employees in addition to their base salary and may include, for example, FICA, health insurance, sales commissions, and bonuses. However, this amount does not include player housing, which is included separately.
- (12) The cost of referees is dependent upon a number of factors, including number of teams, availability and quality of referees, etc. However, the cost of referees is typically negotiated by us with the Professional Referee Organization in advance of each season and then passed through equally to the teams in the League.
- (13) Home game costs vary depending on a number of factors, including the terms of the stadium lease and the expected attendance. These costs may include: (a) security; (b) ticket-takers; (c) ushers; (d) parking lot attendants; (e) concessions; (f) clean-up; (g) public address announcers; (h) scoreboard operators; (i) merchandise and other booth attendants; (j) pre-game and half-time promotions; (k) set-up and take-down or

advertising materials; and (l) others. You may also be required to pay for hotel accommodations for the visiting team.

These costs do not include the cost of referees, nor do they include any broadcast production costs, each of which are included separately in this Item 7.

These costs also presume that you play in a stadium whose primary purpose is for the playing of soccer games. To the extent it is not (for example, if it also serves as a baseball or football stadium), there could be substantial costs associated with converting the field from baseball or football to soccer for each game.

- (14) You will pay for transportation for your Club's travel to away games. You will also provide players with meals or *per diem* allowance while they are away from home.
- (15) Marketing costs associated with the club include the creation and distribution of advertising and advertising materials in any form (print, media, other) to generate interest in the club. These typically include television and radio commercials, promotional events, print or digital signage, and other similar advertising. These costs do not include any pre-game, halftime, or other in-game marketing or advertising, which is included separately in the "Home Game Costs."
- (16) Assumes that the Club is unable to enter into a sponsorship agreement for a competition apparel sponsor.
- (17) The USSF Membership Fee for the League is an annual fee passed through and split equally amongst the clubs. The USSF player registration and US Open Cup registration fees are per-club fees issued by USSF which we pay and then seek to be reimbursed from you.
- (18) This amount reflects each team's share of a league-wide policy. For 2022, approximately \$10,000 was charged to teams. This amount represented General Liability, Excess, Media, and Inland Marine insurance coverage under one policy.
- (19) Typically, the teams in the League agree to each pay into a pool which is then used to reimburse playoff teams for certain travel expenses they incur during the playoffs.
- (20) Reporting costs currently include the costs associated with the use of certain mandated reporting and communication platforms, including Teamworks (used to report operational information).
- (21) This amount is an estimate of the costs to put on a live stream of all of your home matches for a season. Currently, home matches must be live streamed for every home game. The home team is responsible for incurring these costs.
- (22) Estimates assume attendance of two representatives. The cost of the continuing education at the Annual General Meeting (instruction and required materials only) shall be borne by us. You are responsible for all other expenses incurred in connection with attending the Annual General Meeting (including without limitation, the costs of transportation, lodging, meals, and applicable wages).

- (23) This is a one-time fee relating to the setup and design of your website, which will be integrated into our website platform. This fee is a pass-through from our existing website host/developer. To the extent you wish to redesign your website at a later date, you will be responsible for the costs incurred in connection with such re-design.
- (24) This is a recurring, annual fee that is passed through from the service provider that hosts the League and team websites.
- (25) This amount is an estimate for additional funds which may be needed to cover the expenses of operating your franchise during one playing season. These funds which may be used to cover unexpected costs incidental to your franchise's operation.
- (26) This estimates your initial start-up expenses. We have relied on our experience in the sport of soccer to compile these estimates. You should review these figures before making any decision to purchase the franchise.

ITEM 8 – RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Your obligations to purchase or lease goods and services including without limitation, supplies, fixtures, equipment, inventory, real estate, computer hardware or software, or other items related to establishing or operating the franchised business will be limited by your franchise agreement. As discussed below, certain products or services may only be purchased from suppliers we have approved, while others may only be purchased in accordance with our specifications and standards. For clarity, we do negotiate purchase agreements with suppliers (including, as reiterated below, price terms) for the benefit of the League and franchisees.

Approved Suppliers

We may limit the number of approved suppliers with whom you may deal, designate sources that you must use (including for sale to the general public) and/or refuse any request for alternative suppliers for any reason, including that we have already designated an exclusive source (which may be us or our affiliates) for any particular item or service if we believe doing so is in the best interest of the League. Neither we nor any officer of ours owns any interest in any approved supplier, although we reserve the right to. At present, we do not disclose our criteria for approving suppliers.

We may require that you, at your expense, enter into agreements with suppliers approved by us. In those instances, we have negotiated purchase arrangements and price terms for the benefit of the franchisees. Currently, we have seven required suppliers: (1) one for soccer balls; (2) one for League patches; (3) one for broadcast production and transmission services; (4) one for the website; (5) one for mobile applications; (6) one for video clips; and (7) one for ticketing.

We will provide you with a current list of approved suppliers (including required and recommended suppliers) through updates to the Manuals or other forms of communication. For certain products or services, we may designate a single supplier and require you to purchase exclusively from such supplier. Neither we nor any of our affiliates are currently approved suppliers of any products or services, although we reserve the right to be.

If you desire to purchase goods or services from suppliers other than those previously designated as exclusive suppliers or otherwise approved by us, you must first submit to us a written request for authorization to purchase such items, and you shall not purchase from any supplier unless and until it has been approved. There are no additional fees required to be paid to us to secure the right to purchase from alternative suppliers, although we do not have to approve your request. Currently, there are no prescribed procedures or timelines relating to approval of alternative suppliers. Likewise, there are no stated procedures or timelines for revocation of approvals of alternative suppliers.

We (and our affiliates) may receive payments or other compensation from suppliers on account of your (and other franchisees') dealings with them, and we may use all amounts so received for any purpose we deem appropriate. Based on our 2022 financial statements, we did not derive any revenue, rebates or material consideration from any of the required purchases or leases of goods, services or real estate described in this Franchise Disclosure Document in 2022. Our parent's total revenue, based on the 2022 audited financial statements, was \$29,498,125. Our parent's revenue from all required purchases was \$423,359 and, based on our parent's 2022 financial statements, the percentage of our total revenues from required purchases or leases was approximately 1.4%. Currently, no affiliates of ours sell or lease products or services to franchisees.

For 2022, the estimated proportion of required purchases and leases from suppliers by franchisees relative to franchisees' total purchases and leases of goods and services required to establish and operate a franchise

is less than one percent (1%).

Standards and Specifications

We may require you to purchase certain goods or services in accordance with standards and specifications provided to you in the Manuals, provided that such goods or services are available on commercially reasonable terms and reasonably required for your Club's Activities.

Club Sponsorships

Each year, we will provide you with a listing of categories of goods or services for which we have or are pursuing league sponsorships (reserved or restricted "Product Categories"). You may not enter into Club sponsorships, or your Club sponsorships may be restricted, with respect to those Product Categories. As of the date of this disclosure document, the only reserved Product Category we have is for soccer balls (although we also prohibit and/or restrict certain advertising with respect to Product Categories that we view as not in the best interest of the league (e.g., tobacco products, firearms, pornography, etc.)). League sponsorships may require that you purchase exclusively from the League sponsor. In the event that we do not enter into a League sponsorship with respect to a reserved Product Category, it will be released back to you on an annual basis.

We do not provide material benefits to franchisees based on a franchisee's purchase of particular products, services, or use of particular suppliers.

