FRANCHISE DISCLOSURE DOCUMENT

Amazing Athletes Franchise Systems, LLC
A Delaware limited liability company
14 George Street
Budd Lake, New Jersey 07828
Tel: (615) 807-1623
Website: www.amazingathletes.com

The franchise offered is for the operation of a business that provides developmental sports education and physical fitness programs to children of varying ages.

You will establish a single franchised business that provides developmental sports education and physical fitness programs to children from ages of 18 months to 12 years old under the Principal Trademarks "Amazing Athletes" and "Amazing Tots." You may elect to offer additional programs under the marks "Karate Zoo," "Little Rookies" or as we may develop from time to time, which we refer to as the "Plus Program". The total investment necessary to begin the operation of this franchised business ranges from $58,050 to $91,500. This includes between $54,550 and $75,500 which must be paid to the Franchisor or its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient foryou. To discuss the availability of disclosures in different formats, contact John Erlandson at (615) 807-1623, john@amazingathletes.com or at 14 George Street, Budd Lake, New Jersey 07828.

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

Buying a franchise is a complex investment. The information in this disclosure document can helpyou make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP orby writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can alsovisit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.The issuance date of this disclosure document is: June 23, 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 E.
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 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 Amazing Athletes 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 Amazing Athletes franchisee?	Item 20 or Exhibit E 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 feeseven 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 requireyou 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 expensivethan 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, whatyou 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 A.

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

Special Risks to Consider About *This* Franchise

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

1. Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in New York. Out-of-state arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in New York than in your own state.

2. Mandatory Minimum Payments. You must make minimum royalty or advertising fund payments, regardless of your sales level. Your inability to make the payments may result in termination of your franchise and loss of your investment.

3. Spousal Liability. Your spouse 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 the franchise fails.

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

5. Supplier Control. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

6. Working Capital Deficit. The franchisor's current liabilities exceed its current assets. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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.

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

To simplify the language in this disclosure document, "we," "us," "our," and "Amazing Athletes" means Amazing Athletes Franchise Systems, LLC, the "Franchisor." "You" means the individual, corporation, limited liability company or partnership who buys the franchise, the Franchisee. If Franchisee is a corporation, limited liability or partnership, then "you" also includes Franchisee's shareholders, members or partners.

The Franchisor:

We are a Delaware limited liability company formed on October 3, 2018. We do business under the name "Amazing Athletes." Our principal business address is 14 George Street, Budd Lake, New Jersey 07828. Our telephone number is (615) 807-1623 and our email address is john@amazingathletes.com. Our agents for service of process in the states whose franchise laws require us to name a state agency as agent for service of process are shown on Exhibit A.

The business you will operate under the Franchise Agreement (attached as Exhibit C) will offer the Core Program or the Plus Program. The term "Program" refers to the Core Program or the Plus Program. The term "Franchised Business" refers to the business that you are operating. Your Franchised Business will provide developmental sports education and physical fitness programs to children within the age group specified for the Program that you purchase. We have offered Amazing Athletes franchises since October 2018. We have not offered franchises in any other line of business. We do not currently operate any business of the kind described in this disclosuredocument. We do not operate any other type of business.

Our Parents, Predecessor and Affiliates:

Our parent is Amazing Athletes, LLC, a Delaware limited liability company formed on August 7, 2018. Its principal business address is 606 Columbus Avenue, New York, New York 10024. Its telephone number is (615) 807-1623. Amazing Athletes, LLC does not guarantee the obligations of Amazing Athletes Franchise, LLC. Amazing Athletes, LLC does not offer franchises and has not offered franchises previously. It does not currently operate any business of the kind described in this disclosure document nor does it operate any other type of business. It does not provide goods or services to franchisees at this time, but may do so in the future. Our parent, Amazing Athletes, LLC, owns the Principal Trademarks and licenses to us the right to use the Principal Trademarks and the right to sublicense the Principal Trademarks to our franchisees.

Our predecessor is Amazing Athletes Franchise Systems, Inc. On September 21, 2018, our affiliate (and immediate predecessor), Amazing Athletes Franchise, LLC, acquired the franchise assets of Amazing Athletes Franchise Systems, Inc., including all of the franchise agreements with Amazing Athletes franchisees. Our parent, Amazing Athletes, LLC acquired the remaining assets of Amazing Athletes Franchise Systems, Inc. Amazing Athletes Franchise, LLC subsequently assigned all of its franchise agreements to us.

Amazing Athletes Franchise Systems, Inc. is a Tennessee corporation that was formed on January 17, 2013 and that did business under the name "Amazing Athletes Franchise Systems, Inc." and "Amazing Athletes." It had a principal office located at 1035 Parkway Drive, Unit 6B, Spring Hill, Tennessee 36174 and a telephone number of (615) 807-1623. Amazing Athletes Franchise Systems, Inc. offered franchises of the kind described in this disclosure document since 2013. It did not offer franchises in any other line of business. It does not currently operate any business of the kind described in this disclosure document nor does it operate any other type of business. Amazing Athletes Franchise Systems, Inc. had a predecessor named Amazing Athletes Franchise Systems, Inc., a California corporation formed on November 2, 2007, which had an address located at 1624 Maritime Drive, Carlsbad, California 92009. Amazing Athletes Franchise Systems, Inc. offered franchises of the kind described in this disclosure document since 2008. It did not offer franchises in any other line of business. It did not operate any business of the kind described in this disclosure document nor did it operate any other type of business; it was dissolved in 2013.

As noted above, we are affiliated with our immediate predecessor, Amazing Athletes Franchise, LLC. We are also affiliated with Amazing Athletes Sports Store, LLC and Amazing Athletes Opco, LLC. We will refer to Amazing Athletes Franchise, LLC, Amazing Athletes Sports Store, LLC and Amazing Athletes Opco, LLC as the "Affiliates."

Amazing Athletes Franchise, LLC, a Delaware limited liability company, was formed on August 7, 2018. Its business address is 606 Columbus Avenue, New York, New York 10024 and its telephone number is (615) 807-1623. Amazing Athletes Franchise, LLC purchased the franchised assets of our predecessor Amazing Athletes Franchise Systems, Inc. on September 21, 2018 and later assigned all of its franchise agreements to us. Amazing Athletes Franchise, LLC has not offered franchises of the kind described in this disclosure document and it has not offered franchises in any other line of business. It has not operated any business of the kind described in this disclosure document.

Amazing Athletes Sports Store, LLC, a Delaware limited liability company, was formed on October 3, 2018. Its principal business address is 606 Columbus Avenue, New York, New York 10024. Its telephone number is (615) 807-1623. It has not offered franchises of the kind described in this disclosure document and it has not offered franchises in any other line of business. It has not operated any business of the kind described in this disclosure document. It was formed for the purpose of manufacturing, distributing and/or selling the "Starter Kit," related equipment and advertising and marketing materials used in the System.

Amazing Athletes Opco, LLC, a Delaware limited liability company, was formed on October 3, 2018. Its principal business address is 606 Columbus Avenue, 2nd Floor, New York, New York 10024. Its telephone number is (212) 877-7171. It has not offered franchises of the kind described in this disclosure document and it has not offered franchises in any other line of business.

It was formed for the purpose of operating Amazing Athletes company-owned outlets of the kind described in this disclosure document, which it began operating in 2019. As of the date of this disclosure document, it operates fourteen (14) company-owned outlets.

Our parent, Amazing Athletes LLC, is owned by Super Sports Holdings, LLC, a Delaware limited liability company, formed on August 7, 2018. Super Sports Holdings, LLC does not guarantee the obligations of Amazing Athletes Franchise, LLC. Super Sports Holdings, LLC does business under the name "Youth Athletes United" or "YAU."

Super Sports Holdings, LLC through other subsidiaries owns JumpBunch, LLC, which is the franchisor of the JumpBunch franchised system. JumpBunch, LLC began selling JumpBunch franchises in October 2021. The JumpBunch franchise system offers franchises that provide sports, fitness, physical education training, and educational programs to children in preschool facilities, daycare centers, other school facilities and similar facilities. As of the date of this disclosure document, there are 18 JumpBunch franchised units in the United States

Super Sports Holdings, LLC owns Soccer Stars, LLC, which is the franchisor of the Soccer Stars franchised system. Soccer Stars, LLC began selling Soccer Stars franchises in April 2022. The Soccer Stars franchised system offers franchises that teach soccer skills in a fun, non-competitive, educational environment using specially designed curricula. As of December 31, 2022, 3 Soccer Stars franchises have been sold.

Super Sports Holdings, LLC through other subsidiaries owns TGA Franchise Systems, LLC, which is the franchisor of the TGA Premier Sports franchised system. TGA Franchise Systems, LLC began selling TGA Premier Sports franchises in 2021. The TGA Premier Sports franchised system offers franchises that provide developmental golf and tennis training and physical fitness programs to children from ages of 2 to 12 years. As of December 31, 2022, 76 TGA Premier Sports franchises have been sold.

For purposes of this disclosure document, TGA Premier Sports, Amazing Athletes, JumpBunch, Soccer Stars, and any future brands owned by Youth Athletes United or an affiliate or subsidiary will each be referred to as a "Youth Athletes United Brand" or "YAU Brand."

The Franchise Offered:

We offer franchises for the right to establish, operate and manage an individual Franchised Business under a license with us to use one or more of the Principal Trademarks (defined below) and the System (defined below). The Franchised Business will permit you the opportunity to use proprietary curricula, (which consists of weekly lesson plans encompassing developmental sports lessons, age-appropriate physical fitness activities, motor-development fundamentals and basic anatomy and nutrition) (collectively the "Curricula") to teach children within the ages specified for the Program(s) offered by the Franchised Business.

The children are called "Students" in this disclosure document. Programs may be offered before, during or after school, during school vacations, the summer, on weekends, summer camps, birthday parties or any other event (each a "Function"), at specific locations or facilities within your Territory. These locations and facilities include but are not limited to private pre-schools,

public pre-schools, daycare centers, and elementary schools (also referred to as "Qualified Locations").

Franchisees will operate their Franchised Business in accordance with those aspects of the Amazing Athletes system (the "System") established for the Program(s) offered by the Franchised Business.The System is our proprietary, confidential, and trade secret information. The System includes, but is not limited to: the trademarks, service marks, and logos (the "Principal Trademarks" or "Marks"); the manner and method of training that we deliver to you; the operations, manuals (collectively the "Confidential Operating Manual"); standards and procedures that you will use inthe day-to-day operation of the Franchised Business; the methods to be used for approaching locations to offeryour services; the manner and methods you will use to provide classes for Students; the terms of,and negotiations relating to past or current franchise agreements; the economic and financial characteristics of the System; and any copyrighted, trade secret or confidential information ownedby us, including this FDD and the Franchise Agreement (defined below). You must operate in accordance with our System. The right to operate in the locations with whom you create a relationship, the names of all of the Students, and the rights to provide services offered by the Franchise Agreement also our sole and exclusive property.

You will be subject to an initial criminal background check before you sign the Franchise Agreement. You must sign the credit and criminal background check release form attached to this disclosure document as Exhibit B.

If you are interested in purchasing a Franchised Business, we will require you to sign a franchise agreement, a form of which is attached as Exhibit C ("Franchise Agreement"). We will offer single unit franchises to those who are interested in opening a single Franchised Business to be operated within an area designated by us, in our sole discretion (the "Territory"). The Territory may be located within specific zip codes, counties or other natural boundaries, such as rivers or mountains, man-made boundaries such as highways or streets, or otherwise as we deem appropriate in order to describe an area that contains approximately 100 qualified locations, such as private pre-schools, public pre-schools, or elementary schools (whether public, private, charter or otherwise) and a population of up to four hundred thousand (400,000) people. Your Territory maybe based in part on Qualified Locations, population density, number of competing businesses within the Territory, current and projected market demand, potential customer base, access and visibility, traffic patterns and other economic, demographic and geographic factors determined by us in our sole discretion. We will assign you a Territory as we deem appropriate for your Franchised Business in our sole discretion. The minimum Territory granted to a franchisee may be the franchisee's business location with no corresponding geographic protection.

Market Conditions:

The market for in-school or after-school physical fitness, enrichment programs, childcare services, or other similar services is highly competitive. You will be competing with schools, and other individuals and organizations who offer in-school or after-school physical fitness, enrichment programs, childcare services, or other similar services. This will include "mom and pop" establishments, as well as local, regional and national franchise systems. Each will be competing with you in the same territories for locations and children. There are many risks and uncertainties associated with this or any new business. Your Franchised Business may be impacted

by many factors including the local economic and market conditions, your experience and knowledge, the geographic location of your Franchised Business, your market competition, the sales level you reach and your ability to retain customers.

Industry Regulations:

You must obtain the business licenses that are required by the locale in which you will be operating your Business. You will also be required to conform to any taxation requirements of your locale. Further, some states may require that you have child-care or similar licenses necessary to deliver these services. You must check with the appropriate local or state governmental departments to determine these needs. It is your obligation to determine if you or the Franchised Business must be licensed and to take whatever steps are necessary to meet the requirements of any regulations regarding the Franchised Business.

You should also be aware of federal, state and local labor regulations including minimum age and minimum wage laws. These requirements may apply to your business. The details of these restrictions may vary from state to state and from locality to locality.

You must comply with all local, state, and federal laws that apply to your Franchised Business, including background checks, providing proof of background clearances for each of your instructors, arrest notifications, fingerprinting through Live-Scan or other methods, and complying with the requirements of the National Council of Safety Instructors and the local schools where you conduct instruction. In addition, you must comply with all local, state, and federal laws that apply to your Franchised Business including EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Payment Card Industry Data Security Standard ("PCI DSS") requires all companies that process, store, or transmit credit or debit card information to maintain a secure environment. PCI DSS applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data.

You should consult with your attorney concerning local, state, and federal laws and license requirements that may affect your Franchised Business

Other than the above, we are unaware of any other specific industry regulations or licensing requirements governing the operation of a Franchised Business.

ITEM 2. BUSINESS EXPERIENCE

John Erlandson: President

Since our formation on October 3, 2018, Mr. Erlandson has served as our President. From January 1, 2021 through the present, Mr. Erlandson has also served as the president of JumpBunch, LLC. From January 7, 2022 through the present, Mr. Erlandson has also served as the president of Soccer Stars, LLC. From January 1, 2021 through the present, Mr. Erlandson has also served as the president of Little Rookies Baseball, LLC. From July 27, 2021 through the present, Mr. Erlandson has also served as the president of TGA Franchise Systems, LLC. From June 2012 through June 2018, Mr. Erlandson was the Chief Business Development Officer for Authentic Brands Group, located in New York, New York.

Adam Geisler: Chief Executive Officer

Since our formation on October 3, 2018, Mr. Geisler has served as our Chief Executive Officer. From January 7, 2022 through the present, Mr. Geisler has also served as the Chief Executive Officer of JumpBunch, LLC. From January 7, 2022 through the present, Mr. Geisler has also served as the Chief Executive Officer of Soccer Stars, LLC. From January 1, 2021 through the present, Mr. Geisler has also served as the Chief Executive Officer of Little Rookies Baseball, LLC. From July 27, 2021 through the present, Mr. Geisler has also served as the Chief Executive Officer of TGA Franchise Systems, LLC. From September 2016 through July 2018, Mr. Geisler was the EVP of Business Development for Authentic Brands Group, located in New York, New York.

Paul Laudermilch, Senior Director of Operations

Since our formation on October 3, 2018, Mr. Laudermilch has served as our Senior Director of Operations. From January 2017 through September 2018, Mr. Laudermilch served as the Director of Sales and Operations of MAX Franchising, LLC, located in Morganville, New Jersey. From

Carmen Bellavia, Chief Operating Officer, Chief Technology Officer

Carmen Bellavia has served as our Chief Operating Officer and Chief Technology Officer since July 2020. From January 1, 2021 through the present, Mr. Bellavia has also served as the Chief Operating Officer and Chief Technology Officer of JumpBunch, LLC. From January 7, 2022 through the present, Mr. Bellavia has also served as the Chief Operating Officer and Chief Technology Officer of Soccer Stars, LLC. From January 1, 2021 through the present, Mr. Bellavia has also served as the Chief Operating Officer and Chief Technology Officer of Little Rookies Baseball, LLC. From July 27, 2021 through the present, Mr. Bellavia has also served as the Chief Operating Officer and Chief Technology Officer of TGA Franchise Systems, LLC. From October 2018 to July 2020, Mr. Bellavia served as our Chief Digital Officer. From January 2003 to September 2018, Mr. Bellavia worked as a technology consultant with the Bellavia Corporation, located in New York, New York. From January 2011 to the present,Mr. Bellavia has been the founder of Leaguer Inc., located in New York, New York.

Janee Henderson, Consultant; Franchise Trainer; Founder of Predecessor

Since our formation on October 3, 2018, Dr. Henderson has been engaged as a consultant and franchise trainer. Dr. Henderson was a founder of our predecessor, Amazing AthletesFranchise Systems, Inc. (a Tennessee corporation) and its predecessor Amazing Athletes FranchiseSystems, Inc. (a California corporation). From 2012 through September 2018, she was also the Vice President of our predecessor, Amazing Athletes Franchise Systems, Inc. (a Tennessee corporation). From 2014 to the present, she serves as Vice President of Amazing Athletes, Inc., a Tennessee corporation located in Franklin, Tennessee. She is a California licensed Chiropractor who is now licensed and actively practicing in Tennessee. In addition, Dr. Henderson is a Certified Health Coach.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Your initial franchise fee will be $49,500 for a Franchised Business offering the Core Program. If you elect to offer additional programming, such as Karate Zoo, Little Rookies or other programs that we develop from time to time, you agree to pay an additional fee of $5,000 per program (the "Plus Program Fee").

If you are an honorably discharged veteran and/or educator, we will reduce the initial franchise fee (but not any Plus Program Fee) by ten percent (10%). If the veteran is a principal in a business-entity franchisee, the reduced initial franchise fee will be offered to the entity franchisee. The initial franchise fee is paid when you sign the Franchisee Agreement. Except as indicated below, the initial franchise fee is fully earned and non-refundable.

You must attend and pass our "Franchisee Training Program" (Item 11). If you attend but fail to complete training to our commercially reasonable satisfaction, we have the right to terminate the Franchise Agreement; except that restrictive and other covenants that must survive termination in order to remain enforceable, shall survive. If we terminate the Franchise Agreement, we will refund 50% of the initial franchise fee.

You are also required to purchase from an Affiliate an initial supply of uniforms and marketing materials along with the "Starter Kit." The Starter Kit contains all of the sports and fitness equipment (including balls, sticks, bats, goals, cones, and similar equipment) necessary for one coach to teach the Program that you will offer. The cost for all required purchases is approximately, $5,000 to $7,000 for the Core Program. The cost for all required purchases is approximately $9,000 to $11,000 for the Plus Program, or approximately $4,000 more than the cost for all required purchases for the Core Program.

If you are purchasing your first Amazing Athletes Franchised Business, you will be required to pay for us to visit your Territory to provide enhanced business coaching and training. The enhanced business coaching and training provided prior to the date you open your Franchised Business or during your operation of the Franchised Business is referred to as "Enhanced Business Coaching and Training." Enhanced Business Coaching and Training is initially intended to help you to develop new programs, generate revenues and improve enrollments through a combination of in-person meetings or through strategy calls and/or videoconferencing meetings. Prior to attending the training program, you will pay an Enhanced Business Coaching and Training Fee of $5,000, against which we will; charge (i) a fee of $350 per day per person plus reimbursement of our actual travel and accommodation expenses in connection with providing such Enhanced Business Coaching and Training, and (ii) $55 per hour for each Enhanced Business Coaching and Training phone call or videoconferencing meeting. If you are purchasing second (or subsequent)

Amazing Athletes Franchised Business, you will have the option to have us provide Enhanced Business Coaching and Training in your Territory. We do not require Enhanced Business Coaching and Training for your second or subsequent Amazing Athletes Franchised Business. We may in our sole discretion, agree to this. If we agree, then prior to traveling to you, we will charge our fees and expenses against the Enhanced Business Coaching and Training Fee that you paid. We may require you to replenish the Enhanced Business Coaching and Training Fee, in the exercise of our reasonable business judgment.. You may be required to travel to the nearest franchised location for this training and if you travel, you willalso have travel, room, and board costs.

We charge a Territory Overage Fee of $.13 per person of population over 400,000, if the Territory granted to you has a population of over 400,000 people. *Example:* If you purchase an Additional Territory with a population of 411,000, your Territory Overage Fee would be $1,430 ((411,000 – 400,000) x $.13 = $1,430).

We may finance part of the initial franchise fee (Item 10). Except as stated here, all fees are uniform, are payable in one lump sum, and are non-refundable.

You are not required to pay to us or to an Affiliate any other fee or payment for services or goods before your Franchised Business opens.

ITEM 6. OTHER FEES

Name of Fee[1]	Amount	Due Date	Remarks
Royalty	The greater of 8% of Gross Revenues or the "Minimum." See Note 2. The Minimum is $700 per month for the Core Program plus $50 per month for any additional program that you offer.	Payable by the 7th day of the month that follows the month for which the Royalty was calculated. We will conduct quarterly Royalty audits on or about March 31, June 30, September 30 and December 31 of each year. The purpose of the quarterly audit is to confirm that Royalties are being paid correctly, and to reconcile any potential errors.	Payable to us by personal or bank check. We may require you to pay us by electronic transfer(s).
Franchisee National Advertising Fee	The greater of 1% of Gross Revenue or $200 per month.	Payable by the 7th day of the month that follows the month for which the Franchisee National Advertising Fee was calculated. Payable with the	We may increase the Franchisee National Advertising Fee up to 2% of Gross Revenues per month upon 60days' notice. Payable to the Franchisee National

		Royalty. We will conduct quarterly Franchisee National Advertising Fee audits on or about March 31, June 30, September 30 and December 31 of each year. The purpose of the quarterly audit is to confirm that Franchisee National Advertising Fees and other fees are being paid correctly, and to reconcile any potential errors.	Advertising Fund.
Local Advertising Expenditures	Up to 3% of Gross Revenues, but currently 1% of Gross Revenues	Monthly	Expenditures are paid to vendors. See Note 3.
Regional Advertising Cooperative Fee	Currently none. We may require you to contribute up to 3% of your Gross Revenues to the cooperative	Payable by the 7th of the month for the current month.	Payable to Cooperative. We have not determined any formula for calculating the percentage that would be paid to the Cooperative. See Note 4.
Initial Training Program for Additional Individuals	$1,000 prior to the initial training program	Due if you request and we agree to provide initial training to individuals (i.e. managers and coaches) other than You or the Operating Principal(s)	Payable to us.
Enhanced Business Coaching and Training Fee	$5,000 due at signing of the Franchise Agreement against which we apply a cost of (i) $350 per day per staff member plus travel reimbursement, and (ii) $55 per hour for each Enhanced Business Coaching and Training phone call or videoconference.	Payable upon signing the Franchise Agreement and replenished as needed.	If you require or request advanced, or extraordinary services. The then current fee will be described in the Confidential Operating Manual. We have the right to increase this fee by any amount without limitation. We will notify you 60 days before a new fee is to be collected. Payable to us. The Enhanced Business Coaching and Training

			Fee is intended to be fully applied within six months of signing the Franchise Agreement, but may be extended upon our mutual written agreement.
Post-Opening Enhanced Business Coaching and Training Fee	$350 per day per staff member, if provided in person, or $55 per hour if provided by phone or videoconference	As incurred	After Enhanced Business Coaching and Training has been completed, if you request additional, refresher or extraordinary courses or training
Transfer Fee	$8,750	Transfer Fee is due at time of closing. You and the transferee will each pay 50% of the Transfer Fee.	Payable to us if you are permitted to transfer your rights to a third party.
Successor Franchise Agreement Fee	$7,500	At time of signing.	You may be required to sign a contract with terms that are different from found in your current Franchise Agreement. Payable to us.
Annual Conference Fee	$400 per owner regardless of units owned; Spouses $0; $100 for each additional attendee	Due before conference.	We may change the fee at any time without limitation. If a fee is charged or changed, we will provide you written notice of the fee before the conference. Payable to us.
Annual Conference Travel Expenses	$1,000 to $2,000 per person attending	As incurred.	Attendance at annual conferences are mandatory. Expenses will vary based on travel cost and type of accommodations. Payable to vendors.
Mandatory Fee for Not Attending an Annual Conference (Mandatory Non-Attendance Fee)	$1000 per owner	Due on the Monday following the last day of the Annual Conference.	Charged only if you fail to attend an annual conference (Item 11). We have the right to increase this fee by any amount without limitation. We will notify you 60 days before a new fee is to be collected. Payable to us.

Late Fee	1% of Gross Revenues	Immediately when assessed	Payable only if you fail to make timely payments.
Bank Fees	Actual cost of bank fees plus $50 for insufficient funds	As incurred	Bank Fees are paid to us. This fee is not refundable.
Credit Card Processing Fee	4% of total amount charged	As incurred	Pineapple Payments is our exclusive supplier of credit card processing services.
Default Notice Fee	$50	Immediately when assessed.	Payable to us only if we send you a default notice.
Legal fees and expenses	All costs and expenses, including but not limited to attorneys' fees for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement	As incurred	Legal fees and expenses are paid to us. These fees and expense are not refundable.
Indemnification	The amount of any claim, liability or loss we incur from your Franchised Business	As Incurred	Costs for Indemnification are paid to us. These costs are not refundable.
Replacement/Additional Inventory of Marketing Materials, Uniforms and Equipment	Will vary. This amount will range from $500 to $7,000	When purchased	Uniforms, sales literature, forms and other paper products with our Marks will be purchased as needed from us (or an affiliate if one is established) or approved vendors. Replacement equipment will be purchased every 2 years only from us (or an affiliate if one is established). See Notes 5 and 6.

Audit Costs	In the event of an underreporting of more than 2% of Gross Revenues, you will be required to pay us the underreported amount plus interest along with the cost of the audit, including travel, lodging, meals, wages, expenses and accounting and legal fees.	Within 15 days of written notice	Payable only if we audit your books and find underreporting. Payable to vendor.
New Line of Goods or Services and Technology Update and Fees	Will vary.	As incurred	See Note 7.
Interest	1.5% per month or highest rate allowed by law	As incurred	Interest is paid to us from the date of nonpayment or underpayment. Interest is not refundable.
Technology Fee	$200 per month for your first Amazing Athletes Franchised Business; $150 per month for your second YAU Brand business; $100 per month for each YAU Brand business thereafter	Monthly by the 7th day of the month following the month when you completed the initial training program. Payable with the Royalty	Payable to us. We may increase the Technology Fee upon 60days' notice. See Note 8.
In-Term and Post-Term Deficiency Costs and Expenses	Costs and expenses	As Incurred	Reimbursement of our costs and expenses, paid to us. See Note 9.
Test Marketing Expenses	Costs and expenses of test marketing new services or products.	As Incurred	You will be required to pay third parties for the costs and expenses associated with test marketing new services or products.
Transferee Lead Generation Fee	2.5% of the sales price	As Incurred	The Transferee Lead Generation Fee is paid to us. See Note 10.

Liquidated Damages	The number of months remaining in the term of your Franchise Agreement multiplied by the average Royalties, Franchisee National Advertising Fees and other fees owed by Franchisee during the last 12 months	Upon termination of the Franchise Agreement.	Liquidated damages are paid to us.
Default Reimbursement	Our costs and expenses arising from your default	Due immediately upon demand.	These sums include all damages, costs, and expenses including reasonable attorneys' fees we incur as a result of your default.
Operation upon Death or Disability Fee	If we or a third-party assumes the operation of your Franchised Business upon your death of disability, we maycharge a per diemfee (currently $250), plus direct out-of-pocket costs and expenses.	As Incurred	The per diem fee is paid to us or the third-party that assumes the operation of your Franchised Business.
Data Security Safeguards	Varies	Upon demand.	You must reimburse us for all of our out-of-pocket costs and expenses incurred in responding to and remedying any cyber event (including without limitation a data breach or other identity theft or theft of personal information) caused solely by you or your Franchised Business.
Insufficient Funds Charge	$50 per occurrence	Payable upon each occurrence.	Payable to us, if any check, draft, electronic or other payment is unable to be processed because of insufficient funds.

Plus Program (for the right to offer Karate Zoo, Little Rookies or other programs we may develop from time to time)	Will vary depending upon the equipment, and services offered. The cost to implement the Plus Program is approximately $15,000. This cost includes the additional training fee ($10,000).	As incurred or as agreed	The Plus Program is optional.
Document Preparation Fee[11]	Up to $1,500, but will vary depending upon the legal fees that we incur to prepare agreements in connection with a new franchise, a transfer, a termination or similar transaction.	As incurred or as agreed.	The Document Preparation Fee is paid to us.

Notes

1. All fees paid to us (or an affiliate if one is established) are payable in one lump sum, uniform, fully earned by us, and non-refundable except as stated in Item 5. Any interest charged by us will not exceed that allowed by your state law. Unless otherwise noted, these fees will apply to your Franchised Business regardless of which Program you will offer.

2. You will pay a Royalty equal to the greater of eight percent (8%) of Gross Revenues or the "Minimum Royalty." The Minimum Royalty is $700 per month for the Core Program and an additional $50 for each additional program you offer under the Plus Program.

For the purpose of calculating Royalties, if we negotiate a payment schedule with a particular venue (a "Negotiated Payment Schedule") and you provide the services in such venue and collect Gross Revenues in accordance with the Negotiated Payment Schedule, you will only report to us as Gross Revenues the portion of the Negotiated Payment Schedule actually retained by you. For clarification purposes, if we negotiated a Negotiated Payment Schedule of $15.00 per class with "School A" and you are entitled to receive seventy percent (70%) of that fee, then you will report to us $10.50 ($15.00 x 70%) as Gross Revenues for providing services to such venue.

"Gross Revenues" shall mean all income of any type or nature and from any source that Franchisee derives or receives directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the Effective Date, in whatever form and from whatever source, including but not limited to cash, services, in kind from barter and/or exchange, on credit or otherwise as well as business interruption insurance proceeds, all without deduction for expenses (including marketing expenses and taxes) or discounts to employees, friends or family members. However, the definition of Gross Revenues does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities, proceeds from insurance with respect to your property damage or liability, proceeds from civil forfeiture, condemnation or seizure by governmental entities or the amount of any credits, allowances, adjustments or uncollectable amounts subject to the limitation that such cannot exceed 0.5% of Gross Revenues for any fiscal year. Subsequent collections of these charged off amounts must be included in

Gross Revenues when they are collected.

If technology allows, we reserve the right to collect Royalties in real-time, upon written notice to you.

3. You will be required to spend a minimum of one percent (1%) of your Gross Revenues on local advertising, marketing and promotional programs ("Local Advertising"), but we may require you to spend up to three percent (3%) of your Gross Revenues on Local Advertising. Currently, payments for the first year will be calculated on a monthly basis based on one percent (1%) of the monthly Gross Revenues for the prior month. If required, payment for the first month will be an estimate. Any discrepancy between the amount paid for the first month and the amount equal to one percent (1%) of Gross Revenues for the first month will be credited against or added to the amount required for the second month. If you fail to spend the required minimum on Local Advertising (currently one percent (1%) of Gross Revenues) in any given year, we may require you to contribute the difference between (a) the amount spent by you during that year and (b) the required minimum (currently one percent (1%) of Gross Revenues), toward the Franchisee National Advertising Fund. These expenses, if incurred, will be credited against your required Local Advertising expenditures.

Your Local Advertising expenditures will include your use of Social Media Platforms (defined as web-based platforms such as Facebook, Instagram, Twitter, LinkedIn, blogs and other networking and sharing sites) or use Social Media Materials (defined as any material on any Social Media Platform that makes use of our Principal Trademarks, name, brand, products or your Franchised Business whether created by us, you or a third-party).

There are currently no advertising cooperatives in our System. If we use a public figure to promote the System within your Territory, we may require you to pay for the public figure's appearance fee and travel expenses.

4. We may, in the future, create a regional advertising cooperative and to require you to contribute to the advertisingcooperative in our sole discretion. Any financial contributions made by you to the advertising cooperativemay be credited against your required expenditures for Local Advertising. Company-owned units may be active members of any cooperative, may possess control over the fees imposed by franchisee cooperatives and may possess controlling voting power, in accordance with the rules of the cooperative, as we may determine in our sole discretion. As stated in the Table, above, there are currently no advertising cooperatives in the System, and there are currently no related fees. If in the future, we create a regional advertising cooperative, we may require you to contribute up to 3% of your Gross Revenues.

5. We have a private on-line purchasing portal through the Amazing Athletes Sports Store, https://store.amazingathletes.com. You are required to use this site, which accepts payment only by credit card.

6. You may be required to issue a t-shirt to each child that participates in any Program, in accordance with the Manual. You must purchase a sufficient supply of these uniforms to insure you meet this requirement. You must update your equipmentno less than every two (2) years. If you wish to transfer your Business, you must have updated your equipment accordingly, but in no event later than the date of transfer.

7. We may in the future require all franchisees and you to add new goods or services to those already sold through the Business. If we do this, you may incur additional expenses, costs and fees, some of which may be due to an Affiliate, a third party for whom we collect the funds, or us. We have no formula for determining what such costs, fees, or expenses might be so we cannot give you an estimate of such costs. If we introduce new lines of goods and services, we will notify you in writing and give you no less than sixty (60) days to comply with the changes. We each also acknowledge and agree that changes to technology are

dynamic and not predictable within the term of the Franchise Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will havethe right to establish, in writing, reasonable new standards and fees for the implementation of new technology in the System and you agree to comply after we give you no less than sixty (60) days' prior written notice.

8. The Technology Fee will be $200 for all franchisees who sign the Franchise Agreement attached to this disclosure document. Franchisees who purchased franchises prior to the date ofthis disclosure document may be paying a lower Technology Fee. You will pay a reduced Technology Fee of $150 per month for your second YAU Brand business and a reduced Technology Fee of $100 per month for your third YAU Brand business, and each one thereafter. The Technology Fee will increase by $50 per month for each additional program you offer under the Plus Program.

The Technology Fee is used to maintain your presence on our internet web system, to maintain your access to the "AA Back Office Platform" and to develop, implement, use, upgrade and/or update other technologies with the System. The AA Back Office Platform is the password-protected portal on our web site that you will use for such things as event planning, class management, and the creation and delivery of required reports. The Technology Fee also includes full access to Google Workspace's applications for all owners. If you require access to Google Workspace for a manager or another employee, we may increase the Technology Fee by $15 per month for each additional user.

9. If after notice, you fail to cure any deficiency in the Franchised Business and/or your operation of the Franchised Business, we may in our sole discretion, correct the deficiency. If we elect to correct the deficiency, you will reimburse us for our costs and expenses incurred in correcting the deficiency. Additionally, upon expiration or termination of your Franchise Agreement, we may elect in our sole discretion to take steps to modify, alter or de-identify the Franchised Business. If we do so, you must reimburse us for our costs and expenses associated with the cessation of the Franchised Business and any de-identification of the Franchised Business. These costs and expenses are not refundable under any circumstance and must be paid upon invoice from us.

10. We may, in our sole discretion, assist in the sale of your Franchised Business by introducing you to a candidate(s) that is/are interested in purchasing your Franchised Business (each a "Lead.") If a Lead purchases your Franchised Business within six (6) months of the date that we introduce the Lead to you, we are entitled to a commission of two and one-half percent (2.5%) of the sales price of your Franchised Business. We will receive payment of the commission upon closing of the sale of your Franchised Business. You will be responsible for the payment of the commission to us. You are not obligated to sell your Franchised Business to a Lead.

11. If you enter into, or are considering, a transaction, including purchasing a franchise, transferring your franchise, terminating the franchise agreement or otherwise, we may charge a reasonable administrative fee, up to $1,500, to prepare, revise, amend or otherwise modify documentation in connection with that transaction. If applicable, and whenever possible, we will notify you of the amount of the charge before we proceed.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
Type of Expenditure[1]	Estimated Amount Low	Estimated Amount High	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee[2]	$44,550	$49,500	Lump sum	At signing of Franchise Agreement	Franchisor
Training Expenses[3]	$1,000	$3,000	As incurred	Prior to traveling to your location	Airfare, Hotels, restaurants
Enhanced Business Coaching and Training Fee[4]	$5,000	$5,000	Lump sum	At signing of Franchise Agreement	Franchisor
Furniture, fixtures, and equipment[5]	$0	$500	As incurred	Before opening	Vendors
Starter Kit and Initial Uniforms and Marketing Materials[6]	$5,000	$7,000	Lump sum	Before opening	An Affiliate
Computer System[7]	$0	$1,500	As incurred	Before opening	Vendors
Insurance and Professional Services[8]	$1,500	$3,500	As incurred	Before opening	Professionals
Permits, Licenses and Certifications[9]	$0	$1,500	As incurred	Before opening	Governmental agencies
Territory Overage Fee[10]	$0	$0.13 per Person	Lump Sum	At Signing of Franchise Agreement	Franchisor
Plus Program (Optional) [11]	$0	$15,000	Lump Sum	Before opening	Franchisor or an Affiliate
Additional Funds - 3 months[12]	$1,000	$5,000	As incurred	Before opening	Various
Total[13]	**$58,050**	**$91,500**			

Notes

1. Payments to us (or to an affiliate) are not refundable. Payments made to third party vendors are subject to the terms and conditions of those vendors. We do not provide any direct or indirect financing for the initial fee, other fees or other costs paid to us or to third parties,except as stated in Item 10.

2. The initial franchise fee is charged per Territory. If you are an honorably discharged veteran and/or educator, we will reduce the initial franchise fee for the Core Program by ten percent (10%). The estimated low amount reflects a 10% discount on the Core Program for an honorably discharged veteran.

3. You must pay all of your out-of-pocket expenses while attending training at our then current

training office. These numbers are estimates only and will depend on the lodging you choose, the method of getting to the training location, and the food you purchase.

In our sole discretion, we may conduct the initial training via web-based training. If we do, youwill not be required to pay a Training Fee to us.

4. If you are purchasing your first Amazing Athletes Franchised Business, you will be required to pay the Enhanced Business Coaching and Training Fee for us to visit your Territory to provide Enhanced Business Coaching and Training. If you are purchasing second (or subsequent) Amazing Athletes Franchised Business, you will have the option (for a fee) to have us provide Enhanced Business Coaching and Training in your Territory. We do not require Enhanced Business Coaching and Training for your second or subsequent Amazing Athletes Franchised Business. You may be required to travel to the nearest franchisee for such training. We anticipate and expect such travel to be no more than a few hours driving time to the nearest franchisee, but you will be responsible for your room, board and other travel expenses. Enhanced Business Coaching and Training Fee is intended to be fully applied within six months of signing the Franchise Agreement, but may be extended upon our mutual written agreement.

5. It is anticipated and expected that you will work from your home. We have no criteria for any office space, lease or other real estate. As it is anticipated and expected that you will be working from your home, no tenant improvement is necessary. This includes a telephone (if you do not have one), a combination printer/copier (ifyou do not have one), and a table and chair. This amount will change depending on whether you already have these items. We have no specifications for the copier, printer, table, or chair.

6. You will also be required to purchase Initial uniforms and marketing materials along with the Starter Kit from an Affiliate and other approved vendors. After the initial purchase, you are required to purchase replacement equipment from an Affiliate.

7. You will be required to have certain off-the-shelf computer hardware. You may already have equipment that meets this need. The computer system must have the software listed in Item 11 below. You may already have software that is sufficient. If you already have equipment and software that satisfies our requirements, you will not need to purchase new computer hardware or software and can spend $0 on your Computer System.

8. This estimate includes the cost of deposit in order to obtain the minimum required insurance. You should check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your Franchised Business will be located, your experience with the insurance carrier, the loss experience of the carrier and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may want to carry. This estimate also includes representative costs for the engagement of professionals such as attorneys and accountants for the professional services consistent with the start-up of a Franchised Business. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review any contract that you will enter into as part of starting your Franchised Business. The estimated rates in this chart are based upon professional fees in New Jersey.

9. You are responsible for applying for, obtaining and maintaining all required permits, licenses and certifications necessary to operate your Franchised Business. If your state does not require you to obtain any permits, licenses or certifications to operate the Franchised Business or if you already

possess all required permits, licenses or certifications to operate the Franchised Business, you will spend $0 on permits, licenses and certifications.

10. If the Territory assigned to you includes a population estimated to exceed four hundred thousand (400,000) people, we may charge you a Territory Overage Fee of $0.13 per person multiplied by the difference between the estimated population in the Territory and four hundred thousand (400,000).