ITEM 9 – FRANCHISEE’S OBLIGATIONS

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

OBLIGATIONS		SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Sections 4.1, 4.2, and 4.3	Items 7 and 12
b.	Pre-opening purchases/leases	Sections 4.1, 4.2, and 4.3	Items 7, 8 and 12
c.	Site development and other pre-opening requirements	Sections 4.1, 4.2, 4.3, and 4.7	Items 7, 11 and 12
d.	Initial and ongoing training	Section 3.5	Item 7 and 11
e.	Opening	Not applicable	Items 6 and 7
f.	Fees	Sections 2.2.5, 4.2.3, 4.8.3, 4.23, 5, and 10.1	Items 5, 6, 7 and 12
g.	Compliance with standards and policies/operating manual	Sections 2.2.4, 2.2.6, 3.3, 4.2, 4.5, 4.7, 4.8, 4.12, 4.13, 4.14, 4.15, 4.17, 4.21, 5.4, 6.1, 6.3.2, 6.4, 6.6, 7.2, 9.7, 10.1, 10.2, and 10.2.1	Item 1, 8, 11, 13, 14, and 15
h.	Trademarks and proprietary information	Sections 3.3, 4.14, 4.22, 6.1, 6.2, 7, 14.1	Items 13 and 14
i.	Restrictions on products/services offered	Sections 3.3, 4.3, 6.3, 6.4, 6.5, 6.6, 6.7	Items 8 and 16
j.	Warranty and customer service requirements	Section 3.7	Not applicable
k.	Territorial development and sales quotas	Sections 3.4, 4.1, 4.2, 4.3, and 4.7	Item 12
l.	Ongoing product/service purchases	Sections 3.3, 5.3.1 and 6.7	Items 8 and 15
m.	Maintenance, appearance and remodeling requirements	Section 3.3, 4.1, 4.3.1, 4.5, 4.9, 4.13, and 4.17	Item 7
n.	Insurance	Sections 3.3.1, 4.16, and 5.3.1	Item 7 and 8
o.	Advertising	Sections 4.14 and 6.3	Item 7 and 11
p.	Indemnification	Section 11	Item 6
q.	Owner’s participation/management/staffing	Sections 4.6, 4.18, and 8	Items 1, 7, 11 and 15

r.	Records/reports	Sections 4.21	Item 7
s.	Inspections and audits	Section 4.17, 4.21,	Item 7
t.	Transfer	Section 4.7, 8, 10	Item 17
u.	Renewal	Section 2.2	Item 17
v.	Post-termination obligations	Sections 4.22, 4.23, 11, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11, 13, 14.1, and 14.2	Item 6 and 17
w.	Non-competition covenants	Section 4.22	Item 17
x.	Dispute resolution	Section 13	Item 17
y.	Other: Sponsorships	Section 6.3	Item 8 and 11
z.	Other: Guaranty	Section 8.3	Item 15
aa.	Other: Compliance with Governing Bodies.	Section 4.5	Item 1 and 15
bb.	Other: Letter of Credit	Section 4.8	Item 5
cc.	Other: Board of Governors	Section 9	Item 1
dd.	Other: Local Broadcast Production	Section 4.9	Item 7
ee.	Other: Minimum Performance Standards	Section 4.7	Item 1 and 17

ITEM 10 – FINANCING

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

ITEM 11 – FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Pre-Opening Assistance

If you purchase a franchise described in this Franchise Disclosure Document, you will own your Club immediately upon the execution of your franchise agreement and the payment of the Franchise Fee. However, your Club will not begin to participate until the beginning of the next season for matches. As a result, the length of time between the signing of your franchise agreement, or the payment of the Franchise Fee, and the participation of your Club in the applicable League will vary depending on the effective date of your ownership of the Club and the beginning of the next season for matches for your League.

Before you open your business:

- (1) Site Selection. Before you sign your franchise agreement, we will work with you to determine a territory for your franchise that is mutually acceptable. Within that territory, you must obtain access to a stadium that we approve and that meets the requirements for the League and USSF (described in Item 7 above). Any time limit for selection of a stadium is based on evaluation of a variety of factors relevant to a franchisee’s territory, stadium, and financing options. We may approve the stadium in our discretion. We do not generally own stadia for lease to franchisees.

We base our approval of stadia on their location relative to other franchises and other teams in the League and other factors that we determine to be relevant in our reasonable discretion

The responsibility for ensuring your stadium conforms to local ordinances, building codes, and all required approvals is borne by you, subject to our approval and your agreements with any municipalities or other third-parties relevant to your stadium lease or construction plans. We do not assist with construction (including, generally, any provision of equipment, signs, fixtures, or supplies), remodeling, or decorating of any facilities or stadium.

- (2) Training/Operational Assistance. While we do not offer a formal pre-opening training program, we will provide periodic training, advice, and guidance (as we deem necessary) to you in the marketing, management and operation of your Club. If you request additional assistance from us (and we agree to provide such assistance), you will pay to us per diem charges and our out of pocket expenses in providing such additional assistance. (Franchise Agreement – Section 3.5)
- (3) Advertising and Promotions. We will review all advertising and promotional materials that you propose to use that include the League Marks (as defined in Item 13) and may, but are not required to, conduct advertising that benefits your Club or the League. (Franchise Agreement – Section 4.13, 4.14)

Post-Opening Assistance

During the operation of your Club:

- (1) Operational Assistance. We will provide periodic training, advice or offer guidance (as we deem necessary) to you in the marketing, management and operation of your Club. If you request additional assistance from us (and we agree to provide such assistance), you will pay to us per diem

charges and our out of pocket expenses in providing such additional assistance. (Franchise Agreement – Section 3.5)

- (2) Advertising and Promotions. There is currently no prescribed advertising program for the System, We will review all advertising and promotional materials that you propose to use that include the League Marks (Franchise Agreement – Sections 4.14, 6.3)

Currently, there is no advertising council composed of franchisees that advises us on advertising policy, you are not required to participate in a local or regional advertising cooperative, and you are not required to participate in any advertising fund.

- (3) Game and League-Related Assistance. We will establish and coordinate regular season and post-season game schedules for the League, establish League Rules, and perform such other activities integral to the operation of a professional soccer league, as further provided in your Franchise Agreement and in the Manuals. (Franchise Agreement – Section 3.2)
- (4) Insurance. We will use commercially reasonable efforts to arrange for commercial general liability insurance carriers to offer policies to all franchise owners in the League. In addition, we may, in the future, designate carriers that offer workers' compensation insurance. (Franchise Agreement – Section 4.16)

We are not obligated to provide you with assistance relating to: products or services you might offer; hiring and training or employees; improvements or developments in the franchise business; pricing and bookkeeping; or accounting and inventory control procedures.

Advertising/Sponsorship Inventory

You will be permitted to create and distribute as much advertising for your franchise as you would like within your territory. Your advertising, marketing and promotion shall conform to such standards and requirements as we may specify from time to time (which may require our prior written approval). It shall not be misleading, it shall be conducted in a dignified manner, and it shall not negatively portray or adversely affect the public perception of or goodwill associated with the League, the League Office, or other teams in the League. We may require you to participate in mandatory promotions as we may develop and implement from time to time. We do not maintain or administer an advertising fund for any advertising or promotional programs, but we may do so in the future. We are not advised by an advertising council composed of franchise owners, and you are not required to participate in any advertising cooperatives. You are not required to spend any amount on advertising in your territory. If you desire to use marketing and promotional plans and materials that use the League Marks (as defined in Item 13) and have not been provided or previously approved by us, you must submit samples of all such marketing and promotional plans and materials to us for prior approval.

We are not obligated to conduct advertising on your behalf or for your benefit. However, we reserve the right to conduct advertising for the benefit of the System generally, for the League and for teams that participate in the League, including your Club, from time to time.

For certain core sponsorship/advertising inventory (e.g., in-stadium signage, public address announcements, game walk-out), 90% of the inventory is reserved to you and 10% is reserved to us. With respect to inventory appearing or overlaid on the broadcast (including commercial spots), such inventory is shared between you and us and the terms of such arrangement are set forth more fully in the franchise agreement. From time to time, we may require that you exchange certain inventory with us, provided that the inventory exchanged is of a reasonably equivalent value. You may be required not to sell certain

inventory that we've retained or to make your existing sponsorship or advertising agreements subject to our rights to sell certain inventory. You may also be required not to promote or advertise certain goods, products or services in connection with your team, if the League has entered into (or is contemplating entering into) an agreement for the promotion or advertising of a competing good, product or service in connection with the League.