11. If you offer the Plus Program, the cost of the Plus Program will vary depending upon the equipment, and services offered, but is anticipated not to exceed approximately $15,000. This cost includes the Plus Program Fee of $5,000 per program that you elect to offer.

12. The estimate of additional funds is for the first three (3) months of operating your Franchised Business which includes such items as debt service, initial payroll taxes (including payroll to cover the pre-opening training period for some of your staff), Minimum Royalties (as described in this disclosure document), National Franchisee Advertising Fees, professional fees, including accounting fees, additional advertising, marketing and/or promotional activities, credit card processing fees, health and workers' compensationinsurance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items. The estimate of additional funds doesnot include an owner's salary or draw. The additional funds required will vary by your managementskill, experience and business acumen, your relative effectiveness as a salesperson, local economic conditions, the local market for your services, competition, and the sales level in your Territory that you reach during this period. The items included above are by no means all-inclusive of the extent of the expense categorization. In compiling these estimates, we have relied upon the experience of predecessor in offering franchises of the kind being offered in this disclosure document.

13. The total estimated costs are based on our experience in franchising Amazing Athletes Franchised Businesses. Your costs may vary based on a number of factors including but not limited to the geographic area in which you open, local market conditions, the time it takes to build your sales and your skills at operating a business. We strongly recommend that you use these categories of costs and estimates as a guide to developing your own business plan and budget. We strongly recommend that you investigate the costs of establishing a business in the local area where you intend to open your Franchised Business.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases and System Changes

You must open and operate your Franchised Business in accordance with the System. To ensure that you maintain the highest degree of consistency, quality and service, you must obtain all goods, services, supplies, materials, fixtures, furnishings, equipment (including computer hardware and software, including but not limited to customer registration systems/software and other software that we designate) and other products used only from our designated or approved suppliers, vendors, manufacturers, printers, contractors, and distributors ("Suppliers"), who demonstrate to our continuing reasonable satisfaction, the ability to meet our then current standards.

You must sell and offer for sale all services and products required by us in the manner and

style we require. You may only sell and offer for sale services and products authorized by us. You must not deviate from our standards and specifications without obtaining our written consent first. We may direct you in writing at any time to discontinue selling and offering for sale any services and products. We can and expect to modify our standards and specifications, at any time and on a local, regional, or national basis, all as we deem necessary. We will provide you with notice of any changes as they occur. We may also require you from time to time to participate in the test marketing of services and products at your expense.

We may communicate our standards, specifications and purchase requirements directly to Suppliers who wish to supply you with goods or services. We will communicate our standards and specifications to you during training, before you open, during periodic visits to your Franchised Business, and through the Confidential Operating Manual, and periodic bulletins. We may issue new standards and specifications or modifications to our standards and specifications through written notices to you or through updates, revisions, changes and/or modifications to the Confidential Operating Manual. Once you are notified, you must make the change that is specified. We may also add and remove vendors at any time.

We have the right, in our sole discretion and as we may deem in the best interests of the System or a specific franchisee to vary required purchases, standards or specifications based upon that franchisee's qualifications, special circumstances, the demographics of a particular territory, geographic area or development region, business potential, or any other condition which we deem to be of importance to the successful operation of any particular Franchised Business. We will not be required to disclose or grant to you a like or similar variance.

Suppliers:

We reserve the right to have items sourced exclusively from our Suppliers including a single Supplier (which may be us or one of our Affiliates) or a limited number of Suppliers, in order to achieve uniformity or better pricing, simplify inventory and purchasing or for other legitimate business reasons. This is discussed in greater detail below.

We have the sole right to enter into strategic alliances, corporate alliances, product supply or product sourcing agreements for pricing, purchasing and leasing of equipment, products, services and supplies for franchisees of the Amazing Athletes System. We are not obligated to consult with you or other franchisees about any of these alliances or agreements. You may not enter into any strategic alliances, corporate alliances, product supply or product sourcing agreements without our prior approval. You will not purchase or lease from any Supplier under an Amazing Athletes program, goods or services to be used for any other business.

If you want to independently source any items from someone other than one of our Suppliers, you must obtain our prior approval. We do not promise to evaluate or approve proposed suppliers, vendors, manufacturers, printers, contractors and/or distributors ("Proposed Suppliers") on your request and we may decline to do so. However, if we elect to evaluate a Proposed Supplier at your request, you must provide us with adequate information and product samples to evaluate the Proposed Supplier. We will consider the following factors in our evaluation: (1) whether the products and customer service provided by the Proposed Supplier meet our specifications and standards; (2) the reputation of the Proposed Supplier for quality and reliability; (3) the frequency

and method of delivery; (4) competitiveness of pricing offered; and (5) whether the products add anything to the range of products or services offered or are redundant of existing approved products and/or services. There are currently no other criteria for approval of Proposed Suppliers. We may impose a fee to evaluate Proposed Suppliers, which may include reimbursement of our actual or estimated costs of evaluating the Proposed Suppliers. If we agree to evaluate a Proposed Supplier, we will provide you with notification of the approval or disapproval within thirty (30) days after we receive notice and all information and samples necessary to process your request. We may revoke approval of any Supplier for reasonable cause upon written notice to you.

You must purchase the Starter Kit, advertising and marketing materials and uniforms only from our Affiliate. Our Affiliate will be the only supplier of the Starter Kit, advertising and marketing materials and uniforms. The cost for all required purchases is approximately, $5,000 to $7,000 for the Core Program. The cost for all required purchases is approximately $9,000 to $11,000 for the Plus Program, or approximately $4,000 more than the cost for all required purchases for the Core Program.

You must use the AA Back Office Platform. We or our Affiliates are the only Supplier of the AA Back Office Platform. The Technology Fee is used to maintain your presence on our internet web system, to maintain your access to the "AA Back Office Platform" and to develop and use other technologies with the System. The AA Back OfficePlatform is the password-protected portal on our web site that you will use for such things as event planning, class management, and the creation and delivery of required reports. In addition to the Technology Fee, there may be other fees associated with the introduction of new technology (Item 6). If such technology is introduced, our approved vendor, an Affiliate or we may be the only supplier of such services.

In order to ensure the safety of your clients, you will be required to purchase new sports equipment no less often than every two (2) years. If equipment is broken or is reduced to a dangerous condition, you will be required to replace it more often. Our Affiliate is the only supplier of such goods.

We are the only supplier of Enhanced Business Coaching and Training.

We estimate that your leases or purchases from Suppliers (including us or our Affiliates) or otherwise in accordance with our specifications will represent approximately 13% to 20% of your total purchases in establishing the Franchised Business and approximately 6% to 10% in the continuing operation of the Franchised Business.

Certain products may be exclusively supplied by us or our Affiliates. We and our Affiliates may include a markup in the price of any goods or services we or they sell or lease to you and may derive profit from the goods or services we or they sell or lease to you, but we have not done so yet. We have not received any money from or on account of the sale of goods or services to franchisees as of this disclosure document. In 2022, our Affiliate, Amazing Athletes Sports Store, LLC earned $338,247.39 in revenues from required purchases or leases from franchisees.

We or our Affiliates may enter into agreements with Suppliers to receive rebates or other consideration on account of your purchases and based on certain percentages of the purchases you make from Suppliers. We receive a rebate from Pineapple Payments, our exclusive supplier of

credit card processing services. We and our Affiliates currently receive rebates, overrides or other consideration from Suppliers as a result of purchases by our franchisees. We have already or may negotiate purchasing terms for franchisees from certain Suppliers. We cannot guaranty that any Supplier will offer or continue any particular pricing, warranty or other terms of sale. We will attempt to negotiate a continued supply of products from various Suppliers, but cannot guaranty a continuing supply from any particular Supplier. We are not under any obligation to you with respect to theterms negotiated or the terms of any Supplier. We cannot guaranty that Suppliers will offer orcontinue to offer you any trade credit terms as that is solely up to the Supplier and their credit standards

Purchasing Arrangements

There currently are no franchisee purchasing or distribution cooperatives. However, you may take advantage of any preferred pricing purchase arrangements offered by our Suppliers. We have to date, and may in the future, negotiate preferred pricing purchase arrangements with suppliers for our franchisees' benefit and may derive revenue or obtain rebates, bulk pricing discounts or allowances for their own account from approved or designated suppliers, if rebates or other considerations become available because of our franchisees' purchases of products or services or because of your purchases or our purchases of products or services. We or our Affiliates have entered into agreements with suppliers to receive rebates or other consideration on account of your purchases and based on certain percentages of the purchases you make from Suppliers. The past and current arrangements provide for us to receive 5% - 10% of the gross revenue earned from sales to our franchisees by certain Suppliers. We cannot guaranty that any Supplier will offer or continue any particular pricing, warranty or other terms of sale. We will attempt to negotiate a continued supply of products from various Suppliers, but cannot guaranty a continuing supply from any particular Supplier. We are not under any obligation to you with respect to the terms negotiated or the terms of any Supplier. We cannot guaranty that Suppliers will offer or continue to offer you any trade credit terms as that is solely up to the Supplier and their credit standards.

Mr. Erlandson, Mr. Geisler and Mr. Bellavia own an interest in us and our affiliates, some of which are suppliers (required to be used by our franchisees). There are no other approved Suppliers in which any of our officers owns an interest.

Material Benefits:

We do not provide or withhold material benefits to you (including renewal rights or the right to open additional businesses) based on whether you purchase through the sources we designate or approve. However, purchases of unapproved services, the use of unapproved vendors, or supplying to Students unapproved services will be a violation of the Franchise Agreement, and you may be terminated as a result.

Insurance:

Before you open your Franchised Business, you must obtain insurance coverage for your Franchised Business in at least the amounts specified in the Franchise Agreement. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible carrier or carriers rated "A+" or better by A.M. Best & Company, Inc. and be

approved by us.

Computer Hardware, Software and POS Systems:

You are required to purchase and maintain a computer system that meets our minimum specifications. You may purchase the computer equipment from any reputable dealer. If you have computer equipment that meets our specifications, you will not be required to purchase additional equipment. You will be required to purchase certain "off-the-shelf" software, or use proprietary software that we designate, which may include customer registration systems/software. This may be purchased from any reputable dealer (Item 11).

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

Obligation	Article in Agreement or Agreement Location	Item in FDD
a. Site selection and acquisition/lease	Not applicable	Not applicable
b. Pre-opening purchases/leases	Articles V and VI of the Franchise Agreement	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Article V of the Franchise Agreement	Items 11 and 17
d. Initial and on-going training	Article VI of the Franchise Agreement	Items 11 and 17
e. Opening	Article VII of the Franchise Agreement	Items 11 and 17
f. Fees	Article IV of the Franchise Agreement	Items 5, 6, 7 and 17
g. Compliance with standards and policies/ Confidential Operating Manual	Articles VI, VII and VIII of the Franchise Agreement	Items 11 and 17
h. Principal Trademarks and proprietary information	Articles I and XII of the Franchise Agreement	Items 1, 13 and 14
i. Restrictions on products/services offered	Article VII of the Franchise Agreement	Items 8, 16 and 17
j. Warranty and customer service requirements	Not applicable	Not applicable
k. Territorial development and sales quota	Not applicable	Not applicable

l. Ongoing product/service purchases	Article VI of the Franchise Agreement	Item 8 and 17
m. Maintenance, appearance and remodeling requirements	Articles VII of the Franchise Agreement	Item 11 and 17
n. Insurance	Articles VII of the Franchise Agreement	Items 7, 8 and 17
o. Advertising	Articles VI and VII of the Franchise Agreement	Items 6, 7, 8, 11, 12, 13 and 17
p. Indemnification	Articles VII and XXIII of the Franchise Agreement	Items 6, 8 and 13
q. Owner's participation/ management/staffing	Article VII of the Franchise Agreement	Item 15
r. Records and reports	Article VII of the Franchise Agreement	Items 6, 11 and 17
s. Inspections and audits	Article VII of the Franchise Agreement	Items 11 and 17
t. Transfer	Article X of the Franchise Agreement	Items 6 and 17
u. Renewal	Article II of the Franchise Agreement	Items 6 and 17
v. Post termination obligations	Article IX of the Franchise Agreement	Item 17
w. Non-competition covenants	Articles VIII, IX and XIII of the Franchise Agreement	Item 17
x. Dispute resolution	Article XXIII of the Franchise Agreement	Item 17
y. Other - Licensing and Legal Compliance	Articles V and VII of the Franchise Agreement	Item 9
z. Guaranty	Article XXIV of the Franchise Agreement	Items 10, 15, 17 and 22

ITEM 10. FINANCING

Summary of Financing Offered

Item Financed	Initial Franchise Fee
Source of Financing	Franchisor
Amount Financed	Up to 50% of the Initial Franchise Fee
Down Payment	The balance of the Initial Franchise Fee
Terms (yrs)	Fourteen (14) months
Interest Rate	15% simple interest
Interest Rate upon Default	The lesser of 18% per annum or the highest rate permitted by law
Monthly Payment	Will vary

Prepay Penalty	None
Security Required	Guaranty
Liability Upon Default	Acceleration collection costs, attorney's fees, termination of Franchise Agreement
Financing Charges	None

If you purchase a franchise, you will have the option to finance up to fifty percent (50%) of the initial franchise fee. You will sign a promissory note ("Note" attached as Exhibit 10 to the Franchise Agreement), that will be financed over 14 months with interest at 15% simple interest. If you are a partnership, limited liability company or corporation, then the note must be guaranteed individually by all of the partners, members or shareholders, as applicable.

In the event of nonpayment or other default under the Note or in the event of a breach of the Franchise Agreement, the payment of the principal and interest may be accelerated at our option without notice or demand to you. You also will be responsible for our attorneys' fees as well as your own, in the event you are in default. Upon transfer, expiration or termination of the franchise, any principal balance becomes immediately payable. The Note does not require you to waive defenses or other legal rights nor does it bar you from asserting a defense against us.

We do not engage in the practice of selling, assigning, or discounting to a third party, in whole or in part, any note, contract or other instrument executed by you. However, we may do so in the future.

Other than the above, neither we nor our Affiliates currently offer any direct or indirect financing in connection with the acquisition or development of your franchise.

You may pre-pay the debt at any time without penalty.

Neither we nor our Affiliates guaranty or otherwise support any loan, note, lease or other third-party obligations. We and our Affiliates have not in the past and at this time have no present intention of selling, assigning, or discounting to a third party all or part of any financing arrangement. Neither we nor our affiliates receive any direct or indirect payments from any person for the placement of financing.

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

Except as listed below, the Franchisor is not required to provide you with any assistance.

Pre-Opening Obligations:

Before you open your Franchised Business, we will:

1. Designate a Territory for the operation of your Franchised Business. (Franchise Agreement Sections 1.1, 2.1 and 6.4 and Exhibit 3 to the Franchise Agreement);

2. Design Advertising Materials and Social Media Materials used in the System. We will provide you with standards for Advertising Materials, Social Media Materials and use of Social Media Platforms. We will make available to you approved Advertising Materials and Social Media Materials for use by franchisees. (Franchise Agreement Section 6.4);

3. Provide a Franchisee Training Program as described below, for you or your Operating Principal(s) and a manager at no additional charge to you. You must be trained to operate the Franchised Business; if you intend to have a manager then the manager must also fulfill all training requirements. (Franchise Agreement Sections 6.2 and 6.4);

4. Establish standards and specifications for the System, which we may enforce in our sole discretion. (Franchise Agreement Section 6.4 and 6.5);

5. Provide you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement Sections 6.1 and 6.4);

6. Provide you with a list of Suppliers, as revised from time to time. (Franchise Agreement Sections 6.4 and 6.5);

7. Provide you with a list of approved products and services for the Program(s) that you have selected (Franchise Agreement Sections 6.4 and 6.5); and

8. Specify minimum policy limits for certain types of insurance coverage required to meet our minimum standards. You will submit for our approval, which will not be unreasonably withheld, any insurance policy prior to purchasing such policy. We may in our sole discretion, revise our insurance requirements for franchisees and we may in our sole discretion, require you to obtain additional or different insurance policies. (Franchise Agreement Sections 6.4 and 7.12).

Pre-Opening Optional Assistance:

Before you open your Franchised Business, we may:

1. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials. (Franchise Agreement Section 6.4);

2. Review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.4 and 7.7); and

3. Supply reasonable support by telephone and email (Franchise Agreement Section 6.4).

Lease Requirements:

We do not require that you operate your Franchised Business from an office or other commercial location. It is anticipated and expected that you will operate the Franchised Business out of your home. Accordingly, we do not provide any assistance with evaluating or securing a

site for the operation of your Franchised Business. We have no criteria or requirements for the location of your Franchised Business. We will not review any leases or purchase agreements for the location of your Franchised Business.

Post-Opening Obligations:

After you open your Franchised Business, we will:

1. Design Advertising Materials and Social Media Materials used in the System. We will provide you with standards for Advertising Materials, Social Media Materials and use of Social Media Platforms. We will make available to you approved Advertising Materials and Social Media Materials for use by franchisees. (Franchise Agreement Section 6.5);

2. Establish standards and specifications for the System, which we may enforce in our sole discretion. (Franchise Agreement Section 6.5);

3. Provide you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement Sections 6.1 and 6.5);

4. Provide you with a list of approved Suppliers as revised from time to time. (Franchise Agreement Sections 6.3 and 6.5); and

5. Provide you with a list of approved products and services for the Program(s) that you have selected, as revised from time to time. (Franchise Agreement Sections 6.5 and 6.15)

Post-Opening Optional Assistance:

After you open your Franchised Business, we may:

1. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials. (Franchise Agreement Section 6.5);

2. Offer additional conferences, seminars or programs, at a frequency that we determine, on various topics relevant to you as the Franchisee. Some of these conferences, seminars or programs may be mandatory and others may be optional. There may be a tuition fee for these seminars (Franchise Agreement, Section 5.3).

3. Provide updates to the Confidential Operating Manual, the System, the Principal Trademarks, at a frequency which we will determine (Franchise Agreement, Section 5.3).

4. Review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.5 and 7.7);

5. Provide you with field support services subject to the availability of our training personnel. (Franchise Agreement Section 6.5);

6. Provide periodic counseling to you in the operation of your Franchised Business. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by us. (Franchise Agreement Section 6.5);

7. Provide you with additional training. (Franchise Agreement Section 6.2);

8. Provide you with additional guidance as to the operation of your Franchised Business regarding but not limited to: (a) new products, services and/or methods developed for the System; (b) the purchase and use of supplies, uniforms, equipment and products; (c) the formation and implementation of marketing, advertising and promotional programs; (d) maintenance of your financial and accounting records; and (e) other general operating issues you may encounter, including but not limited to permits, licenses or certifications. (Franchise Agreement Section 6.5.); and

9. Establish and maintain or have a third party maintain a business call center to handle inbound and outbound calls from and to prospective customers and/or franchisees, send emails, handle strategic account programs and conduct surveys (the "Business Center"). (Franchise Agreement Section 6.5).

Schedule for Opening:

We estimate that the time from the signing of the Franchise Agreement to the opening of the Franchised Business will be approximately forty-five (45) days to sixty (60) from the date of your Franchise Agreement. This time may be significantly shorter or longer depending upon the time necessary to obtain permits, licenses and certifications necessary for the operation of the Franchised Business. You will be required to open for business within thirty (30) days after completing our Franchisee Training Program (the "Opening Date"). We may extend the Opening Date for a reasonable time (not to exceed twenty (20) days) in the event factors beyond your reasonable control prevent you from meeting the deadline, and you request an extension of time from us at least fifteen (15) days before the set Opening Date.

The factors that affect the Opening Date may include location schedules, weather conditions and shortages or delays in obtaining equipment. Unless otherwise agreed to in writing by us, you must secure all necessary permits, licenses and certifications, purchase or lease and have installed and in operating order all of the required equipment, and obtain and provide to us evidence of the required insurance prior to the Opening Date.

Franchisee National Advertising Fund:

We will institute, maintain and administer a separate fund for advertising, marketing, promotional, public relations programs, lead generation programs and for using Social Media Platforms as we in our sole discretion may deem necessary or appropriate to advance enhance, promote and protect the goodwill and public image of the System, the Amazing Athletes brand and the intellectual property ("Franchisee National Advertising Fund"). We will direct all such programs with sole discretion over all operational and advertising decisions, including:

1. the creative concepts, materials, endorsements and media used in connection with

such programs (which may include television, radio, print and Internet advertising, maintenance of a website as well as the use of Social Media Platforms, as funds permit);

2. the source of the advertising, marketing, promotional, public relations or lead generation efforts (which may be in-house or through an outside agency located locally, regionally or nationally);

3. the placement and allocation of such programs (which will be local, regional or national); and

4. the composition of all geographic territories and market areas for the development and implementation of such programs.

The Franchisee National Advertising Fund may be used in any of the following ways:

1. to create and implement Advertising Materials and Social Media Materials, including but not limited to door hangers, mailers, FSIs, inserts and coupons, brochures, promotional material, labeling, public relations and signage, in any form that we may, in our sole discretion, determine;

2. to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms;

3. in connection with radio, television, print, Internet advertising, sports and cable programs, other forms of production and media as well as Social Media Platforms;

4. to review any and all locally produced Advertising Materials and Social Media Materials;

5. for website design and maintenance and to conduct search engine optimization;

6. to use Social Media Platforms and develop Social Media Materials;

7. to conduct market research;

8. to undertake sponsorships;

9. to engage in and develop sweepstakes, competitions, and an affinity program;

10. to design and develop merchandise, logo wear, other branded apparel, premium items and other items;

11. to pay related retainers;

12. to conduct customer surveys, customer interviews and to retain mystery shoppers to conduct inspections of the System as well as competitors;

13. to retain celebrities for endorsement purposes;

14. to pay for membership dues to associations, including but not limited to the International Franchise Association;

15. to establish a third-party facility to customize Advertising Materials and Social Media Materials;

16. to establish and maintain or to pay a third party to establish and/or maintain the Business Center; and

17. reimburse us or our affiliates for salaries, overhead and administrative expenses relating to the Franchisee National Advertising Fund or otherwise related to advertising and marketing programs intended to benefit the System.

We are responsible for administering the Franchisee National Advertising Fund. Advertising Materials, Social Media Materials, merchandise, logo wear, branded apparel, premium items and other items, if developed by the Franchisee National Advertising Fund, may be sold to franchisees at a profit and the profit on such sales will be contributed to the Franchisee National Advertising Fund.

We and/or our Affiliates may receive payment for providing goods or services to the Franchisee National Advertising Fund. We and/or our Affiliates may sell Advertising Materials, Social Media Materials, merchandise, logo wear, branded apparel, premium items and other items directly to franchisees or to the Franchisee National Advertising Fund, at a profit and is not obligated to contribute any profit to the Franchisee National AdvertisingFund.

We are not required to spend any amount on advertising, marketing or promotional programs or Social Media Platforms directly in the Territory or to spend pro rata with your individual Franchisee National Advertising Fees. Any unused portion of the Franchisee National Advertising Fund in any calendar year or earnings on sales of Advertising Materials and Social Media Materials by the Franchisee National Advertising Fund will be applied to the following year's Franchisee National Advertising Fund.

As indicated in Item 6 above, you will be required to remit the greater of 1% of Gross Revenues or $200 per month to the Franchisee National Advertising Fund. All company-owned and affiliate-owned Amazing Athletes outlets will contribute to the Franchisee National Advertising Fund at the same rate required fromfranchisees. Though we have no plans now, we may increase the amount of the Franchisee National Advertising Fee to no more than 2% of Gross Revenues. We will give you notice of our intent to do this and sixty (60) days to comply. We may contribute or loan additional funds to the Franchisee National Advertising Fund on any terms we deem reasonable. Funds loaned to the Franchisee National Advertising Fund may earn interest at the then-prevailing commercial rate, as reasonablydetermined by us. We may reduce the Franchisee National Advertising Fee at any time. If the Franchisee National Advertising Fee is reduced for franchisees, we may reduce the rate of contribution for company-owned and affiliate-owned businesses accordingly. We may modify theFranchisee National Advertising Fee for any franchisee based on a reallocation of the franchisee'soverall advertising expenditure.

The Franchisee National Advertising Fund is not revenue to us and there is no requirement for the Franchisee National Advertising Fund to be independently audited. We will make an

unaudited annual account available to you once a year upon request within one hundred and twenty (120) days after our fiscal year ends.

We may suspend (and reinstate) or discontinue the Franchisee National Advertising Fund but will not do so until all the monies in the Franchisee National Advertising Fund have been expended or rebate the balance of the Franchisee National Advertising Fund to the then current franchisees based on a formula that allows for the pro-rata rebate based on contributions to the Franchisee National Advertising Fund during the Franchisee National Advertising Fund's last fiscal year. We will have no fiduciary duty with respect to Franchisee National Advertising Fund proceeds and are administering these funds as an accommodation to franchisees and the System only. We will assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the Franchisee National Advertising Account or with respect to maintaining, directing or administering the Franchisee National Advertising Account.

In our fiscal year ending December 31, 2022, we spent 0% of the Franchisee National Advertising Fund on the Amazing Athletes national conference; 0% of the Franchisee National Advertising Fund on promotions, events, sponsorships, exhibitions, and similar events, 53.3% of the Franchisee National Advertising Fund on design, printing, press materials, media placement and online advertising, 46.7% of the Franchisee National Advertising Fund on administrative expenses, and 0.0% of the Franchisee National Advertising Fund on lead generation.

We may use monies from the Franchisee National Advertising Fund to solicit new franchise sales but the Franchisee National Advertising Fund will not be principally used to solicit new franchise sales. Also, we may advertise on the website that unit franchises are available or make other similar statements on the website.

We may establish a franchisee advisory council or subcommittee to participate in the Franchisee National Advertising Fund management and advertising decisions. However, we will have sole discretion over the operation of the Franchisee National Advertising Fund and all advertising decisions.

Local Marketing and Advertising:

All business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods, script, branding tools, meeting leave behinds and public relation materials (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as "Advertising Materials"), use of Social Media Platforms, Social Media Materials, and other items we designate must bear the Principal Trademarks in the form, color, location and manner we prescribe. In addition, all of your advertising, marketing and promotional activities in any medium as well as your Social Media Platform usage, must be conducted in a dignified manner and must conform to the standards and requirements in the Confidential Operating Manual or otherwise approved by us in writing.

You must obtain our prior approval before: (i) you use any Advertising materials or Social Media Materials if we have not prepared or approved such Advertising Materials or Social Media Materials within the previous twelve (12) months; and (ii) before you initially use any Social

Media Platform. You must submit all unapproved Advertising Materials, Social Media Materials and requests to use Social Media Platforms to us via certified or electronic mail. We will approve or disapprove such request within ten (10) days after submission. If you do not receive written approval within ten (10) days after submission of your request for approval, your request is deemed denied. We may withhold our approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform for any reason or no reason at all. You may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platforms. You must promptly discontinue use of any Advertising Material, Social Media Material and/or Social Media Platform, whether or not previously approved, on notice from us. We have the right to require you to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. We have the right to access your Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. You are required to give us your usernames, passwords, account information and all other information we may require to access your Social Media Platforms accounts upon your initial use of a Social Media Platform and immediately upon our request.

All Advertising Materials, Social Media Materials and use of Social Media Platforms must indicate that you operate the Franchised Business as an independent franchisee of us. You will not employ any person to act as your representative in connection with local promotion of the Franchised Business in any public media without our prior written approval.

Regional Advertising Cooperative:

There are currently no advertising cooperatives in our System, nor are there currently any advertising councils comprised of franchisees. We may establish regional advertising cooperatives to increase brand awareness at the regional state levels. We have the right to determine the composition of all geographic territories and market areas included in a particular regional cooperative and to require that you participate if the same is established by us. The members of a regional cooperative will consist of all Amazing Athletes franchised businesses located within in the area associated with that regional cooperative. Company-owned and/or affiliate-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as we may determine in our sole discretion. The franchises that were sold by our predecessor's affiliate, however, will not be required to participate even if they are within an area of a regional advertising program.

We have the right to change, dissolve, or merge any regional advertising cooperative. If we establish a regional cooperative, we may require up to three percent (3%) of your Gross Revenues to be contributed to the regional cooperative instead of being spent on Local Advertising. If we elect to do so, your Local Advertising requirement will be reduced by the same percentage of Gross Revenues that is required to be contributed to the regional cooperative.

All contributions to the regional cooperative will be maintained and administered in accordance with the documents governing the regional cooperative, if any. Currently, there are no governing documents for regional cooperatives available for your review. If we require regional cooperatives to be formed, we will either (a) prepare a form of governing document for your use

or (b) require that you prepare a governing document, subject to our approval. If we manage the funds of a regional advertising cooperative, we will prepare unaudited financial statements and will deliver the same to you no earlier than one hundred twenty (120) days of its year-end.

We will have the right, in our sole discretion, to determine how funds paid into any an advertising cooperative are expended.

Computer Requirements:

You will be required to purchase the following equipment in order to operate your Business:

a. A notebook or desktop computer (Computer) from any manufacturer with the following configuration:

i. It must operate with an Intel i3 processor (or the equivalent from another manufacturer) or the latest version of the Apple processor;

ii. It must have a minimum 256 gigabytes of hard drive memory;

iii. It must have a minimum of 4 gigabytes of RAM memory; and,

iv. It must have the most current version of the Windows or Apple operating system.

b. The Computer must also have the following software (Computer Software):

i. A Microsoft Word and Microsoft Excel compatible program;

ii. The latest version of Internet Explorer or other Internet browser; and

iii. QuickBooks Professional.

c. A combination plain-paper printer/scanner; and,

d. High-speed internet access.

The computer and computer software are referred to as the "Computer System" You may already have a Computer System that is adequate. If not, the Computer System could cost approximately $1,500. (Item 7).

You will be required to maintain each component of the Computer System to keep it operational. The cost of, and the frequency of such maintenance cannot be estimated as various factors, such as the age of the entire Computer System and its treatment while in operation cannot be determined. We do not have any contractual obligation for the maintenance, repair, update or upgrade to your computer and computer system.

We may also require you to update the Computer System hardware no more often than once every five (5) years. We estimate the cost to be approximately $1,000. The computer software update will occur no more often than once every two (2) years. The cost of any such update will vary depending upon the age of the software that you originally installed, and the cost charged by the software vendor. We have no formula for determining that cost and cannot therefore estimate it.

We may at any time change the configuration of the hardware or the software and will notify you in writing of the same after which you will have a reasonable amount of time (not to exceed sixty (60) days) within which to make the changes. Your Computer System must give us independent access to your databases; we will never disclose any personally identifiable

information. If your databases are passcode protected, you will provide the code to us upon request. The information accessed will include scheduling information, attendees, and the identity of venues at which your services are offered. There are no other contractual limitations on our right to access such information.

You are solely responsible for protecting yourself from viruses, computer hackers and other computer-related problems and you may not sue us for any harm caused by such computer-related problems.

Franchisees will be provided with an Amazing Athletes email accounts to be used for all business communications. We will have unlimited access to the content of all email accounts.

We may acquire or develop software for use by franchisees, including but not limited to customer registration systems/software. The type and/or source of thissoftware may change from time-to-time. If we acquire or develop software for franchisees, you will be required to pay our then current fee for software provided by us and you will be required to enter into a software license agreement with us, an affiliate or a third-party supplier and pay a fee in connection with any software.

Website:

We will be the web master for the Amazing Athletes website or any on-line equivalent, either directly or through our supplier. We will be the only authorized user of the Amazing Athletes URL or any derivation of the Amazing Athletes name or marks on the worldwide web. You will be required to participate in and provide assistance with the Amazing Athletes website, as we may require. You may not establish or maintain an independent website or URL for your Franchised Business or use the Principal Trademarks (or any similar version) or other proprietary information in any way other than as provided in the Franchise Agreement, including on the Internet.

We may provide from the Amazing Athletes website, a landing page or a link to a website for your Franchised Business, which will be maintained by us or our supplier. We may provide guidelines for updating your specific landing page or website and we may make changes to your specific landing page or website, in our discretion. The location and telephone number of your Franchised Business will be posted on our website as we may determine. You will be required to abide by the Amazing Athletes policies, including its privacy policy regarding customer information.

You will have no rights to market any products or services on the Internet without our permission and it is unlikely at this time that such permission will be granted. You will be required to comply with the Amazing Athletes policies and programs concerning search engine optimization.

You will be given an email address for your use with the Franchised Business. You must use the email address provided by us in connection with the operation of your Franchised Business. You will be prohibited from using any other email address.

Confidential Operating Manual:

We will provide you one copy of the Confidential Operating Manual though it will always remain our property. It is part of the System and it contains our confidential, proprietary and trade secret information. The Table of Contents of the Confidential Operating Manual is found in Exhibit D to this Disclosure Document. The Table of Contents will state the number of pages devoted to each subject contained in the Confidential Operating Manual and will also state the total number of pages in the Confidential Operating Manual, which is approximately 100 pages.

Franchisee Training Program:

For the first franchise that you buy, you, or if you are a business entity, your "Operating Principal(s)" must complete our Franchisee Training Program to our satisfaction. Your "Manager" may, but is not required to attend our training. The Franchisee is responsible for training its staff, except for any Manager trained by us. Training may be held at a location specified by us or, at our discretion, may be provided via online webinar, live streaming or by other electronic means.

Training for all Programs consists of approximately five (5) days of instruction for the Core Program and a sixth (6^{th}) day of instruction for the Plus Program. Training may occur at our then-current headquarters or at another facility that we designate. We may provide web-based training in addition to or instead of classroom instruction. The "Operator Principal" is the person (or persons) designatedby your business entity to operate the Business and receive our training. The "Manager" is definedas the person, besides you, who acts as the general manager of the Business has been trained by us, and who delivers our services directly to the Students.

The training materials include the Confidential Operating Manual and handouts. There is no charge for training materials. There is no tuition.

Training for the Core Program consists of the following:

TRAINING PROGRAM:

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Kick off/Day 1: Mission Stmt.; Competition; Industry Overview; Systems & Procedures, Curricula Training	7 hours	2 hours	We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Day 2: Grassroots, Marketing, Sales Training & Roleplay, Recruiting	6 hours	2 hours	We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.

Day 3: Curricula Training- learn movements used in field- how to interactwith children, Partnerships & Competitive Assessment	5 hours	4 hours	We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Day 4: Marketing Systems, Social Media, Practical Assessment	5 hours	3 hours	We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Day 5: Email Marketing, Canva Training, Registration System	8 hours	2 hours	We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Total	31	13	

If you purchase a franchise for the Plus Program, training will include additional the following:

Day 6: Little Rookies training	3 hours		We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Day 6: Karate Zoo training	3 hours		We will designate a location. Alternatively, training may be provided via online webinar, live streaming or by other electronic means.
Total	6	0	

We reserve the right to amend, modify, supplement, vary and/or delete any portion of the contents of the initial training program, whether the training program is conducted in person or online. We also reserve the right to change the order of the subjects taught, in our sole discretion.

All training will be conducted or supervised by Mr. Laudermilch or Mr. Erlandson. Mr. Laudermilch has over twenty-six (26) years of experience in the fitness industry, franchise

operations and the subjects taught by him in our Franchisee Training Program. He has been our Senior Director of Operations since our inception in October 2018. Mr. Erlandson is a senior executive with over sixteen (16) years of business development experience in the sporting goods and licensing industries. He has been our President since October 2018. Prior to that Mr. Erlandson held the Chief Business Development Office role at Authentic Brands Group. Prior to that, Mr. Erlandson was a Senior Vice President at Sportcraft for six (6) years leading both sales and product development. John has also held senior leadership positions at Horizon Fitness and Fitness Quest. (See Item 2 for more information.)

The Franchisee Training Program may also be conducted by other qualified personnel including managers, supervisors and consultants whose services we may retain for specific training courses. No other formal training staff is maintained at present.

You must attend training, and you must pay for your own travel, meals, and lodging expenses. You or your Operator Principal must complete the training to our commercially reasonable satisfaction within thirty (30) days of the date you sign the Franchise Agreement. If you fail to complete training, we will terminate the Franchise Agreement; except that the restrictive covenants found in the Franchise Agreement will remain in force and we will refund fifty percent (50%) of the initial franchise fee. If you desire to have additional person attend the initial training program, and we agree to provide initial training to the person, you will pay a fee of $1,000 per person.

We intend to conduct the Franchisee Training Program periodically as determined by us and in our sole discretion. We may enroll multiple franchisees within the same Franchisee Training Program.

We will hold the Franchisee Training Program via web-based training at our sole discretion. If we do decide to hold the Training Program virtually, you will not be required to pay a Training Fee to us.

Additionally, for your first Amazing Athletes Franchised Business, we will provide you with Enhanced Business Coaching and Training. For your second or subsequent Amazing Athletes Franchised Business, you will have the option to have us provide Enhanced Business Coaching and Training. For your second or subsequent Amazing Athletes Franchised Business we will not require Enhanced Business Coaching and Training. If we provide Enhanced Business Coaching and Training, we will charge our fees and expenses against the Enhanced Business Coaching and Training Fee that you have paid. We may require you to replenish the Enhanced Business Coaching and Training Fee, in the exercise of our reasonable business judgment. Enhanced Business Coaching and Training can take place at any time, including before and/or after you open your Franchised Business for business.

If you request additional, extraordinary, or refresher courses or training, and we agree to provide that training, we will charge our fees (at a daily rate of $350 per person if provided in person or $55 per hour if provided via a phone call or a videoconference) plus the expenses we incur to provide that training. This is referred to in Item 6 as the Post-Opening Enhanced Business Coaching and Training Fee.

Also, we may in our sole discretion, offer and/or require that you, your Operating Principal(s), your Manager(s) and/or staff attend and complete additional training courses that we either periodically choose to provide or otherwise may require in connection with your Franchised Business, at the times and locations thatwe designate; if so required, we would charge our fees (at a daily rate of $350 per person if provided in person or $55 per hour if provided via a phone call or a videoconference) plus the expenses we incur to provide that training. Additionally, you will be responsible for all costs associated with attending any additional trainingcourses for you, the Operating Principal(s), any Manager(s) and your staff.

Annual Conference and Training Attendance:

We host an annual conference that requires your attendance. Franchisees who signed earlier franchise agreements may be obligated to attend every two (2) years. You will be responsible for the payment of all expenses for travel, accommodations, food, and other expenses incurred. Currently,we do not charge an attendance fee, however, we may charge one in the future. When it is known,you will be provided with the duration of the annual conference, as well as its location, the identities who those who will present, and the content of any seminars or information that will bedelivered at that time.

The annual conference will be held in a location to be determined by us. Any additional local or regional meetings will typically last between one (1) and two (2) days and will be held at a location to be approved by us that will be within easy car or bus commuting distance. We will provide you with the identity and background of those who will be present before the annual conference.

If you fail to attend the annual conference, you will be required to pay the then-current mandatory fee for not attending the annual conference ("Mandatory Non-Attendance Fee") (see Item 6). The Mandatory Non-Attendance Fee will be collected as specified in Item 6. If you miss the annual conference, you will be required to participate in the mandatory conference call that will be held for all franchisees who fail to attend the annual conference. Failure to participate in the mandatory conference call and subsequent work may result in the termination of the Franchise Agreement.

In addition to the annual conference and though we do not now, we may, in the future to require you, your Operating Principal(s), Manager(s) and staff attend a local or regional meeting upto two (2) times per year. All mandatory meetings will be offered without charge of a tuition or fee; however, you will be responsible for all travel and living expenses that are associated with attendance at the same.

We are not required to provide any other service or assistance to you for the continuing operation of your Franchised Business.

ITEM 12. TERRITORY

The franchise is granted for a geographic area that must be approved by us (the "Territory"), which will be identified on an attachment to the Franchise Agreement. You will not

receive an exclusive territory. You may facecompetition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

The geographic boundaries of the Territory will be defined by us by identifying a sufficient number of zip codes or by identifying political boundaries such as cities or counties, natural boundaries such as rivers or mountains, man-made boundaries such as highways or streets, or otherwise as we deem appropriate in order to describe an area that contains approximately 100 qualified locations, but in no event containing a population of more than four hundred thousand (400,000) people.