Computer Systems

We do not currently require you to buy or use computer systems provided by us or that meet any required specifications; however, we may require you to buy or use certain computer systems in the future provided that such systems are available on commercially reasonable terms.

Website

We may require you to operate a website for your franchise within a website system we develop and to discontinue all outside websites. Currently, we require you to maintain a website for your franchise which is interconnected with our website (www.USLeagueOne.com) and the other clubs in the League. You may not establish a separate website without our prior written approval. You are responsible for maintaining and paying for your website. All websites related to your Club must comply with all requirements and guidelines that we may establish from time to time and must prominently display the logo(s) of the League or its sponsors in such location(s) as we may prescribe, in our Manuals or otherwise. You may not promote your Club or use the League Marks in any fashion on any social and/or networking websites, including, but not limited to, Facebook, LinkedIn and Twitter, without our prior written consent and compliance with our social media policy, a copy of which is included in our Manuals.

Manuals

We will loan you a copy of the Manuals (currently, Operations, Broadcast, and Competition). The Manuals contain instructions and guidance for administering your franchise (franchise agreement – Section 6.5). The Manuals (including updates and amendments as we may publish from time to time) may be provided through either a hard (paper) copy or electronically (including .pdf). We may change the Manuals in writing, provided that revisions to rules shall apply only after the time that the revision is communicated to you. The Table of Contents for the respective Manuals are included as Exhibit H hereto.

Broadcasts

The League owns all broadcast rights of league matches, to include regional and digital broadcasts.

Training

We do not offer a formal training program for franchisees. However, mandatory continuing education sessions and workshops are provided to all franchisees at the Annual General Meeting and at other times throughout the year in our discretion. We may require all franchisees to attend and we may choose where these sessions are located. In years past, continuing education sessions and workshops have included the following topics: ticket sales, sponsorship sales, best practices, Club operations, game-day operations, player registration, venue management, insurance, mitigating risk to your organization, reporting, expanding in your community, fan experience management, venue enhancement ideas, video and game tape analysis, social media, and getting fans to the game. This is not an exhaustive list of the seminars provided, and we reserve the right to arrange for seminars that we reasonably believe are in the best interests of the System or the League from time to time.

We will not provide training or offer guidance with respect to your compliance with any laws, ordinances or other legal matters. The cost of training (instruction and required materials) will generally be borne by us, except that if you request assistance from us in addition to what we offer (and we agree to provide such assistance), you will pay to us per diem charges and our out of pocket expenses in providing such additional assistance. All other expenses in connection with training (including, without limitation, the costs of: transportation; lodging; meals; wages; and worker's compensation insurance) shall be borne by you. All training programs shall be at such times as may be designated by us. These training programs shall be provided at our headquarters in Tampa, Florida or another location we may designate. Additionally, we reserve the right to conduct the training online or via pre-recorded webinar.

ITEM 12 – TERRITORY

Protected Territory

You will host your Club's home games from a specific stadium, which stadium must be approved by us and comply with the standards set forth in your agreement and the Manuals. The stadium will be known as your "Home Stadium" and will be designated in your franchise agreement.

In connection with your purchase of the Club, we will grant to you a "protected territory." Your protected territory will surround your home stadium. We will negotiate with you and agree upon your protected territory, and your protected territory will be depicted in the franchise agreement. You may not solicit customers outside of your protected territory, nor may you use channels of distribution (e.g., the internet, catalog, sales, telemarketing, or other direct marketing) to solicit and/or make sales outside of your protected territory, except that, if an approved local retail partner in your protected territory maintains an online presence, your Club may offer merchandise for sale on such partner's online website.

You will operate your Club only in your protected territory, except as necessary to participate in away matches and as we may otherwise permit. This includes all marketing, tryouts, training, soccer camps and clinics you conduct in connection with the operation of your Club. We will not modify your territory without your consent (and is not dependent upon achieving certain sale volumes, market penetration or any other contingency) and we will not permit another team in the League or in any other men's professional soccer league operated by us, our Parent, or our affiliates to have its home stadium in your protected territory. Any disputes regarding territory between teams will be decided by us.

Rights We Reserve

Notwithstanding the foregoing, you may face competition from other franchisees, from teams we may own, or from other Leagues that we control. As described in Item 1, we also offer franchises in the division 2 men's professional league known as the USL Championship and a women's professional league known as the USL Super League, but have no plans to create any additional professional soccer leagues. We will not establish or operate, or grant to any other person the right to establish or operate any men's professional soccer team (including in League One) with its home stadium within your protected territory without your consent.

All rights not expressly granted to you are expressly reserved to us, including:

- (a) that we may solicit or accept orders for products inside your territory without compensation to you;
- (b) that we may own, acquire, establish and/or operate and license and/or franchise the right to others to establish and operate teams at any location outside of your protected territory, except that in no event will we own, acquire, establish and/or operate or license and/or franchise the right to others to establish and operate a men's professional soccer franchise with its home stadium in your protected territory if you own and operate a franchise in that territory;
- (c) that, so long as we abide by certain rights we grant to you that are described below, we may own, acquire, establish and/or operate and license and/or franchise the right to others to establish and operate teams at any location inside your protected territory that do not participate in the League in which your Club participates (for example, we could offer for sale a USL League Two franchise to be located in your protected territory).

- (d) that we may own, acquire, establish and/or operate and license and/or franchise the right to others to establish and operate, businesses under our trademarks that are not engaged in creating, administering and operating soccer leagues, at any location within or outside your protected territory;
- (e) that we may sell and distribute, directly or indirectly, or license and/or franchise the right to others to sell and to distribute, directly or indirectly, any products through outlets that are primarily retail in nature, or through mail order, toll free numbers, or the Internet, including those products bearing our trademarks, at or from any location within or outside of your protected territory; and
- (f) that we own any and all broadcast rights related to League matches, including those involving your Club, as described in Item 11 above.

Relocation

You may not relocate your Club from your home stadium without our consent. If you desire to relocate, you must submit a written request, together with a site approval package. We may approve or reject your request in our sole discretion and may require that you satisfy any of the following conditions for approval: (1) you not be in default under any provision of your franchise agreement or any other agreement with us or our affiliates; (2) the new location meets our then-current standards and is located within the Protected Territory; (3) the lease (if applicable) for the proposed substitute location complies with our then-current lease requirements and is approved by us; (4) you possess the financial resources to meet the costs associated with relocating; and (5) you enter into our then-current form of franchise agreement. If you are permitted to relocate outside of your protected territory, you must pay a relocation fee to us equal to ten percent (10%) of the published Franchise Fee in the League at that time.

You will not have any options, right of first refusal, or similar rights to acquire additional franchises in the System within the territory or contiguous territories.

ITEM 13 – TRADEMARKS

League Marks

Under your franchise agreement, we grant you the non-exclusive right to use certain trademarks (the “League Marks”) in connection with your Club’s administration, marketing, promotion and operations, in accordance with rules set forth in the Manuals. The League Marks are either owned by us or are licensed to us by our parent through a licensing agreement through 2049. The following charts list the principal League Marks that you may use with your Club.

The League Marks in the following chart are registered on the Principal Register of the United States Patent and Trademark Office (the “USPTO”).

<u>DESIGN</u>	<u>MARK</u>	<u>REG. DATE</u>	<u>REG. #</u>	<u>CLASSES</u>
	USL USL Cup (and design)	4/18/2017	87116738	25, 41
[Word Mark]	USL League One	7/16/2019	5807577	41
	USL 1 (and design)	1/4/2022	6608756	9, 16, 25, 28, 41

An application for the registration of the League Marks in the following chart has been filed with the Mexican Institute of Industrial Property.

<u>DESIGN</u>	<u>MARK</u>	<u>FILED</u>	<u>SER. #</u>	<u>CLASSES</u>
	USL 1 (and design)	1/9/2019	2149358	41

There are no currently effective determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court; nor is there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the League Marks listed above. There are no currently effective agreements that significantly limit our right to use or license the League Marks listed above in a manner material to the franchise. We have filed all requisite affidavits. We have not renewed any principal trademark registration as no such registrations have lapsed.

You use of the League Marks shall be in accordance with guidelines we may issue from time to time in the Manuals or otherwise in writing. We may require you to submit all proposed uses of the League Marks to us in advance for approval, which may not be unreasonably withheld. You may not use the League Marks or your Club Marks in combination with the marks or logos of other teams in the System except for promotional purposes. You may not pledge or encumber your Club Marks or the right to use the League Marks. You may not use the League Marks as part of your corporate or other legal name, or as part of any e-mail address, domain name, or other identification of you in any electronic medium.

You must modify or discontinue the use of a League Mark and adopt or use additional or substituted League Marks (after a reasonable amount of time, but not less than 30 days), if we instruct you to do so. If this happens, you are responsible for your tangible costs of compliance (i.e. changing signs) and we do not have to reimburse you for any loss of revenue due to any modified or discontinued League Mark, or for your expenses of promoting a modified or substitute League Mark. We may also develop or acquire additional League Marks and make them available for your use.

You must promptly notify us of any actual or potential infringement, counterfeiting, or other unauthorized use of the League Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the League Marks and the right, but not the obligation, to take action against uses by others that may constitute infringement of the League Marks.

We do not know of any superior rights or infringing uses that could materially affect your use of the League Marks.

Club Marks

You shall identify your Club by such name, logos, characters, trademarks, trade names and other identifying words or symbols as you select, subject to our approval, which we may withhold in our discretion (“Club Marks”). We have the right to approve any changes to your Club Marks. Your Club Marks must comply with any reasonable guidelines we establish from time to time. You shall apply for and diligently pursue the registration of all Club Marks in the country in which your protected territory is located at your sole cost and expense, and you may be required to hire a trademark attorney of our choosing to do so. If you fail to register your Club Marks, we may apply to register the Club Marks on your behalf and deduct any costs associated with such application from your Letter of Credit.

In your franchise agreement, you will grant to us and each of our sponsors a non-transferable, non-exclusive right and license to use all Club Marks in our System-related activities, advertising, broadcasts, merchandise and other materials without charge and the right to sub-license the foregoing rights and licenses. You will also grant to each other franchisee that owns a franchise that participates in the same League as your Club the right to use the Club Marks in connection with game tickets and programs produced by such franchisee with respect to matches with your Club as well as in connection with promoting your matches.

ITEM 14 – PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or registered copyright, but you can use the proprietary information contained in the League's Manuals. Although we have not filed an application for a copyright or registration for the Manuals, we claim a copyright and the information contained in the Manuals is confidential and proprietary to us.

You may use any proprietary information we communicate to you only in connection with the operation of your Club during the term of your franchise agreement, including any confidential information, knowledge or know-how concerning our franchise System, the League and the marketing, management and operation of your Club and the content of our Manuals, and agree not to communicate, divulge or use for the benefit of any other person or entity any such proprietary information. You may divulge our proprietary information only to your employees that must have access to it in order to operate your Club. You must maintain the confidentiality of our proprietary information throughout the term of your franchise agreement and for two (2) years after the expiration or termination of that agreement for any reason. If any of our proprietary information is a trade secret under applicable law, you must maintain the confidentiality of that information for so long as it remains a trade secret.

We claim the exclusive copyright to the broadcasts of all matches played by your Club.

ITEM 15 – OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Absent our written consent, you must retain and exercise direct management control over the business and operations relating to your Club, and you may not enter into any management agreement or other similar arrangement. If we consent to a management agreement we may at our option revoke such consent upon delivery of written notice to you. A representative of your franchise must attend up to two mandatory owners' meetings each year at your cost and expense. Additionally, you must employ a minimum number and type of personnel, including a President, Head Coach, Assistant Coach, Director of Marketing, Director of Ticket Sales, Director of Corporate Sales, Director of Operations, Director of Communications/Media Relations, Director of Promotions/Community Relations, four (4) Ticket Sales Account Executives, a trainer, clerical staff, and such other staff as may be required by the Manuals, as amended from time to time. There are no limitations on whom you may hire as employees and there are no training programs other than referenced in Item 11.

All of your direct and indirect owners of greater than 5% are required to execute a guaranty, indemnification and acknowledgment of the franchisee's obligations under the franchise agreement in the form provided in Exhibit A-2. Such individuals are also subject to those restrictive covenants listed in Section 4.22 of your franchise agreement. An owner's spouse is not subject to the covenants or required to execute a guaranty (unless he/she is also an owner). You are also required to meet United States Soccer Federation standards, as they relate to franchises and their owners. USSF may change these standards without notice or approval from us, but the standards currently contain requirements relating, in part, to: ownership make-up; ownership net worth; stadium seating capacity requirements; financial reporting; field dimensions; field surfaces; and personnel.

ITEM 16 – RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

You must conduct your Club as required by the Manuals and your franchise agreement. We do not restrict the type of goods or services that you may offer, except as provided below. We reserve the right to restrict goods or services in the future.

Consumer Products. You may be required to purchase (including for sale to the general public) from certain sources designated by us from time to time, provided that such goods are available on commercially reasonable terms (as compared to other teams in the League for similar products). You may sell consumer products within your home stadium and any store primarily identified as relating to the team, although the right to sell consumer products through the internet is reserved exclusively to us. In the event products bearing your logo are sold by third parties, 80% of the net revenues therefrom will be distributed back to you.

ITEM 17 – RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	Section 2.1; Schedule 3.	10 seasons.
b.	Renewal or extension	Section 2.2; Schedule 3.	An additional 10 seasons, provided you meet certain requirements, then in accordance with our then-current form of franchise agreement.
c.	Requirements for franchisee to renew or extend	Section 2.2	You must give us written notice of your intent to renew prior to the first official game of the penultimate Season. Furthermore, you must: not be in default of or owe any money under your franchise agreement or any agreement with us, our affiliates, or approved suppliers; execute the then-current form of franchise agreement (which may have materially different terms and conditions than your current franchise agreement); execute a general release in our favor; evidence of right to return to your home stadium for the renewal term; satisfy our then-current standards for financial responsibility; renew your Letter of Credit for the renewal term; and pay a renewal fee.
d.	Termination by franchisee	Section 12.2	You may terminate your franchise agreement for cause upon a minimum of thirty (30) days notice. That period may be extended until the conclusion of the then-current season or, if we are diligently working to cure the default, by a reasonable time period.
e.	Termination by franchisor without cause	Section 12.3	Upon written notice, we may terminate your franchise and all franchises in the League if the League ceases to be recognized by USSF or if we incur substantial and continuing losses, as determined in our reasonable discretion;

	Provision	Section in Franchise Agreement	Summary
			or if there are not at least 6 teams contractually committed to participate in upcoming season, upon written notice to you.
f.	Termination by franchisor with cause	Sections 12.1	We may terminate your franchise for cause if certain events (described in (f) and (g) below) occur, or if you fail to meet certain minimum performance standards. In some cases, you will have the opportunity to cure the default.
g.	“Cause” defined – curable defaults	Section 12.1.1; Definitions	You fail to pay fees or other amounts to us or our affiliates when due; you fail to pay other amounts that are due to suppliers or otherwise due under your franchise agreement; you fail to comply with your franchise agreement or any other agreement with us or our affiliates; you fail to maintain any required insurance coverage; you transfer or attempt to transfer an equity interest in violation of your franchise agreement; you fail to pay taxes when due; you fail to meet minimum performance requirements in two sets of two consecutive fiscal years and you are unable to secure a purchaser for your franchise; or you consistently fail to comply with league rules.
h.	“Cause” defined – non-curable defaults	Sections 12.1.2; Definitions	You or any of your 5% Owners admit to inability to pay debts when due; make a general assignment for the benefit of creditors; authorize, commence, or consent to certain actions under the bankruptcy laws; have a similar action taken against you; or have an attachment remain on assets for at least thirty (30) days. You or any of your 5% Owners fail to take certain actions in regard to an adverse final judgment. You fail to secure adequate rights to play in a home stadium by certain deadlines. You knowingly submit false information to us or maintain false books and records. You fail to provide and maintain the Letter of Credit. You cease to operate the team or fail to present the team for a scheduled match. You do not intend to continue operating in the League. You