We have no control over how these records are compiled and as a result, we cannot and do not guaranty that (i) the municipality, county, or state will have an accurate record of the identity and location of these facilities, or (ii) the population within the Territory will include up to four hundred thousand (400,000) people. This may result in a private pre-school, public pre-school, day care center, or elementary school that we thought was located within your Territory be located within the territory of another franchisee. Also, because population figures can increase or decrease over time, we do not guarantee that your Territory will include four hundred thousand (400,000) people during the term of the Franchise Agreement. If there is a dispute about the accuracy of the Territory population or the number of qualified locations in the Territory, we will use our good faith efforts to revise your Territory so that it includes another private pre- school, public pre-school, day care center, or elementary school, as applicable. We cannot guaranty however, that this will happen.

If the Territory assigned to you includes a population estimated to exceed four hundred thousand (400,000) people, we may charge you a Territory Overage Fee ("Overage Fee") of $0.13 per person multiplied by the difference between the estimated population in the Territory and four hundred thousand (400,000).

You will operate the Franchised Business within the Territory. No other rights are granted to you.

You may not relocate the Franchised Business without our prior written consent. We consider the following factors in approving your relocation: if you are in compliance with the Franchise Agreement; and you have paid all monies to us and our Affiliates. Your Territory will remain the same, regardless of whether or not we consent to the relocation of your Franchised Business.

You will have no right of first refusal, option or other similar right to acquire additional franchises.

Except as stated below in the reservation of rights, we will not: (i) grant another franchise or open a company-owned or affiliate-owned Amazing Athletes business within the Territory; (ii) permit another franchisee, our affiliates and their franchisees, or a company-owned or affiliate-owned business to operate within your Territory under the Principal Trademarks; or (iii) permit another franchisee, our affiliates and their franchisees, or a company-owned or affiliate- owned business to accept orsolicit orders to provide services in your Territory.

If, within sixty (60) days of opening your Business you are unable, after using good faith efforts, to sign up any eligible children within your Territory, we may, usingour reasonable business judgment, change your Territory by replacing non-performing zip codeswith new zip codes having a similar number of qualifying locations. If we do change your Territory, there will be no additional initial franchise fee required. Your revised Territory will be identified in writing and this will be signed by you and us. The revised Territory will not encroach on the territory of any other franchisee or company-owned business.

You may conduct marketing, solicit business, advertise and provide services only within your Territory. You maintain rights to your Territory even if the number of qualifying schools changes.

Reservation of Rights:

Notwithstanding the grant above and without limiting our retention of all other rights not specifically granted to Franchisee, we reserve the right, without any compensation to you, for us, our company-owned stores, and our affiliates to:

a. own, franchise, or operate businesses that are similar to the Franchised Business and which use the Principal Trademarks and the System at any location outside of the Territory, regardless of the proximity to your Territory;

b. use the Principal Trademarks and the System to sell any products or services through any alternatechannels of distribution within or outside of the Territory. This includes, but is not limited to, retail locations and other channels of distribution, such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the Internet. You cannot use alternate channels of distribution without our express permission, which may be granted or denied for any reason or for no reason at all;

c. use, license and enfranchise others to use, within the Territory or outside of the Territory, or through alternate channels of distribution, other trademarks, trade names, service marks, logos, copyrighted materials, and methods of operation that are not the same as or confusingly similar to the Principal Trademarks, in the operation of a business that offers goods, services, and related services and products which may be similar to, or different from, the Program(s) offered by your Franchised Business;

d. develop, implement and participate in a co-branding program outside of the Territory. The co-branded program may include franchised, company- owned and/or affiliate-owned businesses. The co-branded program may use any trade name, trademark, service mark, and logo (including but not limited to the Principal Trademarks) as wellas copyrighted material and method of operation;

e. sell services and products and enfranchise or license others to sell services and products sold under any trade name, trademark or service mark other than the Principal Trademarks;

f. develop, implement and participate in strategic accounts. We may offer you the opportunity to service a strategic account but if you refuse to do so or are not qualified to do so, in our sole judgment, permit our Affiliate or a third party, including another franchisee, to service the strategic account; and

g. retain all other rights not specifically granted to you.

In the event we merge with, acquire or are acquired by another company that competes with Amazing Athletes, we and our Affiliates reserve the right to offer, sell and authorize others to offer and sell competing services and products under any other names and marks within the Territory, near the Territory or elsewhere, without any compensation to you. Additionally, we have the right to require you to adopt new brands, service and product offeringsat your expense and without contribution by us or our transferee.

Neither we nor our Affiliates has established, or presently intends to establish, other franchised or company-owned businesses under a different trade name or trademark, which sell services and products similar to those that you will offer, but we may do so in the future, without first obtaining your consent.

ITEM 13. TRADEMARKS

We grant you the right to operate your Franchised Business under the name "Amazing Athletes" and to use all of the Principal Trademarks identified below in the operation of your Franchised Business. The term "Principal Trademarks" as used in this disclosure document means the symbols, trademarks, service marks, logos, emblems, trade names and indicia of origin that we will license to you. Our parent, Amazing Athletes, LLC, owns the Principal Trademarks and licenses to us the right to use the Principal Trademarks and the right to sublicense the Principal Trademarks to our franchisees.

The following is a description of the registered Principal Trademarks, each of which has been registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

PRINCIPAL TRADEMARKS	REGISTRATION NUMBER	REGISTRATION DATE
Amazing Athletes word mark	3,392,378	March 4, 2008
AMAZING TOTS word mark	4,263,906	December 25, 2012
	6,069,946	June 2, 2020

	6,069,947	June 2, 2020

There are no existing or pending material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrators of any jurisdiction or any court. There are no pending infringement, opposition or cancellation actions nor any pending material litigation involving the Principal Trademarks.

All required affidavits for the Principal Trademarks have been filed. Our parent intends to file renewal applications for the Principal Trademarks.

The Franchise Agreement will require you to notify us of the use of or claims of rights to a Principal Trademark or a mark confusingly similar to a Principal Trademark licensed to you. The Franchise Agreement will also require you to assist us with protecting our claims of right to the Principal Trademarks by (i) providing us with support, as we determine, and (ii) signing documents, as we require. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such proceeding. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the Principal Trademarks by you, unless the claim is based upon your misuse of the Principal Trademarks in a manner not permitted under the Franchise Agreement.

There are no agreements currently in effect that significantly limit the right of us to use or license the use of the Principal Trademarks that are material to the franchise. We know of no superior prior rights or infringing uses that materially affect your use of the Principal Trademarks in any jurisdiction.

We reserve the right to modify or change the Principal Trademarks and compel you to accept and adopt such modifications or changes at your expense. You will include, where required by us, any intellectual property notices required by us.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents (or pending patent applications) material to the operation of your Franchised Business.

We own a copyright for the phrase shown below, which is material to the operation of your Franchised Business and which has been registered with the United States Copyright Office:

Registration Number	Nature and Description of Copyright	Registration Date
VAu 1-123-920	Text, 2-D artwork: "Play Learn Perform©"	July 23, 2012

Additionally, we claim copyright protection covering various materials used in our business and the development and operation of the Franchised Business including the Confidential Operating Manual, recipes, Advertising Materials, Social Media Materials and similar materials. We have not registered these materials with the U.S. Registrar of Copyrights but we are not required to do so. There are no currently effective determinations of the U.S. Copyright Office or any court or any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We know of no superior rights or infringing uses that could materially affect your use of the copyrighted materials.

We require that you maintain the confidentiality of each component of the System, our Principal Trademarks and our copyrighted materials, and that you adopt reasonable procedures to prevent unauthorized disclosure of any such information.

The Franchise Agreement will require you to notify us of the use of or claims of rights to the copyrighted materials. The Franchise Agreement will also require you to assist us with protecting our claims of right to the copyrighted material by (i) providing us with support, as we determine, and (ii) signing documents, as we require. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such proceeding. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the copyrighted materials by you, unless the claim is based upon your misuse of the copyrighted materials in a manner not permitted under the Franchise Agreement. We reserve the right to modify or change the copyrighted materials and compel you to accept andadopt such modifications or changes at your expense. You will include, where required by us, any intellectual property notices required by us.

In the event that we, in our sole discretion, determine it necessary to modify or discontinue use of any portion of the System or the copyrighted materials, or to develop additional or substitutes for that portion of the System or the copyrighted materials, you will, within a reasonable time after receipt of written notice of such a modification or discontinuation from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

You may never during the term of the Franchise Agreement, or at any time after the termination or expiration of the Franchise Agreement, reveal any component of the Marks or our System to any person or entity, and you cannot use it for any other business. You may not copy any portion of the System or the Marks unless we specifically authorize it in writing.

In operating your Business, you will create a list of names and other identifying information of children and locations that have participated in your Business (the "Student List").

You agree that the Student List was obtained through the use of the System and the Marks. As a result, the Student List is, and will remain the sole and exclusive property of the Franchisor. At the termination of this Franchise Agreement for any reason, said lists will be the sole and exclusive property of the Franchisor.

If you or your Owners (as defined in the Franchise Agreement) develop any new material,

concept, process, product or improvement in operating or promoting the Franchised Business, you must promptly notify us and provide us with any information, samples or instructions we request without charge. Such new material, concept, process, product or improvement will become our exclusive property if we approve it for use in the System. We may then freely distribute such material, concept, process, product or improvement to other franchisees without compensation to you. You will not affix a copyright notice on any material in any other name without our prior written approval.

Improvements

If you develop any new concept, process or improvement in the Amazing Athletes System (an "**Improvement**"), you must promptly notify us and provide us with all information regarding the Improvement that we require, without any compensation. Any Improvements to the Amazing Athletes System you make for any purpose will be deemed to be a "**work made for hire**" under the copyright laws, and therefore, we will own the intellectual property rights in and to the Improvements. To the extent any Improvement does not qualify as a work made for hire, you must assign the Improvements to us for no consideration. If you should fail to do so, you will be deemed to appoint us as your attorney-in-fact with full power and authority for the sole purpose of executing and filing all assignments and other instruments necessary to obtain title to the Improvements in our name. We will have the right to incorporate the Improvements into the Amazing Athletes System and into any other businesses in which we or our affiliates have an interest without compensation to you. If these terms are found to be invalid or otherwise unenforceable, you must grant us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Improvement to the extent our use or sublicense would, directly or indirectly infringe your rights in the Improvements.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

The Franchisee, or your Operating Principal(s), will be required to personally participate in the day-to-day activities of the Franchised Business. You may employ a manager to personally participate in the day-to-day activities of the Franchised Business. We require that you appoint one or more Operating Principals who will serve as the principal contact with us. If the Franchisee is an entity,the Operating Principal(s) will be required to directly own not less than twenty-five percent (25%) ofthe equity ownership of the Franchisee entity. Your managers are not required to own, directly orindirectly, any equity in the Franchisee entity.

We have the right to approve or disapprove your Operating Principal(s). The Operating Principal(s), if different from the Franchisee, will be the only individual that we will deal directly with and whose instructions and/or directions we will address. You may not replace the Operating Principal(s) without our prior written consent. The Operating Principal(s) and any person serving in therole of manager must successfully complete our initial training program and any required supplemental training, to our satisfaction. The Operating Principal(s) and manager must complete

theinitial training program within sixty (60) days of their respective appointment. The manager mustbe reasonably qualified to run an operation of this nature, as determined in our sole discretion.

Neither the Operating Principal(s) nor the manager is required to be an equity participant in the Franchisee.

Certain individuals associated with your Franchised Business, including your Owners (and spouses), officers, directors, executive, partners, the Operating Principal and your manager, employees and staff will be required to sign nondisclosure and non-competition agreements similar to the Confidentiality, Non-Use and Non-Competition Agreements attached to the Franchise Agreement as Exhibits 6 and 7. We will be a third-party beneficiary with the independent right to enforce those agreements.

If the franchisee is a business entity, anyone who owns a five percent (5%) or greater interest in the franchisee business entity ("Owner") must personally guarantee the performance of all of the franchisee's obligations under the Franchise Agreement, agree to be personally liable for any breach of the Franchise Agreement by the franchisee and sign the Guarantee attached to the Franchise Agreement as Exhibit 9.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell only those services and products that we periodically require, as described herein, in the Franchise Agreement, in the Confidential Operating Manual and as may be supplemented. You must notify us immediately if any of the Amazing Athletes products or services are prohibited, restricted by law or regulation or are adverse to local community standards. You are required to provide assistance to us, upon request, if government or other local approval is required for the offer and sale of any Amazing Athletes product or service.

You may not offer and sell any products and/or services that we have not specifically authorized. You will not engage in any activities that divert any business or customers to non-affiliated locations, including those owned by you. We may periodically eliminate certain products and/or services, or add additional products and/or services, in either case in our sole discretion and without the necessity of further notice to you. You will immediately discontinue offering for sale any product or service upon notification from us. You will not participate in any resale of Amazing Athletes products or services or any Grey-marketing activities concerning any Amazing Athletes products or services.

From time-to-time, we may choose to test new products, sales strategies, equipment, programs, or services. At our discretion, you will be required to participate in any testing and may also be required to make capital expenditures and incur operating and other costs as part of their participation in the test. We are not obligated to reimburse you for those expenditures. You may be required to maintain records and submit reports to us, as part of the test, in a timely manner.

You may not use the Systems or Principal Trademarks for any purpose other than in connection with the operation of the Franchised Business. You must only operate within the Territory. You may offer the Curricula at any time and in any location within your Territory.

We have the right to add, delete, change, or supplement the types of services that you provide, and there are no limits on our right to do so. You will not use the Franchised Business for the sale or promotion of illegal activity or of any other product or service that we decide in our sole discretion may offend an appreciable segment of the public or may adversely affect the public's acceptance, favorable reputation or extensive goodwill associated with the Amazing Athletes name, brands and Principal Trademarks.

We do not impose any other restrictions in the Franchise Agreement or otherwise, as to the products or services that you may offer or sell or as to the customers to whom you may offer or sell, except as described in Item 12.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	Article III	Ten (10) years.
b. Renewal or extension of the term	Article III	The franchise may be renewed for two (2) additional consecutive five (5) year term.

c. Requirements for Franchisee to renew or extend	Article III	Requirements include, among others: (i) we must be offering franchises in the area in which the Franchised Business is located; (ii) you must have substantially complied with the Franchise Agreement, have been a franchisee in good standing, have satisfied all System standards and have cured any defaults; (iii) you must execute the then current franchise agreement, which may have materially different terms than the Franchise Agreement; (iv) you must bring the Franchised Business in full compliance with our then current standards; (v) you must meet any new current training requirements; (vi) you must have satisfied all monetary obligations to us, our Affiliates and/or Suppliers; (vii) you must execute a general release, as required by us, which is subject to state law; (viii) you must maintain all necessary and relevant permits, licenses and certifications; and (ix) you must pay the successor agreement fee. Renewal of the Franchise Agreement means signing the then current franchise agreement which may contain materially different terms and conditions than those contained in their original Franchise Agreement.
d. Termination by Franchisee	Article XIV	You may terminate your Franchise Agreement under any grounds permitted by law.
e. Termination by Franchisor without cause	Not applicable	We will not terminate without cause.
f. Termination by Franchisor with cause	Article XIV	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination. We may terminate your Franchise Agreement if you default under the Franchise Agreement or any other agreement with us, our Affiliates or other Suppliers.
g. "Cause" defined curable defaults	Article XIV	Curable defaults, which must be cured on ten (10) days' written notice, unless stated otherwise in the Franchise Agreement or as otherwise provided by law, including (i) failure to maintain required insurance or failure to repay us for insurance premiums paid by us on your behalf; (ii) failure to maintain licenses or certificates; (iii) non-payment within time period required; (iv) failure to provide required reports and information; (v) violation of transfer requirements; (vi) failure to open and operate the Franchised Business within time period required; (vii) failure to complete training; (viii) abandonment of business; (ix) failure to comply with laws; and (x) failure to meet any other obligation of the Franchise Agreement, the Confidential Operating Manual or otherwise established in writing by us.

h. "Cause" defined non-curable defaults	Article XIV	Non-curable defaults include, among others: (i) material false statements or reports or negative information on credit check; (ii) underreporting of Gross Revenues; (iii) unauthorized business activity; (iv) conviction or no contest plea to a felony or certain other crimes; (v) engaging in dishonest or unethical conduct which adversely affects our reputation or goodwill; (vi) failure to pay taxes when due; (vii) repeated events of default; (viii) insolvency or bankruptcy; (ix) operating at a risk to public safety or health; (x) breach of requirements relating to proprietary information or the Principal Trademarks; (xi) an unauthorized transfer of the Franchise Agreement or an ownership interest in the Franchisee or of the Franchised Business; and (xii) failure to comply with the Confidentiality, Non-Use and Non-Competition Agreement or refrain from copying, duplicating, recording or otherwise reproducing the Confidential Operating Manual.

i. Franchisee's obligations on termination/ nonrenewal	Article XIV	Obligations include: (i) you must pay all sums owed; (ii) cease to be an Amazing Athletes franchisee; (iii) cease operating the Franchised Business or any other businessunder the Principal Trademarks or confusingly similar marks; (iv) refrain from representing to the public that you are or were an Amazing Athletes franchisee; (v) refrain from using in advertising marketing, promotion or in any manner, any methods, procedures or techniques associated with the System; (vi) cancel any assumed name that contains Amazing Athletes, within fifteen (15) days; (vii) de-identify the Franchised Business (at our request we are permitted, as provided by the Franchise Agreement, to make required changes at your risk and expense without liability of trespass); (viii) cease using and return to us the following: the Confidential Operating Manual, training materials, database material, customer lists, records, files, instructions, forms, Advertising Materials, Social Media Materials and related items which bear the Principal Trademarks, all trade secrets and confidential materials, and any copies, equipment and other property owned by us or our Affiliates; (ix) notify the telephone company, telephone directories, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts or providers and Social Media Platforms of the termination or expiration of your right to use them; (x) allow us to utilize the Assignment of Telephone and Listings and Advertisements attached to the Franchise Agreement as Exhibit 8; (xi) transfer to us all telephone numbers, website addresses, URLs, domain names, email addresses, Social Media Platform accounts and other similar listings; (xii) take all actions necessary to effectuate the forwarding of all calls and Internet and website searches to telephone number(s), website(s) and URL(s) we designate; (xiii) transfer to us all customer lists and any customer data in whatever form, maintained by you; (xiv) comply with the Confidentiality, Non-Use and Non-Competition Agreement and all other post-term covenants; (xv) permit us to enforce our rights as a secured party, if applicable; and (xvi) provide us with evidence of your compliance with your post-termination obligations.
j. Assignment of contract by Franchisor	Article X	We have the right to transfer or assign the Franchise Agreement to any person or entity including a competitor, without restriction. We have the unrestricted right to require you adopt new brands, service and product offerings at your expense and without contribution by us or our transferee.

k. "Transfer" by Franchisee defined	Article X	Includes the sale, assignment, gift, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Franchised Business or you (if the Franchisee is a business entity).
l. Franchisor approval of transfer by Franchisee	Article X	You must obtain our prior written consent before transferring any interest in the assets of the Franchised Business or you (if the Franchisee is a business entity).
m. Conditions for Franchisor approval of transfer	Article X	Conditions include: (i) notifying us of the proposed transfer and providing us with the terms of the proposed transfer; (ii) transferee must possess sufficient business experience and financial resources to operate the Franchised Business; (iii) payment of all debts and obligations to us, our Affiliates, lenders who have provided financing pursuant to an arrangement with us and third-party vendors and curing any breach of the Franchise Agreement or any other agreement between you and us or our affiliates; (iv) you must have satisfied all obligations under the Franchise Agreement or any other agreement between you and us, our Affiliates, any Supplier and any lenders who provide you with financing pursuant to an arrangement with us, our Affiliates or our Suppliers; (v) transferee must not have an ownership interest in a competing business; (vi) transferee must complete the then current initial training program and pay the then current rate for initial training, which as of the date of this document is $500 per staff person per day; (vii) transferee must enter into the then current franchise agreement and related agreements and comply in all respects with all of our requirements; (viii) transferee must upgrade the Franchised Business to our then current standards; (ix) transferee agrees that Franchisor is not responsible for any representations not included in disclosure document; (x) the transfer fees indicated in Item 6 must be paid to us; (xi) execution of a general release, as required by us, which is subject to state law; (xii) we determine that the terms of the purchase will not adversely affect the operation of the Franchised Business; (xiii) if transferee finances the purchase, transferee agrees

		that its financing obligations are subordinate to any amounts due according to the Franchise Agreement; (xiv) you will not identify yourself as an Amazing Athletes franchisee; (xv) you must comply with all other applicable transfer requirements designated in the Confidential Operating Manual or otherwise in writing; (xvi) we determine that the terms of the transfer are substantially the same as those offered to us pursuant to our right of first refusal; (xvii) transferee must sign any personal guarantees required; and (xviii) transferee must pass credit and criminal background check.
n. Franchisor's right of first refusal to acquire Franchisee's business	Article XI	Within thirty (30) days after notice, we have the option to purchase the transferred interest on the same terms and conditions offered by a third-party except for transfers among current owners of franchisee or to a legal entity wholly owned by you.
o. Franchisor's option to purchase Franchisee's business	Article XIV	Subject to state law, other than assets on termination, nonrenewal or right of first refusal, we have no right or obligation to purchase your business.
p. Death or disability of Franchisee	Article X	Upon death or permanent disability of Franchisee (or all of its Operating Principal(s), if the Operating Principal(s) own a majority of the equity and voting interests of the Franchisee) distributee must be approved by us or interests must be transferred to someone approved by us within six (6) months after death or notice of permanent disability. Transferee must meet the then current standards for new franchisees. The transfer fee will be waived but we may charge the franchisee or the transferee our then current fee for initial training, which as of the date of this document is $500 per staff person per day.
q. Non-competition covenants during the term of the franchise	Article IX and Exhibit 6	You and your Owners are prohibited from operating or having an interest a competing business wherever located and operating.
r. Non-competition covenants after the franchise is terminated or expires	Article IX and Exhibit 6	Covenants include that you and your Owners are prohibited from operating or having an interest in a similar business within the Territory, within ten (10) miles of the Territory, within the territory of another Amazing Athletes business and within a ten (10) mile radius of the territory of any Amazing Athletes business.

s. Modification of the Franchise Agreement	Articles VII and XX	You must comply with the Confidential Operating Manual as amended from time to time. The Franchise Agreement may not be modified unless mutually agreed to in writing, except to the extent that we may reduce the scope of covenants as provided by the Franchise Agreement.
t. Integration/ merger clause	Article XX	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law and FTC regulations). No other representations or promises will be binding unless mutually agreed to.However, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the Franchisor's representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Article XXIII	Except for certain claims brought by us, all disputesmust be submitted to arbitration in New York, NewYork, subject to state law.
v. Choice of forum	Article XXIII	Arbitration must be at the American Arbitration Association located in New York, New York. We may initiate certain litigation in a court of competent jurisdiction, which is either a New York state court in New York, New York or in the United States District Court for the Southern District of New York in New York, New York. See the State Addendums attached as Exhibit G for more information. All depositions in connection with any litigation between the parties will be held in the jurisdiction and venue indicated above. Choice of forum may be subject to applicable state law.
w. Choice of law	Article XXIII	Subject to applicable state law, the laws of the State of New York govern the Franchise Agreement. However, if the Franchised Business is located outside of New York and a provision of the Franchise Agreement is not enforceable under the laws of New York but is enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of the state where the Franchised Business is located.

ITEM 18. PUBLIC FIGURES

In 2021, TGA Sports, LLC entered into an Endorsement Agreement (the "LF Endorsement Agreement") with Leylah Fernandez, for the personal services of Ms. Fernandez. Ms. Fernandez is a well-known professional tennis player who, as of the date of this disclosure document, has a career-high ranking of Number 19, by the Women's Tennis Association ("WTA"). Pursuant to the LF Endorsement Agreement, we will receive the right and license to use Ms. Fernandez for marketing activities including her name, initials, autograph, voice, video or film portrayals,

photograph, likeness and certain other intellectual property rights in connection with the advertising, promotion and sale of Amazing Athletes franchises. Ms. Fernandez will also provide brand ambassador services, including the endorsement or promotion of Amazing Athletes franchises to prospective franchisees via content shoots, social media activities, personal appearances and meet and greets. As consideration for the rights and services granted under the LF Endorsement Agreement, Ms. Fernandez will receive payments totaling $35,000 over two (2) years of the LF Endorsement Agreement. We will also pay certain expenses related to the marketing and personal services provided by Ms. Fernandez.

In 2021, TGA Sports, LLC entered into an Endorsement Agreement (the "DG Endorsement Agreement") with Danny Guise, for the personal services of Mr. Guise. Mr. Guise is a well-known professional golfer who plays on the Korn Ferry Tour. Pursuant to the DG Endorsement Agreement, we will receive the right and license to use Mr. Guise for marketing activities, including his name, initials, autograph, voice, video or film portrayals, photograph, likeness and certain other intellectual property rights in connection with the advertising, promotion and sale of Amazing Athletes franchises. Mr. Guise will also provide brand ambassador services, including the endorsement or promotion of Amazing Athletes franchises to prospective franchisees via content shoots, social media activities, personal appearances and meet and greets. As consideration for the rights and services granted under the DG Endorsement Agreement, Mr. Guise will receive payments totaling $13,000 over the term of the DG Endorsement Agreement. We will also pay certain expenses related to the marketing and personal services provided by Mr. Guise.

In 2021, TGA Sports, LLC entered into an Endorsement Agreement (the "BG Endorsement Agreement") with Ben Grieve, for the personal services of Mr. Grieve. Mr. Grieve is a well-known former professional baseball player who earned Major League Baseball's "American League Rookie of the Year" award in 1998. Pursuant to the BG Endorsement Agreement, we will receive the right and license to use Mr. Grieve for marketing activities, including his name, initials, autograph, voice, video or film portrayals, photograph, likeness and certain other intellectual property rights in connection with the advertising, promotion and sale of Amazing Athletes franchises. Mr. Grieve will also provide brand ambassador services, including the endorsement or promotion of Amazing Athletes franchises to prospective franchisees via content shoots, social media activities, personal appearances and meet and greets. As consideration for the rights and services granted under the BG Endorsement Agreement, Mr. Grieve will receive payments totaling $6,000 over the term of the BG Endorsement Agreement. We will also pay certain expenses related to the marketing and personal services provided by Mr. Grieve.

Except as described above, we do not use any other public figure to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

a particular location or under particular circumstances.

The financial performance representation being made below is a historic financial performance representation about a subset of the existing outlets in the franchise system that have been granted the right to operate a Core Program. The following information represents the "Gross Revenues" of 69 franchisees representing 110 out of our 122 franchised units for the time period of January 1, 2022 through December 31, 2022.

The information includes only those franchisees who were operating for the entire 2022 calendar year and had been owned by the same owner(s) throughout the 2022 calendar year reported. The information was obtained from Royalty Reporting Sheets that franchisees are obligated to deliver to us on a monthly basis. There are franchised units that did not deliver their Royalty Reporting Sheets to us. Additionally, there are other franchised units that were either open for the entire 2022 calendar year.

Many franchisees have signed more than one franchise agreement and as a result, operate in more than one territory. Thus, in addition to providing information in this Item 19 by franchised unit (i.e. per territory), we also provide information by franchisee. Averages and median figures reported by owner are higher than averages and median figures reported by franchised unit because, as noted above, many franchisees own and operate more than one franchise.

"Gross Revenues" is defined as the gross revenue generated by a Franchised Business for all of the services it provides (see Note 2, Item 6). Gross Revenues does not account for any deduction of fees and costs paid to us (Items 5, 6, 7 and 8), of wages, fees, taxes, or costs paid to any employee or independent contractor hired by a franchisee, for the payment of taxes, or for any other operating expenses, fees, costs, or deductions that the franchisee may decide to subtract from Gross Revenues.

TABLE 1: AVERAGE GROSS REVENUES BY UNIT FOR 2022

Category of Franchisees	Total Number of Reporting Units in Category	Average Gross Revenues	Number of Units Who Exceeded the Average	Number of Units Who Did Not Exceed the Average
Top 25%	28	$164,235	9 Units (32.1% of Units)	19 Units (67.9% of Units)
Top 50%	55	$124,627	23 Units (41.8% of Units)	32 Units (58.2.% of Units)
Middle 50%	55	$65,124	21 Units (38.2% of Units)	34 Units (61.8% of Units)
Bottom 50%	55	$33,330	29 Units (52.7% of Units)	26 Units (47.3% of Units)
Bottom 25%	28	$19,357	16 Units (57.1% of Units)	12 Units (42.9% of Units)

TABLE 2: MEDIAN GROSS REVENUES BY UNIT FOR 2022

Category of Franchisees	Total Number of Reporting Units in Category	Median Gross Revenues	Number of Units Who Exceeded the Median	Number of Units Who Did Not Exceed the Median
Top 25%	28	$154,930	14 Units (50% of Units)	14 Units (50% of Units)
Top 50%	55	$117,141	28 Units (50.9% of Units)	27 Units (49.1 % of Units)
Middle 50%	55	$57,747	27 Units (49.1% of Units)	28 Units (50.9% of Units)

Bottom 50%	55	$34,727	27 Units (49.1% of Units)	28 Units (50.9% of Units)
Bottom 25%	28	$20,801	14 Units (50% of Units)	14 Units (50% of Units)

Notes to Tables 1 and 2

1. Of the top 25% eight (8) owners own one (1) unit; eight (8) owners own two (2) units, three (3) owners own three (3) units, one (1) owner owns four (4) unit, one (1) owner owns five (5) units, one (1) owner owns six (6) unit. The states in which the top 25% have their locations are as follows: California, Florida, Georgia, Hawaii, Idaho, Illinois, Missouri, Nebraska, New Jersey, New York, North Carolina, South Carolina, and Texas. Of the top 25%, Thirteen (13) owners have been in the system for five (5) years or more and nine (9) have been in the system for less than five (5) years. Of the top 25%, sixteen (16) units have been open five (5) years or more and twelve (12) have been open for less than five (5) years.

2. Of the top 50%, twenty-five (25) owners own one (1) unit; nine (9) owners own two (2) units, five (5) owners own three (3) units, one (1) owner owns four (4) units, one (1) owner owns (5) units, one (1) owner owns (6) units. The states in which the top 25% have their locations are as follows: California, Florida, Georgia, Hawaii, Idaho, Illinois, Kentucky, Maryland, Michigan, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Washington, Wisconsin. Of the top 50%, twenty-five (25) owners have been in the system for five (5) years or more and twenty-seven (27) have been in the system for less than five (5) years. Of the top 50%, twenty-eight (28) units have been open five (5) years or more and twenty-seven (27) have been open for less than five (5) years.

3. Of the middle 50%, twenty-seven (27) owners own one (1) unit; six (6) owners own two (2) units, seven (7) owners own three (3) units, two (2) owners own four (4) units, one (1) owner owns (5) units, one (1) owner owns (6) units. The states in which the middle 50% have their locations are as follows: California, Colorado, Florida, Georgia, Hawaii, Idaho, Kentucky, Maryland, Michigan, Minnesota, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas Virginia, Washington, Wisconsin. Of the middle 50%, nineteen (19) owners have been in the system for five (5) years or more and sixteen (16) have been in the system for less than five (5) years. Of the middle 50%, twenty-six (26) units have been open five (5) years or more and twenty-nine (29) have been open for less than five (5) years.

4. Of the bottom 50%, twenty-one (21) owners own one (1) unit; seven (7) owners own two (2) units, seven (7) owners own three (3) units, two (2) owners own four (4) units, one (1) owner owns (5) units, one owner owns (6) units. The states in which the top 25% have their locations are as follows: California, Colorado, Dubai (international) Florida, Georgia, Idaho, Indiana, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Texas, Utah, Virginia, Wisconsin. Of the bottom 50%, thirty-five (35) owners have been in the system for five (5) years or more and thirty-four (34) have been in the system for less than five (5) years. Of the bottom 50%, twenty-three (23) units have been open five (5) years or more and thirty-two(32) have been open for less than five (5) years.

5. Of the bottom 25%, eleven (11) owners own one (1) unit; four (4) owners own two (2) units, six (6) owners own three (3) units, two (2) owners own four (4) units, one (1) owner owns (5) units.. The states in which the top 25% have their locations are as follows: Colorado, Dubai (international) Florida, Georgia, Indiana, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, Texas, Utah, Virginia, Wisconsin Of the bottom 25%, ten (10) owners have been in the system for five (5) years or more and three (3) have been in the system for less than five (5) years. Of the bottom 25%, ten (10) units have been open five (5) years or more and eighteen (18) have been open for less

than five (5) years.

TABLE 3: AVERAGE GROSS REVENUES BY FRANCHISE OWNERS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Average Gross Revenues	Number of Franchisees Who Exceeded the Average	Number of Franchisees Who Did Not Exceed the Average
Top 25%	17	$280,599	8 Franchisee (47.1% of Franchisees)	9 Franchisee (52.1% of Franchisees)
Top 50%	35	$203,010	12 Franchisee (34.3% of Franchisees)	23 Franchisee (65.7% of Franchisees)
Middle 50%	35	$99,469	17 Franchisee (48.6% of Franchisees)	18 Franchisee (51.4% of Franchisees)
Bottom 50%	35	$47,889	17 Franchisee (48.6% of Franchisees)	18 Franchisee (51.4% of Franchisees)
Bottom 25%	17	$25,650	9 Franchisee (52.9% of Franchisees)	8 Franchisee (47.1% of Franchisees)

TABLE 4: MEDIAN GROSS REVENUES BY FRANCHISE OWNERS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Median Gross Revenues	Number of Franchisees Who Exceeded the Median	Number of Franchisees Who Did Not Exceed the Median
Top 25%	17	$269,298	8 Franchisee (47.1% of Franchisees)	9 Franchisee (52.1% of Franchisees)
Top 50%	35	$163,690	17 Franchisee (48.6% of Franchisees)	18 Franchisee (51.4% of Franchisees)
Middle 50%	35	$93,790	17 Franchisee (48.6% of Franchisees)	18 Franchisee (51.4% of Franchisees)
Bottom 50%	35	$47,299	17 Franchisee (48.6% of Franchisees)	18 Franchisee (51.4% of Franchisees)
Bottom 25%	17	$25,768	8 Franchisee (47.1% of Franchisees)	9 Franchisee (52.1% of Franchisees)

Notes to Tables 3 and 4

1. Of the top 25%, three (3) owners own one (1) unit; seven (7) owners own two (2) units, four (4) owners own three (3) units, one (1) owner owns four (4) units, one (1) owner owns five (5) units, one (1) owner owns (6) units. The states in which the top 25% have their locations are as follows: California, Florida, Hawaii, Idaho, Illinois, Missouri, New Jersey, New York, North Carolina, Pennsylvania, South Carolina and Texas, Wisconsin. Of the top 25%, twelve (12) owners have been in the system for five (5) years or more and five (3) have been in the system for less than five (5) years. Of the top 25%, fifteen (15) units have been open five (5) years or more and thirteen (13) have been open for less than five (5) years.

2. Of the top 50%, fifteen (15) owners own one (1) unit; nine (9) owners own two (2) units, seven (7) owners own three (3) units, two (2) owner owns four (4) units, one (1) owner owns (5) units, one (1) owner owns (6) six units. The states in which the top 25% have their locations are as follows: California, Florida, Georgia, Hawaii, Idaho, Illinois, Kentucky, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina and Texas, Wisconsin Of the top 50%, twenty one (21) owners have been in the system for five (5) years or more and fourteen (14) have been in the system for less than five (5) years. Of the top 50%, twenty-eight (28) units have been open five (5) years or more and twenty-seven (27) have been open for less than five (5) years.

3. Of the middle 50%, twenty-seven (27) owners own one (1) unit; four (4) owners own two (2) units, three (3) owners own three (3) units, one (1) owner owns four (4) units. The states in which the top 25% have their locations are as follows: California, Colorado, Florida, Georgia, Hawaii, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New Jersey, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, Washington. Of the middle 50%, nineteen (19) owners have been in the system for five (5) years or more and sixteen (16) have been in the system for less than five (5) years. Of the middle 50%, twenty-six (26) units have been open five (5) years or more and twenty-nine (29) have been open for less than five (5) years.

4. Of the bottom 50%, thirty-two (32) owners own one (1) unit; three (3) owners own two (2) units. The states in which the top 25% have their locations are as follows: California, Colorado, Dubai (international), Florida, Idaho, Indiana, Maryland, Michigan, Minnesota, New Jersey, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Utah, Washington. Of the bottom 50%, fifteen (15) owners have been in the system for five (5) years or more and twenty (20) have been in the system for less than five (5) years. Of the bottom 50%, twenty-one (21) units have been open five (5) years or more and thirty-four (34) have been open for less than five (5) years.

5. Of the bottom 25%, sixteen (16) owners own one (1) unit; one (1) owner owns two (2) units. The states in which the top 25% have their locations are as follows: California, Dubai (international), Florida, Idaho, Indiana, Michigan, New Jersey, North Carolina, Ohio, Texas, Utah, Virginia. Of the bottom 25%, four (4) owners have been in the system for five (5) years or more and thirteen (13) have been in the system for less than five (5) years. Of the bottom 25%, nine (9) units have been open five (5) years or more and nineteen (19) have been open for less than five (5) years.

TABLE 5: AVERAGE GROSS REVENUES BY FRANCHISE OWNERS WITH TWO UNITS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Average Gross Revenues	Number of Franchisees Who Exceeded the Average	Number of Franchisees Who Did Not Exceed the Average
Top 25%	3	$319,900	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)
Top 50%	6	$260,327	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Middle 50%	6	$199,599	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Bottom 50%	6	$109,906	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Bottom 25%	3	$61,543	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)

TABLE 6: MEDIAN GROSS REVENUES BY FRANCHISE OWNERS WITH TWO UNITS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Median Gross Revenues	Number of Franchisees Who Exceeded the Median	Number of Franchisees Who Did Not Exceed the Median
Top 25%	3	$314,541	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)
Top 50%	6	$261,270	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Middle 50%	6	$184,461	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)

Bottom 50%	6	$118,160	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Bottom 25%	3	$57,716	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)

Notes to Tables 5 and 6

1. Of the top 25%, three (3) owners own two (2) units; The states in which the top 25% have their locations are as follows: Florida, and Texas. Of the top 25%, two (2) owners have been in the system for five (5) years or more and one (1) has been in the system for less than five (5) years. Of the top 25%, three (3) units have been open five (5) years or more and three (3) have been open for less than five (5) years.

2. Of the top 50%, six (6) owners own two (2) units; The states in which the top 50% have their locations are as follows: California, Florida, Hawaii, Missouri, and Texas. Of the top 50%, three (3) owners have been in the system for five (5) years or more and three (3) have been in the system for less than five (5) years. Of the top 50%, five (5) units have been open five (5) years or more and seven (7) have been open for less than five (5) years.

3. Of the middle 50%, six (6) owners own two (2) units; The states in which the middle 50% have their locations are as follows: California, Florida, Hawaii, Missouri, New Jersey, and Texas. Of the middle 50%, two (2) owners have been in the system for five (5) years or more and four (4) have been in the system for less than five (5) years. Of the middle 50%, four (4) units have been open five (5) years or more and eight (8) have been open for less than five (5) years.

4. Of the bottom 50%, six (6) owners own two (2) units; The states in which the bottom 50% have their locations are as follows: Colorado, Florida, Missouri, Minnesota, Oklahoma, and New Jersey. Of the bottom 50%, two (2) owners have been in the system for five (5) years or more and four (4) have been in the system for less than five (5) years. Of the bottom 50%, four (4) units have been open five (5) years or more and eight (8) have been open for less than five (5) years.

5. Of the bottom 25%, three (3) owners own two (2) units; The states in which the bottom 25% have their locations are as follows: Colorado, Minnesota, Oklahoma. Of the bottom 25%, two (2) owners have been in the system for five (5) years or more and one (1) have been in the system for less than five (5) years. Of the top 25%, three (3) units have been open five (5) years or more and three (3) have been open for less than five (5) years.