	Provision	Section in Franchise Agreement	Summary
			fail to comply with applicable laws. You or any of your 5% Owners have your assets blocked under laws relating to terrorist activities. You conduct a practice or game without workers compensation insurance. You intentionally divulge classified information. You commit three or more material defaults, regardless of whether such defaults have been cured. You make material misrepresentations in connection with obtaining the franchise.
i.	Franchisee's obligations on termination/non-renewal	Sections 4.22, 4.22.3, 11, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11, 13, 14.1, and 14.2	Upon termination or expiration, you have a number of obligations including without limitation that you must immediately cease to operate your Club; discontinue any use of League Marks; after termination; pay all sums owed to us or our affiliates; return all proprietary information, including the Manuals; cease use of your telephone number; assign your Club's trademarks to the League; and comply with the non-competition covenants listed in (q). Additionally, if your franchise agreement is terminated for cause, we may require you to assign your franchise's assets to us.
j.	Assignment of contract by franchisor	Section 10.3	We may freely assign the franchise agreement provided that we also assign our rights in all similar agreements with other teams in the League.
k.	"Transfer" by franchisee – defined	Definitions; Section 10	Any sale, issuance, transfer, assignment, pledge, or encumbrances of rights under your franchise agreement or rights in the Club.
l.	Franchisor approval of transfer by franchisee	Section 10.1 and 10.2	You may not transfer your rights under the franchise agreement or your rights in the Club without our approval. We will approve transfers to wholly owned affiliates, family members, and upon death in accordance with a will, provided that the transfer does not result in a change of control or violation of our rules or standards, and further provided that you give us notice and go through our standard transfer procedure.

	Provision	Section in Franchise Agreement	Summary
m.	Conditions for franchisor approval of transfer	Sections 10.1 and 10.2	The Transfer is of the type described in (k) or the following conditions are met: Transferee has necessary business experience, aptitude, and financial resources, and satisfies our then-current standards for new franchisees; all outstanding obligations have been paid/satisfied; you and your owners have executed a general release of us and our affiliates; transferee has executed our then-current form of franchise agreement; transferee has completed our application form and received our then-current disclosure document; payment of a transfer fee equal to 10% of the then-current Franchise Fee; transferee has received all financials related to the Club; and we have received copies of all transfer documents.
n.	Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable
o.	Franchisor's option to purchase franchisee's business	Section 12.5, 12.6, 12.7, and 12.9	If you cease to operate the Club or if we terminate your agreement for cause during a season or after the date the schedule for the season has been made public, we may take any action necessary to continue operating the Club through the relevant season. In such event, upon our request, you shall assign your rights in the Club's assets to us at no cost. Additionally, in such event, you shall indemnify us for any losses incurred in our operation of the team.
p.	Death or disability of franchisee	Section 10.2	In the event of your death or that of a 5% Owner, we will consider the transfer in accordance with (k), provided that the interest is transfer to a family member and takes place within one year of the death in accordance with a valid will or the laws of intestacy.
q.	Non-competition covenants during the term of the franchise	Section 4.22	During the term and for a period of five (5) years thereafter, you or any of your 5% Owners may not: (1) solicit, divert, or attempt to divert the Club, any other team in the League, or any other team in another league operated by our affiliates to join another men's or women's

	Provision	Section in Franchise Agreement	Summary
			professional soccer league (a “Rival Soccer League”); (2) induce or attempt to induce any of our, our affiliates’, or our teams’ suppliers, vendors or landlords to cease doing business with us or perform any act injurious or prejudicial to us, our affiliates, or our teams; (3) employ or seek to employ any person employed by us or other teams in the League; (4) transfer your Club’s intellectual property to a third party for use in a Rival Soccer League; (5) have any interest in a team in a Rival Soccer League (including a management interest), (5) transfer your Club’s interest in the stadium where it plays home matches to a team in a Rival Soccer League.
r.	Non-competition covenants after the franchise is terminated or expires	Section 4.22 and 12.5	The covenants described in section (q) above shall continue for five (5) years following the expiration or termination of your franchise agreement or any transfer, except that the restriction on participating in a Rival Soccer League shall not apply if your franchise agreement is terminated by you as described in d. above or by us as described in e. above. This provision may not be enforceable under applicable state law.
s.	Modification of the agreement	Sections 3.3, 14.12	No modifications unless: (i) superseded by League Rules agreed upon by the Board of Governors or (ii) agreed to by both parties in writing. However, the Manuals are subject to change by us and we may develop additional rules or procedures for the operation of your Club and the League.
t.	Integration/merger clause	Section 14.12	Only the terms of the franchise agreement are binding (subject to state law). Any representations and promises outside of the franchise agreement and this disclosure document may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 13	Except for trademark disputes and requests for specific performance, temporary restraining orders and

	Provision	Section in Franchise Agreement	Summary
			temporary or preliminary injunctive relief, all disputes must be arbitrated before the American Arbitration Association or such other arbitration tribunal as we may decide.
v.	Choice of forum	Section 13.2	All arbitration and litigation shall take place in Tampa, Florida. This may be subject to applicable state law.
w.	Choice of law	Section 13.1	Your franchise agreement is governed by Florida law. This may be subject to applicable state law.

If this Franchise Disclosure Document is issued in connection with the offer and sale of franchises in the State of California, please see Exhibit G-1, which contains additional disclosures for Item 17.

ITEM 18 – PUBLIC FIGURES

We do not use any public figure to promote the System. However, there is no prohibition on your use of public figures to endorse or recommend your Club or on our future use of public figures to endorse the System or the League.

ITEM 19 – FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the Franchisor's management by contacting Garrison Mason, General Counsel, 1715 N. Westshore Blvd., Suite 825, Tampa, Florida 33607, (813) 514-1767, the FTC, and the appropriate state regulatory agencies.

ITEM 20 – OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
League Outlet Summary
For Years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the end of the Year	Net Change
Franchised	2020	12	12	0
	2021	12	11	-1
	2022	11	12	1
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Total Outlets	2020	12	12	0
	2021	12	11	-1
	2022	11	12	1

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2020 to 2022

State	Year	Number of Transfers
Total (All)	2020	0
	2021	0
	2022	0

Table No. 3
Status of Franchised Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Arizona	2020	1	0	0	0	1	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
California	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Colorado	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Florida	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
Georgia	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Kentucky	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Massachusetts	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
Michigan	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Nebraska	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
North Carolina	2020	0	1	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
South Carolina	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Tennessee	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Texas	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
Virginia	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Wisconsin	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Total (US)	2020	11	1	0	0	1	1	11
	2021	11	3	0	0	0	3	11
	2022	11	2	0	0	0	1	12
Total (All)	2020	12	1	0	0	1	1	12
	2021	12	3	0	0	0	4	11
	2022	11	2	0	0	0	1	12

Table No. 4
Status of Company-Owned Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold To Franchisees	Outlets at End of the Year
Total	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, 2022

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
Alabama	0	0	0
Arizona	0	0	0
California	0	0	0
Colorado	0	0	0
Florida	0	0	0
Georgia	0	0	0
Idaho	0	0	0
Illinois	0	0	0
Indiana	0	0	0
Kentucky	0	0	0
Maryland	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Nebraska	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
South Carolina	0	0	0
Tennessee	0	0	0
Texas	0	0	0
Virginia	0	0	0
Wisconsin	0	0	0
Total	0	2	0

Exhibit D lists the name, address, and telephone number of all current franchisees for each of their outlets as of December 31, 2022.

Exhibit E lists the name, city, state and current business telephone number (or if unknown, the last known

home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business during the most recently completed fiscal year or who has not communicated with us within 10 weeks of December 31, 2022. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise System.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise System.

To the extent known, no association of franchisees currently exists.

ITEM 21 – FINANCIAL STATEMENTS

Our Parent's audited financial statements for the periods (i) January 1, 2020 to December 31, 2020, (ii) January 1, 2021 to December 31, 2021; and (iii) January 1, 2022 to December 31, 2022 are attached as Exhibit F-1 to this Franchise Disclosure Document. Our Parent has signed a guaranty in which it absolutely and unconditionally guarantees to assume our obligations to you under the Franchise Agreement. A copy of such guaranty is attached as Exhibit F-2.

ITEM 22 – CONTRACTS

A copy of the Franchise Agreement is attached to this Franchise Disclosure Document as Exhibit A-1. A copy of (1) the guaranty to be executed by your owners and (2) the lease addendum to be executed by you and your landlord are also attached as Exhibits A-2 and A-3, respectively. Please refer to state specific amendments to the Franchise Agreement in Schedule 9 of the Franchise Agreement for any additional agreements that apply in your state.

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	Pending
Hawaii	N/A
Illinois	05/02/2023
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	N/A
Rhode Island	Pending
South Dakota	N/A
Virginia	Pending
Washington	Pending
Wisconsin	5/4/2023

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.

ITEM 23 – RECEIPTS

Two copies of an acknowledgment of your receipt of this Franchise Disclosure Document are located at the end of this Franchise Disclosure Document. Please return one signed copy to us and retain the other copy for your records.

EXHIBIT A-1 – FORM OF FRANCHISE AGREEMENT

[See attachment]

EXHIBIT A-2 – FORM OF OWNER GUARANTY

[See attachment]

EXHIBIT A-3 – FORM OF LEASE ADDENDUM

[See attachment]

EXHIBIT B – DIRECTOR OF STATE ADMINISTRATORS & AGENCIES

California

Department of Financial Protection and Innovation
and Commissioner of Financial Protection and
Innovation.

Los Angeles, California 90013

(866) 275-2677

www.dfpi.ca.gov

Ask.DFPI@dfpi.ca.gov

Hawaii

Department of Commerce & Consumer Affairs
P.O. Box 40

Honolulu, Hawaii 96810

Telephone: (808) 586-2272

Illinois

Office of Attorney General

500 S. Second Street

Springfield, Illinois 62706

(217) 782-4465

Indiana

Franchise Section

Securities Division

302 W. Washington St., Room E-111

Indianapolis, Indiana 46204

(317) 232-6681

Maryland

Office of Attorney General

Securities Division

200 St. Paul Place

Baltimore, Maryland 21202

(410) 576-7042

Michigan

Consumer Protection Division

Department of Attorney General

525 W. Ottawa St.

P.O. Box 30213

Lansing, Michigan 48909

(517) 373-7117

Minnesota

Department of Commerce

85 7th Place East, Suite 500

St. Paul, Minnesota 55101-2198

(651) 296-4026

New York

Bureau of Investor Protection and Securities

Department of Law

120 Broadway, 23rd Floor

New York, New York 10271

(212) 416-8211

North Dakota

North Dakota Securities Department

600 East Blvd., Fifth Floor

Bismarck, North Dakota 58505

(701) 328-4712

Rhode Island

Securities Division

233 Richmond Street, Suite 232

Providence, Rhode Island 02903-4232

(401) 222-3048

South Dakota

Department of Labor and Regulation

Division of Securities

124 S. Euclid, Suite 104

Pierre, SD 57501

(605) 773-4823

Virginia

State Corporation Commission

Division of Securities and Retail Franchising

1300 East Main Street, 9th Floor

Richmond, Virginia 23219

(804) 371-9051

Washington

Department of Financial Institutions

Securities Division

150 Israel Road, S.W.

Tumwater, Washington 98501

(360) 902-8760

Wisconsin

Division of Securities

Department of Financial Institutions

345 W. Washington, 4th Floor

Madison, Wisconsin 53703

(608) 266-8559

EXHIBIT C – AGENT FOR SERVICE OF PROCESS

California

Department of Financial Protection and
Innovation and Commissioner of Financial
Protection and Innovation.
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
website www.dfpi.ca.gov, and email
Ask.DFPI@dfpi.ca.gov

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana

Secretary of State of Indiana
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

Maryland

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

Michigan

Michigan Department of Commerce
Corporations and Securities Bureau
6546 Mercantile Way
Lansing, Michigan 48910

Minnesota

Minnesota Commissioner of Commerce
Department of Commerce
85 7th Place, Suite 500
St. Paul, Minnesota 55101

New York

Secretary of State of New York
99 Washington Avenue
Albany, New York 12231

North Dakota

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue State Capitol 5th Floor
Department 414
Bismarck, ND 58505

Oregon

Department of Insurance and Finance
700 Summer Street, N.E.
Suite 120
Salem, Oregon 97310

Rhode Island

Director of Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920

South Dakota

Department of Labor and Regulation
Division of Securities
124 S. Euclid, Suite 104
Pierre, SD 57501

Virginia

Clerk of the State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

Washington

Securities Administrator
Washington State Department of Financial
Institutions
150 Israel Road
Tumwater, Washington 98501

Wisconsin

Wisconsin Commissioner of Securities
345 West Washington Avenue, 4th Floor
Madison, Wisconsin 53703

EXHIBIT D – LIST OF CURRENT FRANCHISEES

As of December 31, 2022

Central Valley Fuego FC

Juan Ruelas
4670 N. El Captain Ave.
Fresno, CA 93722
juan@cvfuegoofc.com
<https://fuegoofc.com>

Northern Colorado Hailstorm

Jeff Katofsky
801 Diamond Valley Drive
Windsor, CO, 80550
jeff@katofskylaw.com
www.hailstormfc.com

South Georgia Tormenta FC

Darin Van Tassell
2704 Old Register Road
Statesboro, GA 30458
PH: 912-687-2526
dvantassell@tormentaafc.com
<http://www.tormentaafc.com/>

Lexington Sporting Club

Steven Short
810 Bull Lea Run
Lexington, KY 40511
PH: (201) 555-0123
steven@lexsporting.com
<http://lexsporting.com>

Charlotte Independence

Jim McPhilliamy
210 E. Trade St. E-482
Charlotte, NC 28202
PH: 704-206-1515

North Carolina FC

Steve Malik
5501 Dillard Drive
Cary, NC 27518
PH: 919-459-8144
www.northcarolinafc.com

Union Omaha

Gary Green
12357 Ballpark Way
Papillion, NE 68046
ggreen@alliance.us
www.unionomaha.com

Greenville Triumph

Chris Lewis
1 North Main Street 4th Floor
Greenville, SC 29601
PH: (864) 477-0103
clewis@greenvilletriumph.com
www.greenvilletriumph.com

Chattanooga Red Wolves

Sean McDaniel
411 Broad Street, Suite 101
Chattanooga, TN 37402
PH: (423) 314-1484
smcdaniel@chattanoogaoredwolves-sc.com
www.chattredwolves.com

One Knoxville SC

Drew McKenna
5428 Blueridge Dr.
Knoxville, TN 37919
drew@oneknoxsc.com
<http://oneknoxsc.com>

Richmond Kickers

Matt Spear

2001 Maywill Street Suite 205

Richmond, VA 23230

PH: (704) 995-3924

mspear@richmondkickers.com

www.richmondkickers.com

Forward Madison

Conor Caloia

834 East Washington Avenue, Suite 229

Madison, WI 53703

PH: (608) 509-3367

conor@bigtopse.com

forwardmadisonfc.com

**EXHIBIT E – FRANCHISES THAT HAVE TRANSFERRED CONTROLLING OWNERSHIP,
BEEN CANCELLED OR TERMINATED, HAVE NOT BEEN RENEWED, BEEN ACQUIRED
OR OTHERWISE CEASED TO DO BUSINESS**

2022

FC Tucson

Amanda Powers
2801 E Ajo Way
Tucson, AZ 85713
PH: (480) 266-9144
www.fctucson.com

EXHIBIT F-1 – FINANCIAL STATEMENTS

[See attachment]

EXHIBIT F-2 – GUARANTY

[See attachment]

EXHIBIT G – STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

Exhibit G.1	California
Exhibit G.2	Illinois
Exhibit G.3	Minnesota
Exhibit G.4	New York
Exhibit G.5	North Dakota
Exhibit G.6	Rhode Island
Exhibit G.7	Washington

EXHIBIT G.1
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, California Corporations Code §§ 31000 - 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 - 20043, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of California shall be amended to include the following:

1. California Corporations Code § 31125 requires USL Pro-2, LLC to give you a disclosure document, in a form containing the information that the Commissioner of Corporations of the California Department of Corporations may by rule or order require, prior to a solicitation or a proposed material modification of an existing franchise.