TABLE 7: AVERAGE GROSS REVENUES BY FRANCHISE OWNERS WITH THREE OR MORE UNITS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Average Gross Revenues	Number of Franchisees Who Exceeded the Average	Number of Franchisees Who Did Not Exceed the Average
Top 25%	3	$414,694	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)
Top 50%	6	$321,191	1 Franchisee (20% of Franchisees)	5 Franchisee (80% of Franchisees)
Middle 50%	6	$219,169	2 Franchisee (33.3% of Franchisees)	4 Franchisee (66.7% of Franchisees)
Bottom 50%	6	$148,238	2 Franchisee (33.3% of Franchisees)	4 Franchisee (66.7% of Franchisees)
Bottom 25%	3	$125,380	2 Franchisee (66.7% of Franchisees)	1 Franchisee (33.3% of Franchisees)

TABLE 8: MEDIAN GROSS REVENUES BY FRANCHISE OWNERS WITH THREE OR MORE UNITS FOR 2022

Category of Franchisees	Total Number of Franchisees in Category	Median Gross Revenues	Number of Franchisees Who Exceeded the Median	Number of Franchisees Who Did Not Exceed the Median
Top 25%	3	$317,746	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)
Top 50%	6	$292,203	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Middle 50%	6	$206,983	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Bottom 50%	6	$144,540	3 Franchisee (50.0% of Franchisees)	3 Franchisee (50.0% of Franchisees)
Bottom 25%	3	$127,104	1 Franchisee (33.3% of Franchisees)	2 Franchisee (66.7% of Franchisees)

Notes to Tables 7 and 8

1. Of the top 25%, one (1) owner owns four (4) units; one (1) owner owns five (5) units, one (1) owner owns six (6) units. The states in which the top 25% have their locations are as follows: Florida, Illinois, South Carolina. Of the top 25%, two (2) owners have been in the system for five (5) years or more and one (1) have been in the system for less than five (5) years. Of the top 25%, six (4) units have been open five (5) years or more and eleven (11) have been open for less than five (5) years.

2. Of the top 50%, three (3) owners own three (3) units; one (1) owner owns four (4) units; one (1) owner owns five (2) units, one (1) owner owns six (6) units. The states in which the top 50% have their locations are as follows: Florida, Illinois, New Jersey, North Carolina, South Carolina. Of the top 50%, five (5) owners have been in the system for five (5) years or more and one (1) have been in the system for less than five (5) years. Of the top 50% eleven (11units have been open five (5) years or more and thirteen (1) have been open for less than five (5) years.

3. Of the middle 50%, five (5) owners own three (3) units; one (1) owner owns four (4) units. The states in which the middle 50% have their locations are as follows: Illinois, New Jersey, Pennsylvania and Texas. Of the middle 50%, six(6) owners have been in the system for five (5) years or more and zero (0) have been in the system for less than five (5) years. Of the middle 50%, thirteen (13) units have been open five (5) years or more and six (6) have been open for less than five (5) years.

4. Of the bottom 50%, five (5) owners own three (3) units; one (1) owner owns four (4) units. The states in which the bottom 50% have their locations are as follows: California, Georgia, Minnesota, North Carolina, Pennsylvania, and Texas. Of the bottom 50%, four (4) owners have been in the system for five (5) years or more and two (2) have been in the system for less than five (5) years. Of the bottom 50%, eleven (11) units have been open five (5) years or more and eight (8) have been open for less than five (5) years.

5. Of the bottom 25%, two (2) owners own three (3) units; one (1) owner owns four (4) units. The states in which the bottom 25% have their locations are as follows: California, Georgia, Minnesota. Of the Bottom 25%, one (1) owner has been in the system for five (5) years or more and two (2) have been in the system for less than five (5) years. Of the bottom 25% six (6) units have been open five (5) years or more and four (4) have been open for less than five (5) years.

This is a work-from-home business. As a result, many of the fixed expenses that a brick-and-mortar franchised operation would have (such as rent, utilities, phone systems, and other overhead expenses) are not applicable to our franchisees. You may choose to have an executive or other office; in which case you will have such overhead. We have no reliable information on any actual or average expenses, costs, fees, taxes, overhead, or other amounts that a franchisee may deduct from the Gross Revenues, and we do not give any information concerning what a franchisee may net or "take home" from the operations of a franchise business.

TABLE 9: PERFORMANCE OF ALL OWNERS

Rank	State	Owner	Years in System	Units Reporting	Revenue	Top 25%	Top 50%	Middle 50%	Bottom 50%	Bottom 25%
1	SC	Owner 1	6.5	6	$611,030	X	X			
2	CA	Owner 2	8	2	$371,351	X	X			
3	FL	Owner 3	9.5	2	$355,957	X	X			
4	FL	Owner 4	4.6	5	$317,746	X	X			
5	IL	Owner 5	12.5	4	$315,305	X	X			
6	FL	Owner 6	3.9	2	$314,541	X	X			
7	CA	Owner 7	10.2	1	$292,765	X	X			
8	TX	Owner 8	6.7	2	$289,201	X	X			
9	NY	Owner 9	1	1	$269,298	X	X			
10	NJ	Owner 10	15.5	3	$269,100	X	X			
11	CA	Owner 11	9.4	2	$233,338	X	X			
12	NJ	Owner 12	13.3	3	$217,322	X	X			
13	HI	Owner 13	0.9	2	$200,250	X	X			
14	NC	Owner 14	6.9	3	$196,643	X	X			
15	ID	Owner 15	14.9	1	$176,801	X	X			
16	PA	Owner 16	6.6	3	$170,871	X	X			
17	MO	Owner 17	2	2	$168,672	X	X			
18	NY	Owner 18	2.5	1	$163,690		X	X		
19	TX	Owner 19	4.4	1	$162,035		X	X		
20	GA	Owner 20	4.3	1	$154,587		X	X		
21	FL	Owner 21	1.8	2	$154,079		X	X		
22	NJ	Owner 22	4.5	2	$152,053		X	X		
23	NE	Owner 23	7.3	1	$152,040		X	X		
24	TX	Owner 24	6.3	3	$145,773		X	X		
25	CA	Owner 25	15.9	3	$143,307		X	X		
26	CA	Owner 26	8.4	1	$138,379		X	X		
27	MN	Owner 27	4.6	4	$127,104		X	X		
28	CA	Owner 28	6.5	1	$114,074		X	X		
29	CA	Owner 29	8.5	1	$112,128		X	X		
30	FL	Owner 30	3.6	1	$111,578		X	X		

31	GA	Owner 31	4.3	3	$105,729		X	X		
32	NJ	Owner 32	9.5	1	$103,384		X	X		
33	OH	Owner 33	2.5	1	$101,229		X	X		
34	KY	Owner 34	7.1	1	$100,187		X	X		
35	NJ	Owner 35	11.2	1	$93,790		X	X	X	
36	TX	Owner 36	1.6	1	$91,863			X	X	
37	CA	Owner 37	4.4	1	$91,367			X	X	
38	CA	Owner 38	3.6	1	$88,033			X	X	
39	MN	Owner 39	7.5	2	$84,266			X	X	
40	OK	Owner 40	8.7	1	$82,592			X	X	
41	MD	Owner 41	9.4	1	$75,389			X	X	
42	CA	Owner 42	13.6	1	$74,360			X	X	
43	NJ	Owner 43	7.7	1	$63,850			X	X	
44	WA	Owner 44	4.8	1	$60,623			X	X	
45	MI	Owner 45	4.6	1	$60,515			X	X	
46	TN	Owner 46	6.5	1	$58,389			X	X	
47	CO	Owner 47	1.8	2	$57,716			X	X	
48	SC	Owner 48	5.9	1	$55,298			X	X	
49	VA	Owner 49	6.3	1	$55,245			X	X	
50	TX	Owner 50	6.1	1	$51,415			X	X	
51	CA	Owner 51	10.2	1	$48,053			X	X	
52	GA	Owner 52	1.9	1	$47,299			X	X	
53	FL	Owner 53	1.7	1	$46,242				X	X
54	ID	Owner 54	4.1	1	$44,198				X	X
55	CA	Owner 55	1.4	1	$43,166				X	X
56	OK	Owner 56	6.8	2	$42,648				X	X
57	CA	Owner 57	2.9	1	$40,134				X	X
58	TX	Owner 58	7.3	1	$36,160				X	X
59	International	Owner 59	4	1	$29,142				X	X
60	IN	Owner 60	1.4	1	$27,916				X	X
61	MI	Owner 61	7.9	1	$25,768				X	X
62	FL	Owner 62	1.2	1	$23,351				X	X
63	OH	Owner 63	2.5	1	$19,730				X	X
64	UT	Owner 64	1.8	1	$18,234				X	X
65	VA	Owner 65	5.2	1	$14,290				X	X
66	NJ	Owner 66	3.1	1	$9,883				X	X
67	NC	Owner 67	4.4	1	$8,492				X	X
68	TX	Owner 68	1.8	1	$4,851				X	X
69	FL	Owner 69	1.3	1	$1,848				X	X

Notes to Table 9

Table 9 shows the performance of each franchise owner and aggregates the performance of each unit. It does not show the performance of each unit, but does provide the total number of units whose performance is aggregated in the total. Additionally, the table shows the number of years the franchisee has been in the System as calculated from the date of its first franchise agreement. Not all units owned by an owner/franchisee started operating at the same time. In many cases, owners opened or acquired additional franchises over time. Finally, the table shows the state in which the units are located.

Basis of Compilation

All of the figures reported above have been compiled from Royalty Reporting Sheets provided by the reporting owners. We have not conducted an independent audit of the reports delivered by the franchisees, though we have no information or other reason to believe that the figures are unreliable. No independent auditor or certified public accountant has audited these figures or expressed an opinion concerning their content or form. As this is a non-brick-and-mortar business, there are no specific geographic criteria that distinguish one franchised unit from another.Franchisees have not disclosed the level of competition that any franchised unit may be experiencing. We and/or our Affiliates supply franchisees with the services outlined in Item 11 regardless of the length of time that they have been opened.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance you will sell earn as much.

Written substantiation for the financial performance representation will be made availableto a prospective franchisee upon reasonable request.

Other than the preceding financial performance representations, Amazing Athletes Franchise Systems, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet from us, however, we may provide you with the actual records of that outlet. If you received any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting John Erlandson at 14 George Street, Budd Lake, New Jersey 07828, (615) 807-1623, John@AmazingAthletes.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

The tables presume a December 31 fiscal year end. The tables appear as follows:

Table 1 – Systemwide Outlet Summary for Years 2020/2021/2022:

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the end of the Year	Net Changes
Franchised Owned	2020	115	119	+4
	2021	119	120	+1
	2022	120	122	+2
Company Owned*	2020	11	21	+10
	2021	21	21	0
	2022	21	16	-5
Total Outlets	2020	126	140	+14

	2021	140	142	+2
	2022	141	138	-3

* The company owned outlets are in the following states: California, Connecticut, Florida, Illinois, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Texas and Washington D.C.

Table 2 – Transfers of Outlets From Franchisees to New Owners (Other than Franchisor) for Years 2020/2021/2022:

State	Year	Number of Transfers
Colorado	2020	0
	2021	0
	2022	1
Connecticut	2020	1
	2021	0
	2022	0
Florida	2020	1
	2021	1
	2022	0
Georgia	2020	0
	2021	2
	2022	0
Hawaii	2020	0
	2021	0
	2022	2
Indiana	2020	0
	2021	1
	2022	0
New Jersey	2020	0
	2021	0
	2022	1
New York	2020	0
	2021	0
	2022	1
Pennsylvania	2020	0
	2021	1
	2022	0
South Carolina	2020	1
	2021	0
	2022	0
Texas	2020	0
	2021	1
	2022	0
Totals	2020	3
	2021	4
	2022	5

Table 3 – Status of Franchise Outlets for Years 2020/2021/2022:

State	Year	Franchises at the Start of the Year	Franchises Opened	Terminations	Nonrenewals	Reacquired by Franchisor	Ceased Operation - other reasons	End of the Year
AL	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
AZ	2020	2	0	0	0	0	0	2
	2021	2	0	2	0	0	0	0
	2022	0	1	0	0	0	0	1
CA	2020	21	1	0	0	0	0	22
	2021	22	0	2	0	0	0	20
	2022	20	0	1	1	0	0	18
CO	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
CT	2020	1	0	0	0	1	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
DE	2020	1	0	0	0	0	0	1
	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
FL	2020	11	0	0	0	0	0	11
	2021	11	4	0	0	0	0	15
	2022	15	1	0	0	0	0	16
GA	2020	5	0	0	0	0	0	5
	2021	5	1	1	0	0	0	5
	2022	5	1	0	0	0	0	6
HI	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
ID	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
IL	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
IN	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
KY	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
MA	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

MI	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
MD	2020	3	0	0	0	2	0	1
	2021	1	0	0	0	0	0	1
	2022	1	2	0	0	0	0	3
MN	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
MO	2020	1	0	0	0	0	0	1
	2021	1	2	0	0	0	0	3
	2022	3	0	0	1	0	0	2
NE	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NC	2020	5	2	0	0	0	0	7
	2021	7	3	3	0	0	0	7
	2022	7	0	0	0	1	0	6
NJ	2020	13	0	0	0	0	0	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
NV	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
NY	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
OH	2020	0	3	0	0	0	0	3
	2021	3	0	1	0	0	0	2
	2022	2	0	0	0	0	0	2
OK	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
PA	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
SC	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
TN	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
TX	2020	10	0	0	0	0	0	10
	2021	10	1	1	0	0	0	10
	2022	10	0	0	0	0	0	10
UT	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
VA	2020	4	0	0	0	0	0	4

	2021	4	0	0	0	0	0	4
	2022	4	0	1	0	0	0	3
WA	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
WI	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Dubai UAE	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	2020	115	7	0	0	3	0	119
	2021	119	12	11	0	0	0	120
	2022	120	7	2	2	1	0	122

Table 4 – Status of Company-Owned Outlets for Years 2020/2021/2022:

State	Year	Outlets as the start of the year	Outlets Opened	Outlets reacquired from franchisee	Outlets closed	Outlets sold to franchisees	Outlets at the End of the Year
California	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	1	0	4
Connecticut	2020	0	0	1	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
Florida	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Illinois	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Maryland	2020	0	0	2	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	2	0
Massachusetts	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
New Jersey	2020	1	1	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
New York	2020	1	4	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	0	0	5
Pennsylvania	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Texas	2020	0	0	0	0	0	0
	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
Washington D.C.	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Totals	2020	11	7	3	0	0	21
	2021	21	0	0	0	0	21
	2022	21	0	0	3	2	16

Table 5 - Projected Openings for next Fiscal Year as of December 31, 2022:

State	Franchise Agreements Signed but not Opened	Projected new Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	1	0
Connecticut	0	1	0
Florida	0	1	0
Georgia	0	1	0
Tennessee	0	1	0
Texas	0	1	0
TOTALS	0	6	0

A list of all the names of all franchisees and the addresses and telephone numbers of their Franchised Businesses as well as a list of all the names, last known addresses and telephone numbers of every franchisee who has had a franchise agreement terminated, canceled, notrenewed, or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement in our most recent fiscal year or who have not communicated with us within ten (10) weeks before the date of this disclosure document is attached to this disclosure document as Exhibit E. If you buy this Franchised Business, your contact information may be disclosed to otherbuyers when you leave this System.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Amazing Athletes System. You may wish to speakwith current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We do not know of a trademark-specific franchisee organization associated with the System that is required or has been asked to be disclosed in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit F, our audited financial statements which comprise the balance sheets as of December 31, 2022, 2021 and 2020 and the related statements of operations and Member's Equity (deficit) for the three (3) years then ended. Our fiscal year end is December 31st.

ITEM 22. CONTRACTS

The following agreements are attached to this disclosure document: (1) Credit and Criminal Background Check Release Form; (2) The Franchise Agreement; (3) Franchisee Ownership Structure; (4) Territory Attachment; (5) General Release; (6) Authorization for Direct Payment Via ACH; (7) Confidentiality, Non-Use and Non-Competition Agreement; (8) Confidentiality, Non-Use and Non-Competition Agreement Form; (9) Assignment of Telephone and Internet Listings and Advertisements; (10) Guarantee; (11) Note; and (12) State Amendments.

ITEM 23. RECEIPTS

See Exhibit I attached.

EXHIBIT A
AGENTS FOR SERVICE OF PROCESS/STATE ADMINISTRATORS

CALIFORNIA Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 (866) 275-2677 Agent: Commissioner Of Financial Protection and Innovation	MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent: Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
HAWAII Securities Examiner 1010 Richards Street Honolulu, Hawaii 96813 (808) 586-2744 Agent: Director of Hawaii Department of Commerce and Consumer Affairs	MICHIGAN Overnight mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 6th Fl Lansing, Michigan 48933 (517) 373-7117 Regular mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section P.O. Box 30213 Lansing, Michigan 48909 Agent: Michigan Department of Commerce Corporations and Securities Bureau
ILLINOIS Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	MINNESOTA Minnesota Department of Commerce 85 7th Place East Suite 280 St. Paul, Minnesota 55101 (651) 539-1600 Agent: Minnesota Commissioner of Commerce

INDIANA Franchise Section Indiana Securities Division Secretary of State Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State	NEBRASKA Nebraska Department of Banking and Finance 1200 N Street P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445
NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty St., 21st Floor New York, NY 10005 (212) 416-8236 Phone Agent for Service: Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492	SOUTH DAKOTA Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, South Dakota 57501 (605) 773-3563 Agent: Director of South Dakota Division Securities
NORTH DAKOTA North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-4712 Agent: Securities Commissioner	TEXAS Secretary of State P.O. Box 12887 Austin, Texas 78711

OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent: Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
RHODE ISLAND Division of Securities Suite 232 233 Richmond Street Providence, Rhode Island 02903 (401) 222-3048 Agent: Director of Rhode Island Department of Business Regulation	WASHINGTON Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760 Agent: Administrator of Securities Department of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501
WISCONSIN Administrator Securities Division Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-8559 Agent: Wisconsin Commissioner of Securities	CONNECTICUT State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230 Agent: Banking Commissioner

EXHIBIT B

CREDIT AND CRIMINAL BACKGROUND CHECK RELEASE FORM

CREDIT AND CRIMINAL BACKGROUND CHECK RELEASE FORM

I understand that an initial and ongoing credit and criminal background check is a condition of being considered as a franchise candidate (and franchisee) of Amazing Athletes Franchise Systems, LLC (AAFS).

I consent to AAFS obtaining my criminal conviction history from any law enforcement agency, criminal background service provider, municipality, state, or the FBI. I understand that AAFS will obtain this information at the time I apply to become a franchisee and during the term of my franchise agreement. The criminal history record, as received from the reporting entity may include, but not be limited to, arrest and conviction data, plea bargains, deferred adjudication, as well as social security verification. It may also include information regarding driving history. I understand that I will have a limited opportunity to review the criminal history and a process is available for clarification if I dispute the record as received.

I further consent to AAFS obtaining my credit history from all three credit reporting agencies. I understand that AAFS will obtain this information at the time I apply to become a franchisee and during the term of my franchise agreement.

I hereby release and agree to indemnify AAFS, its parent, its affiliates and their respective officers, directors, employees and agents harmless from and against any and all liability, expense (including court cost and attorneys' fees) and claims for damage of any nature whatsoever resulting from the investigation of my background in connection with my application to become, and ongoing performance as a franchisee.

I certify that the information provided in this form is true and complete. I understand that false or misleading information given in my application to purchase a franchise, any subsequent written documents, any interview(s), any other documents given to AAFS, or on this form will render my application void, and will result in my not being able to purchase a franchise or may result in the termination of my franchise. I authorize you to make a criminal background investigation and other such investigations as are necessary in arriving at the decision to permit me to purchase a franchise or to retain my rights as a franchisee.

I further understand and agree that should any criminal or credit background checks done during the term of the franchise agreement disclose any material change in my status, the same may result in the termination of my franchise.

_____
Initials

Notwithstanding the foregoing, any misuse by Franchisor of any information obtained during such background check that results in damage or injury to the below-signed shall permit the below-signed such rights as may be available.

AAFS will keep this form on file for the term of my franchise agreement and for a period of two (2) years following its termination for any reason.

DATE: _____

PRINTED NAME: _____

SIGNATURE: _____

DATE OF BIRTH: _____

SSN: _____

ADDRESS: _____

_____

DRIVER'S LICENSE

STATE & NUMBER: _____

GENDER: _____

EXHIBIT C

FRANCHISE AGREEMENT AND RELATED MATERIALS

AMAZING ATHLETES FRANCHISE SYSTEMS, LLC

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS MADE AND ENTERED INTO THIS _____DAY OF_ ("EFFECTIVE DATE"), BETWEEN AMAZING ATHLETES FRANCHISE SYSTEMS, LLC, A DELAWARE LIMITED LIABILITY COMPANY WITH ITSPRINCIPAL OFFICE AT 14 GEORGE STREET, BUDD LAKE, NEW JERSEY 07828 ("FRANCHISOR"), AND A _____ _____WHOSE PRINCIPAL ADDRESS IS_____ _____("FRANCHISEE").

RECITALS

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money has developed a distinctive, proprietary System (as hereinafter defined);

WHEREAS, Franchisor offers two franchise programs: (a) a franchised business that provides developmental sports and physical fitness programs from the ages of 18 months to 12 years (the "Core Program"); and (b) a franchised business that provides the Core Program plus one or more optional programs, as further identified on Exhibit 2 (the "Plus Program") (the Core Program and the Plus Program are referred to herein collectively as the "Programs" and each a "Program");

WHEREAS, the distinguishing characteristics of the System include uniform standards, specifications and procedures for operations; quality and uniformity of services and products offered; standards, specifications and procedures for inventory, purchasing, management and financial control; training and assistance; advertising, marketing and promotional programs; lead generation programs; all of which may be changed, improved and further developed by Franchisor from time to time at its sole option (the "System");

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, symbols, emblems and indicia of origin as are now designated and may hereinafter be designated by Franchisor in writing (the "Principal Trademarks") which are owned by Amazing Athletes, LLC, and with whom Franchisor has entered into a perpetual license to use and license others to use the Principal Trademarks; and

WHEREAS, Franchisee desires to obtain a franchise to operate and develop a business offering a Program as an Amazing Athletes franchisee (the "Franchised Business");

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high uniform standards of quality and service and the necessity of operating the Franchised

Business in conformity with Franchisor's standards, specifications, operating procedures and rules (the "System Standards"); and

NOW THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. GRANT OF FRANCHISE AND LICENSE

1.1 Grant

Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee accepts the right and obligation, to operate a Franchised Business offering a Program (identified on Exhibit 1) under the Principal Trademarks (identified on Exhibit 2), in accordance with the System and the provisions of this Agreement within the geographic area specified in the Territory Attachment in Exhibit 3 (the "Territory"). Franchisee shall have no right or license to operate the Franchised Business or to use the System or the Principal Trademarks to offer or sell any products or services other than those products or services associated with the Program to be offered by Franchisee within the Territory and in accordance with this Agreement. Franchisee may not offer any products or services through alternative channels of distribution.

1.2 Limitation of Grant

Franchisee agrees and acknowledges that this Agreement does not grant Franchisee any area, market, territory, franchise or other rights except as provided herein and Franchisor shall retain and may convey to any other any right not expressly granted to Franchisee herein.

1.3 Grant of License to Principal Trademarks

Franchisor hereby grants to Franchisee a limited and non-exclusive license to use the Principal Trademarks during the term of this Agreement subject to the terms, limitations and conditions of this Agreement and all quality control standards and requirements of Franchisor.

1.4 Services Offered by the Franchisee

(a) General Requirements

Except to the extent otherwise provided in this Section, Franchisee agrees to offer, sell and furnish all current and future Services, Ancillary Services and Ancillary Products (as these terms are defined in subsections (b) and (c) below), and other programs and products which are part of the Program to be offered by the Franchised Business and which Franchisor designates as mandatory in this Agreement or in the Confidential Operating Manual. Franchisee may not use the Amazing Athletes name or the Principal Trademarks for the benefit of any business other than the

Franchised Business. Franchisee is prohibited from offering or selling any services, programs or products which are not a part of the Program to be offered by the Franchised Business or which Franchisor deletes from such Program, without Franchisor's prior written approval. Franchisee may not conduct (or permit anyone else to conduct) any business other than the business contemplated by this Agreement in association with the Principal Trademarks without first obtaining Franchisor's written consent, which Franchisor is under no obligation to grant and which Franchisor may in Franchisor's sole discretion subsequently withdraw. If Franchisor permits Franchisee to furnish, offer or sell any service, program or product which is not a part of the Program to be offered by the Franchised Business, then Franchisor has the right to set conditions for this approval, including without limitation: (i) the right to withdraw consent to the services, programs or products, in which event Franchisee shall immediately cease and desist all activities with respect to these services, programs or products; (ii) that any such services, programs or products may, in Franchisor's sole discretion, be incorporated into the Program to be offered by the Franchised Business and be used by Franchisor as Franchisor's property without restriction or compensation to Franchisee; and (iii) Franchisee's waiver and release of any proprietary rights Franchisee may have to the services, programs and products. Franchisor may periodically eliminate certain products and/or services, or add additional products and/or services, in either case in its sole discretion and without the necessity of further notice to Franchisee.

(b) The Services

This Agreement authorizes Franchisee to offer, sell and perform all services and products that Franchisor designates for the Program to be offered by the Franchised Business, including but not limited to the provision of a proprietary curricula (which consists of weekly lesson plans encompassing developmental sports lessons, age-appropriate physical fitness activities, motor-development fundamentals and basic anatomy and nutrition) to teach children within the age group for such Program (collectively the "Services"). The Services are typically offered before, during or after school, during school vacations, the summer, on weekends, summer camps, birthday parties or any other event (each a "Session"). Some states or localities may regulate and/or require the licensing of persons performing the Services. It is Franchisee's obligation to determine if Franchisee must be licensed in its Territory and to take whatever steps are necessary to meet the requirements of any regulations regarding the Services.

(c) Ancillary Services and Ancillary Products

Franchisor reserves the right to extend the Program into other areas of business. Franchisor is under no obligation to offer to Franchisee those services or additional products if and when they are established ("Ancillary Services" and "Ancillary Products"). If Franchisor notifies Franchisee of new Ancillary Services or Ancillary Products to be included in the Franchised Business by separate notice or by revised Confidential Operating Manual, Franchisee agrees to offer such Ancillary Services or Ancillary Products if Franchisor describes them as mandatory and Franchisee may choose to offer such Ancillary Services or Ancillary Products if Franchisor describes them as optional. If mandatory, Franchisee agrees at its expense to: (i) obtain all

necessary products, services, promotional materials, training and if required, licensed personnel or equipment which Franchisor advises Franchisee is necessary to offer the Ancillary Services or Ancillary Products; and (ii) begin offering, selling, using and furnishing the Ancillary Services or Ancillary Products as soon as is possible in a commercially reasonable manner after receipt of notice to that effect.

II. TERRITORY

2.1 Territory

(a) Franchisee's Territory shall be as defined in Exhibit 3 attached hereto or as determined by the terms of this Agreement. Franchisee may market, advertise and solicit customers for the Franchised Business within the Territory in accordance with the terms of this Agreement. In the event the Territory has not been designated at the time of signing this Agreement, Franchisor shall designate a Territory within thirty (30) days of the Effective Date and Franchisee agrees to accept that Territory without condition.

(b) During the term of this Agreement, subject to full compliance by Franchisee and its Owners (defined herein) with this Agreement and any other agreement between Franchisee or any of its Owners and Franchisor, Franchisor shall not (i) grant a franchise or open a company or affiliate-owned unit within the Territory that offers the same Program(s) that the Franchised Business offers; or (ii) permit any Amazing Athletes franchisee, an affiliate or a company-owned or affiliated owned business that offers the same Program(s) that the Franchised Business offers to operate within the Territory under the Principal Trademarks; or (iii) permit any Amazing Athletes franchisee, an affiliate or acompany-owned or affiliated owned business that offers under the Principal Trademarks the same Program(s) that the FranchisedBusiness offers to accept or solicit sales to provide the same Program(s) that the Franchised Business offers within the Territory except to the extent that any advertisement, promotion or webpromotion may include publication within any part of the Territory.

(c) If, within sixty (60) days of opening for business, Franchisee is unable, after using good faith efforts, to sign up any eligible customers within the Territory, Franchisor may, in the exercise of its reasonable business judgment, change the Territory by replacing non-performing zip codes with new zip codes having a similar number of qualifying locations. If Franchisor so adjusts the Territory, there will be no additional initial franchise fee required. The revised Territory will be identified in writing to be mutually agreed upon by the parties.

2.2 Limitations on Territory Rights

(a) Franchisor may, at any time and in its sole discretion, designate any geographic area outside the Territory as the territory for a franchisee.

(b) Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, Franchisor reserves the right for

itself, company-owned stores, and its Affiliates:

(i) own, franchise, or operate businesses that are similar to the Franchised Business and which use the Principal Trademarks and the System at any location outside of the Territory, regardless of the proximity to the Territory regardless of which Program(s) is offered by the Franchised Business;

(ii) sell services and products and enfranchise others to sell services and products (including those similar to the Services) sold under any trade name, trademark or service mark (including the Principal Trademarks) in the Territory through any alternative channel of distribution, within or outside of the Territory, including but not limited to retail locations and other channels of distribution, such as television, mail order, catalog sales, wholesale to unrelated retail outlets, over the Internet, or non-traditional locations situated in Franchisee's Territory, including but not limited to, mass gathering such as airports, sports arenas, theatres, resorts, malls and mall food courts, schools and universities, healthcare facilities, and guest lodging facilities. Franchisee is prohibited from using alternate channels of distribution, without Franchisor's prior written consent, which may be granted or denied for any reason or for no reason at all;

(iii) use, license and enfranchise others to use, within the Territory or outside of the Territory, or through alternate channels of distribution, other trademarks, trade names, service marks, logos, copyrighted materials, and methods of operation that are not the same as or confusingly similar to the Principal Trademarks, in the operation of a business that offers goods, services, and related services and products which may be similar to, or different from, the Services;

(iv) develop, implement and participate in a co-branding program located outside of Franchisee's Territory regardless of whether any co-branded business is franchised or company-owned and regardless of which trade names, trademarks or service marks are used inconnection with the co-branded business, including but not limited to the Principal Trademarks;

(v) sell services and products and enfranchise or license others to sell services and products sold under any trade name, trademark or service mark other than the Principal Trademarks;

(vi) develop, implement and participate in strategic accounts, as identified in the Confidential Operating Manual. Franchisor may, in its sole discretion, offer Franchisee the opportunity to service a strategic account, but if Franchisee's refuses or is not qualified to service such strategic account, as determined by Franchisor, in its sole discretion, permit an Affiliate or another third party, including another franchisee, to service such strategic account; and

(vii) retain all other rights not specifically granted to you.

(c) Other franchisees are permitted to advertise, solicit sales and accept business from outside of their territories, with Franchisor's prior written approval, but not within Franchisee's Territory. Franchisor will take any action or no action at all, based on Franchisor's evaluation of the situation if other franchisees advertise, solicit sales and/or accept business from Franchisee's

Territory. Franchisee may not advertise, solicit sales or accept business outside the Territory within a territory whose rights have been granted to another franchisee. Franchisee may solicit sales outside the Territory in areas that are not subject to another franchise agreement (an "unassigned" territory), with Franchisor's written approval. Franchisor reserves the right to grant a franchisee territory rights or the right to advertise in, solicit sales and accept business from any area outside of Franchisee's Territory. Soliciting sales in an unassigned territory does not grant any right of first refusal or any other right to Franchisee for another franchise in an unassigned territory.

(d) When advertising in a publication or medium that has distribution in another franchisee's territory and where that franchisee has chosen to participate, you must include in the written advertising, marketing, promotion or web promotion or oral script utilized, that franchisee's contact information. When that franchisee chooses not to participate in the advertising, marketing, promotion or web promotion, the written or oral advertisement must only include information of participating franchisee(s) whose exclusive territories fall into the distribution area of the publication or medium employed and must also include the disclaimer "participating franchisees only."

(e) Without limiting any of the foregoing, Franchisor and its affiliates may establish any business within Franchisee's Territory that does not utilize the Principal Trademarks.

(f) In order to maintain the Territory, Franchisee must meet its obligations under this Agreement.

2.3 Introduction of Other Systems within the Territory

(a) In the event Franchisor acquires a competing system during the term of this Agreement and such competing system is an established non-franchise business that contains operations within the Territory, then the following shall apply:

(i) Franchisor may, but is not required to, offer Franchisee the business within the Territory at a cost equal to the fully allocated costs associated with the business;

(ii) If Franchisor offers said business to Franchisee, then Franchisee will have thirty (30) days to decide whether or not toacquire the business as an Amazing Athletes franchise under the then current franchise agreement;

(iii) Franchisor will not charge Franchisee a franchise fee for the acquisition of the business;

(iv) upon the effective date of the purchase, Franchisee will have six (6) months to bring the business up to Franchisor's then current standards for an Amazing Athletes franchise as provided for in the then current franchise agreement, Confidential Operating Manual or otherwise in writing by Franchisor;

(v) if Franchisee decides to acquire the business, Franchisee's royalties for the acquired business will be reduced by twenty percent (20%) for a period of two (2) years from the effective date of Franchisee's purchase of the business, but no other fees shall be reduced; and

(vi) if Franchisee decides not to acquire the business, then Franchisor, its affiliates and/or licensees (and/or licensees of Franchisor's Affiliates) may operate the business within the Territory or offer the business to a third-party, whether or not under the Principal Trademarks, without compensation to Franchisee.

(b) Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, in the event that Franchisor acquires an established franchised system that uses different brands:

(i) Franchisor will have the unrestricted right but not the obligation to convert the existing business to the System;

(ii) if the business is converted to the System, Franchisee will receive a payment of twenty percent (20%) of the royalties received by Franchisor from the operation of the converting franchise in the Territory for a period of two (2) years from the effective date the business was converted to the System; and

(iii) if the business is not converted to the System, Franchisor reserves the right to allow it to operate without compensation to Franchisee and to receive the services provided to franchisees hereunder.

III. TERM AND RENEWAL

3.1 Initial Term

The term of this Agreement shall commence on the Effective Date and shall expire on the earlier of: (i) the tenth (10^{th}) anniversary of the Effective Date; or (ii) the termination of this Agreement in accordance with the provisions hereunder.

3.2 Successor Agreement

(a) Franchisee shall have the right to enter into two (2) consecutive successor agreements for this franchise at the expiration of the initial term, each for a successive term of five (5) years, commencing immediately upon the expiration (but not the termination) of this Agreement, provided that at the time each successor agreement is to be executed, all of the following conditions have been fulfilled:

(i) Franchisor offers franchises in the area in which the Franchised Business is located;

(ii) Franchisee (and its Owners) has, during the entire term of this Agreement,

substantially complied with all its provisions;

(iii) Franchisee will execute Franchisor's then current form of franchise agreement, which may be materially different from this Agreement, including but not limited to the fee structure, Franchisee's Territory and other material terms;

(iv) At the time of notice as described below, Franchisee agrees in writing to bring the Franchised Business into full compliance with Franchisor's then current specifications and standards for new Amazing Athletes franchised businesses (regardless of cost), including but not limited to upgrading the equipment packages, updating the methods, procedures and product line and upgrading the computer system. Franchisee shall commence such work as soon after notice is given as is commercially reasonable. Franchisee shall complete the work to bring the Franchised Business into full compliance within three (3) months of executing the then current form of franchise agreement;

(v) By the expiration of this Agreement, Franchisee has satisfactorily completed the then current qualifications and training requirements;

(vi) Franchisee has satisfied all monetary obligations owed to Franchisor, its affiliates, and/or Suppliers (as defined herein) and has in a timely manner met those obligations throughout the term of this Agreement;

(vii) Franchisee and its Owners have executed a General Release, in a form attached as Exhibit 3, of any and all claims against Franchisor, its corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities) and Franchisor's heirs, executors, administrators, successors and assigns (the "Released Parties");

(viii) Franchisee notifies Franchisor of its desire to enter into a successor agreement for this franchise not more than nine (9) months and not less than six (6) months before this Agreement expires;

(ix) Franchisee maintains all relevant permits, licenses and certifications necessary for the operation of the Franchised Business;

(x) Franchisee must have generated over $100,000 in Gross Revenues during the ninth (9^{th}) year of the Franchise Agreement; and

(xi) Franchisee shall pay Franchisor a successor agreement fee, in the amount of $7,500.

(b) Within sixty (60) days of its receipt of Franchisee's notice of Franchisee's desire to enter into a successor agreement for this franchise, Franchisor agrees to give Franchisee written notice ("Successor Notice") of Franchisor's decision:

(i) to grant Franchisee a successor franchise;

(ii) to grant Franchisee a successor franchise on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in its operation of the Franchised Business;

(iii) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that it is not offering franchises in the geographical area in which the Franchised Business is located; or

(iv) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that Franchisee and its Owners have not substantiallycomplied with any of the provisions of this Section 3.2.

(c) If applicable, the Successor Notice will:

(i) describe the improvements and/or modifications required to bring the Franchised Business into compliance with then applicable specifications and standards for a new Franchised Business; and

(ii) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies.

(d) If Franchisor elects to grant a successor franchise, Franchisee's right to acquire the successor franchise is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to its compliance with the obligations described in the Successor Notice.

(e) If the Successor Notice states that Franchisee must cure certain deficiencies of the Franchised Business or its operation as a condition to Franchisor's granting Franchisee a successor franchise, Franchisor will give Franchisee written notice of its decision not to grant a successor franchise, based upon Franchisee's failure to cure those deficiencies not less than thirty (30) days before this Agreement expires. However, Franchisor need not give Franchisee this thirty (30) days' notice if Franchisor decides not to grant Franchisee a successor franchise due to Franchisee's breach of this Agreement during the thirty (30) day period before this Agreement expires.

(f) At its option, Franchisor may extend this Agreement's term for the time period necessary to give Franchisee either a reasonable time to correct deficiencies, execute a successor agreement, or to provide Franchisee with thirty (30) days' notice of Franchisor's refusal to grant a successor franchise.

(g) If Franchisee fails to notify Franchisor of its election to acquire a successor franchise within the prescribed time period, Franchisor need not grant Franchisee a successor franchise.

IV. PAYMENTS TO FRANCHISOR

4.1 Initial Franchise Fee

(a) Franchisee shall pay to Franchisor an initial franchise fee of $_____ upon execution of this Agreement. Franchisee acknowledges and agrees that the initial franchise fee is nonrefundable and fully earned upon payment and receipt by Franchisor, except as provided herein. In the event that Franchisee is unable to complete the initial training program to the Franchisor's satisfaction, in its sole discretion, then Franchisor shall refund Franchisee fifty percent (50%) of the initial franchise fee paid. Franchisee shall be required to sign the General Release upon termination of this Franchise Agreement and prior to receipt of the above referenced refund of the initial franchise fee.

(b) Notwithstanding (a) above, in the event that Franchisee elects to finance a portion of the initial franchise fee, then Franchisee shall pay the initial franchise fee as follows:

(i) Franchisee shall pay the sum of_____upon execution of this Agreement; and

(ii) Franchisee shall execute a promissory note for the remainder of the initial franchise fee (the "Note"). The form of Note is attached hereto as Exhibit 10. In the event that the Franchisee is a partnership, limited liability company or corporation, then the Note shall be guaranteed by all of the partners, members or shareholders, as applicable.

4.2 Royalty

(a) Franchisee shall pay a monthly Royalty equal to the greater of (a) eight percent (8%) of Gross Revenues or (b) the "Minimum Royalty." The Minimum Royalty shall be a monthly amount, as set forth in Exhibit 1. In the event that the terms of this Agreement differ from the terms set forth in Exhibit 1, the Franchisor and Franchisee agree and acknowledge that the terms of Exhibit 1 shall control.

(b) For the purpose of calculating Royalties, if the Franchisor negotiates a payment schedule with a particular venue (a "Negotiated Payment Schedule") and Franchisee provides the services in such venue and collects Gross Revenues in accordance with the Negotiated Payment Schedule, Franchisee shall only report to Franchisor as Gross Revenues the portion of the Negotiated Payment Schedule actually retained by Franchisee. For clarification purposes, if Franchisor negotiated a Negotiated Payment Schedule of $15.00 per class with "School A" and Franchisee is entitled to receive seventy percent (70%) of that fee, then Franchisee shall report to Franchisor $10.50 ($15.00 x 70%) as Gross Revenues for providing services to such venue.

4.3 Franchisee National Advertising Fee

Franchisor has established a separate fund for the purpose of conducting advertising, marketing, promotional, public relations programs, lead generation programs and for using Social Media Platforms (defined as web based platforms such as Facebook, Twitter, LinkedIn, Instagram, Snapchat, blogs and other networking and sharing sites) using Social Media Materials (defined as any material on any Social Media Platform that makes use of Franchisor's Principal Trademarks, name, brand, products, services or the Franchised Business whether created by Franchisor, Franchisee or any third-party) to enhance, promote and protect the goodwill and public image of the System ("Franchisee National Advertising Fund"), subject to Section 6.6 herein. Franchisee shall pay to the Franchisee National Advertising Fund a continuing fee ("Franchisee National Advertising Fee") in the amount equal to the greater of 1% of Gross Revenues or $200 per month. Franchisor reserves the right to increase the Franchisee National Advertising Fee to 2% of Gross Revenues upon sixty (60) days' prior written notice to Franchisee.

4.4 Payment of Royalty, Franchisee National Advertising Fees and Other Fees

(a) Royalty payments shall be paid monthly by the seventh (7^{th}) day of the month that follows the month for which the Royalty was calculated. Franchisor shall conduct quarterly audits on or about March 31, June 30, September 30 and December 31 of each year. The purpose of the quarterly audit is to confirm Royalties, Franchisee National Advertising Fees, Technology Fees and other fees are being paid correctly, and to reconcile any potential errors. If there is an underpayment, Franchisee shall pay the difference between the reconciled amount due and the amount paid by Franchisee, within ten (10) days of the date the reconciliation is completed. Royalty payments due shall be calculated in accordance with Section 4.2 above. Franchisee National Advertising Fees, Technology Fees and any other fees required by this Agreement shall also be payable monthly (unless otherwise stated herein) and in the same manner and date as the Royalty payments. All fees are payable to Franchisor or the Franchisee National Advertising Fund by authorization for direct payment, as directed in the authorization for direct payment via ACH form ("ACH Authorization") attached hereto as Exhibit5, or such other method as Franchisor shall designate, from Franchisee's designated bank accounton the date due. Franchisor may require other periodic payments at any time upon reasonable notice, which shall be provided for in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor.

(b) Franchisor shall not have access to Franchisee's bank checking, savings, operating or other account(s), except that Franchisee authorizes Franchisor to initiate debit entries and credit correction entries to Franchisee's checking, savings, operating or other account for the payment of Royalties, Franchisee National Advertising Fees and any other amounts due from Franchisee under this Agreement or otherwise. Franchisee shall comply with Franchisor's procedures and instructions in connection with this direct debit and credit process and sign any document or take any action that may be required to affect this authorization.

(c) Franchisor may require Franchisee to pay the Royalty, Franchisee National Advertising Fees and other amounts due under this Agreement or otherwise by means other than

ACH whenever Franchisor deems appropriate and Franchisee agrees to comply with Franchisor's payment instructions.

(d) Notwithstanding anything to the contrary herein, in the event that technology allows the Franchisor to collect Royalties in real-time, then upon written notice to Franchisee, Franchisor shall have the right to collect Royalties instantaneously, daily or other similar "real-time" basis. Further, Franchisor shall have the right to collect National Advertising Fees, Technology Fees and other fees to be paid simultaneously with the Royalty, as set forth herein. Franchisee agrees and acknowledges that Franchisee may be required to adopt, implement, use, upgrade and/or update one or more technologies to permit such "real-time" collection, all at the Franchisee's sole costs and expense.

4.5 Other Fees and Payments

(a) Transfer Fess

In the event of any transfer of the Franchise Agreement and Franchised Business, the transfer fee if required, as defined in Section 10.3(a)(x), must be paid to Franchisor.

(b) Interest

Franchisee shall pay to Franchisor interest at a rate equal to the lesser of the daily equivalent of one and a half percent (1.5%) per month or the highest rate of interest allowed by law on all past due amounts.

(c) Accounting Fees

(i) Franchisor has the right to conduct an audit of the books and records of Franchisee, including all sales and income records and tax returns as provided herein. If Franchisor elects to conduct such audit, Franchisor will provide Franchisee with written notice ten (10) days prior to conducting the audit. The audit may be conducted by Franchisor or other persons designated by Franchisor. Franchisor may conduct the audit in Franchisor's offices, Franchisee's offices or at a third-party provider's office. Franchisee may be required to send such records to such location as Franchisor may designate, in its sole discretion. In the event Franchisee has failed to furnish reports, supporting reports or other information as required by Franchisor, Franchisor may elect to conduct an audit of the books and records of Franchisee and Franchisee shall pay the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor.

(ii) If Franchisee has understated Gross Revenues in any report or statement by:

(1) two percent (2%) or less, Franchisee will be required to immediately pay Franchisor the underreported amount plus interest within fifteen (15) days of

written notice of the amount due;

(2) more than two percent (2%), Franchisee will be required to immediately pay Franchisor the underreported amount plus interest along with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses, and accounting and legal fees incurred by Franchisor within fifteen days of written notice; or

(3) more than two percent (2%), in addition to subsection 4.5(c)(ii)(2) above, Franchisor may, in its sole discretion, require Franchisee to provide periodic audited statements to Franchisor.

(d) Late Fee

In the event Franchisee fails to make timely payment to Franchisor of any sums due, in addition to such owed funds, Franchisee shall pay Franchisor a late fee in an amount equal to one percent (1%) of Gross Revenues for the previous month. The late fee shall be due and paid immediately.

(e) Reimbursement of Costs and Expenses

If after notice, Franchisee fails to cure any deficiency in the Franchised Business and/or its operation of the Franchised Business, Franchisor may in its sole discretion correct the deficiency. If Franchisor elects to correct the deficiency, Franchisee shall reimburse Franchisor for Franchisor's costs and expenses incurred in correcting the deficiency. If Franchisor and/or its affiliates commence any action against any individual to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement or any similar covenants contained in this Agreement, Franchisee and its Owners agree to pay all costs and expenses, including attorneys' fees, expert fees, court costs and all other expenses of litigation that Franchisor or its affiliates incur to secure.

(f) Post-Termination or Post-Expiration Expenses

Upon termination or expiration of this Agreement for any reason, Franchisor will have the right but not the obligation to modify, alter or de-identify the Franchised Business. In the event that Franchisor modifies, alters or de-identifies the Franchised Business, Franchisee shall reimburse Franchisor for its costs and expenses for modifying, altering or de-identifying the Franchised Business.

(g) Default Notice Fee

In the event that Franchisor issues a default notice to Franchisee, Franchisee shall pay to Franchisor a default fee in the amount of $50, which shall be due and paid immediately.

(h) Annual Conference Fees

(i) Franchisee shall be required to attend an annual conference, at Franchisee's sole cost and expense. charges a fee of $400 per each Owner to attend annual conferences (there is no charge for a spouse of an Owner) and a fee of $100 for each additional attendee. Franchisor reserves the right to amend, modify, change, alter or increase the annual conference fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(ii) Further, in the event that attendance at an annual conference is required by the Franchisor, in its sole discretion, and Franchisee fails to attend such annual conference, Franchisee shall pay to Franchisee a non-attendance fee in the amount of $1000 per Owner. The non-attendance fee shall be paid by Franchisee no later than the first Monday following the last day of the annual conference. Franchisor reserves the right to amend,modify, change, alter or increase the non-attendance fee, without limitation, upon sixty (60) days'prior written notice to Franchisee.

(iii) In addition to attending the annual conference, Franchisor may, in its sole discretion, require Franchisee, its Operating Principal(s) and certain employees designated by Franchisor, to attend a local or regional meeting not more than two (2) times per year. All mandatory meetings shall be offered by Franchisor without charge for tuition or fees; however, Franchisee shall be responsible for all travel and living expenses associated with attending such meetings.

(i) Technology Fee

(i) Franchisee shall pay the then-current technology fee to Franchisor, as set forth in Exhibit 1 (the "Technology Fee"). If Franchisee is subject to one active franchise agreement, the Technology Fee is $200 per month; for two active franchise agreements, the Technology Fee is $150 per month and for each additional active franchise agreement, $100 per month. Additionally, if Franchisee operates the Plus Program, then for each additional program offered by Franchisee, the Technology Fee shall increase by $50 per month. The Technology Fee is collected for the purpose of maintaining Franchisee's presenceon the Amazing Athletes website, to maintain Franchisee's access to Franchisor's proprietary "AA Back Office Platform" and to develop, implement, use, upgrade and/or update other technologies with the System. Franchisee shall be required to use the AA Back Office Platform for all services that it offers. In addition to the Technology Fee, there may be other fees associated with the introduction of new technology for use in the System. Franchisee agrees and acknowledges that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for the inevitable but unpredictable nature to changes to technological needs andopportunities, Franchisee agrees and acknowledges that Franchisor shall have the right to establish, in writing, new standards and fees for the implementation of new technology in the System. Further, Franchisee agrees and acknowledges that Franchisee shall comply with such new standards and shall remit payment for new fees, upon sixty (60) days' prior written notice toFranchisee. The Technology Fee also includes full access to Google Workspace's applications for all Owners. If Franchisee

requires access to Google Workspace for a manager or another employee, Franchisor may increase the Technology Fee by $15 per month for each additional user.

(ii) Franchisor shall begin collecting the Technology Fee on a monthly basis commencing the month following the date on which Franchisee completes the initial training program. Franchisor reserves the right to amend, modify, change, alter or increase the Technology Fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(j) Starter Kit.

Prior to opening the Franchised Business for operations, Franchisee shall purchase from Franchisor or its affiliates an initial supply of uniforms and marketing materials as well as a Starter kit, which shall include all of the sports and fitness equipment (including but not limited to balls, sticks, bats, goals, cones and similar equipment) that is necessary for one person to provide the Services. On an ongoing basis, Franchisee shall purchase a sufficient inventory of t-shirts and uniforms to ensure that each child in each class offered by Franchisee will receive a t-shirt or a uniform, as applicable. Notwithstanding anything to the contrary, in some instances and in accordance with the Manual, Franchisee shall not be required to issue a t-shirt or a jersey to a child.

(k) Transferee Lead Generation Fee

Franchisor may, in its sole discretion, assist Franchisee in the sale of the Franchised Business by introducing Franchisee to a candidate(s) that is/are interested in purchasing the Franchised Business (each a "Lead.") If a Lead purchases the Franchised Business within six (6) months of the date Franchisor introduces such Lead to Franchisee, Franchisor is entitled to a commission of two and one-half percent (2.5%) of the sales price of the Franchised Business. Franchisor shall receive payment of the commission upon closing of the Transfer. Franchisee shall be responsible for the payment of the commission to Franchisor.

(l) Charges for Insufficient Funds Fee

If any electronic payment is unpaid because of insufficient funds or otherwise, Franchisee shall additionally be obligated to pay, as an insufficient fund charge, the sum of $50 per occurrence until the entire sum and late charge is paid in full (but not to exceed the maximum amount allowed by law). This Section does not constitute an agreement by Franchisor to accept any payment after the date payment is due or a commitment by Franchisor to extend credit to, or otherwise finance, Franchisee, and Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement notwithstanding this Section.

(m) Optional Travel Program Training Fee

Franchisee may, upon Franchisor written consent, offer the Plus Program to offer such additional programs such as Karate Zoo, Little Rookies or such other programs as may be offered

by Franchisor (the "Plus Program") as part of the operations of the Franchised Business. If Franchisee offers such Plus Program, Franchisee shall pay the then-current Plus Program Fee to Franchisor, which as of the date of this Agreement is five thousand dollars ($5,000) per each separate program, but which such fee may change from time to time, in the exercise of the Franchisor's business judgment. If Franchisor consents to Franchisee offering the Plus Program, Franchisee shall be required to execute such agreements and documents as Franchisor shall require, which are subject to change from time to time, in the exercise of the Franchisor's business judgment.

(n) Territory Overage Fee

If, at the time of signing this Agreement, the Territory assigned to Franchisee includes a population estimated to exceed four hundred thousand (400,000) people, Franchisor shall have the right to charge Franchisee a Territory Overage Fee of $0.13 per person multiplied by the difference between the estimated population in the Territory and four hundred thousand (400,000). If so charged, the Territory Overage Fee shall be paid upon execution of this Agreement.

(o) Document Preparation Fee

If Franchisee enters into or is considering a transaction, including purchasing a franchise, transferring the franchise, terminating the franchise or otherwise, Franchisor may charge a reasonable administrative fee, up to $1,500, to prepare, revise, amend or otherwise modify documentation in connection with that transaction. If applicable, and whenever possible, Franchisor shall notify Franchisee of the amount of the charge before Franchisor proceeds with preparing the documentation.

4.6 Application of Payments

(a) Franchisee acknowledges and agrees that Franchisor may apply payments received to amounts due and payable in the order Franchisor determines, in its sole discretion.

(b) Unless otherwise provided, all fees and other amounts due to Franchisor hereunder shall be paid in a manner designated by Franchisor in the Confidential Operating Manual or otherwise in writing by Franchisor and such payments shall be accompanied by a statement setting forth in reasonable detail the basis for the computation.

4.7 Gross Revenues

"Gross Revenues" shall mean all income of any type or nature and from any source that Franchisee derives or receives directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the Effective Date, in whatever form and from whatever source, including but not limited to cash, services, in kind from barter and/or exchange, on credit or otherwise as well as business interruption insurance proceeds, all without

deduction for expenses including marketing expenses and taxes. Gross Revenues are not reduced by the amount of any discounts to employees, friends or family members. However, the definition of Gross Revenues does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities, proceeds from insurance with respect to your property damage or liability, proceeds from civil forfeiture, condemnation or seizure by governmental entities or the amount of any credits, allowances, adjustments or uncollectable amounts subject to the limitation that such cannot exceed 0.5% of Gross Revenues for any fiscal year. Subsequent collections of these charged off amounts must be included in Gross Revenues when they are collected.

V. FRANCHISED BUSINESS LOCATION

5.1 Franchised Business Location

Franchisee may acquire a site at which to develop and operate the Franchised Business, in Franchisee's sole discretion. Franchisee may, but is not required to, operate the Franchised Business from an office located within the Franchisee's (or one of its Operating Principal's) residence. Should Franchisee elect to operate the Franchised Business from an office, Franchisee assumes all cost, liability, expense and responsibility for locating and obtaining a site for its Franchised Business location. Franchisee agrees and acknowledges that Franchisor shall not provide Franchisee with any assistance in locating a site for the Franchised Business. Franchisee further agrees and acknowledges that Franchisor shall not provide Franchisee with site guidelines or site criteria for its Franchised Business location.

5.2 Relocation

(a) Franchisee shall not relocate the Franchised Business location except with the prior written consent of Franchisor. Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee's relocation of the Franchised Business, Franchisee and its Owners shall execute a General Release in a form attached as Exhibit 4 hereto, in favor of the Released Parties.

(b) In the event that Franchisee relocates the Franchised Business location for any reason, then Franchisor shall be under no obligation to expand or reduce the size and boundary of the Territory, designate a different geographical area as the Territory or extend the term of this Agreement.

VI. DUTIES OF FRANCHISOR

6.1 Confidential Operating Manual

(a) Franchisor will loan Franchisee its Confidential Operating Manual, handbooks and other related materials, which may be amended from time to time by Franchisor during the term of this Agreement. The Confidential Operating Manual may consist of written materials, compact

disks, computer software, electronic media, audiotapes, videotapes and digital video disks. The Confidential Operating Manual is designated a trade secret, is copyrighted and subject to the confidentiality agreements annexed hereto as Exhibit 6 (the "Confidentiality, Non-Use and Non-Competition Agreement") and Exhibit 7 (the "Confidentiality, Non-Use and Non-Competition Agreement Form"). Franchisee must execute the Confidentiality, Non-Use and Non-Competition Agreement and each employee to whom the Confidential Operating Manual is disclosed must execute the Confidentiality, Non-Use and Non-Competition Agreement Form.

(b) The Confidential Operating Manual describes the System Standards that Franchisor periodically prescribes for operating the Franchised Business and information on some of Franchisee's obligations under this Agreement. Franchisee agrees to keep its copy of the Confidential Operating Manual current and in a secure location.

(c) Franchisee acknowledges and agrees that Franchisee will not disclose the Confidential Operating Manual in whole or in part, except as provided for herein and in accordance with the Confidentiality, Non-Use and Non-Competition Agreement (Exhibit 6), the Confidentiality, Non-Use and Non-Competition Agreement Form (Exhibit 7) and Section 9.1 below. Franchisee shall not copy, duplicate, record or otherwise reproduce the Confidential Operating Manual in whole or in part. In the event Franchisee copies, duplicates, records or otherwise reproduces the Confidential Operating Manual in whole or in part or otherwise is in default under the Confidentiality, Non-Use and Non-Competition Agreement, then Franchisor shall have the right to terminate this Agreement in accordance with Article XIV.

(d) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee agrees to obtain a replacement copy of the Confidential Operating Manual at Franchisor's then current fee, which as of the Effective Date is $100, Franchisor reserves the right, in its sole discretion, to increase this fee in the future.

6.2 Training Program

(a) Franchisee acknowledges and agrees that it is necessary for the efficient operation of the Franchised Business that Franchisee or if Franchisee is an entity, its Operating Principal(s) receive such training as Franchisor may require. Accordingly, Franchisee agrees that Franchisee and its Operating Principal(s) will attend and complete, to Franchisor's satisfaction, Franchisor's program. Franchisee's manager may, but is not required to attend, the initial training program. Franchisee agrees and acknowledges that Franchisee is responsible for training its staff, except for any manager trained by Franchisor. Franchisor shall provide the initial training program to the Franchisee, or if the Franchisee is an entity, its Operating Principal(s) without additional charge. If Franchisee desires to have another individual attend the initial training program, and Franchisor agrees to provide the initial training program to such individual, Franchisee shall pay a fee of $1,000 for each such person.

(b) Except as otherwise provided in this Agreement, the initial training program will be conducted by Franchisor at its current headquarters or other location designated by Franchisor.

Franchisor shall make available to Franchisee instructors and training materials for the initial training of such persons. All training materials provided are the property of Franchisor and are copyrighted.

(c) The initial training program will consist of an approximately six (6) days of instruction (although the specific number of days depends on Franchisor's opinion of the experience and needs of Franchisee, its Operating Principal(s) and/or its managers) and will be conducted prior to the date the Franchised Business is scheduled to commence operating. The initial training program shall be completed at least thirty (30) days from the Effective Date.

(d) Franchisor may, in its sole discretion and based upon staff availability, elect to conduct a portion or all of Franchisee's initial training via web-based training in addition to or instead of classroom instruction. In the event Franchisor elects to conduct the entirety of the initial training via web-based training, the Franchisee will not pay a training fee.

(d) Franchisee may request additional training for itself, its Operating Principals and/or previously trained staff, which Franchisor shall not be obligated to provide and Franchisor reserves the right to require Franchisee or its Operating Principal(s) and/or previously trained employees to attend and complete, to Franchisor's satisfaction, training courses that Franchisor either periodically chooses to provide or otherwise may require for such Franchisee or its Operating Principal(s) and/or previously trained employees at the times and locations that Franchisor designates. Franchisor shall have the right to charge Franchisee the then current supplemental training fee forsuch training, which as of the date of this Franchise Agreement is $500 per staff person per day. Franchisor reserves the right to amend, modify, change, alter or increase this fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(e) Franchisee shall pay for all travel, room and board, living expenses, employee wages andworkers' compensation insurance during the supplemental training period. Franchisor may, in its sole discretion, provide Franchisee with periodic guidance regarding the operation of the Franchised Business. This periodic guidance may be provided individually or in a group setting and may be provided in person, via telephone, seminar,newsletter, bulletins, through an intranet or any other method selected by Franchisor. Franchisee understands and agrees that any specific ongoing training or advice Franchisor provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which Franchisor may discontinue andmodify from time to time.

(f) For the Franchisee's first Amazing Athletes Franchised Business, Franchisor shall provide business coaching and training for three (3) days. Business coaching and training prior to the Franchisee commencing operations or during the Franchisee's operations shall be hereinafter referred to as Enhanced Business Coaching and Training. Prior to the Franchisee attending the initial training program, Franchisee shall pay an Enhanced Business Coaching and Training Fee of $5,000, against which Franchisor shall charge (i) a fee of $350 per day plus reimbursement of the Franchisor's actual travel and accommodation expenses in connection with providing such Enhanced Business Coaching and Training, and (ii) $55 per hour for each Enhanced Business Coaching and Training phone call or videoconferencing meeting. The Enhanced Business

Coaching and Training Fee must be fully expended during the first six months from execution of the Franchise Agreement; any unused balance shall be forfeited by the Franchisee. However, upon the mutual written agreement of the parties, Franchisee and Franchisor may agree to extend the deadline by which the Enhanced Business Coaching and Training Fee shall be fully expended. For the Franchisee's second or subsequent Amazing Athletes Franchised Business, Franchisee may wish to obtain Enhanced Business Coaching and Training, which Franchisor may, in its sole discretion, agree to provide; Franchisor shall charge a fee of (i) $350 per day plus reimbursement of the Franchisor's actual travel and accommodation expenses in connection with providing such Enhanced Business Coaching and Training, and/or (ii) $55 per hour for each Enhanced Business Coaching and Training phone call or videoconferencing meeting against the Enhanced Business Coaching and Training Fee. Franchisor reserves the right to require replenishment of the Enhanced Business Coaching and Training Fee, as Franchisor may deem necessary, in the exercise of its reasonable business judgment. Franchisor reserves the right to amend, modify, change, alter or increase the Enhanced Business Coaching and Training Fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(g) If Franchisee requests additional, extraordinary, or refresher courses or training, and Franchisor agrees to provide that training, Franchisor shall charge fees (at a daily rate of $350 per person if provided in person or $55 per hour if provided via a phone call or a videoconference) plus the expenses that Franchisor incurs to provide such training.

6.3 Suppliers

(a) Franchisee must sell and offer for sale all services and products associated with the Program offered by the Franchised Business, in the manner and style required by Franchisor. Franchisee must discontinue selling and offering for sale any services and products that Franchisor disapproves in writing at any time. Franchisor may require Franchisee to purchase certain goods, services, supplies, materials, equipment (including computer hardware and software, including a customer registration system/software) and other products necessary to operate the Franchised Business exclusively from Suppliers (defined as designated or approved suppliers, vendors, manufacturers, printers, contractors and distributors who demonstrate to Franchisor's continuing reasonable satisfaction the ability to meet Franchisor's then current standards), which may be established and modified in Franchisor's solediscretion. Such Suppliers may include Franchisor and its affiliates. Franchisor may, in its sole discretion, provide Franchisee with a list of Suppliers for equipment, services and products necessary to operate the Franchised Business. Franchisor may, in its sole discretion, revise the approved list of Suppliers from time to time as Franchisor deems best, in its sole discretion. Franchisee acknowledges and agrees that Franchisor may also limit the sources of required products, materials, supplies and services to certain Suppliers, including Franchisor and/or its affiliates, in which case Franchisee would be required to acquire such products, materials, suppliesand services only from those Suppliers. Franchisor may in its sole discretion, require Franchisee to purchase certain products exclusively from a certain Supplier which may be Franchisor or its affiliate, in which case Franchisee agrees and acknowledges that Franchisee will be obligated to purchase such designated products, materials, supplies and services only from the exclusive Supplier.

(b) In the event that Franchisee wants to independently source any products or services necessary to operate the Franchised Business from a party other than a Supplier, Franchisee must obtain Franchisor's prior written approval. Approval of a proposed supplier, vendor, manufacturer, printer, contractor or distributor proposed by Franchisee as a source of products and/or services ("Proposed Supplier") shall be granted in Franchisor's sole discretion. Franchisor is under no obligation to evaluate any Proposed Supplier. Franchisee must provide Franchisor with all information and product samples adequate to evaluate any Proposed Supplier. In the event Franchisor evaluates Franchisee's Proposed Supplier, Franchisor shall provide Franchisee with written notification of Franchisor's approval or disapproval of the Proposed Supplier within thirty (30) days of Franchisor's receipt of all information and product samples necessary to evaluate the Proposed Supplier. Franchisor may revoke its prior approval upon written notice to Franchisee. If approved, Franchisee's Proposed Supplier shall thereafter be deemed a Supplier for purposes of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates.

(c) Franchisor and its affiliates reserve the right to receive rebates, overrides or other consideration on account of Franchisee's purchases from any Supplier. Franchisor and its affiliates are not obligated to provide Franchisee with any material benefit as a result of receiving such rebate, override or other consideration from any approved Supplier. Franchisee acknowledges and agrees that Franchisor and its affiliates have the right to collect any advertising, marketing, promotional or similar allowances paid by Suppliers who deal with the System and with whom Franchisor or its affiliates has an agreement to do so.

(d) Franchisor and its affiliates reserve the right to earn a profit on Franchisee's purchases from any Supplier, which may include Franchisor and/or its affiliates.

6.4 Pre-Opening Support

Before Franchisee opens its Franchised Business location for business, Franchisor shall provide the following assistance and services:

(a) Franchisor shall designate the Territory for the operation of the Franchised Business;

(b) Franchisor may in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System;

(c) Franchisor shall design all business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as "Advertising Materials") and Social Media Materials used in the System. Franchisor shall provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees;

(d) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time;

(e) Franchisor shall provide Franchisee with initial training in accordance with Section 6.2 herein;

(f) Franchisor shall establish standards and specifications for the System, which Franchisor may enforce in its sole discretion;

(g) Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions;

(h) Franchisor shall provide Franchisee with a list of Suppliers, as revised from time to time;

(i) Franchisor shall provide Franchisee with a list of approved products and services for the Program(s) that shall be offered by the Franchised Business, as revised from time to time;

(j) Franchisor shall specify minimum policy limits for certain types of insurance coverage. Franchisee shall submit for Franchisor's approval, which shall not be unreasonably withheld, any insurance policy prior to purchasing such policy. Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor's then current insurance requirements for Franchisees; and

(k) Franchisor may, in its sole discretion, supply reasonable support by telephone and email.

6.5 Post-Opening Support

Subsequent to Franchisee's opening of its Franchised Business location:

(a) Franchisor may, in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System.

(b) Franchisor shall design all Advertising Materials and Social Media Materials used in the System. Franchisor may in is sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees.

(c) Franchisor may, in its sole discretion, offer conferences, seminars or programs, at

a frequency determined by Franchisor, in its sole discretion. Some of these conferences, seminars or programs may be mandatory and others may be optional;

(d) Franchisor shall establish standards and specifications for the System, which Franchisor may enforce in its sole discretion;

(e) Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions;

(f) Franchisor may, in its sole discretion, provide updates to the Confidential Operating Manual, the System, the Principal Trademarks, at a frequency which Franchisor shall determine, in its sole discretion;

(g) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

(h) Franchisor may in its sole discretion, provide Franchisee with a list of Suppliers, as revised from time to time;

(i) Franchisor may in its sole discretion, provide Franchisee with a list of approved services and products as revised from time to time;

(j) Franchisor may provide periodic counseling to Franchisee in the operation of the Franchised Business. Such periodic counseling may be provided individually or in a group setting. Such periodic counseling may be provided in person, or via telephone, seminar, newsletters, bulletins, through an intranet or any other method selected by Franchisor;

(k) Franchisor may provide Franchisee with field support services, subject to the availability of Franchisor's trained personnel;

(l) Franchisor may, in its sole discretion, provide periodic counseling to Franchisee in connection with the operation of the Franchised Business. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by Franchisor;

(m) Franchisor may, in its sole discretion, provide Franchisee or its Operating Principal(s) with supplemental training, as indicated herein. Franchisee may be charged a fee for supplemental training (plus reimbursement of the Franchisor's costs and expenses) provided in person, which may be credited against the Enhanced Business Coaching and Training Fee;

(n) Franchisor may, in its sole discretion provide Franchisee with additional guidance as to the operation of the Franchised Business regarding, but not limited to: (i) new products,

services and/or methods developed for the System; (ii) the purchase and use of supplies, uniforms, equipment and products; (iii) the formation and implementation of marketing, advertising and promotional programs; (iv) maintenance of Franchisee's financial and accounting records; and (v) other general operating issues Franchisee may encounter, including but not limited to permits, licenses or certifications; or

(o) Franchisor or its affiliates may, in their sole discretion, operate and maintain an on-line purchasing portal for the purpose of selling equipment, goods, services, supplies, uniforms and other materials necessary for the operation of the Franchised Business. If an on-line purchasing portal is established, Franchisee shall be required to make all required purchases via the on-line purchasing portal. Currently, Franchisor's affiliate maintains an online purchasing portal through the Amazing Athletes Sports Store, https://store.amazingathletes.com. Franchisor may change, suspend, discontinue or terminate the online purchasing portal, at its sole discretion, however, Franchisor shall provide no less than thirty (30) days' notice to Franchisee of such action.

(p) Franchisor, or a designated third party, may establish and maintain a business call center to handle inbound and outbound calls from and to prospective customers and/or franchisees, send emails, handle strategic account programs and conduct surveys (the "Business Center").

6.6 Franchisee National Advertising Fund

(a) Franchisor has established a Franchisee National Advertising Fund for advertising, marketing, promotional, public relations programs, lead generation programs and for using Social Media Platforms for the purpose of enhancing and promoting the good will and public image of the System. Franchisee agrees to pay a Franchisee National Advertising Fee as specified in Section 4.3. Company and/or affiliate-owned units will contribute to the Franchisee National Advertising Fund at the same rate as the lowest rate specified for franchisees. If the Franchisee National Advertising Fee is subsequently reduced for franchisees, then the contribution rate required of company and/or affiliate-owned units will be reduced accordingly. Franchisor may modify the Franchisee National Advertising Fee for any franchisee based on a reallocation of the franchisee's overall advertising expenditure. Franchisor may contribute or loan additional funds to the Franchisee National Advertising Fund on any terms that Franchisor deems reasonable. Funds loaned to the Franchisee National Advertising Fund may earn interest at the then-prevailing commercial rate, as determined by Franchisor.

(b) The Franchisee National Advertising Fund will be administered by Franchisor or by its designee. Any unused funds in any fiscal year will be applied to the following fiscal year's Franchisee National Advertising Fund. Since the Franchisee National Advertising Fund is not audited, Franchisor will not make audited financial statements available to Franchisee. Franchisor will, upon Franchisee's written request, provide once a year within one hundred twenty (120) days after the end of the fiscal year, an un-audited accounting for the Franchisee National Advertising Fund that shows how the Franchisee National Advertising Fund proceeds have been spent for the previous year. Franchisor shall not be required to provide any other periodic accounting of how the Franchisee National Advertising Fund is spent.

(c) Franchisor or its designee will administer the Franchisee National Advertising Fund with sole discretion over all operational and advertising decisions including: (i) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website and use of Social Media Platforms, as funds permit); (ii) the source of the advertising, marketing, promotional, public relations or lead generation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (iii) the placement and allocation of such programs (which will be local, regional or national); and (iv) the composition of all geographic territories and market areas for the development and implementation of such programs.

(d) The Franchisee National Advertising Fund may be used in any of the following ways:

(i) to create and implement Advertising Materials and Social Media Materials, including but not limited to door hangers, mailers, FSIs, inserts and coupons, brochures, promotional material, labeling, public relations and signage, in any form that Franchisor may, in its sole discretion, determine;

(ii) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms;

(iii) in connection with radio, television, print, Internet advertising, sports and cable programs, or other forms of production and media as well as Social Media Platforms;

(iv) to review any and all locally produced Advertising Materials and Social Media Materials;

(v) for purposes of website design and maintenance and for search engine optimization;

(vi) to use Social Media Platforms and develop Social Media Materials;

(vii) to conduct market research;

(viii) to undertake sponsorships;

(ix) to engage in and develop sweepstakes, competitions, and an affinity program;

(x) to design and develop merchandise, logo wear, other branded apparel, premium items and other items;

(xi) to pay related retainers;

(xii) to conduct customer surveys, customer interviews and mystery shopper

inspections of the System as well as competitors;

(xiii) to retain celebrities for endorsement purposes;

(xiv) to pay for membership dues to associations such as the International Franchise Association;

(xv) to establish a third-party facility to customize Advertising Materials and Social Media Materials;

(xvi) to establish and maintain or to pay a third party to establish and/or maintain the Business Center; and

(xvii) reimburse Franchisor, its affiliates or its parent for salaries, benefits, overhead and administrative expenses, as indicated in Section 6.6(g) below.

(e) The Franchisee National Advertising Fund may be used by Franchisor to solicit new franchise sales of franchises but will not be primarily used for the purpose of soliciting new franchise sales. Also, Franchisor may advertise on the Amazing Athletes website that franchises are available or make other similar statements on the website. Franchisor intends the Franchisee National Advertising Fund to maximize recognition of the Principal Trademarks and patronage of the System in any manner Franchisor determines will be effective, including to expenditures related to the development and maintenance of the Amazing Athletes website and direct mail programs. Franchisor may structure the organization and administration of the Franchisee National Advertising Fund in any way it determines best benefits the System. Franchisor will attempt to spend monies in the Franchisee National Advertising Fund in such a way as to provide benefits to all participating franchisees, but there is no guaranty that Franchisee will benefit pro rata or at all from its Franchisee National Advertising Fees. Franchisor need not ensure that FranchiseeNational Advertising Fund expenditures in or affecting any geographic area are proportionate or equivalent to Franchisee National Advertising Fees by Amazing Athletes franchisees operating in that geographic area. The Franchisee National Advertising Fund will not be used to advertise and promote any individual Franchised Business, except to benefit the System as determined in Franchisor's sole discretion.

(f) Franchisee further acknowledges and agrees that the Franchisee National Advertising Fund may be used to duplicate, print and purchase logo items, including but not limited to Advertising Materials and Social Media Materials to be resold to Amazing Athletes franchisees and any profits from such sales shall be paid to the Franchisee National Advertising Fund.

(g) Franchisor will account for the Franchisee National Advertising Fund separately from its other funds and not use the Franchisee National Advertising Fund for any of its general operating expenses. However, the Franchisee National Advertising Fund may be used to reimburse Franchisor, its affiliates or its parent for salaries, benefits, overhead and administrative expenses and pay other parties for the salaries and benefits of personnel who manage and administer the

Franchisee National Advertising Fund, the Franchisee National Advertising Fund's other administrative costs, travel expenses of personnel while they are on Franchisee National Advertising Fund business, meeting costs, overhead relating to the Franchisee National Advertising Fund business, costs related to maintaining the Franchisor website and other expenses incurred in activities reasonably related to administering or directing the Franchisee National Advertising Fund and its programs including without limitation, conducting market research, public relations, preparing Advertising Materials and Social Media Materials and collecting and accounting for Franchisee National Advertising Fees. Any Advertising Materials and Social Media Materials developed by use of the Franchisee National Advertising Fund will be made available to Franchisee at cost.

(h) The Franchisee National Advertising Fund will not be Franchisor's asset. Although the Franchisee National Advertising Fund is not a trust, Franchisor will hold all Franchisee National Advertising Fees for the benefit of the contributors and use the Franchisee National Advertising Fees only for the purposes described in this Section 6.6. Franchisor does not owe any fiduciary obligation to Franchisee nor shall Franchisor have a fiduciary duty for administering the Franchisee National Advertising Fund or for any other reason. The Franchisee National Advertising Fund may spend in any fiscal year more or less than the total Franchisee National Advertising Fees in that year, borrow from Franchisor or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. Any unused portion of the Franchisee National Advertising Fund in any calendar year or earnings on sales of Advertising Materials and Social Medial Materials by the Franchisee National Advertising Fund will be applied to the following year's Franchisee National Advertising Fund. The Franchisee National Advertising Fund will use all interest earned on Franchisee National Advertising Fees to pay costs before using the Franchisee National Advertising Fund's other assets. Franchisor reserves the right to establish an advisory council or subcommittee for advertising, which if established would only have advisory responsibilities and authority.

(i) Franchisee agrees and acknowledges that Franchisors and/or its affiliates may receive payment from the Franchisee National Advertising Fund for providing services and/or goods to the Franchisee National Advertising Fund. Franchisee further agrees and acknowledges that Franchisor and/or its affiliates are not obligated to contribute any profit from such sales to the Franchisee National Advertising Fund.

(j) Franchisor has the right, but not the obligation, to use collection agents and institute legal proceedings to collect Franchisee National Advertising Fees at the Franchisee National Advertising Fund's expense. Franchisor also may forgive, waive, settle or compromise all claims by or against the Franchisee National Advertising Fund. Except as expressly provided in this subsection, Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing or administering the Franchisee National Advertising Fund.

(k) Franchisor may at any time defer or reduce the Franchisee National Advertising Fee rate. Franchisor may terminate (and if terminated, reinstate) the Franchisee National

Advertising Fund, but Franchisor shall not do so until all monies in the Franchisee National Advertising Fund have been expended or rebate the balance of the Franchisee National Advertising Fund to the then-current franchisees based on a formula that allows for the pro rata rebate based on contributions to the Franchisee National Advertising Fund during the Franchisee National Advertising Fund's last fiscal year.

VII. DUTIES OF FRANCHISEE

7.1 Commencement of Operations

(a) Franchisee shall commence operation of the Franchised Business no later than thirty (30) days from the date that the Franchisee completes the Training Program (as described above in Section 6.2 above) (the "Commencement Date"), unless otherwise provided herein. Franchisor may extend the Commencement Date up to twenty (20) days, in Franchisor's sole discretion, in the event factors beyond the Franchisee's reasonable control prevent Franchisee from opening by the Commencement Date and Franchisee has requested an extension of time from Franchisor at least fifteen (15) days before the Commencement Date. Prior to the Commencement Date, Franchisee must obtain Franchisor's prior written approval to commence operation of the Franchised Business and comply with the provisions of this Agreement, the System Standards, the Confidential Operating Manual and other requirements of Franchisor, including but not limited to the following:

(i) Franchisee has obtained all the necessary permits, licenses and certifications and has complied with all laws applicable to the Franchised Business and must furnish to Franchisor, evidence of such, including copies of all permits, licenses and certifications as may be required for lawful operation of the Franchised Business;

(ii) Franchisee or its Operating Principal(s) and any other person Franchisor designates must have completed training to Franchisor's satisfaction;

(iii) Franchisee has delivered to Franchisor copies of the required insurance policies, licenses and notifications of having registered the name of the Franchised Business;

(iv) Franchisee has paid all amounts due to Franchisor;

(v) Franchisee has executed all agreements required for the opening of the Franchised Business including this Agreement and any other agreements required by Franchisor; and

(vi) Franchisee is not in default under any agreement with Franchisor, its affiliates or any third-party.

(b) If Franchisee fails to open the Franchised Business prior to the Commencement Date and fails to obtain a written extension of time from Franchisor, which extension Franchisor may decline or give in its sole discretion, Franchisor may in its sole discretion, terminate this

Agreement as provided for in Section 14.4 herein.

7.2 Compliance with the Confidential Operating Manual

(a) Franchisee agrees and acknowledges that the Confidential Operating Manual shall be deemed to have been incorporated by reference into this Agreement. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation for the System, Franchisee expressly agrees to conduct the Franchised Business in accordance with the Confidential Operating Manual, other written directives that Franchisor may issue from time to time and any other manuals and materials created or approved for use in the operation of the Franchised Business.

(b) Franchisor may from time to time revise the contents of the Confidential Operating Manual and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or modified standard. Franchisee shall at all times ensure that the Confidential Operating Manual is kept current and up-to-date. In the event of any dispute as to the contents of the Confidential Operating Manual, the terms of the master copy of the Confidential Operating Manual maintained by Franchisor at Franchisor's corporate office will control.

(c) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee shall obtain a replacement copy of the Confidential Operating Manual from Franchisor and shall pay Franchisor its then current fee for the replacement copy, which as of the Effective Date is $100. Franchisor reserves the right to amend, modify, change, alter or increase this fee, without limitation, upon sixty (60) days' prior written notice to Franchisee.

(d) Franchisee shall at all times treat the Confidential Operating Manual, any written directives of Franchisor and any other manuals and materials and the information contained therein, as confidential and shall maintain such information as a trade secret and confidential in accordance with the terms of the Confidentiality, Non-Use and Non-Competition Agreement. Franchisee agrees and acknowledges that the Confidential Operating Manual and the contents thereof, in whatever form existing, are and shall at all times remain the property of the Franchisor and the copyrighted work of the Franchisor. Franchisee further agrees and acknowledges that the Confidential Operating Manual and the contents thereof may not be reproduced, copied, used (except in accordance with this Agreement) or disseminated in any manner whatsoever and Franchisee shall immediately return all copies of the Confidential Operating Manual in its possession to Franchisor upon Franchisor's request.

7.3 Management Requirements

(a) Franchisee or its Operating Principal(s) shall be required to personally participate in the day-to-day activities of the Franchised Business. If applicable, a manager previously approvedby Franchisor in writing and not thereafter disapproved and who has completed all training required herein to Franchisor's satisfaction may personally participate in the day-to-day

activitiesof the Franchised Business.