2. The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise to be delivered together with the disclosure document.

3. The “Special Risks to *This Franchise*” is amended by the addition of the following language:

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

4. Item 3, “Litigation,” shall be amended by the addition of the following language:

Neither USL Pro-2, LLC d/b/a USL League One, nor any person or franchise broker identified in Item 2 of the Franchise Disclosure Document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such persons from membership in this association or exchange.

5. Item 17, “Renewal, Termination, Transfer, and Dispute Resolution,” shall be amended by the addition of the following language:

The regulations of the California Department of Corporations require that the following information concerning provisions of the franchise agreement be disclosed to you:

California Business and Professions Code sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

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

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

The franchise agreement requires the application of the laws of Florida. This provision may be unenforceable under California law.

The franchise agreement requires binding arbitration. The arbitration will occur in Tampa, Florida. This provision may not be enforceable under California law.

The franchise agreement requires you to sign a general release of claims upon renewal or transfer of the franchise agreement. California Corporations Code § 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void.

6. 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.

7. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE California Department of Financial Protection and Innovation. at www.dfpi.ca.gov.

8. Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

9. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. Note: maximum price agreements are not per se violations of the Sherman Act.

10. 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.

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

EXHIBIT G.2
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, 815 Illinois Compiled Statutes §§ 705/1 - 705/44, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of Illinois shall be amended to include the following:

1. The “Summary” section of Item 17(v), entitled “Choice of forum,” shall be amended by the addition of the following language:

However, any provision in the franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under Section 4 of the current Illinois Franchise Disclosure Act of 1987 (as amended), although the franchise agreement may provide for arbitration in a forum outside of the State of Illinois.

2. The “Summary” section of Item 17(w), entitled “Choice of law,” shall be amended by the addition of the following language:

However, except for federal law, Illinois law applies if the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987 (as amended) are met.

3. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

EXHIBIT G.3
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchise Act, Minnesota Statutes §§ 80C.01 - 80C.30, and of the Franchise Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minnesota Rules §§ 2860.0100 - 2860.9930, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of Minnesota shall be amended to include the following:

1. The Risk Factors set forth on the State Cover Page shall be amended by the addition of the following paragraph:

Minnesota Statutes § 80C.21 and Minnesota Rules § 2860.4400J prohibit us from requiring litigation to be conducted outside of the State of Minnesota. In addition, nothing in the franchise disclosure document or franchise agreement can abrogate or reduce any of your rights as provided for in the Minnesota Franchise Act, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

2. Item 5, “Initial Fees,” shall be amended by the addition of the following language:

All payment of Franchise Fees shall be deferred until the franchise opens.

3. Item 7, “Estimated Initial Investment,” shall be amended by the addition of the following language:

All payment of Franchise Fees shall be deferred until the franchise opens.

4. Item 13, “Trademarks,” shall be amended by the addition of the following language:

We will protect the franchisee’s right to use our trademarks, service marks, trade names, logos or other commercial symbols or will indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

5. Item 17, “Renewal, Termination, Transfer, and Dispute Resolution,” shall be amended by the addition of the following paragraphs:

With respect to franchisees governed by Minnesota law, we will comply with Minnesota Statutes § 80C.14, Subsections 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the franchise agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

Pursuant to Minnesota Rules § 2860.4400D, any general release of claims that you or a transferor may have against us and our subsidiaries and affiliates, and our respective officers, directors, agents and employees, including without limitation, claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Act, and the Franchise Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

Minnesota Statutes § 80C.21 and Minnesota Rules § 2860.4400J prohibit us from requiring litigation to be conducted outside of the State of Minnesota. In addition, nothing in the Franchise Disclosure Document or franchise agreement can abrogate or reduce any of your rights as provided for in the Minnesota Franchise Act, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act or the Franchise Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

IN WITNESS WHEREOF, the undersigned acknowledges receipt of the foregoing Addendum to the USL Pro-2, LLC Franchise Disclosure Document for the State of Minnesota.

FRANCHISEE:

(Name of Entity)

By: _____
Signature

Name

Title

Date

EXHIBIT G.4
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

In recognition of the requirements of Article 33 of the General Business Law of the State of New York, §§ 680 - 695, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of New York shall be amended to include the following:

1. The Risk Factors set forth on the State Cover Page shall be amended by the addition of the following paragraphs:

Information comparing franchisors is available. Call the state administrators listed in Exhibit B or your public library for sources of information. Registration of this franchise by a state does not mean that the state recommends it or has verified the information in this franchise disclosure document. If you learn that anything in the franchise disclosure document is untrue, contact the Federal Trade Commission and the appropriate state or provincial authority.

This franchise disclosure document is provided for your own protection and contains a summary only of certain material provisions of the franchise agreement. This franchise disclosure document and all contracts or agreements should be read carefully in their entirety for an understanding of all rights and obligations of both the franchisor and the franchisee.

Although these franchises have been accepted for filing, such filing under Article 33 of the General Business Law of the State of New York does not constitute approval, recommendation, or endorsement by the New York State Department of Law that the information provided herein is true. The department's review did not include a detailed examination of the materials submitted. A false, incomplete, inaccurate, or misleading statement may constitute a violation of both federal and state law, and should be reported to both the Federal Trade Commission, Washington D.C. 20580, and the New York State Department of Law, Bureau of Investor Protection and Securities, 120 Broadway, New York, New York 10271.

We may negotiate with you about items covered in the franchise disclosure document. However, we cannot use the negotiating process to prevail upon you to accept terms which are less favorable than those set forth in this franchise disclosure document.

2. Item 3, "Litigation," shall be amended by the addition of the following language:

Neither USL Pro-2, LLC, its predecessor, a person identified in Item 2, nor any affiliate offering franchises under USL Pro-2, LLC's principal trademark:

(a) has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

(b) has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration,

has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

(c) is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Item 4, “Bankruptcy,” is deleted in its entirety and replaced with the following:

Neither USL Pro-2, LLC, its affiliates, its predecessor, officers or general partner, during the 10-year period immediately before the date of the Franchise Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of USL Pro-2, LLC held this position in the company or partnership.

4. Item 7, “Estimated Initial Investment,” shall be amended by the addition of the following language:

There are no other direct or indirect payments to USL Pro in conjunction with the purchase of the franchise.

5. The “Summary” section of Item 17(d), entitled “Termination by franchisee,” shall be amended by the addition of the following language:

You may terminate your franchise agreement on any grounds available by law.

6. The “Summary” section of Item 17(j), entitled “Assignment of contract by franchisor,” shall be amended by the addition of the following language:

However, no assignment will be granted except to an assignee who in our good faith judgment is willing and able to assume our obligations.

7. The “Summary” sections of Item 17(c), entitled “Requirements for franchisee to renew or extend” Item 17(m), entitled “Conditions for franchisor approval of transfer,” shall each be amended by the addition of the following language:

The transferor must execute a general release, in a form prescribed by us, of any and all claims against USL Pro-2, LLC and our subsidiaries and affiliates, and our respective officers, directors, agents and employees; provided, however, that all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the

State of New York and the regulations issued thereunder shall remain in force, it being the intent of this provision that the non-waiver provisions of §§ 687.4 and 687.5 of Article 33 of the General Business Law of the State of New York be satisfied.