(b) Franchisee shall appoint one or more Operating Principal(s). Franchisor shall have the right to approve or disapprove the Operating Principal(s). The Operating Principal(s), if different from the Franchisee, will be the only individual that the Franchisor will deal directly with and whose instructions and/or directions Franchisor shall address. Franchisee may not replace the Operating Principal(s) without Franchisor's prior written consent.

(c) In the event that a new Operating Principal(s) or a manager is appointed by Franchiseeand such Operating Principal(s) or manager has been approved by Franchisor, such Operating Principal(s) or manager must complete the Franchisor's then-current initial training program within sixty (60) days of the respective appointment.

(d) If the Franchisee is an entity, the Operating Principal(s) will be required to directly own not less than twenty-five percent (25%) of the equity ownership of the Franchisee entity. Franchisee's managers are not required to own, directly or indirectly, any equity in the Franchiseeentity.

7.4 System Standards

(a) Franchisee agrees to maintain the Franchised Business in accordance with the System Standards. Franchisee agrees to effectuate such reasonable maintenance of the Franchised Business as Franchisor from time to time requires, to maintain equipment or improve the appearance and efficient operation of the Franchised Business. Franchisee shall be required to update its equipment (but not its computer hardware and software) no less than every two (2) years. If the equipment is broken or is reduced to a dangerous condition, Franchisee shall be required to replace such equipment on a more frequent basis, as Franchisor shall determine, in its sole discretion. If at any time in Franchisor's judgment any aspect of the Franchised Business does not meet Franchisor's standards, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate and complete such action within ten (10) days after receipt of such notice, Franchisor shall have the right, in addition to all other remedies, to effectuate such action on behalf of Franchisee and Franchisee shall pay all costs thereof on demand.

(b) Franchisor periodically may modify its System Standards, which may accommodate regional or local variations, and these modifications may obligate Franchisee to invest additional capital in the Franchised Business location and/or incur higher operating costs. Franchisee agrees to implement any mandatory change in System Standards within the time period Franchisor requests as if the same were a part of this Agreement.

7.5 Franchisor's Right to Inspect and Audit the Franchised Business

(a) To determine whether Franchisee is in compliance with this Agreement and all mandatory System Standards, Franchisor and its designated agents or representatives may at all times and without prior notice to Franchisee:

(i) inspect the Franchised Business;

(ii) photograph, observe and videotape the operation of the Franchised Business for consecutive or intermittent periods as Franchisor deems necessary;

(iii) interview personnel and customers of the Franchised Business; and

(iv) inspect and copy any books, records, sales and income tax records and returns, documents relating to the Franchised Business and records relating to Franchisee's customers, clients, suppliers, employees and agents.

(b) If Franchisor exercises any of these rights, Franchisor will not interfere unreasonably with the operation of the Franchised Business.

(c) Franchisee agrees to cooperate fully with Franchisor, Franchisor's representatives and/or independent accountants in any inspection and/or audit of books and records.

(d) Franchisee agrees to present to customers of the Franchised Business the evaluation forms that Franchisor periodically prescribes and to participate and/or request customers to participate in any surveys performed by or for Franchisor.

7.6 Local Marketing and Advertising

(a) Franchisee is required to spend a minimum of one percent (1%) of Franchisee's annual Gross Revenues of the preceding calendar year on local advertising, marketing and promotional programs, including expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials ("Local Advertising"). Local Advertising expenditures is based upon an annual plan submitted to Franchisor for approval and will not necessarily have a mandated expenditure per each month of the year. Upon request, Franchisee must submit an itemized report documenting proof of expenditures to Franchisor, in a form Franchisor may, in its sole discretion, require. Upon discovery of Franchisee's non-compliance with its Local Advertising requirements, Franchisor reserves the right to require Franchisee to spend up to three percent (3%) of Franchisee's Gross Revenues of the preceding calendar year on Local Advertising for the succeeding year. All marketing will be conducted as set forth in the Confidential Operating Manual and in an approved annual marketing plan. Costs and expenditures Franchisee incurs for any of the following are excluded from Franchisee's required Local Advertising:

(i) salaries and expenses of Franchisee's employees, including salaries or expenses for attendance at advertising meetings or activities; and

(iii) seminar and educational costs and expenses of Franchisee's employees.

(b) Franchisor reserves the right to require Franchisee to contribute to the Franchisee

National Advertising Fund any amount required, but not spent by Franchisee on Local Advertising during the previous year.

(c) If required, all Advertising Materials, Social Media Materials and other items Franchisor designates must bear the Principal Trademarks in the form, color, location and manner Franchisor prescribes and must meet all of Franchisor's standards and requirements. Franchisee's Advertising Materials and Social Media Materials must be conducted in a dignified manner and conform to Franchisor's standards as stated in the Confidential Operating Manual or otherwise.

(d) Franchisee must obtain Franchisor's written approval (i) before Franchisee uses any Advertising Materials and Social Media Materials if Franchisor has not prepared or approved such materials within the previous twelve (12) months; and (ii) before Franchisee initially uses any Social Media Platform. Franchisee must submit all unapproved Advertising materials, Social Media Materials and requests to use Social Media Platforms to Franchisor via certified mail or electronic mail. Franchisor will approve or disapprove such request within ten (10) days after submission. If Franchisee does not receive written approval within ten (10) days after submission, the request shall be deemed denied. Franchisor may withhold its approval of any Advertising Materials, Social Media Materials or Social Media Platform for any reason and no reason at all. Franchisee may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platform. Franchisor has the right to revoke its prior approval of any Advertising Materials, Social Media Materials and Social Media Platform. Franchisee must promptly discontinue use of any Advertising Materials, Social Media Materials or Social Media Platform whether or not previously approved, on notice from Franchisor. Franchisor has the right to require Franchisee to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including but not limited to any previously approved Social Media Material. Franchisor has the right to access Franchisee's Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including but not limited to any previously approved Social Media Material. Franchisee is required to give Franchisor its usernames, passwords, account information and all other information Franchisor may require in connection with Franchisee's use of Social Media Platforms upon Franchisee's initial use of a Social Media Platform and immediately upon Franchisor's request.

(e) Franchisee may request permission to use a Social Media Platform on an ongoing basis on a specified theme or topic related to the Franchised Business. Franchisor may, in its sole discretion, grant such consent, which remains subject to Franchisor's unconditional right to withdraw consent and require removal and deletion of any objectionable Social Media Material. In the event Franchisor grants such consent, individual entries of Social Media Material on that topic alone would not require pre-approval to be made until such time as that consent is withdrawn.

(f) All Advertising Materials, Social Media Materials and Social Media Platforms must indicate that Franchisee is operating the Franchised Business as an independent franchisee of Franchisor.

(g) Franchisee shall not employ any person to act as a representative of Franchisee in

connection with local promotion of the Franchised Business in any public media without the prior written approval of Franchisor.

(h) Notwithstanding anything to the contrary above, Franchisor reserves the right to require Franchisee to make specific Local Advertising expenditures in the event that Franchisor, in its sole discretion, determines that Franchisee's Local Advertising efforts are inadequate. Further, if Franchisor uses a public figure to promote the System within Franchisee's Territory, Franchisor may require Franchisee pay for the public figure's appearance fee and travel expenses. These expenses, once paid by Franchisee, shall be credited against Franchisee's required Local Advertising expenditures set forth above.

7.7 Accounting and Records

Franchisee must maintain all financial, sales, accounts, books, data, licenses, contracts, product supplier invoices, management reports and records for a period of seven (7) years or longer as required by government regulations.

7.8 Reporting Requirements

(a) Franchisee will be required to submit financial reports each month to Franchisor indicating the Gross Revenues derived from Franchisee's operation of the Franchised Business for the previous month or as required by Franchisor in the Confidential Operating Manual or otherwise in writing. Franchisee shall submit a monthly balance sheet and profit and loss statement within sixty (60) days after each month. Franchisee shall also submit annual balance sheets and profit and loss statements to Franchisor within sixty (60) days after the end of Franchisee's fiscal year. All reports required herein shall be signed by Franchisee and certified in writing by Franchisee to be accurate. In addition, upon the request of Franchisor, Franchisee shall compile and provide to Franchisor any report that Franchisor may reasonably request for purposes of evaluating or promoting the System in general.

(b) Franchisee must, at its own expense, maintain a bookkeeping, accounting and recordkeeping system, in accordance with Franchisor's standards. Franchisor may, in its sole discretion, require Franchisee to use computer software approved by Franchisor for Franchisee's bookkeeping, accounting and recordkeeping systems. Franchisor may, in its sole discretion, also require Franchisee to use a third party approved by Franchisor for accounting and bookkeeping services. If Franchisor elects to require Franchisee to use a third party provider, Franchisor shall require the third party to provide to Franchisor reports and information in the form and manner Franchisor prescribes.

(c) Franchisor shall have the right to disclose the data contained within and any data derived from any report prepared by Franchisee or a third party, in Franchisor's sole discretion. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee.

(d) Unless required due to Franchisee's underreporting, there are no requirements for audited financial statements.

(e) Franchisee will be required, as specified in the Confidential Operating Manual, to provide all reports to Franchisor in the format specified in the Confidential Operating Manual.

(f) Franchisee shall transfer to Franchisor all Consumer Data not automatically collected by software required by Franchisor on a monthly basis, or at such other times and intervals as Franchisor may determine.

(g) Franchisee shall provide to Franchisor, on such forms required by Franchisor, the name, location and all identifying information of each Function and/or facility located within Territory within thirty (30) days of the date that Franchisee agrees to perform Services at such Function and/or facility. Further, each month Franchisee shall also report to Franchisor its efforts to sign up Functions and/or facilities within the Territory.

7.9 Use of Operating Assets

Franchisee agrees to use in operating the Franchised Business only those equipment (including credit card clearing service equipment, computer with high-speed internet connection and facsimile) and signs (collectively, the "Operating Assets") that Franchisor designates or approves for the Franchised Business as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee agrees to purchase or lease approved brands, types or models of Operating Assets only from designated or approved Suppliers (which may include or be limited to Franchisor and/or its affiliates).

7.10 Computer Software and Hardware

(a) Franchisee must obtain and maintain computer equipment and software, including administrative software that meets Franchisor's specifications and is compatible with and acceptable by Franchisor's central accounting system. Franchisor may, in its sole discretion, specify the make, model and/or type of the computer equipment, software, including back office, data, voice, audio and video storage, retrieval and transmission systems, cash register systems, security systems, printers and other peripheral devices, archival back-up systems and Internet access mode and speed ("Computer System"). If Franchisor specifies the make, model or type of any part of the Computer System, Franchisee may not utilize any alternate manufacturer, brand or distributor of any part of the Computer System without Franchisor's prior written approval. Franchisee may not install additional software to its Computer System without Franchisor's written approval. Franchisor requires Franchisee to maintain a high-speed connection to the Internet. Franchisor may require Franchisee to utilize specified Internet providers or communications software as Franchisor may determine.

(b) Franchisor may, in its sole discretion, require Franchisee to use hardware and software, including a customer registration system/software and/or an administrative software, which accommodates an online system that gives Franchisor access to Franchisee's records via the Internet. If Franchisor elects to gain access to Franchisee's records via the Internet, Franchisee must allow Franchisor to establish and maintain communication with Franchisee's Computer System via a dedicated data transmission line such asa high-speed internet connection to retrieve information, including but not limited to sales data andfinancial data. All such information derived from or pertaining to the Franchised Business shall bethe property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee. This equipment and relatedsoftware must be purchased and installed in accordance with Franchisor's specifications as may be provided in the Confidential Operating Manual or otherwise by Franchisor in writing. Franchisee must provide Franchisor with any user identification and/or password necessary for Franchisor to gain access via the Internet to Franchisee's Computer System and the records contained therein.

(c) Franchisor shall be the web master for the Amazing Athletes website or any on-line equivalent, either directly or through our supplier. Franchisor shall be the only authorized user of the Amazing Athletes URL or any derivation of the Amazing Athletes name or marks on the worldwide web. Franchisee will be required to participate in and provide assistance with the Amazing Athletes website, as we may require. Franchisee shall not establish or maintain an independent website or URL for the Franchised Business or use the Principal Trademarks (or any similar version) or other proprietary information in any way other than as provided for herein, including on the Internet.

(d) Franchisor or a designated third-party may design, update and host the Amazing Athletes website which will contain the location and telephone number of the Franchised Business. Franchisor will approve or disapprove and execute any and all changes to the website and to Franchisee's information. Franchisee will not have any right to update, upgrade, amend or host the website. Franchisee may provide Franchisor with updated photographs or such items as news and events, promotions and specials, which Franchisor may incorporate into the System website. The Amazing Athletes website will contain information on the services provided by the Franchisor. The Amazing Athletes website may also contain information on the awards and achievements of Franchisor, its affiliates, any company-owned or affiliate-owned businesses and any franchisee. The website and its content will be updated based upon Franchisor's judgment of what is appropriate; all changes, deletions and additions are at Franchisor's sole discretion. Franchisor reserves the right to require Franchisee or any hosting service to remove unauthorized websites that contain the Principal Trademarks. Franchisee must assist Franchisor in removing such sites.

(e) Franchisor may provide from the Amazing Athletes website a landing page or a link to a website for Franchisee's Franchised Business, which will be maintained by Franchisor or a supplier. Franchisor may provide guidelines for updating Franchisee's specific landing page or website and Franchisor may make changes to Franchisee's specific landing page or website, in Franchisor's discretion. Franchisee shall be required to abide by the Amazing Athletes privacy policy regarding customer information.

(f) Franchisee shall have no rights to market any products or services on the Internet without Franchisor's permission and it is unlikely at this time that such permission will be granted. Franchisee shall be required to comply with the Amazing Athletes policies and programs concerning search engine optimization.

(g) Franchisee will be assigned an email address for its location. Franchisee must use only this email address to conduct its business. Tothe extent the e-mail address contains the name "Amazing Athletes" or any other proprietary designation, Franchisee will only be able to use it as specified by Franchisor and Franchisee will immediately cease use of it when Franchisor so requires.

(h) Franchisee must maintain, upgrade and update the Computer System, including administrative software and Internet service providers or other communications system during the term of the franchise, as Franchisor determines but not more than once every two (2) years, at Franchisee's expense. Franchisee is solely responsible for protecting itself from viruses, computer hackers and other computer-related problems and Franchisee may not assert any claims against Franchisor or its affiliates for any harm caused by such computer-related problems.

(i) Franchisee shall comply with the most current version of the Payment Card Industry Data Security Standards and validate compliance with those standards, as may be periodically required by Franchisor or third-parties.

7.11 Insurance

(a) Prior to Franchisee opening its Franchised Business, Franchisee must obtain insurance coverage for the Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of this Agreement and must be obtained from a responsible carrier or carriers rated "A+" or better by A.M. Best & Company, Inc. and be approved by Franchisor. The insurance coverage must include the following:

(i) professional liability insurance having a combined single limit for any claims of $250,000 per occurrence and $250,000 in the aggregate;

(ii) general liability insurance having a combined single limit for any form of injury and property damage of $1,000,000 per occurrence and $2,000,000 in the aggregate;

(iii) excess liability umbrella coverage for general and automobile liability coverage in an amount of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate;

(iv) employer's liability and worker's compensation Insurance as required by state law in the state in which the Business is found;

(v) sexual abuse and molestation insurance (which may also be known as sexual molestation liability coverage) in an amount of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate and

(vi) any additional insurance required by law in the state or locality in which the Franchised Business will operate.

(b) Franchisee may, with Franchisor's prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor, its parent and its affiliates as additional insureds and must include a waiver of subrogation in favor of all parties.

(c) Franchisee must provide Franchisor with written proof in the form of Accord certificates or as otherwise required by Franchisor of Franchisee's purchase of the above required insurance policies no later than the business day before Franchisee intends to open the Franchised Business. Franchisee must provide Franchisor with proof of Franchisee's continued insurance coverage no later than thirty (30) days before the expiration of Franchisee's insurance policies. For purposes hereof, proof of purchase of insurance and/or continued insurance coverage shall include written evidence of insurance issued by the insurance company to Franchisee showing compliance with the above requirements. In the event that Franchisee fails to purchase the required insurance, Franchisor may, in its sole discretion pay for the required insurance policies on behalf of Franchisee. Franchisor reserves the right to charge Franchisee a reimbursement fee equal to Franchisor's expenditures in paying for Franchisee's required insurance policies. Franchisee's insurance policies will in no way be limited in any way by any insurance policy maintained by Franchisor.

(d) Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may, in its sole discretion, and upon thirty (30) days' notice to Franchisee require Franchisee to obtain insurance policies with increased coverage limits and/or additional or different insurance policies in accordance with Franchisor's then current insurance requirements for Franchisees.

(e) Franchisee may not reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without Franchisor's written consent. Franchisee may alter, amend or upgrade any insurance policy without Franchisor's written consent provided that Franchisee maintains the minimum insurance required and Franchisee provides Franchisor with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such coverage.

(f) Franchisee shall require its insurance providers to provide written notice to Franchisor in advance of any alteration, amendment, upgrade, termination or expiration of any insurance policy maintained by Franchisee.

(g) Franchisee agrees and acknowledges that Franchisor's review of and/or consent to any of Franchisee's insurance policies is solely for Franchisor's benefit and is not a guaranty that Franchisee's insurance coverage is sufficient. Franchisee further agrees and acknowledges that it is solely responsible for determining whether or not its insurance coverage is sufficient for the Franchised Business.

(h) Franchisor may, but shall not be obligated to, negotiate preferred purchase arrangements for Amazing Athletes franchisees for group insurance coverage during the Term. If Franchisor elects to do so, Franchisee shall purchase Franchisee's insurance under the group insurance policies and shall pay Franchisor or the designated insurance company Franchisee's pro-rata share of the annual costs for the insurance, which will generally equal the annual premium for the group insurance coverage during the previous year divided by the number of Amazing Athletes franchisees who participate in the group insurance policy coverage during the prior year and will depend on factors such as thetype of insurance, the limits of such coverage, the estimated number of students that will attend Franchisee's Programs, the number of franchisees participating in the group insurance program and other factors affecting risk exposure. Franchisor may derive revenue or obtain rebates, discounts or allowances from insurance companies as a result of Amazing Athletes franchisees' purchase of insurance coverage.

7.12 Indemnification

(a) Franchisee shall indemnify, defend and hold harmless Franchisor, its affiliates and the respective shareholders, officers, directors, employees, agents, successors and assignees of Franchisor, its parent and its affiliates (the "Indemnified Parties") against and reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee's breach of this Agreement, including without limitation those alleged to be or found to have been caused by the Indemnified Party's negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by Franchisor's gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction. This provision shall survive termination and expiration of this Agreement.

(b) For purposes of this Section 7.13 and Franchisee's indemnification, "claims" include all obligations, damages (actual, consequential or otherwise) and costs that any Indemnified Party incurs in defending any claim against it, including without limitation fees incurred for accountants, arbitrators, attorneys and expert witnesses, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution. Each Indemnified Party may defend any claim against it at Franchisee's expense and agree to settlements or take any other remedial, corrective or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third-party or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this subsection. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this subsection.

7.13 Licensing, Taxes and Compliance with Laws

(a) Franchisee shall ensure that the Franchised Business and each of Franchisee's

employees at the Franchised Business meet and maintain the highest standards and shall satisfy all safety and regulation standards which may be imposed upon the Franchised Business and/or its employees, including obtaining all required permits, licenses and certifications. It is Franchisee's obligation to determine if Franchisee must be licensed in connection with operating the Franchised Business and to take whatever steps are necessary to meet the requirements of any regulation regarding the operation of the Franchised Business. Franchisee shall provide to Franchisor, within five (5) days of Franchisee's receipt thereof or Franchisor's request, a copy of all inspection reports, warnings, citations, certificates and/or ratings required by law or which result from inspections, audits or inquiries conducted by federal, state or municipal agencies with jurisdiction over the Franchised Business.

(b) Franchisee shall comply with all federal, state and local laws and regulations that generally apply to youth sports businesses. Further, Franchisee shall comply with the Americans with Disabilities Act; the Fair Labor Standards Act; Equal Employment Opportunities Commission; Occupational Safety and Health Administration; Gramm-Leach-Bliley Act; The Patriot Act; Truth in Lending Act and other laws dealing with credit transactions and collections; Digital Millennium Copyright Act; regulations governing MMS, SMS, emails and telemarketing; the payment of license fees; and, any advertising or content related rules and regulations, etc.

(c) Franchisee acknowledges that Franchisee is aware of federal, state and local labor regulations including minimum age and minimum wage laws that may affect the Franchised Business. Franchisee shall comply with all such federal, state and local labor regulations.

(d) Franchisee shall also pay when due all taxes levied or assessed, including unemployment and sales taxes and Franchisee shall file when due all tax returns due from any individual or entity related to the Franchised Business. Franchisee shall pay to Franchisor an amount equal to any sales tax or gross receipts tax imposed upon Franchisor with respect to any payments to Franchisor required under the Agreement.

(e) Franchisee acknowledges and agrees that Franchisee is solely responsible for complying with all laws, including but not limited to the handling, distribution and use of Consumer Data, as defined in subsection 8.1(c) below.

7.14 Security Interest

(a) Franchisee hereby grants to Franchisor, its parent and its affiliates a securityinterest in any and all of Franchisee's inventory, equipment, Operating Assets and all other assetsand any proceeds thereof (including but not limited to all accounts receivable and the proceeds ofany insurance). The security interest granted herein secures: (1) all of Franchisee's obligations to Franchisor, its parent and its affiliates under this Agreement and any other agreement between Franchisee and Franchisor or its affiliates; and (2) all costs and expenses which Franchisor, its parent and its affiliates may incur in the administration and collection of these obligations. This Agreement shall constitute a security agreement and upon request by Franchisor, its parent and its affiliates, Franchisee shall execute any additional instruments required to perfect this security

interest, including without limitation a standard Uniform Commercial Code ("UCC") financing statement. Franchisee authorizes Franchisor, its parent and its affiliates:

(i) To file a copy of this Agreement, a UCC financing statement and any other documents that may be necessary to perfect the security interest granted herein; and

(ii) To sign on behalf of Franchisee and to file in any jurisdiction, with or without signature of Franchisee, financing statements with respect to this security interest and security agreement.

(b) Notwithstanding anything to the contrary in Section 7.14(a) above, in the event that Franchisee elects to obtain financing in connection with the operation of its Franchised Business, Franchisor shall agree to subordinate its security interests set forth above to such financing, provided that (i) Franchisor is provided with notice of Franchisee's intent to obtain such financing at least thirty (30) days prior to the execution of any financing instruments and (ii) Franchisee executes or causes to be executed any agreements, documents or instruments requested by Franchisor to perfect or otherwise in support of its security rights herein.

7.15 Approved Services and products

(a) Franchisee must sell and offer for sale all products and services required by Franchisor. Franchisee shall immediately discontinue selling and offering for sale any product and/or service that Franchisor disapproves in writing.

(b) Franchisee must notify Franchisor immediately if any of the services and products approved by Franchisor are prohibited, restricted by law or regulation or are adverse to local community standards. Franchisee is required to provide assistance to Franchisor upon request, if government or other local approval is required for the offer and sale of any product or service approved by Franchisor.

(c) Franchisee shall discontinue selling and offering for sale any products and/or Services that Franchisor disapproves in writing, within a commercially reasonable period of time, as determined in Franchisor's sole discretion.

(d) Franchisee shall not participate in any resale of Amazing Athletes products or services or any Grey marketing activities concerning any Amazing Athletes products or services.

(e) From time-to-time Franchisor may choose to test new products, sales strategies, equipment, programs, services or other elements of Amazing Athletes' intellectual property. Upon such an occurrence, Franchisee shall be required to participate in any testing at the request of Franchisor and may also be required to make capital expenditures and incur operating and other costs as part of their participation in the test. Franchisor is not obligated to reimburse Franchisee for those expenditures. Franchisee may be required to maintain records and submit reports to Franchisor, as part of the test, in a timely manner.

7.16 Advertising Cooperatives

(a) There are currently no advertising cooperatives in the System. However, Franchisor reserves the right to establish advertising cooperative(s) and may choose to discontinue an advertising cooperative, if once established, during the term of this Agreement. If Franchisor establishes a cooperative, Franchisor may require Franchisee to contribute up to three percent (3%) of Franchisee's Gross Revenues to the cooperative instead of being spent on local advertising. If Franchisor elects to do so, Franchisee's local advertising requirement will be reduced by the same percentage of Gross Revenues that is required to be contributed to the cooperative.

(b) Franchisor shall have the right to determine the composition of all geographic territories and market areas included in a particular regional cooperative and to require that Franchisee participate if an advertising cooperative is established which encompasses the Territory assigned to Franchisee. The members of a regional cooperative will consist of all Amazing Athletes franchised businesses located within in the area associated with that regional cooperative. Company-owned and/or affiliate-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as Franchisor may determine, in its sole discretion. The franchises that were sold by a predecessor, however, will not be required to participate even if such franchisees are within an area of a regional advertising program.

(c) Franchisor shall have the right to change, dissolve, or merge any regional advertising cooperative. All contributions to the regional cooperative will be maintained and administered in accordance with the documents governing the regional cooperative, if any. Currently, there are no governing documents for regional cooperatives. If Franchisor requires a regional cooperative to be formed, Franchisor shall either (a) prepare a form of governing document for Franchisee's use or (b) require that Franchisee's regional cooperative prepare a governing document, subject to Franchisor's prior written approval. If Franchisor manages the funds of a regional advertising cooperative, Franchisor shall prepare unaudited financial statements and will deliver the same to Franchisee no earlier than one hundred twenty (120) days of its year-end.

(d) Franchisor shall have the right, in its sole discretion, to determine how funds paid into any such advertising cooperative are expended.

7.17 Franchisee's Employees

(a) Franchisee hereby irrevocably agrees, acknowledges, affirms, represents, warrants and covenants that its employees are employed exclusively by Franchisee and that none of its employees are employed, jointly employed or co-employed by Franchisor. Franchisee further agrees, acknowledges, affirms, represents, warrants and covenants that each of its employees are under the exclusive dominion and control of Franchisee and are never under the direct or indirect control of Franchisor. Franchisee is exclusively responsible for, and Franchisor shall not, directly or indirectly, be engaged in, have authority or ability over or otherwise involved with, the hiring of each of its employees, setting their schedules, establishing their compensation, paying all salaries, benefits and employment-related liabilities (workers' compensation insurance

premiums/payroll taxes/Social Security contributions/unemployment insurance premiums) associated with such employment, disciplining, suspending and/or terminating employees.

(b) Franchisee further hereby irrevocably agrees, acknowledges, affirms, represents, warrants and covenants that any training provided by Franchisor for Franchisee's employees is intended to provide to those employees the various procedures, protocols, systems and operations of a Franchised Business and shall not create an employment relationship between the Franchisor and the Franchisee's employees.

(c) Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on our behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with its appearing at any such venue.

7.18 Data Security Safeguards

Franchisee shall exert Franchisee's best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a "Cyber Event"). If a Cyber Event occurs, regardless of whether the Cyber Event affects only the Franchised Business, Franchisor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation, the investigation, containment and resolution of the Cyber Event and all communications within the Amazing Athletes franchise system and with vendors and suppliers, Governmental Authorities and the general public. Franchisor's control of the response to a Cyber Event may potentially affect or interrupt operations of the Franchised Business, but shall not create any liability for Franchisor or additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of Franchisee's indemnification obligations. Franchisee shall reimburse Franchisor for all of Franchisor's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Franchisee or the Franchised Business. Franchisee shall at all times be compliant with (i) the NACHA ACH Security Framework; (ii) the Payment Rules; (iii) Applicable Law regarding data privacy, data security and security breaches; and (iv) Franchisor's security policies and guidelines, all as may be adopted and/or amended from time to time (collectively, "Data Security Safeguards"). Franchisee shall obtain advice from Franchisee's own legal and security consultants to ensure that Franchisee operates the Franchised Business at all times in full compliance with the Data Security Safeguards. Notwithstanding Franchisor's right to perform and/or control all aspects of a response to a Cyber Event, Franchisor shall make commercially

reasonable efforts to coordinate its response with Franchisee and Franchisee's insurance carrier(s) and to cooperate with Franchisee's insurance carrier(s) regarding insurance coverage of the Cyber Event to the extent reasonably practicable under the circumstances.

7.19 Crisis Management Event.

Franchisee agrees to notify Franchisor immediately by telephone and email upon the occurrence of a Crisis Management Event. Franchisor may establish emergency procedures which may, among other things, require Franchisee to temporarily close the Franchised Business, in which case Franchisee agrees that Franchisor will not be held liable to Franchisee for any losses or costs. During a Crisis Management Event, Franchisee shall not communicate to the media nor post any content on any Social Media Platform without the expressed written consent of the Franchisor, which Franchisor may deny for any reason or no reason at all. Franchisor reserves the right to handle all external communications during a Crisis Management Event. For purposes of this Agreement, a Crisis Management Event shall mean any event that occurs at any location at which Franchisee provides the Services that has or may cause harm or injury to children, customers or employees, such as sexual abuse, molestation, the occurrence of an incident which qualifies as a felony, crime of moral turpitude or any other crime (whether or not charges have been brought), contagious diseases, natural disasters, terrorist acts, shootings or any other circumstance which may damage the System, the Principal Trademarks or image or reputation of the Franchised Business, the Franchisor or our affiliates.

VIII. CONFIDENTIAL INFORMATION

8.1 Restriction on Use of Confidential Information

(a) Franchisor possesses (and will continue to develop and acquire) certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding: (i) the Franchisor, its affiliates and its subsidiaries; (ii) the development, management and operation of Amazing Athletes franchised businesses, including without limitation: (a) the Confidential Operating Manual; (b) operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System; (c) training and operations materials and manuals; (d) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques; (e) business forms and accounting procedures; (f) Advertising Materials, Social Media Materials and use of Social Media Platforms; (g) database material, customer lists (including but not limited to student lists and any Consumer Data, as defined in subsection 8.1(c) below), records, files, instructions and other proprietary information; (h) identity of suppliers and knowledge of supplier discounts, specifications, processes, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (i) any computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (j) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (k) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor, its parent and its

affiliates consider proprietary.

(b) It is the parties' intention that the Confidential Information be governed by the Confidentiality, Non-Use and Non-Competition Agreement attached hereto as Exhibit 6 and the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 7. Franchisee acknowledges and agrees that Franchisor has granted the franchise in consideration of and in reliance upon Franchisee's agreement to execute the Confidentiality, Non-Use and Non-Competition Agreement and abide by its terms. Franchisee shall require any individual to whom Confidential Information is disclosed, or if a corporation, limited liability company or partnership, its officers, directors, shareholders, employees, agents and affiliates to execute the Confidentiality, Non-Use and Non-Competition Agreement Form as a condition of such disclosure, in the form attached hereto as Exhibit 7.

(c) Consumer Data shall mean all personally identifiable information, including but not limited to, names, addresses, email addresses, telephone numbers, corporate information, transaction data, demographic data, behavioral data, customer service data, correspondence, and other documents and information, obtained from consumers, suppliers or others in connection with any Product or Service.

8.2 Acknowledgments

(a) Franchisee acknowledges that Franchisee has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; (v) Franchisee has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee will not acquire any ownership interest in the Confidential Information and/or System; and (vii) Franchisee's use or duplication of the Confidential Information and/or System or any part of the Confidential Information and/or System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

8.3 Non-Disclosure and Return of Confidential Information

(a) Franchisee and its Owners agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor, they:

(i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity and will only disclose those parts of the System that an employee, agent or independent contractor needs to know; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor'suse; (iv) will not reproduce or use the Confidential Information; (v) will ensure that any employees, agents, independent contractors and professional and financial advisors requiring access to any Confidential Information will, prior to obtaining such access, execute Confidentiality, Non-Use and Non-Competition Agreement Forms in the form attached hereto as Exhibit 7.

(b) Confidential Information provided by Franchisor to Franchisee and its Owners, in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

IX. COVENANTS

9.1 Covenants

1. Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement of Franchisee and its Owners to deal exclusively with Franchisor; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Article VIII above; and to protect and preserve the goodwill of the Franchisor.

2. Franchisee and its Owners further acknowledge and agree that (i) pursuant to this Agreement, they will have access from the Franchisor, its parent and its affiliates to valuable specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System, its trade secrets and its Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Amazing Athletes franchises if franchisees and its Owners were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold an interest in or perform services for Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee and its Owners.

3. Accordingly, Franchisee and its Owners covenant and agree that during the term of

this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause for termination) or expiration of this Agreement; (ii) the Transfer, as defined in this Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of Amazing Athletes to any competitor;

(2) Take any action or engage in any activity injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(3) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(4) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection.

4. During the term of this Agreement, there is no geographic limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsections 9.1(c) at any location. During the two (2) year period following the later of: (1) the termination (regardless of the cause for termination) or expiration of this Agreement; (2) the Transfer of the franchise; or (3) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, these restrictions shall apply:

(1) at the location of the Franchised Business;

(2) within the Territory assigned to the Franchised Business and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchised Business;

(3) within ten (10) miles of the location of any other Amazing Athletes business, within the territory assigned to any other Amazing Athletes business and within ten (10) miles of the outer boundaries of the territory assigned to any other Amazing Athletes business;

owned, in operation, under development or to be developed by Franchisor, its affiliates, franchisees of Franchisor and/or its affiliates as of (i) the date of this Agreement; (ii) as of the date of (a)

termination (regardless of the cause for termination) or expiration of this Agreement or (b) a Transfer, as defined herein; or (iii) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1.

5. Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination and expiration of this Agreement.

6. Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 9.1 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

7. Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographic area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its parent and its affiliates. Franchisee and its Owners also agree and acknowledge that the legitimate business interests of Franchisor and its Owners, include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business location, within the Territory assigned to Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 9.1(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of the terms, covenants and/or restrictions of this Section 9.1 (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

8. Franchisor shall have the right, in its sole discretion to reduce the scope of any covenant contained in this Section 9.1 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 20.2.

9.2 Enforcement of Covenants Not to Compete

Franchisee and its Owners acknowledge and agree that Franchisor has a compelling interest in protecting the System and that the provisions of this Article IX protect Franchisor's System. Franchisee and its Owners acknowledge that violation of the covenants contained in this Article IX would result in immediate and irreparable injury to Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Article IX without the need of a bond. Franchisee and its Owners expressly agree that it may

conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee or its Owners may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Article IX by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Article IX.

9.3 Definitions

(a) The term "affiliates" (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities. For purposes of this definition, the term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity to which referred.

(b) The term "Competitive Business" means: (a) any business providing developmental sports and physical fitness programs to children under the age of 12; or (b) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(c) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Franchisee (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity

9.4 Procurement of Additional Covenants

Franchisee acknowledges and agrees to require and obtain the execution of the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 7: (i) before employment or any promotion, of all personnel Franchisee employs who have received training from Franchisor or who will have access to the Confidential Information; (ii) Franchisee's Owners at the same time as the execution of this Agreement (or at such later time as they assume such status); and (iii) all other personnel designated by Franchisor. Franchisee agrees to furnish Franchisor with copies of all executed Confidentiality, Non-Use and Non-Competition Agreement Forms upon Franchisor's request.

9.5 Franchisee's Enforcement of Confidentiality, Non-Use and Non-Competition

Agreements

Franchisee acknowledges and agrees to vigorously and vigilantly prosecute breaches of any Confidentiality, Non-Use, and Non-Competition Agreement Form executed by any of the individuals referenced herein. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Moreover, if provisions of the Confidentiality, Non-Use, and Non-Competition Agreement Form have been breached by an individual employed, engaged or otherwise serving the Franchised Business, but who has not executed a Confidentiality, Non-Use, and Non-Competition Agreement Form, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law. Franchisee acknowledges that Franchisor shall have the right, but not the obligation, to enforce the terms of each such executed Confidentiality, Non-Use, and Non-Competition Agreement Forms against any of the individuals referenced herein. Franchisee further acknowledges that Franchisor shall have the right, but not the obligation to bring civil actions to enforce its terms. In the event that Franchisor elects to exercise its rights to enforce the provisions Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals referenced herein, Franchisee shall be required to reimburse Franchisor for Franchisor's reasonable attorneys' fees, experts' fees, court costs and all other expenses of litigation in connection with Franchisor's enforcement of the provisions of any Confidentiality, Non-Use, and Non-Competition Agreement Form against any of the individuals referenced herein.

9.6 Lesser Included Covenants Enforceable At Law

If all or any portion of the covenants set forth in this Article IX are held unreasonable, void, vague or illegal by any court, arbitrator or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Article IX as if the resulting covenants were separately stated in and made a part of this Agreement.

9.7 Severability of Covenants

The parties agree that each of the covenants contained in this Article IX shall be construed independent of each other and any other covenant or provision within this Agreement.

X. ASSIGNMENT AND TRANSFERS

10.1 By Franchisor

Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System and that staff members can change as employees come and go. Franchisee represents that it has not signed this Agreement in reliance on any particular shareholder, director, officer or employee remaining with Franchisor in any capacity or no capacity at all. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third-party without restriction. In the event of Franchisor's assignment of this Agreement to a third-party who

expressly assumes the obligations under this Agreement, Franchisor shall no longer have any performance or other obligations under this Agreement.

10.2 By Franchisee

(a) Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an entity, to Franchisee's Owners) and that Franchisor has granted to Franchisee the franchise in reliance upon its perceptions of Franchisee's (or its Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in this Agreement), the Franchised Business or substantially all of its assets, nor any ownership interest in Franchisee (regardless of its size), nor any ownership interest in any of Franchisee's Owners (if any Owner is a legal entity) may be transferred without Franchisor's prior written approval, which may be withheld for any reason in its sole discretion, subject to the provisions herein. A transfer of the ownership, possession, control, or substantially all of the assets of the Franchised Business may be made only with an appropriate assignment of this Agreement. Any transfer without Franchisor's consent is a breach of this Agreement and shall be considered void and of no effect.

(b) Neither Franchisee nor any Owner shall be permitted or have the power without the prior written consent of Franchisor, to convey, give away, sell, assign, pledge, lease, sublease, devise or otherwise transfer, either directly or by operation of law or in any other manner, including by reason of death, any interest or shares of stock of any kind or nature in Franchisee. In order to assure compliance by Franchisee with the transfer restrictions contained in this Section 10.2, all shares or stock certificates of Franchisee or Franchisee's operating agreement, if Franchisee is a limited liability company, shall at all times contain a legend sufficient under applicable law to constitute notice of the restrictions contained in this Agreement and to allow such restrictions to be enforceable. Franchisee shall provide Franchisor with a copy of its shares or stock certificates, if a corporation, or its operating agreement, if a limited liability company, so that Franchisor may ensure that such share, stock certificate or operating agreement contains the required legend. Such legend shall appear in substantially the following form:

> "The sale, transfer, pledge or hypothecation of this stock is restricted pursuant to the terms of Article X of a Franchise Agreement dated _____ between Amazing Athletes Franchise Systems, LLC and _____."

(c) Notwithstanding anything to the contrary above, Franchisee may grant a security interest (including a purchase money security interest) in the assets of the Franchised Business (not including this Agreement) to a lender that finances its acquisition, development and/or operation of the Franchised Business without having to obtain Franchisor's prior written approval as long as Franchisee gives Franchisor thirty (30) days prior written notice and provided that the security interest is subordinate to Franchisor's rights hereunder or under any other agreement by and between Franchisee and Franchisor.

(d) The term "transfer" means to sell, assign, gift, pledge, mortgage or encumber either voluntarily or by operation of law any interest in: (i) this Agreement or the rights created thereunder; (ii) all or substantially all of the assets of the Franchised Business; and/or (iii) any direct or indirect interest in the ownership of Franchisee.

10.3 Conditions for Approval of Transfer by Franchisee

(a) If Franchisee (and its Owners) has fully complied with this Agreement and any and all other agreements with Franchisor, its parent and its affiliates, then subject to the other provisions of this Article X, Franchisor may in its discretion approve a transfer that meets the requirements of this Section 10.3. To effectuate any proposed transfer, Franchisee must comply with all of the following conditions either before or concurrently with the effective date of the transfer:

(i) Franchisee shall first notify Franchisor in writing of the proposed transfer and set forth a complete description of the terms of the proposed transfer including the prospective transferee's name, address, telephone number, financial qualifications and previous five (5) years' business experience. Franchisor or its assignees may within thirty (30) days after receipt of such notice, exercise a right of first refusal to purchase the interest being offered by Franchisee pursuant to the provisions of Article XI herein;

(ii) transferee (and its owners if transferee is an entity) has sufficient business experience, aptitude and financial resources to operate the Franchised Business and must meet all of Franchisor's then current standards and requirements for becoming an Amazing Athletes franchisee (which standards and requirements need not be in writing);

(iii) Franchisee has: (1) paid all Royalties, Franchisee National Advertising Fees and other amounts owed to Franchisor, its affiliates and any Suppliers; (2) submitted all required reports and statements; (3) cured all other breaches of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates and any Suppliers; and (4) satisfied all its obligations under this Agreement and any other agreement with Franchisor, its affiliates or any Suppliers;

(iv) neither the transferee nor its owners (if the transferee is an entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(v) transferee (or its operating principal(s)) and any other personnel required by Franchisor completes Franchisor's training program to Franchisor's satisfaction at transferee's own expense, including payment to Franchisor of the then current Enhanced Business Coaching and Training Fee, which as of the dateof this Franchise Agreement consists of (i) $350 per day per staff person plus reimbursement of the Franchisor's actual travel and accommodation expenses in connection with providing such Enhanced Business Coaching and Training, and (ii) $55 per hour for each Enhanced Business Coaching and Training phone call or videoconferencing meeting;

(vi) transferee shall (if the transfer is of this Agreement) or Franchisee shall (if the transfer is of a controlling ownership interest in Franchisee or one of its Owners), execute Franchisor's then current form of franchise agreement and related documents, the provisions of which may differ materially from those contained in this Agreement for a term equal to the remaining term of this Agreement or in Franchisor's sole discretion, the then current term offered to new franchisees. If the latter, Franchisee shall pay Franchisor the then current franchise fee and agree to comply in all respects with all of Franchisor's requirements;

(vii) transferee shall upgrade the Franchised Business to meet Franchisor's then current standards for an Amazing Athletes franchised business;

(viii) transferee (and its owners if transferee is an entity) agree and acknowledge that Franchisor is not responsible for any representations not included in the disclosure document or this Franchise Agreement;

(ix) Franchisee and/or the transferee pays Franchisor the transfer fee. The transfer fee is as follows:

(1) No fee for a transfer to the surviving spouse, parent or child of Franchisee or an Owner upon the death or disability of Franchisee or an Owner;

(2) No fee for a transfer to an entity in which Franchisee: (i) maintains management control; and (ii) owns and controls one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that (a) such entity conducts no other business other than the Franchised Business; (b) all of the assets of the Franchised Business are owned by that single entity; and (c) the Franchised Business is conducted only by that single entity. Further, the transferee entity must expressly assume all of Franchisee's obligations under this Agreement and Franchisee must agree to remain personally liable under this Agreement as if the transfer to this entity did not occur; and

(3) A fee of $8,750. The transfer fee shall be paid upon completion of the Transfer; Franchisee and transferee shall each pay fifty percent (50%) of the Transfer Fee. Franchisee agrees and acknowledges that the Transfer Fee described above does not include any applicable sales commissions, which Franchisee shall be obligated to pay separately.

(x) Franchisee (and its Owners) signs a General Release in the form attached as Exhibit 4, of any and all claims against the Released Parties;

(xi) Franchisor, in its sole discretion, has determined that the terms of the transfer, including but not limited to price, method and the extent of financing will not adversely affect the transferee's operation of the Franchised Business;

(xii) if Franchisee or its Owners finance any part of the purchase price,

Franchisee and/or its Owners agree that all of the transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay the Royalty, Franchisee National Advertising Fees and other amounts due to Franchisor, its affiliates, Suppliers and otherwise comply with this Agreement;

(xiii) Franchisee and its Owners will not for two (2) years beginning on the effective date of the transfer, engage in any of the activities prohibited in Article IX of this Agreement;

(xiv) Franchisee and its Owners will not directly or indirectly at any time or in any manner (except with respect to other Amazing Athletes franchises they own and operate) identify themselves or any business as a current or former Amazing Athletes franchise or as one of Franchisor's franchisees; use any of the Principal Trademarks, any colorable imitation of a Principal Trademark or other indicia of the Amazing Athletes System in any manner or for any purpose; or utilize for any purpose any trade name, trademark or service mark, or other commercial symbol that suggests or indicates a connection or association with Franchisor;

(xv) Franchisee shall comply with all other applicable transfer requirements as designated in the Confidential Operating Manual or otherwise in writing;

(xvi) Franchisor in its sole discretion determines that the terms of the transfer are substantially the same as those offered to Franchisor pursuant to Franchisor's right of first refusal in accordance with Article XI herein;

(xvii) transferee (and its owners if transferee is an entity) passes a credit and criminal background check;

(xviii) transferee (and its owners if transferee is an entity) execute a personal guaranty in the form attached as Exhibit 9 guaranteeing the obligations of Franchisee; and

(xix) transferee will replace all equipment used for the Franchised Business by or before the transfer date, if the equipment had not been replaced within two (2) years prior to the date of transfer.

(b) Franchisor may review all information regarding the Franchised Business that Franchisee gives the transferee, correct any information that it believes is inaccurate and give the transferee copies of any reports that Franchisee has given Franchisor or Franchisor has made regarding the Franchised Business.

10.4 Death or Disability of Franchisee

(a) Transfer Upon Death or Disability.

Upon the death or disability of Franchisee or its last remaining Operating Principal(s), the

executor,administrator, conservator, guardian or other personal representative of Franchisee or its Operating Principal must transfer Franchisee's interest in this Agreement or the Operating Principal'sownership interest in Franchisee to a third-party (which may be the heirs, beneficiaries or deviseesof Franchisee or the Operating Principal). That transfer must be completed within a reasonable time not to exceed six (6) months from the date of death or disability and is subject to all of the terms and conditions in this Article X. A failure to transfer Franchisee's interest in this Agreementor the Operating Principal's ownership interest in Franchisee within this time period is a breach ofthis Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Operating Principal from supervising the management and operation of the Franchised Business.

(b) Operation Upon Death or Disability.

If upon the death or disability of Franchisee or its last remaining Operating Principal, a manager trainedby Franchisor or Franchisee is not managing the Franchised Business, the executor, administrator, conservator, guardian or other personal representative of the Franchisee or the Operating Principal must within a reasonable time not to exceed fifteen (15) days from the date of death or disability,appoint a manager. The replacement manager must complete Franchisor's standard training program at Franchisee's sole expense. A new Operating Principal acceptable to Franchisor also must be appointed within thirty (30) days. If in Franchisor's judgment, the Franchised Business isnot being managed properly any time after the death or disability of Franchisee or the Operating Principal, Franchisor, an affiliate or a third party designated by the Franchisor may but need not assume the management of the Franchised Business. All funds from the operation of the Franchised Business while under the management of the Franchisor, an affiliate or a third-party will be kept in a separate account and all expenses will be charged to this account. Franchisor may charge Franchisee (in addition to the Royalty, Franchisee National Advertising Fees and other amounts due under this Agreement) a per diem fee, plus direct out-of-pocket costs and expenses of the Franchisor, an affiliate or a third-party, if Franchisor, an affiliate or a third-party assumes the management of the Franchised Business under this subsection. Franchisor, an affiliate or a third-party, as applicable, has a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any debts, losses or obligations incurred by the Franchised Business,or to any of Franchisee's creditors for any products, other assets, or services the Franchised Business purchases while under the management of Franchisor, an affiliate or a third-party.

10.5 Effect of Consent to Transfer

Franchisor's consent to a transfer of this Agreement, the Franchised Business or any interest in Franchisee or its Owners is not (i) a representation of the fairness of the terms of any contract between Franchisee and the transferee; (ii) a guarantee of the prospects of success of the Franchised Business or transferee; nor (iii) a waiver of any claims Franchisor has against Franchisee (or its Operating Principals) or of Franchisor's right to demand the transferee's full compliance with this Agreement. In the event of a transfer, Franchisee and/or its Owners shall continue to remain obligated to Franchisor in accordance with the terms of this Agreement.

10.6 Proposed Assignment as a Result of Franchisee's Bankruptcy

(a) Franchisee again acknowledges that the rights and duties along with the Franchise granted in this Agreement are personal to Franchisee (or any of its Owners), and Franchisor has entered into this Agreement in reliance on the representations given by Franchisee to secure the Franchise, the personal and/or collective skills of Franchisee and its Owners, as applicable, and the financial ability of Franchisee and its Owners. Franchisee further acknowledges and agrees that because of the personal nature of the rights and duties associated with the Franchise, this Agreement is not freely assignable by its nature and therefore it would not be appropriate to assign the rights and obligations to any assignee other than in accordance with this Section 10 (and each other applicable provision of this Section 10). In the event that Franchisee shall become a debtor under Chapter 7 of the United States Bankruptcy Code, 11 USC Section 101, et seq., (the "Bankruptcy Code"), and the trustee or Franchisee shall elect to assume this Agreement for the purpose of assigning the same or otherwise, such election and assignment may only be made if all of the terms and conditions of this Agreement are satisfied. No election by the trustee or Franchisee to assume this Agreement, whether under Chapter 7, 11 or 13 of the Bankruptcy Code, shall be effective unless each of the following conditions, and as applicable, any other conditions required in this Section 10, which Franchisorand Franchisee each acknowledge is commercially reasonable in the context of such proceeding, has been satisfied, and Franchisor has so acknowledged in writing:

(i) the trustee or Franchisee has cured, or has provided Franchisor adequate assurance (as provided below) that: (i) within ten (10) days from the date of such assumption, the trustee will cure all monetary defaults under this Agreement; and (ii) within thirty (30) days from the date of such assumption, the trustee will cure all non-monetary defaults under this Agreement;

(ii) the Franchised Business remains at all times under the primary management of an Owner or a manager trained by Franchisor or Franchisee or who otherwise meets Franchisor's qualifications and has completed, to Franchisor's satisfaction, a training program in substance similar to the initial training program described in Section 6.2;

(iii) the trustee or Franchisee has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Franchisor that the trustee or Franchisee will have sufficient funds to fulfill the obligations of Franchisee under this Agreement, and to keep the Franchised Business open and operating fully stocked and properly staffed with sufficient employees to conduct a fully-operational Franchised Business, and that the assumption or assignment will not disrupt business operations at the Franchised Business; and

(iv) that assumption or assignment of this Agreement will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the trustee or Franchisee is a party or by which the trustee or Franchisee is bound (including any agreement not to compete), or constitute an event

which, with notice, lapse of time or both, would result in such a breach or event of default nor to the trustee's or Franchisee's knowledge, result in the violation by the trustee or Franchisee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree.

(b) If a trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, then, notice of the proposed assignment setting forth (i) the name and address of such person; and (ii) all of the terms and conditions of such offer shall be given to the Franchisor by the Franchisee no later than twenty (20) days after receipt of such offer by the trustee or Franchisee, but in any event no later than ten (10) days prior to the date that the trustee Franchisee shall make application to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption.

(c) If the trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, Franchisor shall thereupon have the prior right and option, to be exercised by notice to the trustee or Franchisee given at any time prior to the effective date of such proposed assignment, to accept an assignment of this Agreement upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person.

(d) Any person or entity to which the trustee's or Franchisee's interest in this Agreement is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Agreement on or after the date of such assignment. As part of providing adequate assurance to Franchisor, any such assignee shall, upon demand, execute and deliver to Franchisor an instrument confirming such assumption.

(e) The following factors may be considered by Franchisor as necessary in order to determine whether or not the proposed assignee has furnished Franchisor with adequate assurances of its ability to perform the obligations of this Agreement, in accordance with Section 10.6(a)(i) above:

(i) the assignee (and its owners if assignee is an entity) has satisfied Franchisor that it meets Franchisor's management, business experience and aptitude, and financial standards for franchisees, has met all of Franchisor's then-current standards and requirements for becoming an Amazing Athletes franchisee (which standards and requirements need not be in writing) and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

(ii) that assumption or assignment of this Agreement is subject to all the provisions hereof, including provisions such as location, use, and the restrictive covenants set

forth in Articles 8 and 9, and will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the assignee or any holder of a legal or beneficial interest in assignee is a party or by which assignee or such holder of a legal or beneficial interest in assignee is bound (including any agreement not to compete), or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor to assignee's knowledge, result in the violation by assignee or any such holder of a legal or beneficial interest in assignee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree; and

(iii) demonstration that the assumption or assignment will not disrupt business operations of the Franchised Business.

(f) In the event Franchisor rejects the proposed assignee, to the extent permitted by applicable law, the rights and obligations of the parties hereto shall continue to be governed by the terms of this Agreement, and Franchisee shall have all the rights of a franchisee under applicable law.

XI. RIGHT OF FIRST REFUSAL TO ACQUIRE FRANCHISEE'S BUSINESS

11.1 Franchisor's Right of First Refusal

(a) Franchisor shall have the right, exercisable within thirty (30) days after receipt of notice set forth in Section 10.3(a)(i) and the details of the proposed transfer and bona fide offer, to send written notice to Franchisee that Franchisor intends to purchase the interest in this Agreement, the Franchised Business or an ownership interest in Franchisee proposed to be transferred. Franchisor may assign this right of first refusal to a third-party either before or after Franchisor exercises such right. However, this right of first refusal shall not apply to transfers among Franchisee's current Owners or to a legal entity wholly owned by Franchisee.

(b) Notice of the bona fide offer must include a description of the interest in the Franchisee or this Agreement and the Franchised Business to be sold, the proposed payment terms, including amount of the contract deposit, the sources and terms of any financing for the proposed purchase price and a description of any conditions to closing which have been requested by the prospective transferee. To be a valid bona fide offer, the proposed purchase price must be stated in U.S. dollars and the prospective transferee must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be permitted under Article X. Franchisor may require Franchisee (or its Owners) to send Franchisor copies of any materials or information sent to the proposed prospective transferee regarding the possible transaction.

(b) Franchisor may by written notice delivered to Franchisee or its selling Owner(s) within thirty (30) days after it receives an exact copy of the bona fide offer and all other information Franchisor requests, elect to purchase the interest offered under the same terms or conditions contained in the bona fide offer provided that:

(i) Franchisor may, in its sole discretion, substitute cash, notes payable monthly in no less than five (5) years, or some combination of each for any form of payment proposed in the bona fide offer (such as ownership interests in a privately-held entity) and Franchisor's credit shall be deemed equal to the credit of any prospective transferee (meaning that if the proposed consideration includes a promissory note, Franchisor may provide a promissory note with the same terms as those offered by the prospective transferee);

(ii) Franchisor will have an additional thirty (30) days to prepare for closing after notifying Franchisee of its election to purchase; and

(iii) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including without limitation representations and warranties regarding:

(1) ownership and condition of and title to ownership interests and/or assets; liens and encumbrances relating to ownership interests and/or assets; and

(2) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

(c) If Franchisor exercises its right of first refusal, Franchisee and its selling Owners agree that for two (2) years beginning on the closing date, they will be bound by the covenants contained in subsection 9.1(d) of this Agreement.

(d) If Franchisor does not exercise its right of first refusal, Franchisor shall, within thirty (30) days after the right of first refusal has expired, notify Franchisee (and/or any of its Owners) in writing of its approval or disapproval of the prospective transferee. Franchisee or its Owners may complete the sale to the prospective transferee on the terms and conditions stated within the bona fide offer provided to Franchisor pursuant to subsection 11.1(a), but only if Franchisor otherwise approves the transfer in accordance with Section 10.3 and Franchisee (and its Owners) and the transferee comply with the conditions of that Section. This means that even if Franchisor does not exercise its right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Section 10.3, then Franchisee (or its Owners) may not complete the transfer.

(e) If Franchisee (or its Owners) does not complete the transfer to the prospective transferee within sixty (60) days after Franchisor notifies Franchisee (and/or any of its Owners) that Franchisor does not intend to exercise its right of first refusal, or if there is a material change in the terms of the transfer (which Franchisee and/or its Owners agree to promptly advise Franchisor), then Franchisor or its designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or Franchisor's receipt of notice of the material change(s) in the sale's terms. This additional right of first refusal

shall be to purchase on the terms originally offered or the modified terms, at the option of Franchisor or its designee.

11.2 Public Offerings

Despite any other provisions in this Agreement, Franchisee (and its Owners) may not attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including without limitation common or preferred stock, bonds, debentures, membership interests or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

XII. PRINCIPAL TRADEMARKS AND COPYRIGHTED INFORMATION

12.1 Ownership of the Principal Trademarks and Copyrighted Information

Franchisee acknowledges and agrees that Franchisor, its parent and/or its affiliates are the owners of the Principal Trademarks and that Franchisor, its parent and/or its affiliates claim copyright protection in certain material used in the System and in the development and operation of Amazing Athletes businesses, including the Confidential Operating Manual, Advertising Materials, Social Media Materials and similar materials whether created by Franchisor, any franchisee of Franchisor and/or any third-party ("Copyrighted Information"). Franchisor is authorized to license to Franchisee the limited right to use the Principal Trademarks and Copyrighted Information. Franchisee's right to use the Principal Trademarks and Copyrighted Information is derived solely from this Agreement and is limited to the conduct of business by Franchisee pursuant to and in compliance with this Agreement and all System Standards prescribed by Franchisor from time to time during the term of this Agreement. Franchisee agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Principal Trademarks or Copyrighted Information. Any unauthorized use of the Principal Trademarks or Copyrighted Information by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Principal Trademarks and Copyrighted Information. Franchisee acknowledges and agrees that all usage of the Principal Trademarks and Copyrighted Information by Franchisee and any goodwill established by Franchisee's use of the Principal Trademarks and Copyrighted Information shall inure to the exclusive benefit of Franchisor, its parent and its affiliates; that this Agreement does not confer any goodwill or other interests in the Principal Trademarks or Copyrighted Information upon Franchisee; and that upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned to Franchisee as attributable to any goodwill associated with Franchisee's use of the Principal Trademarks or Copyrighted Information. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership, or assist another person in contesting the validity or ownership, of any of the Principal Trademarks or Copyrighted Information. All provisions of this Agreement applicable to the Principal Trademarks and Copyrighted Information apply to any additional trademarks, service marks, commercial symbols and proprietary information authorized for use by and licensed to Franchisee by Franchisor after the Effective Date.

12.2 Use of Principal Trademarks and Copyrighted Information

Franchisee shall not use any Principal Trademark or Copyrighted Information: (a) as part of any corporate or trade name; (b) with any prefix, suffix or other modifying words, terms, designs, symbols or in any modified form; (c) in connection with the sale of any unauthorized product or service; (d) as part of any domain name, homepage, electronic address or otherwise in connection with a website (unless in connection with Franchisor's approved System website);

or (e) in any other manner not expressly authorized in the Confidential Operating Manual or otherwise in writing by Franchisor. Franchisee agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations required under applicable law. Franchisee agrees that this Agreement does not convey any right or property interest in the Principal Trademarks or Copyrighted Information licensed hereunder. Franchisee agrees to display the Principal Trademarks prominently as Franchisor prescribes at the Franchised Business location and on all Advertising Materials, Social Media Materials and other materials Franchisor designates.

12.3 Unauthorized Use of Principal Trademarks and Copyrighted Information

(a) Franchisee shall immediately notify Franchisor in writing of any apparent infringement or challenge to Franchisee's use of the Principal Trademarks or Copyrighted Information and of any claim by any person of any right in the Principal Trademarks or any similar trade name, trademark or service mark or Copyrighted Information of which Franchisee becomes aware. Franchisee shall not directly or indirectly communicate with any person other than Franchisor, its affiliates and their counsel, in connection with any such infringement, challenge or claim. Franchisor, its parent and its affiliates shall have the right to take such action as they deem appropriate (including no action) and the right to control exclusively any litigation, United States Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Principal Trademarks or Copyrighted Information. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of Franchisor, its affiliates and their counsel, be necessary or advisable to protect and maintain the interests of Franchisor, its parent and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect and maintain the interests of Franchisor, its parent and its affiliates in the Principal Trademarks and Copyrighted Information, but shall take no action nor incur any expenses on behalf of Franchisor, its parent and its affiliates without Franchisor’s prior written consent.

(b) In the event that any third-party makes a claim against Franchisee alleging that Franchisee's use of the Principal Trademarks or Copyrighted Information infringes upon the rights of such third-party, Franchisor and/or its affiliates agree to defend such claim and indemnify and hold Franchisee harmless therefrom, provided Franchisee has used the Principal Trademarks and Copyrighted Information only as expressly authorized in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor and provided further that Franchisee cooperates with Franchisor, its parent and its affiliates in the defense of such claim as set forth in this Section and in any other manner reasonably requested by Franchisor. The obligation of Franchisor and/or its affiliates to defend and indemnify with respect to such claim shall not extend to other claims made by the same third-party against Franchisor, its affiliates and/or Franchisee arising from matters for which Franchisee is responsible under applicable law or this Agreement; as to such other claims, if any, Franchisee agrees to defend the same and indemnify and hold Franchisor, its parent and its affiliates harmless therefrom.

(c) In addition to the other restrictions set forth herein regarding the use of the Principal Trademarks and Copyrighted Information:

(i) Franchisee shall use only approved signage as designated by Franchisor;

(ii) Franchisee's use of the Principal Trademarks, Copyrighted Information and other proprietary material is limited to use in conjunction with the Franchised Business;

(iii) Franchisee shall use the Principal Trademarks and Copyrighted Information as designated by Franchisor;

(iv) Franchisee shall display notice of independent ownership of the Franchised Business in signage and on all forms and marketing material as designated by Franchisor;

(v) Franchisee shall acknowledge that any of its customers are customers of the Amazing Athletes System and upon request transmit to Franchisor any records maintained by Franchisee on such customers, including but not limited to any and all Consumer Data. Franchisee agrees and acknowledges that Franchisee shall only have transactional use of the Consumer Data during the term of this Agreement, which is solely to be used for the purpose of managing and operating the Franchised Business. Franchisee shall abide by the privacy right as established by Franchisor from time to time; and

(vi) Franchisee acknowledges and agrees that Franchisee's rights to use the Principal Trademarks and Copyrighted Information granted herein shall cease to exist upon the termination or expiration of this Agreement.

12.4 Franchisor's Right to Modify

(a) If it becomes advisable at any time in Franchisor's sole discretion for Franchisor and/or Franchisee to modify or discontinue use of the Principal Trademarks, and/or use one or more additional or substitute trade names, trademarks, service marks, other commercial symbols or Copyrighted Information, Franchisee agrees to comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor. Franchisor need not reimburse Franchisee for its direct expenses of changing the signs or other materials of the Franchised Business, for any loss of revenue due to any modified or discontinued Principal Trademarks or Copyrighted Information or for Franchisee's expenses incurred in promoting a modified or substitute trademark or service mark.

(b) Franchisor's rights in this subsection apply to any and all of the Principal Trademarks (and any portion of any Principal Trademark) and Copyrighted Information that Franchisor authorizes Franchisee to use in this Agreement. Franchisor may exercise these rights at any time and for any reason, business or otherwise, in Franchisor's sole discretion. Franchisee

acknowledges both Franchisor's right to take this action and Franchisee's obligation to comply with Franchisor's directions.

12.5 Reservation of Rights

Franchisee acknowledges and agrees that the license granted to Franchisee to use the Principal Trademarks and Copyrighted Information is non-exclusive and Franchisor, its parent and its affiliates reserve any right not specifically granted to Franchisee under this Agreement, including but not limited to the right to: (a) grant other licenses for use of the Principal Trademarks and Copyrighted Information; (b) develop and establish other systems using the Principal Trademarks and/or Copyrighted Information or other names or marks and to grant licenses thereto without providing any rights to Franchisee; and (c) engage directly or indirectly through its employees, representatives, assigns, agents and others at wholesale, retail or otherwise, in (i) the production, distribution, license and sale of services and products and (ii) the use of the Principal Trademarks and Copyrighted Information (and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Franchisor) in connection with the production, distribution, licensing and sale of such services and products.

XIII. RELATIONSHIP OF THE PARTIES

13.1 Independent Contractors

Franchisee and Franchisor understand and agree that this Agreement does not create a fiduciary relationship between the parties, that Franchisee and Franchisor are and will be independent contractors and that nothing in this Agreement is intended to make either party a special agent, joint venture partner, partner or employee of the other for any purpose. No employee of Franchisee will be considered an employee of Franchisor. Franchisor will not have the power to hire or fire Franchisee's personnel. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel and others as the owner of the Franchised Business under a franchise granted by Franchisor and to place notices of independent ownership on all forms, Advertising Materials, Social Media Materials and other materials Franchisor requires from time to time.

13.2 No Liability for Acts of Other Party

Franchisee and Franchisor may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other or represent that their relationship is other than franchisor and franchise owner. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business.

13.3 Taxes

Franchisor will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee or the Franchised Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse Franchisor for any taxes that Franchisor must pay to any state taxing authority on account of Franchisee's operation of the Franchised Business or payments that Franchisee makes to Franchisor.

XIV. DEFAULT AND TERMINATION

14.1 Termination by Franchisee

Franchisee may terminate this Agreement only upon written notice to and the written consent of Franchisor, which may be granted or withheld by Franchisor in its sole discretion, for any reason or no reason. In that event, Franchisee shall remain obligated to comply with all post-termination covenants and outstanding obligations, which may include but are not limited to the payment of liquidated damages to Franchisor as provided for herein.

14.2 Termination by Franchisor with Cause

Franchisor may terminate this Agreement if Franchisee defaults under the Agreement as provided herein or is in default under any other agreement with Franchisor, its affiliates or Suppliers. Franchisor's election to terminate this Agreement with Franchisee in no way constitutes a waiver of Franchisor's rights hereunder or any other rights available at law or in equity, including its rights to damages. Termination of this Agreement encompasses termination of any and all rights granted to Franchisee by Franchisor.

14.3 Automatic Termination without Notice

Franchisee will be in default under this Agreement and all rights granted by this Agreement to Franchisee will automatically terminate without notice to Franchisee immediately upon the happening of any of the following: (i) Franchisee (or any of its Owners) makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; (ii) Franchisee (or any of its Owners) files a voluntary petition in bankruptcy or an involuntary petition in bankruptcy is filed against Franchisee and such petition is not withdrawn within thirty (30) days; (iii) Franchisee (or any of its Owners) consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of its property; (iv) Franchisee (or any of its Owners) fails to pay any financial obligation owed to any lending institution that provided financing to Franchisee under an arrangement with Franchisor within thirty (30) days of when due; or (v) any order appointing a receiver, trustee or liquidator of Franchisee (or any of its Owners) or the Franchised Business is not vacated within thirty (30) days following the order's entry.

14.4 Termination by Franchisor upon Notice

Franchisor may terminate this Agreement by written notice of termination to Franchisee without an opportunity to cure, effective immediately upon delivery of notice if any of the following occur:

(a) Franchisee (or any of its Owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating the Franchised Business;

(b) Franchisee underreports Gross Revenues by two percent (2%) or more in any report on three (3) or more occasions within a thirty-six (36) month period during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(c) Franchisee underreports Gross Revenues by more than five percent (5%) in any report during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(d) Franchisee engages in any business activity not approved by Franchisor, including the sale of services or products not approved by Franchisor or fails to obtain the written approval of Franchisor as required;

(e) Franchisee (or any of its Owners) is or has been convicted by a trial court of or pleads or has pleaded no contest to a felony, a crime of moral turpitude or any other crime or offense relating to the operation of the Franchised Business;

(f) Franchisee (or any of its Owners) engages in any dishonest or unethical conduct which in Franchisor's opinion adversely affects the reputation of the Franchised Business or the goodwill associated with the Principal Trademarks;

(g) Franchisee fails to pay when due any federal or state income, service, sales or other taxes due on the operation of the Franchised Business unless Franchisee is in good faith contesting its liability for these taxes;

(h) Franchisee (or any of its Owners): (i) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice; or (ii) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice;

(i) Franchisee violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in an unsafe manner and does not begin to cure the violation immediately and correct the violation within seventy-two (72) hours after Franchisee receives notice from Franchisor or any other party;

(j) Franchisee and/or its Owners fail to comply with the restrictions on use of Confidential Information contained in Article VIII, the covenants contained within Article IX, the Confidentiality, Non-Use and Non-Competition Agreement or otherwise fail to refrain from copying, duplicating, recording or reproducing the Confidential Operating Manual;

(k) Franchisee fails to comply with any of the requirements pertaining to Franchisor's proprietary information or Principal Trademarks; or

(l) Franchisee (or any of its Owners) makes or attempts to make an unauthorized assignment of this Agreement, an ownership interest in Franchisee or the Franchised Business.

14.5 Termination by Franchisor after Notice and Opportunity to Cure

Franchisee will have ten (10) days or any greater number of days permitted by Franchisor or required by law, to cure any default for which Franchisor has given written notice of termination under this Section 14.5 and to provide Franchisor with satisfactory evidence of the cure, unless a shorter period of time is specified hereunder. If the default is not cured within the prescribed period, this Agreement will terminate without the need for further notice effective immediately on the expiration date of the cure period. These curable defaults are each of the following:

(i) Franchisee fails to maintain the insurance Franchisor requires or failure to reimburse Franchisor for insurance premiums paid by Franchisor on behalf of Franchisee;

(ii) Franchisee fails to maintain any and all licenses required by law;

(iii) Franchisee fails to pay Franchisor, its affiliates or any Suppliers any amounts due, which must be cured within five (5) days' notice;

(iv) Franchisee fails to provide any reports and information when due;

(v) Franchisee fails to comply with the transfer requirements under Section 10.4;

(vi) Franchisee does not commence operating the Franchised Business by the Commencement Date, unless such time is extended by Franchisor;

(vii) Franchisee, its Operating Principal(s) and/or its manager do not complete initial training to the satisfaction of Franchisor in its sole discretion;

(viii) Franchisee abandons or fails actively and continuously to operate the Franchised Business. A failure to operate the Franchised Business for a period in excess of three (3) consecutive days shall be deemed such a default, whether or not as a result of the fault of Franchisee, except where closure is due to fire, riot, flood, acts of terrorism or natural disaster and Franchisee notifies Franchisor within five (5) days after the particular occurrence to obtain

Franchisor's written approval to remain closed for an agreed upon amount of time as is necessary under the circumstances before Franchisee will be required to re-open;

(ix) Franchisee fails to comply with laws as required by Sections 5.6 and 7.14 herein;

(x) Except as otherwise provided in this Article, Franchisee (or any of its Owners) fails to comply with any other provision of this Agreement, any System Standard or as specified in the Confidential Operating Manual or otherwise by Franchisor in writing; or

(xi) Franchisee, its affiliates or any guarantor(s) hereof default in any other agreement with Franchisor, its affiliates and/or any Supplier and such default is not cured in accordance with the terms of such other agreement.

14.6 Franchisee's Obligations on Termination or Expiration

Franchisee shall have the following obligations on termination or expiration of this Agreement unless as otherwise indicated:

(a) Franchisee shall pay to Franchisor, its affiliates and/or Suppliers within fifteen (15) days after the effective date of termination or expiration of this Agreement all sums owed (including all Royalties and Franchisee National Advertising Fees) by Franchisee to Franchisor, its affiliates, or Suppliers which are then unpaid. Franchisee shall pay to any lender who had provided financing to Franchisee under an arrangement with Franchisor if applicable, all sums then unpaid. Upon termination for any default by Franchisee, Franchisee shall also pay all actual and consequential damages, costs and expenses including attorneys' fees incurred by Franchisor as a result of the default;

(b) Franchisee shall immediately cease to be an Amazing Athletes franchisee and shall immediately cease operating the Franchised Business. Franchisee may not directly or indirectly at any time or in any manner identify itself or in any business as a current or former Amazing Athletes franchisee or as one of Franchisor's current or former franchisees; use any Principal Trademark, any colorable imitation of a Principal Trademark or other indicia of the Franchised Business in any manner or for any purpose; use in any advertising, marketing or promotion any methods, procedures or techniques associated with the System including any Advertising Materials and Social Media Materials; use for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with Franchisor; or use any proprietary software used in the System;

(c) Franchisee agrees to take the action required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any of the Principal Trademarks within fifteen (15) days of termination or expiration;

(d) If Franchisor does not exercise its option to purchase the Franchised Business pursuant to Section 14.7, Franchisee must de-identify the Franchised Business in accordance with Franchisor's then-current deidentification requirements. Franchisee agrees to return to Franchisor (at no charge or cost to Franchisor) within thirty (30) days all sign-faces, sign-cabinets, Advertising Materials, Social Media Materials, forms and other materials containing any of the Principal Trademarks or otherwise identifying or relating to the Franchised Business that Franchisorrequests and to allow Franchisor, without liability to Franchisor or third-parties, to make any change Franchisor deems appropriate and to remove any of the aforementioned items from the location of the Franchised Business;

(e) Franchisee shall immediately cease using the Copyrighted Information and related information and/or items which bear the Principal Trademarks, all trade secrets and any Confidential Information and any copies, equipment or other property owned by Franchisor or its affiliates. Franchisee shall transfer such materials, property and data in the form maintained by Franchisee to Franchisor (at no charge or cost to Franchisor) within thirty (30) days of termination or expiration of this Agreement. Franchisee shall retain no copy or record of any of the foregoing; provided however, Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

(f) Franchisee and its Owners and employees shall comply with all post-term covenants as set forth in Article IX of this Agreement and the Confidentially, Non-Use and Non-Competition provisions of Exhibits 6 and 7, all of which shall survive termination or expiration of this Agreement.

(g) Franchisee shall notify the telephone company, all telephone directory publishers, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts and providers and any and all other web based platforms or programs or other media, including but not limited to all Social Media Platforms in which the Franchised Business is listed or Principal Trademarks displayed of the termination or expiration of its right to use any telephone, facsimile or other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform accounts and other media in which the franchised Business is listed or the Principal Trademarks is displayed;

(h) Franchisee shall allow Franchisor to utilize the Assignment of Telephone and Website Listings and Advertisements attached as Exhibit 8 hereto;

(i) Franchisee shall authorize and not interfere with the transfer of Franchisee's telephone, facsimile and other numbers, telephone directory listings, email addresses, domain

names, website addresses, URLs, Internet and website directory listings, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed to Franchisor;

(j) Franchisor shall instruct the telephone company, all websites, URLs and any other advertising entities or websites to forward all calls made to Franchisee's telephone, facsimile or other numbers as well as Internet and website searches made for Franchisee's websites and URLs, to those telephone number(s) and website(s) and URL(s) that Franchisor specifies and Franchisee shall take all actions necessary to effectuate the forwarding of such calls and Internet and website searches to telephone number(s), website(s) and/or URL(s) Franchisor specifies;

(k) Franchisee shall provide Franchisor with a complete list of employees, clients and customers of the Franchised Business, together with their respective telephone numbers and addresses and a complete list of any outstanding obligations Franchisee may have to any third parties;

(l) Franchisee agrees and acknowledges that in addition to any other rights and remedies to which Franchisor, its parent and its affiliates may be entitled, Franchisor, its parent and its affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Territory is located, pursuant to the security interest granted in Section 7.14 herein, including but not limited to the right to enter the Franchised Business location to remove and repossess any equipment, products and goods in which Franchisor, its parent and its affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases the Released Parties from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its affiliates following an event of default, Franchisee shall assemble and make available to Franchisor, its parent and its affiliates all equipment, products and goods in which Franchisor, its parent and its affiliates have been granted a security interest, at a place to be designated by Franchisor or its affiliates which is reasonably convenient to both parties; and

(m) Franchisee shall give to Franchisor, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations.

14.7 Right to Purchase Franchised Business

Providing Franchisor has not exercised its rights under the security interest defined in Section 7.14 hereof, upon termination of this Agreement (except where Franchisee enters into a successor agreement), then Franchisor shall have the option of acquiring the assets of the Franchised Business, including but not limited to the Operating Assets as Franchisor may determine, at the book value of such assets with no value attributable to goodwill, which the parties hereby agree and acknowledge belongs solely to Franchisor. Franchisor may, in its sole discretion, deliver cash, notes payable monthly in no less than five (5) years or some combination of each as

payment for the assets of the Franchised Business.

14.8 Notice Required By Law

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement or the parties to this Agreement limits Franchisor's rights of termination under this Agreement or requires longer notice or cure periods than those set forth above, then this Agreement will be considered modified to conform to the minimum notice, cure periods or restrictions upon termination required by applicable laws and regulations. However, Franchisor will not be precluded from contesting the validity, enforceability or application of the laws or regulations in any action, proceeding, hearing or dispute relating to this Agreement or the termination of this Agreement.

14.9 Liquidated Damages – Lost Future Profits

(a) The parties recognize the difficulty of ascertaining damages to Franchisor resulting from premature termination of this Agreement before its expiration. For this reason, Franchisor and Franchisee have provided for liquidated damages for the lost benefits of the bargain for Franchisor. Such liquidated damages represent Franchisor's and Franchisee's best estimate as to the damages arising from the circumstances in which they are provided; are only damages for the future profits lost to Franchisor due to the termination of this Agreement before its expiration; are not a penalty or as damages for breaching this Agreement; and are not in lieu of any other payment or remedy.

(b) If at any time, Franchisee terminates this Agreement without Franchisor's written consent or this Agreement is terminated by Franchisor for cause, then Franchisee agrees to pay Franchisor within ten (10) days of termination an amount equal to the actual number of months remaining in the term of this Agreement times the monthly average amount of the Royalties, Franchisee National Advertising Fees and other fees owed by Franchisee under the relevant sections of this Agreement for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months), and reduced by a discount of eight percent (8%) to produce the present value of Franchisor's lost profits.

(c) Franchisee will be entitled to a credit against the sums calculated according to subsection (b) for all amounts paid to Franchisor in advance for that period.

(d) These damages are in addition to any monies due to Franchisor for past due payments or any other actual or consequential damages.

XV. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)

(a) Any delay in performance by Franchisor or Franchisee of any duties under this

Agreement or any non-performance of such duties that is not the fault of Franchisee or Franchisor (as applicable) or within Franchisee's or Franchisor's reasonable control, including but not limited to: fire; floods; natural disasters; Acts of God; war; riots or other civil disturbances; acts by public

enemies; compliance with governmental acts, laws, rules or regulations which were not in effect and could not be reasonably anticipated as of the date of this Agreement; inability to secure necessary governmental priorities for materials; any delays or defaults in deliveries by common carriers and/or postal services and/or overnight couriers; computer network outages; strikes or other labor disturbances; interference by civil or military authorities; and any other similar event beyond such party's control without its fault or negligence will not constitute a breach or cause a default under this Agreement, provided, however, that Franchisor or Franchisee (as applicable) will take all steps reasonably possible to mitigate damages caused by such failure or delay.

(b) Notwithstanding the foregoing, if any such failure or delay continues for more than one hundred eighty (180) days, then Franchisor will have the right at any time thereafter during the continuance of such failure or delay to terminate this Agreement upon thirty (30) days advance written notice to Franchisee.

XVI. WAIVER AND DELAY

No waiver or delay in either party's enforcement of any term, covenant or condition of this Agreement which has been breached will be construed as a waiver by that party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting any of the foregoing, the acceptance of payment of any amounts will not be, nor be construed to be, payment in full or satisfaction of all amounts due and owing or any amounts to become due and shall not be, nor construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

XVII. FRANCHISOR'S WITHHOLDING OF CONSENT: EXCLUSIVE REMEDY

In no event may Franchisee make any claim for money damages based on any claim or assertion that Franchisor has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee waives any such claim for damages. Franchisee may not claim any such damages by way of set-off, counterclaim or defense. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the Agreement provisions, for specific performance or for declaratory judgment.

XVIII. NOTICE OF FRANCHISOR'S ALLEGED BREACH AND RIGHT TO CURE AND PERIOD TO BRING CLAIM

18.1 Notice

Franchisee agrees to give Franchisor immediate written notice of any alleged breach or violation of this Agreement after Franchisee has constructive or actual knowledge of same, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach of this Agreement by Franchisor including any acts of misfeasance or nonfeasance, whether or not Franchisee believes, determines or is of the opinion that provision of such notice would be futile. Franchisor shall have ninety (90) days from Franchisor's receipt of

Franchisee's notice to cure such alleged breach. If Franchisee does not give written notice to Franchisor of any alleged breach of this Agreement within ninety (90) days from the date that Franchisee has constructive or actual knowledge of, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach by Franchisor then Franchisor's alleged breach will be considered to be condoned, approved, waived and ratified by Franchisee; there will not be considered to be a breach of this Agreement by Franchisor; and Franchisee will be permanently barred from commencing any action against Franchisor for Franchisor's alleged breach or violation or defending any claim brought by Franchisor or its affiliates against Franchisee based on Franchisor's alleged breach or violation. Franchisee agrees that the purported futility of providing Franchisor with notice of an alleged breach shall not excuse the obligation to provide notice, as required hereunder, and such notice and cure period shall be deemed a condition precedent to any claim made by Franchisee.