8. The “Summary” section of Item 17(w), entitled “Choice of law,” shall be amended by the addition of the following language:

The foregoing choice of law should not be considered a waiver of any right conferred upon us or you by Article 33 of the General Business Law of the State of New York.

9. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Article 33 of the General Business Law of the State of New York are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

10. USL Pro-2 represents that this franchise disclosure document does not knowingly omit any material fact or contain any untrue statement of a material fact

EXHIBIT G.5
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Century Code and ND Franchise Investment Law Chapter 51-19, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of North Dakota shall be amended to include the following:

1. Item 17(c) of the Franchise Disclosure Document and Section 3 of the Franchise Agreement requires the franchisee to sign a general release upon renewal of the franchise agreement. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Delete this provision each place it appears in the agreement.
2. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.
3. Item 17(r) of the Franchise Disclosure Document and Section 12.22 of the Franchise Agreement discloses the existence of certain covenants restricting competition to which franchises must agree. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.
4. Item 17(u) of the Franchise Disclosure Document and Section 13 of the Franchise Agreement provides that the franchisee must agree to the arbitration or mediation of disputes, such arbitration or mediation to be held in Florida. The Commissioner has determined that franchise agreements, which provide that parties agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Investment Law. . Delete this provision each place it appears in the agreement. Any litigation, arbitration or mediation under the agreement shall be conducted in North Dakota.
5. Item 17(v) of the Franchise Disclosure Document and Section 13.2 of the Franchise Agreement provides that franchisees must consent to the jurisdiction of courts in Florida. The Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. North Dakota law will govern this agreement. Delete this provision each place it appears in the agreement. Any litigation, arbitration or mediation under the agreement shall be conducted in North Dakota.
6. Item 17(w) of the Franchise Disclosure Document and Section 13.1 of the Franchise Agreement provides that the agreement shall be construed according to the laws of the State of Florida. Apart from civil liability as set forth in Section 51-19-12 N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud) the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents, and is unfair to franchise investors to require them to waive their rights under North Dakota Law.

The Commissioner has held that franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota, are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. If the agreement requires a state law other than North

Dakota, the requirement is void. North Dakota law will govern the agreement.

7. Section 13.7 of the Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Delete this provision each place it appears in the agreement.

8. Section 13.4 of the Franchise Agreement requires the franchisee to consent to a waiver of exemplary and punitive damages. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Delete this provision each place it appears in the agreement.

9. Section 13 of the Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. The Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Limitations of claims will be governed by North Dakota Law.

10. It is the policy of the USL Pro-2, LLC to hold all Franchise Fees received in an account named Franchise Deposit Liability Account, and to recognize fees held in the account as revenue only when the franchisee commences operations. Also, administrative fees paid by said franchisees are posted in a deferred revenue account until such time as the revenue is earned.

Franchisor: USL Pro-2, LLC d/b/a USL League One

Signature of authorized officer

Title of authorized officer

Date

Franchisee:

Authorized signatory

Name of Franchisee

Date

EXHIBIT G.6
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, Rhode Island Code §§ 19-28.1-1 - 19-28.1-34, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of Rhode Island shall be amended to include the following:

1. Item 17, “Renewal, Termination, Transfer, and Dispute Resolution,” shall be amended by the addition of the following language:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

2. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

EXHIBIT G.7
ADDENDUM TO USL PRO-2, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON

The State of Washington has an act, the Washington Franchise Investment Protection Act, Revised Code of Washington §§ 19.100.010 – 19.100.940, which may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise.

In recognition of the requirements of the Washington Franchise Investment Protection Act, the Franchise Disclosure Document for USL Pro-2, LLC d/b/a USL League One in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following:

1. Item 17, “Renewal, Termination, Transfer, and Dispute Resolution,” shall be amended by the addition of the following paragraphs:

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

If any of the provisions in the Franchise Disclosure Document or franchise agreement are inconsistent with the relationship provisions of Revised Code of Washington § 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act will prevail over the inconsistent provisions of the Franchise Disclosure Document and franchise agreement with regard to any franchise sold in Washington.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act shall prevail.

Any release or waiver of rights executed by you will not include rights under the Washington Franchise Investment Protection Act except if you execute the release or waiver as part of a negotiated settlement after your franchise agreement is in effect and where we are both represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act and/or rights or remedies under the Washington Franchise Investment Protection Act, such as a right to a jury trial, may not be enforceable.

We may collect the transfer fees if they reflect our reasonable estimated or actual costs in effecting your transfer.

2. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

EXHIBIT H – MANUALS (TABLES OF CONTENTS)

[see attachment]

EXHIBIT I – ACKNOWLEDGMENT OF RECEIPT

[See attachment]

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If USL PRO-2, LLC offers you a franchise, it must provide this disclosure document to you:

- (a) 14 calendar-days before you sign a binding agreement with, or make a payment to, USL PRO-2, LLC or an affiliate in connection with the proposed franchise sale, or
- (b) Under New York and Rhode Island law, if applicable, at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or
- (c) Under Michigan, Oregon and Washington at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If USL PRO-2, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit B.

The franchisor is USL PRO-2, LLC, located at 1715 N. Westshore Blvd. Suite 825 Tampa, FL 33607. Its telephone number is (813) 963-3909.

Issuance date: February 15, 2023

The franchise seller is (check one): ☐ Jake Edwards ☐ Garrison Mason ☐ Alec Papadakis ☐ Justin Papadakis ☐ Steven Short

He/she is located at 1715 N. Westshore Blvd. Suite 825 Tampa, FL 33607. His/her telephone number is (813) 963-3909.

USL PRO-2, LLC authorizes the respective state agencies identified on Exhibit C to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated February 15, 2023 (the effective date in certain states is listed in the State Effective Date page) that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement | F. Financial Statements |
| B. Director of State Administrators & Agencies | G. State Addenda to Franchise Disclosure Document |
| C. Agent for Service of Process | H. Manuals – Table of Contents |
| D. List of Current Franchisees | I. Receipt |
| E. List of Franchisees Who Have Left the System | |

Date

Prospective Franchisee

Name of Signor and Title
(if a corporation or limited liability company)

Address: _____

Please sign this copy of the receipt, date your signature and keep for your records.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If USL PRO-2, LLC offers you a franchise, it must provide this disclosure document to you:

- (a) 14 calendar-days before you sign a binding agreement with, or make a payment to, USL PRO-2, LLC or an affiliate in connection with the proposed franchise sale, or
- (b) Under New York and Rhode Island law, if applicable, at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or
- (c) Under Michigan, Oregon and Washington at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If USL PRO-2, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on Exhibit B.

The franchisor is USL PRO-2, LLC, located at 1715 N. Westshore Blvd. Suite 825 Tampa, FL 33607. Its telephone number is (813) 963-3909.

Issuance date: February 15, 2023.

The franchise seller is (check one): ☐ Jake Edwards ☐ Garrison Mason ☐ Joel Nash ☐ Alec Papadakis
☐ Justin Papadakis

He/she is located at 1715 N. Westshore Blvd. Suite 825 Tampa, FL 33607. His/her telephone number is (813) 963-3909.

USL PRO-2, LLC authorizes the respective state agencies identified on Exhibit C to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated February 15, 2023 (the effective date in certain states is listed in the State Effective Date page) that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement | F. Financial Statements |
| B. Director of State Administrators & Agencies | G. State Addenda to Franchise Disclosure Document |
| C. Agent for Service of Process | H. Manuals – Table of Contents |
| D. List of Current Franchisees | I. Receipt |
| E. List of Franchisees Who Have Left the System | |

Date

Prospective Franchisee

Name of Signor and Title
(if a corporation or limited liability company)

Address: _____

You may return the signed receipt either by signing, dating, and mailing it to USL PRO-2, LLC, 1715 N. Westshore Blvd. Suite 825 Tampa, FL 33607, or by scanning and emailing a copy of the signed and dated receipt to legal@uslsoccer.com.

Franchise Disclosure Document