18.2 Right to Cure

In addition to all other remedies granted pursuant to this Agreement, if Franchisee defaults in the performance of any of its obligations or breaches any term or condition of this Agreement or any related agreement, then Franchisor may, at its election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to Franchisee, cure the default on Franchisee's behalf. Franchisor's costs and expenses associated with curing the default and all related expenses will be due and payable by Franchisee on demand.

18.3 Periods in which to Make Claims

(a) Any and all claims and actions arising out of or relating to this Agreement brought by any party against the other or any affiliate, must be commenced within one (1) year from when the party knew or should have known in the exercise of reasonable diligence of such claim or action.

(b) Notwithstanding the foregoing limitations, where any federal, state or local law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

(c) The foregoing limitations may, where brought into effect by Franchisor's failure to commence an action within the time periods specified, operate to exclude Franchisor's right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Franchisor from terminating Franchisee's rights and Franchisor's obligations under this Agreement as provided herein and under applicable law nor prevent Franchisor from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination.

(d) The foregoing limitations shall not apply to Franchisor's claims arising from or

relating to: (1) Franchisee's under-payment or non-payment of any amounts owed to Franchisor

or any affiliate or otherwise related entity; (2) indemnification by Franchisee; (3) Franchisee's confidentiality, non-use, non-competition or other exclusive relationship obligations; and/or (4) Franchisee's unauthorized use of the Principal Trademarks.

XIX. INJUNCTION

Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System and the Principal Trademarks. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement, or any unauthorized or improperuse of the System or the Principal Trademarks by Franchisee, will cause irreparable damage to Franchisor and other Amazing Athletes franchisees. Franchisee therefore agrees that if it engages in this non-compliance or unauthorized and/or improper use of the System or Principal Trademarks, during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against Franchisee from any court of competent jurisdiction, in addition to all other remedies which Franchisor may have at law. Franchisee consents to the entry of these temporary and permanent injunctions.

XX. INTEGRATION OF AGREEMENT

20.1 Integration of Agreement

(a) This Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this Agreement is intended todisclaim the representations Franchisor made in the franchise disclosure document that Franchisorprovided to Franchisee. Franchisee acknowledges that it is entering into this Agreement and all ancillary agreements executed contemporaneously with this Agreement, as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by Franchisor, Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees which are contrary to the terms setforth in this Agreement or of any offering circular, prospectus, disclosure document or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

(b) The Confidential Operating Manual and the terms contained therein are incorporated by reference in this Agreement, form a part of this Agreement and are enforceable pursuant to the terms of this Agreement.

20.2 No Oral Modification

This Agreement may not be amended orally, but may be amended only by a written instrument

signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that Franchisor's obligations are confined exclusively to the terms in this Agreement. Franchisee understands and assumes the business risks inherent in thisenterprise.

XXI. NOTICES

21.1 Notices

Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party personally, by certified mail (and return receipt requested, postage prepaid) or by documented overnight delivery with a reputable carrier and will be effective on the date that delivery is documented to have been first attempted. Notwithstanding anything to the contrary above, notices concerning increases to the Franchisee National Advertising Fee, Technology Fee or other fees or amounts payable by Franchisee hereunder, or changes to the Services, Ancillary Services and/or Ancillary Products may be provided in writingby Franchisor to Franchisee via electronic mail and/or regular mail. Any notice to Franchisor willbe addressed to Franchisor at:

Amazing Athletes Franchise Systems, LLC
14 George Street
Budd Lake, New Jersey 07828
Attn: John Erlandson

With a copy to:
Einbinder & Dunn LLP
112 Madison Ave., 8th Floor
New York, New York 10016

Any notice to Franchisee will be sent to:

Franchisee

_____
_____
_____
_____

Either party to this Agreement may, in writing on ten (10) days' notice, inform the other of a new or changed address to which notices under this Agreement should be sent.

XXII. MISCELLANEOUS

22.1 Execution, Construction and Interpretation

(a) This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same instrument.

Facsimile or other electronic execution signatures will be considered as binding and conclusive as if original, provided that any party so executing must use all commercially reasonable efforts to furnish to the other party(ies) the originally executed document at the earliest opportunity.

(b) The titles and subtitles of the various Articles, Sections and subsections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement. The terms used in this Agreement, regardless of the number and gender in which they are used shall be construed to include the other number (singular or plural), and other genders (masculine, feminine, or neuter), as the context or sense of this Agreement or any Articles, Sections or subsections may require. The language of this Agreement will be in all cases construed simply according to its fair and plain meaning and not strictly for or against Franchisor or Franchisee.

(c) It is agreed that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

(d) The parties agree to execute all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

(e) Each reference in this Agreement to a corporation or partnership will also refer to a limited liability company, general or limited partnership and any other entity or similar organization. Each reference to the organizational documents, shareholders, directors, officers and stock of a corporation in this Agreement will also refer to the functional equivalents of the organizational documents, shareholders, directors, officers and voting and/or equity rights, as applicable, in the case of a limited liability company, general partnership, limited partnership or any other entity or similar organization (this specifically includes members and managers, general and limited partners, membership interests and general and limited partnership interests).

22.2 Severability

Nothing contained in this Agreement may be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation required to be made applicable to this Agreement, the latter will prevail, but the affected provision of this Agreement will be curtailed and limited only to the extent necessary to bring it within the requirement of the law. If any Article, Section, subsection, sentence or clause of this Agreement is held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail for this reason and the balance of the Agreement will continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement (other than for the payment of money) so unreasonable as to be unenforceable as a matter of law, the court may declare a reasonable modification of this Agreement and this Agreement will be valid and enforceable and the parties agree to be bound by

and perform this Agreement as so modified.

22.3 Similar Agreements

Franchisor makes no warranty or representation that anything contained in this Agreement may be construed as requiring that all Amazing Athletes franchise agreements heretofore or hereafter issued by Franchisor to contain terms substantially similar to those contained in this Agreement. Further, Franchisee agrees and acknowledges that Franchisor may, in its reasonable business judgment, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other Amazing Athletes franchisees in a non-uniform manner, subject to those provisions of this Agreement which require Franchisor to act toward its franchisees on a reasonably non-discriminatory basis.

XXIII. COSTS OF ENFORCEMENT; ATTORNEYS' FEES; GOVERNING LAW; JURISDICTION AND VENUE; CONSEQUENTIAL AND PUNITIVE DAMAGES; AND JURY WAIVER

23.1 Costs of Enforcement

Franchisor will be entitled to recover from Franchisee all costs and expenses including attorneys' fees for any failure to pay any amounts when due or any other failure to comply with this Agreement, including but not limited to collection costs and expenses, commissions paid to collection agencies, attorneys and third parties. Franchisor will also be entitled to recover from Franchisee attorneys' fees, experts' fees, court costs and all other expenses of litigation if Franchisor prevails in any action instituted against Franchisee to secure or protect Franchisor's rights under this Agreement; to enforce the terms of this Agreement or any agreement between Franchisee and Franchisor; or in any action commenced or joined in by Franchisee against Franchisor.

23.2 Attorneys' Fees

If Franchisor becomes a party to any action or proceeding arising out of or relating to (a) this Agreement or any and all related agreements, as a result of any claimed or actual act, error or omission of Franchisee (and/or any of Franchisee's Owners, officers, directors, management, employees, contractors and/or representatives) or the Franchised Business, (b) by virtue of statutory, "vicarious," "principal/agent" or other liabilities imposed on Franchisor as a result of Franchisor's status as Franchisor, or (c) if Franchisor becomes a party to any litigation or any insolvency proceeding involving Franchisee pursuant to any bankruptcy or insolvency code (including any adversary proceedings in conjunction with bankruptcy or insolvency proceedings), then Franchisee will be liable to Franchisor and must promptly reimburse Franchisor for the attorneys' fees, experts' fees, court costs, travel and lodging costs and all other expenses Franchisor incurs in such action or proceeding regardless of whether such action or proceeding proceeds to judgment. In addition, Franchisor will be entitled to add all costs of collection, interest, attorneys' fees and experts' fees to Franchisor's proof of claim in any insolvency or bankruptcy proceeding which Franchisee files.

23.3 Governing Law

This Agreement, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in thisSection 23.3 is intended to invoke the application of any franchise, business opportunity, antitrust,"implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New York or any other state, which would not otherwise apply.

23.4 Arbitration, Jurisdiction and Venue

(a) All claims, controversies or disputes, except for those claims, controversies or disputes provided for in Section 23.4(g), the party asserting the claim shall submit such claim, controversy or dispute exclusively to arbitration, to be held in New York, New York, before and in accordance with the Commercial Rules of Arbitration of the AAA.

(b) Any arbitration under this subsection 23.4 shall be conducted by a single arbitrator mutually agreed to by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Franchisee shall obtain an identical list of arbitrators from the American Arbitration Association, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Franchisee shall strike the first name off the list.

(c) In no event shall the arbitrator be entitled to award punitive, incidental, special or consequential damages against the Franchisor.

(d) Any award rendered in connection with an arbitration pursuant to this Section 23.4 shall be final and binding. The parties may initiate litigation in any court of competent jurisdiction to confirm, enter and enforce such arbitration award.

(e) Franchisor and Franchisee agree that arbitration will be conducted only on an individual, not a class-wide (including, but not limited to, on behalf of or in connection with an association of Amazing Athletes franchisees, or any other trade association), basis, and that an arbitration proceeding between Franchisor (including its subsidiaries, affiliates, shareholders, officers, directors, managers, representatives and employees) and Franchisee (including its Owners, Operating Principal(s), principals and guarantors, if applicable) may not be consolidated with any other arbitration proceeding between them and any other person or legal entity. No findings, conclusions, orders or awards emanating

from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever. The parties agree that the principles of collateral estoppel shall not apply in any arbitration proceeding conducted under this Section.

(f) Franchisor and Franchisee hereby agree and acknowledge that this Section 23.4 shall bind Franchisee's guarantors, whether or not such guarantors were named parties to the mediation, arbitration and/or litigation.

(g) Notwithstanding anything to the contrary above, Franchisor may institute litigation (without first proceeding with arbitration) exclusively in a court of competent jurisdiction: (1) to protect the Principal Trademarks, any intellectual property and Confidential Information; (2) to determine the validity of termination of this Agreement and/or any other related agreement; (3) to enforce the termination of this Agreement and/or any other related agreement; (4) to enforce the Confidentiality, Non-Use and Non-Competition Agreement and any other agreement executed by franchisee; (5) to confirm, enter and enforce an arbitrator's award; (6) for monies owed; and (7) to enjoin or restrain Franchisee from otherwise causing immediate and irreparable harm to Franchisor, its parent and/or its affiliates.

(h) Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System, the Principal Trademarks, any intellectual property and the Confidential Information. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement and/or the terms of any Confidentiality, Non-Use and Non-Competition Agreement, Franchisee's operation of the franchise post-termination or any unauthorized or improper use of the System, the Principal Trademarks, any intellectual property, or Confidential Information by the Franchisee, will cause irreparable damage to the Franchisor, its affiliates and other Amazing Athletes franchisees. Franchisee therefore agrees that if it engages in any non-compliant, post-termination operation of the franchise or unauthorized and/or improper use of the System, Principal Trademarks or Confidential Information during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against the Franchisee from any court of competent jurisdiction, wherever situated, as Franchisor may select, in addition to all other remedies which the Franchisor may have at law.

(i) Except as necessary to protect or enforce Franchisor's or Franchisee's rights in the proceeding, the arbitration proceeding and all information disclosed therein shall be subject to the confidentiality requirements of this Agreement.

(j) The provisions of this Section are intended to benefit and bind certain third party non-signatories (including without limitation Franchisee's Owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

(k) The parties agree that for purposes of Section 23.4(g), a court of competent jurisdiction shall mean a court which is either a New York state court in New York, New York or in the United States District Court for the Southern District of New York in New York, New York. Franchisee hereby irrevocably submits itself and its guarantors to the jurisdiction and venue of a New York state court in New York, New York or in the United States District Court for the Southern District of New York in New York, New York. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

(l) Notwithstanding Section 23.4(k), if Franchisor determines that another court of competent jurisdiction, wherever situated, is appropriate, Franchisor may bring an action in such court. Franchisee hereby irrevocably submits itself and its guarantors to the jurisdiction and venue of such court as Franchisor may select. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

23.5 Consequential or Punitive Damages

IN NO EVENT WILL FRANCHISOR BE LIABLE TO FRANCHISEE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT; ANY BREACH, TERMINATION, CANCELLATION OR NON-RENEWAL OF THIS AGREEMENT; OR IN ANY OTHER ACTION OR PROCEEDING WHATSOEVER BETWEEN THE PARTIES TO THIS AGREEMENT AND/OR ANY OF THEIR AFFILIATES. FRANCHISEE HEREBY WAIVES AND COVENANTS NEVER TO ADVANCE ANY SUCH CLAIM FOR CONSEQUENTIAL OR PUNITIVE DAMAGES.

23.6 Waiver of Trial by Jury

TO THE EXTENT THAT EACH MAY LAWFULLY DO SO, FRANCHISEE AND FRANCHISOR BOTH WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HEREWITH.

XXIV. GUARANTEE

(a) If Franchisee is a partnership, corporation or a limited liability company, personal guarantees shall be required from all Owners. Such personal guarantees must be executed on Franchisor's standard form Guarantee (Exhibit 9) concurrently with the execution of this Agreement.

(b) If Franchisee is in breach or default under this Agreement, Franchisor may proceed directly against each such individual and/or entity without first proceeding against Franchisee and

without proceeding against or naming in the suit any other such individuals and/or entities. Franchisee's obligations and those of each such individual and/or entity will be joint and several. Notice to or demand upon one such individual and/or entity will be considered notice to or demand upon Franchisee and all such individuals and/or entities and no notice or demand need be made to or upon all such individuals and/or entities. The cessation of or release from liability of Franchisee or any such individual and/or entity will not relieve any other individual and/or entity from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

XXV. SURVIVAL

Any provision of this Agreement which imposes an obligation following the termination or expiration of this Agreement will survive the termination or expiration and will continue to be binding upon the parties to this Agreement. This Agreement will be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

XXVI. FRANCHISEE'S REPRESENTATIONS AND ACKNOWLEDGMENTS

26.1 Franchisee's Representations

Franchisee represents and warrants to Franchisor with the intention that Franchisor is relying thereon in entering into this Agreement that:

(a) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, then Franchisee is organized under the laws of the state of its principal place of business (or another state which Franchisee has identified to Franchisor) and is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Franchised Business.

(b) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, Franchisee has all corporate power and authority to execute, deliver, consummate and perform this Agreement and it will be binding upon Franchisee and its successors and assigns when executed.

(c) Franchisee does not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of Franchisee's current financial statements which Franchisee has furnished to Franchisor before the execution of this Agreement.

(d) As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending, nor to Franchisee's knowledge or the knowledge (after due

inquiry) of any of its officers, directors, Owners or Operating Principals (as applicable), threatened in any court or arbitral forum or before any governmental agency or instrumentality. Nor to the best of Franchisee's knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of Franchisee's assets, properties, rights or business; Franchisee's right to operate and use its assets, properties or rights to carry on its business; and/or which affects or could affect Franchisee's right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

(e) Neither Franchisee nor any of its Owners is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with or be breached by the execution, delivery, consummation and/or performance of this Agreement.

(f) All Franchisee's representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

26.2 Franchisee's Acknowledgments

Franchisee acknowledges, warrants and represents to Franchisor that:

(a) Before executing this Agreement, Franchisee has had the opportunity to contact any and all of Franchisor's existing franchisees.

_____
Initials

(b) Franchisee has had the opportunity to independently investigate, analyze and understand both the business opportunity being offered under this Agreement and the terms and provisions of this Agreement.

_____
Initials

(c) Where applicable, Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at the earlier of the: (i) first personal meeting between Franchisor or its agent and Franchisee; at (ii) least ten (10) business days before the execution of this Agreement; or (iii) at least ten (10) business days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
Initials

(d) Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the

franchise, at least fourteen (14) calendar days before the execution of this Agreement and at least fourteen (14) calendar days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
Initials

(e) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) and relied on by Franchisee regarding Franchisee's ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Franchised Business.

_____
Initials

(f) Franchisee affirms that all information set forth in all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects and Franchisee expressly acknowledges that Franchisor is relying on the truthfulness, completeness and accuracy of this information.

_____
Initials

(g) Franchisee understands and agrees that Franchisor may operate and change the System and Franchisor's business in any manner that is not expressly prohibited by this Agreement. Whenever Franchisor has the right within this Agreement to take or withhold action or to grant or decline to Franchisee the right to take or withhold action, Franchisor may make such a decision on the basis of Franchisor's best interests and those of the Amazing Athletes System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether Franchisor's decision adversely affects Franchisee. Absent applicable statute, Franchisor shall have no liability for such a decision and Franchisee agrees that Franchisor's decision will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, then Franchisee agrees that such a covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to Franchisor the right to make decisions, take actions and/or refrain from taking actions that are inconsistent with Franchisee's rights and obligations hereunder.

_____
Initials

(h) Franchisee understands and agrees that nothing herein shall obligate Franchisor to sell Amazing Athletes franchises or otherwise develop, grow and/or expand the Amazing Athletes franchised system. Franchisor makes no guaranty, warranty or representation regarding the

continued sale of Amazing Athletes franchises, the Franchisor's ability to make sales of Amazing Athletes franchises, the Franchisor's prospects for making sales of Amazing Athletes franchises or any development, growth or expansion of the Amazing Athletes franchised system. Further, Franchisee understands and agrees that the failure or inability of Franchisor to sell Amazing Athletes franchises or develop, grow and/or expand the Amazing Athletes franchised system does not excuse Franchisee's performance of its obligations under this Agreement and Franchisee further understands and agrees that it shall be obligated, at all times, to perform its obligations hereunder.

_____

Initials

XXVII. SUBMISSION OF AGREEMENT

The submission of this Agreement to Franchisee does not constitute an offer. This Agreement will become effective only upon the execution of this Agreement by both Franchisor and Franchisee. The date of execution of this Agreement will be the Effective Date.

THIS AGREEMENT WILL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF FRANCHISOR. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE OTHER THAN THOSE SET FORTH IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT, OR THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE, FRANCHISEE IS NOT RELYING ON THEM. FRANCHISEE HAS READ ALL OF THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS OF THE FOREGOING AGREEMENT.

FRANCHISEE:
If a corporation or other entity:

_____
(Name of Corporation or Other Entity)

By:_____
(Signature) (Date)

Its:_____
(Print Title/Print Name)

If an individual:

_____
(Signature) (Date)

_____
(Print Name)

_____
(Signature) (Date)

_____
(Print Name)

FRANCHISOR:

Amazing Athletes Franchise Systems, LLC

By: _____
(Signature) (Date)

FRANCHISE AGREEMENT
EXHIBIT 1

FRANCHISEE OWNERSHIP STRUCTURE AND GENERAL TERMS

FRANCHISEE: _____

Trade Name (if different from above): _____

Form of Ownership (Check One)

___ Individual _____ Partnership _____ Corporation _____ Limited Liability **Company**

If a partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a limited liability company, provide the name and address of each equity-interest holder, Member, and Manager, showing percentage owned, and indicate the state in which the limited liability business entity was formed.

If a corporation, provide the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder, showing what percentage of stock is owned by each.

_____
_____
_____

Operating Principal(s): _____

Use additional sheets if necessary. Any and all changes to the above information must be reported to the Franchisor in writing.

Program to be offered by Franchised Business (Core or Plus): _____
If a Plus Program will be offered, which Plus Program(s) has Franchisee elected to offer (i.e. Karate Zoo, Little Rookies, Other): _____

Deal Terms:
Plus Program Fee (Optional): _____
Minimum Royalty: _____
Franchisee National Advertising Fee: _____
First Franchisee National Advertising Fee Invoice Date: _____
Technology Fee: _____
First Technology Fee Invoice Date: _____
Overage Fee (if any): _____

Other Terms or Conditions: _____

_____

_____

_____

FRANCHISOR:	**FRANCHISEE:**
Amazing Athletes Franchise Systems, LLC	_____
_____	_____
By:_____	By:_____
Its:_____	Its: _____

FRANCHISE AGREEMENT
EXHIBIT 2

PRINCIPAL TRADEMARKS

The following Principal Trademarks have been registered with the United States Patent and Trademark Office:

PRINCIPAL TRADEMARKS	REGISTRATION NUMBER	REGISTRATION DATE
Amazing Athletes word mark	3,392,378	March 4, 2008
AMAZING TOTS word mark	4,263,906	December 25, 2012
	6,069,946	June 2, 2020
	6,069,947	June 2, 2020

The principal trademarks are owned by Amazing Athletes, LLC

There are no existing or pending material determinations of the US Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any jurisdiction or any court, no pending infringement, opposition or cancellation actions, nor any other pending material litigation involving the Principal Trademarks.

FRANCHISE AGREEMENT
EXHIBIT 3

TERRITORY ATTACHMENT

The Territory for this Franchised Business shall be as follows:

_____

_____

_____

_____

FRANCHISOR:

Amazing Athletes Franchise Systems, LLC

_____
By:_____
Its: _____

FRANCHISEE:

_____
By:_____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 4

GENERAL RELEASE

To all to whom these Presents shall come or may Concern, Know That _____ [a_____organized under the laws of the State of _____] [an individual domiciled in the State of_____] ("Franchisee") and its Owners (as defined in the Franchise Agreement) collectively as RELEASOR, in consideration of the consent of Amazing Athletes Franchise Systems, LLC (the "Franchisor") to the Assignment or Renewal of the Franchise created pursuant to the franchise agreement between Franchisee and Franchisor (the "Franchise Agreement"); any Transfer of any interest in Franchisee or the assets of Franchisee or the Franchised Business; or any relocation of the Franchised Business location, and for other good and valuable consideration, RELEASOR hereby releases and discharges Franchisor as RELEASEE, RELEASEE'S corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, members, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and RELEASEE'S heirs, executors, administrators, successors and assigns (the "Released Parties"), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties, the RELEASOR ever had, now has or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that all liabilities arising under rights enjoyed by RELEASOR under said Franchise Agreement and any causes of action arising in his, her or its favor from the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of laws principle and any regulations issued by the State of New York shall remain in force; it being the intent of this proviso that any non-waiver provision of the laws of the State of New York shall be satisfied. Additionally, any liabilities arising under any other applicable state law that may not be released in this context shall not be released and shall be excluded from this release without otherwise affecting the validity of the Release.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

IN WITNESS WHEREOF, the RELEASOR (if an individual) *has executed this RELEASE,* and if a corporation) has *caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on* _____, _____.

RELEASOR

By: _____

[SEAL]

ACKNOWLEDGMENT FOR CORPORATE RELEASOR

STATE OF_____
COUNTY OF_____

ss.:

On_____ before me _____

personally came _____ , to me known, who, by me duly sworn, did depose and day that deponent resides at _____ , that deponent is the_____of_____,

the corporation described in the foregoing RELEASE, and which executed said RELEASE, that deponent knows the seal of the corporation, that the seal affixed to the RELEASE is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires:_____(NOTARY SEAL)

ACKNOWLEDGMENT FOR LIMITED LIABILITY RELEASOR

STATE OF_____
COUNTY OF_____

ss.:

On_____ before me _____

personally came _____ , to me known, who, by me duly sworn, did depose and day that deponent resides at _____ , that deponent is the_____of_____,

the limited liability company described in the foregoing RELEASE, and which executed said RELEASE, that this RELEASE was approved by the members of the limited liability company in accordance with their operating agreement, articles of organization or other governing documents; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires:_____(NOTARY SEAL)

ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR

STATE OF _____

ss.:

COUNTY OF _____

On this_____day of_____, before me_____(Name of Notary) the undersigned officer, personally appeared, to me personally known, and known to me to be the same person whose name is signed to the foregoing RELEASE, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires: _____

(NOTARIAL SEAL)

FRANCHISE AGREEMENT
EXHIBIT 5

AUTHORIZATION FOR DIRECT PAYMENT VIA ACH (ACH DEBITS)

We, _____ having an address at _____ ("Franchisee") hereby authorize Amazing Athletes Franchise / Amazing Athletes Franchise Systems, LLC (hereby referred to as "Franchisor") to electronically debit our account (and, if necessary, electronically credit our account to correct erroneous debits) as follows:

Select One:

- ❑ Checking Account
- ❑ Savings Account

at the depository financial institution named below

Account Name:

_____

Depository (Bank) Name: _____

Routing Number: _____

Account Number: _____

Amount of debit(s) or method of determining amount of debit(s) [or specify range of acceptable dollar amounts authorized]: **Approved Franchisor invoices that are due for payment.**

Date(s) and/or frequency of debit(s): **Monthly**

I (we) understand that this authorization will remain in full force and effect until I (we) notify Franchisor in writing, that I (we) wish to revoke this authorization. I (we) understand that Franchisor requires at least three (3) business days, prior notice, in order to cancel this authorization.

Franchisee:_____	Amazing Athletes Franchise Systems, LLC
_____	_____
By:_____	By:_____
Its:_____	Its:_____

FRANCHISE AGREEMENT

EXHIBIT 6

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this day of_____,__, by and between Amazing Athletes Franchise Systems, LLC ("Franchisor") having an address at 14 George Street, Budd Lake, New Jersey 07828 and _____ having an address at _____ ("Franchisee"); and Franchisee's owners_____having an address at _____ ("Owners"),

W I T N E S S E T H:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises operating under the name Amazing Athletes. Franchises will operate a business providing developmental sports and physical fitness programs to children under the age of 12 with a primary focus on children aged 2 ½ to 6; and

WHEREAS, Franchisee is an individual or enterprise which has entered into a Franchise Agreement with Franchisor dated ("Franchise Agreement") for the operation of an Amazing Athletes franchised business;

WHEREAS, if Franchisee is an enterprise, Franchisee's Owners agree to be bound by the terms and conditions of this Agreement; and

WHEREAS, during the course of the relationship between Franchisor and Franchisee, certain information has been and/or will be provided to and received by Franchisee and its Owners relating to the Franchisor, including without limitation, certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding the Franchisor, its parent and its affiliates and the development, management and operation of Amazing Athletes franchised businesseswhich Franchisor, its parent and its affiliates consider proprietary (collectively"Confidential Information"), including without limitation:

(a) The Confidential Operating Manual;
(b) Operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System;
(c) Training and operations materials and manuals;
(d) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques;
(e) Business forms and accounting procedures;
(f) Advertising Materials, Social Media Materials and use of Social Media Platforms;
(g) Database material, customer lists (including but not limited to student lists

and any Consumer Data, as defined below), records, files, instructions and other proprietary information;

(h) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment;

(i) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;

(j) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and

(k) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments

(a) Franchisee and its Owners acknowledge that Franchisee and its Owners have been and/or will be given access to Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that: (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee and its Owners regarding the System is disclosed in confidence; (v) Franchisee and its Owners have no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee and its Owners will not acquire any ownership interest in the System; and (vii) the use or duplication of the System or any part of the System by Franchisee or its Owners in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Franchisee and its Owners pledge and agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor, they: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; and (v) will have a system in place to ensure that all recipients who require

access to any of the Confidential Information, execute the Confidentiality, Non-Use and Non-Competition Agreement Form in the form attached to the Franchise Agreement as Exhibit 7.

(b) Confidential Information provided by Franchisor to Franchisee and its Owners in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement by Franchisee and its Owners to, among other things, (i) to deal exclusively with Franchisor; (ii) to maintain the confidentiality of all of the Confidential Information; (iii) to ensure that all recipients with access to the Confidential Information execute the Confidentiality, Non-Use and Non-Competition Agreement in the Form attached hereto as Exhibit 7; (iv) to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Section 2 above; and (v) to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to the Franchise Agreement, they will have access from Franchisor, its parent and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under the Franchise Agreement are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Amazing Athletes franchisees if franchisees were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interests in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee or its Owners.

(c) Accordingly, Franchisee and is Owners covenant and agree that during the term of the Franchise Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause of termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; and (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Franchisee and each of its Owners shall

not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(i) Divert or attempt to divert any actual or potential business or customer of Amazing Athletes to any competitor;

(ii) Take any action or engage in any activity injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(iii) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(iv) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection.

(d) During the term of the Franchise Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 3(c) at any location. During the two year period following the later of: (i) the termination, regardless of cause, or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) at the location of the Franchised Business;

(2) within the Territory assigned to the Franchised Business and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchised Business;

(3) within ten (10) miles of the location of any other Amazing Athletes business, within the territory assigned to any other Amazing Athletes business and within ten (10) miles of the outer boundaries of the territory assigned to any other Amazing Athletes business;

owned, in operation, under development or to be developed by Franchisor, its parent, its affiliates, franchisees of Franchisor and/or its affiliates as of (i) the date of this Agreement; (ii) as of the date of (a) termination (regardless of the cause for termination) or expiration of this Agreement or (b) a Transfer, as defined herein; or (iii) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of this Agreement.

(f) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(g) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its parent and its affiliates. Franchisee and its Owners also agree and acknowledge that Franchisor's legitimate business interests include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the ability of Franchisor, its parent and its affiliates to develop franchises at or near the Franchisee's former Franchised Business location, within the Franchisee's Territory and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon receipt by Franchisee and its Owners of written notice and Franchisee and its Owners agree to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Franchisee and its Owners acknowledge that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly,

Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee and its Owners may have against Franchisor, its parent and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor, its parent and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

(a) The term "affiliates" (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means: (a) any business providing developmental sports and physical fitness programs to children under the age of 12; or (b) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(d) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over five percent (5%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over five percent (5%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

(e) Consumer Data shall mean all personally identifiable information,including but not limited to, names, addresses, email addresses, telephone numbers, corporate information, transaction data, demographic data, behavioral data, customerservice data, correspondence, and other documents and information, obtained from consumers, suppliers or others in connection with any Service or Product.

(f) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

6. Miscellaneous

(a) Franchisor, its parent and/or its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Franchisee and shall not be liable, directly or indirectly, to Franchisee, its Owners or any of Franchisee's affiliates as a result of any use of the Confidential Information by or on behalf of Franchisee, its Owners and/or its affiliates. Franchisee and its Owners specifically waive any and all claims for any loss or damage suffered by it due to their use of the Confidential Information and agree to indemnify and hold Franchisor, its parent and its affiliates harmless for any claims made against Franchisor, its parent and/or its affiliates based upon the provision by Franchisee or its Owners of the Confidential Information to third parties.

(b) This Confidentiality, Non-Use and Non-Competition Agreement shall be binding upon and shall inure to the benefit of Franchisee, its Owners, Franchisor and their respective subsidiaries, affiliates, successors and assigns.

(c) This Agreement contains the complete understanding of Franchisee and its Owners and Franchisor with respect to the Confidential Information and this Confidentiality, Non-Use and Non-Competition Agreement shall not be amended without the prior written consent of the parties.

(d) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothingin this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

(b) Franchisee and its Owners agree to institute any litigation arising out of or related to this Agreement or the Franchise Agreement; any breach of the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York. The

undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties under this Agreement, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Franchisee: _____

_____

By: _____

Its: _____

Amazing Athletes Franchise Systems, LLC

_____

By: _____

Its: _____

FRANCHISE AGREEMENT
EXHIBIT 7

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this_____day of_____,_____, by and between _____ ("Franchisee") having an address at_____and _____ having an address at_____("Recipient"),

W I T N E S S E T H:

WHEREAS, Franchisee is principally engaged in the business of operating a business providing developmental sports and physical fitness programs to children under the age of 12 with a primary focus on children aged 2 ½ to 6 under the name Amazing Athletes (the Franchised Business") pursuant to a franchise agreement with Amazing Athletes Franchise Systems, LLC ("Franchise Agreement");

WHEREAS, Recipient is an individual or enterprise who is about to be employed by Franchisee, has entered into some form of contractual relationship with Franchisee or is considering the same; and

WHEREAS, during the course of the relationship between Franchisee and Recipient, certain information, knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law has been and/or will be provided to and received by Recipient regarding the Franchisor, its parent and its affiliates and the development, management and operation of Amazing Athletes franchised businesses, which Franchisor, its parent and its affiliates consider proprietary (collectively "Confidential Information"), including without limitation:

(a) The Confidential Operating Manual;

(b) Operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System;

(c) Training and operations materials and manuals;

(d) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques;

(e) Business forms and accounting procedures;

(f) Advertising Materials, Social Media Materials and use of Social Media Platforms;

(g) Database material, customer lists (including but not limited to student lists and any Consumer Data), records, files, instructions and other proprietary information;

(h) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment;

(i) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;

(j) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and

(l) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgment

(a) Recipient acknowledges that Recipient has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Recipient.

(b) Recipient acknowledges that (i) Franchisor, its parent and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor, its parent and its affiliates a competitive advantage; (iii) the Franchisor, its parent and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Recipient regarding the System is disclosed in confidence; (v) Recipient has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Recipient will not acquire any ownership interest in the System; and (vii) Recipient's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Recipient pledges and agrees that for a period commencing on the date of the Franchise Agreement and continuing thereafter, in the absence of prior written consent by Franchisee: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisee's use; (iv) will not reproduce the Confidential Information.

(b) Confidential Information provided by Franchisor, its affiliates and/or Franchisee to Recipient in the course of the parties' relationship shall be returned to Franchisee immediately upon termination or expiration of Recipient's relationship with Franchisee. Recipient shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Recipient acknowledges that Franchisee has entered into the relationship described above in consideration of and reliance upon, among other things, Recipient's agreement to: deal exclusively with Franchisee; maintain the confidentiality of all of the Confidential Information; refrain from using any Confidential Information in any manner not permitted by Franchisor, its affiliates and/or Franchisee in accordance with Section 2 above; and protect and preserve the goodwill of the Franchisor.

(b) Recipient further acknowledges and agrees that (i) pursuant to its relationship with Franchisee, it will have access from the Franchisor, its parent, its affiliates and/or Franchisee to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Recipient pursuant to its relationship with Franchisee are of substantial and material value; (iii) in developing the System, Franchisor, its parent and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Amazing Athletes franchises if recipients were permitted to hold interests in Competitive Businesses; and (v) restrictions on Recipient's right to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder Recipient's activities.

(c) Accordingly, Recipient covenants and agrees that during the term of the Recipient's relationship with Franchisee and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of cause of termination) or expiration of Recipient's relationship with Franchisee (regardless of the cause for termination or expiration); or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Recipient shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of Amazing Athletes to any competitor;

(2) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System; or

(3) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Recipient's relationship with Franchisee, there is no geographical limitation on these restrictions, meaning that Recipient shall not engage in the conduct referred to in subsection 3(c) at any location. During the two year period following the later of: (i) the termination (regardless of the cause for termination) or expiration of Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) At the location of the Franchisee's Franchised Business;

(2) Within the Territory assigned to the Franchisee's Franchised Business and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchisee's Franchised Business;

(3) Within ten (10) miles of the location of any other Amazing Athletes business, within the territory assigned to any Amazing Athletes business and within ten (10) miles of the outer boundaries of the territory assigned to any Amazing Athletes business;

owned, in operation, under development or to be developed (i) as of the date of this Agreement; (ii) as of the date of termination (regardless of the cause for termination) or expiration of Recipient's employment or contractual relationship with Franchisee; and (iii) as of the date of entry of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Recipient covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of the Recipient's relationship with Franchisee.

(f) Recipient acknowledges that his or her skills and abilities are of a general nature and Recipient has other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Recipient of his or her personal goodwill or ability to earn a living.

(g) Recipient agrees and acknowledges that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be

restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its affiliates and Franchisee. Recipient also agrees and acknowledges that the reputation, goodwill and foregoing are legitimate business interests of Franchisor, its affiliates and Franchisee and they require the protection of the covenants contained herein. The legitimate business interests of Franchisor, its affiliates and Franchisee also include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchised Business location, within the Territory assigned to the Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting Franchisee and other franchisees from competition from Recipient; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement Form (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor, its affiliates and Franchisee shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon Recipient's receipt of written notice and Recipient agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Recipient acknowledges that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisee, Franchisor, its parent and its affiliates for which no adequate remedy at law will be available. Accordingly, Recipient hereby consents to the entry of an injunction procured by Franchisee, Franchisor and/or its affiliates prohibiting any conduct by Recipient in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Recipient expressly agrees that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Recipient expressly agrees that any claims Recipient may have against Franchisee, Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisee, Franchisor and/or its affiliates. Recipient further agrees to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisee, Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

(a) The term "affiliates" (with respect to Recipient) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling,

controlled by or under common control with Recipient, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means: (i) any business providing developmental sports and physical fitness programs to children under the age of 12; or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(d) The term “Owner” means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Recipient (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term “Owners” shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Recipient entity.

6. Miscellaneous.

(a) Franchisee, Franchisor, its parent and its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Recipient and shall not be liable, directly or indirectly, to Recipient or any of Recipient's affiliates as a result of any use of the Confidential Information by or on behalf of Recipient and/or its affiliates. Recipient specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisee, Franchisor, its parent and its affiliates harmless for any claims made against Franchisee, Franchisor and/or its affiliates based upon Recipient's provision of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits, and should not by necessity invalidate the entire covenants. Recipient acknowledges and agrees to be bound by any lesser covenant subsumed within the terms of thisAgreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee and Recipient and their respective subsidiaries, affiliates, successors and assigns.

(d) This Agreement contains the complete understanding of Recipient and Franchisee with respect to the Confidential Information and this Agreement shall not be amended without the prior written consent of the parties.

(e) Recipient acknowledges that Franchisor, its affiliates, successors and assigns, are third-party beneficiaries under this Agreement and may enforce this Agreement. Recipient further acknowledges that: (i) a copy of this Agreement is being delivered to Franchisor; (ii) Franchisor is relying on the parties' compliance with this Agreement; and (iii) this Agreement may not be amended, or terminated nor any rights or obligations of Recipient waived hereunder without the prior written consent of the Franchisor.

(f) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New York without recourse to New York (orany other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

(b) Recipient and Franchisee agree to institute any litigation that the undersigned may commence arising out of or related to this Agreement; any breach of the this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without

limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Recipient: _____

_____

Franchisee: _____

_____
By: _____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 8

ASSIGNMENT OF TELEPHONE AND INTERNET LISTINGS AND ADVERTISEMENTS

Pursuant to its obligations under a certain franchise agreement dated _____, _____, by and among Amazing Athletes Franchise Systems, LLC as Franchisor and _____ as Franchisee (the "Franchise Agreement"), for good and valuable consideration the receipt and sufficiency is hereby acknowledged, does hereby assign, sell, transfer and convey to Amazing Athletes Franchise Systems, LLC all of Franchisee's right, title and interest as of the date hereof in and to all telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform (as defined in the Franchise Agreement) accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed (collectively "Telephone and Internet Listings and Advertisements") in existence as of the date of the expiration or termination of the Franchise Agreement.

Without limitation, the Telephone and Internet Listings and Advertisements include the following:

Telephone, facsimile and other numbers: _____
_____
_____

Telephone directory listings: _____
_____
_____
_____
_____

Email addresses: _____
_____
_____

Domain names: _____
_____
_____

Website addresses: _____
_____
_____

URLs:_____

_____

_____

Internet and website directory listings: _____

_____

_____

_____

_____

_____

Web based platform and program accounts, including but not limited to Social Media Platform accounts: _____

_____

_____

_____

Other Media referencing the Franchised Business: _____

_____

_____

_____

Upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right but not the obligation, and is hereby authorized to take possession of the Telephone and Internet Listings and Advertisements and assume all of the rights, title and interest of the Franchisee in the Telephone and Internet Listings and Advertisements.

Franchisee represents and warrants to Amazing Athletes Franchise Systems, LLC that it is the lawful owner of the Telephone and Internet Listings and Advertisements, and that Franchisee has the right to assign the Telephone and Internet Listings and Advertisements free and clear of any interest therein.

Franchisee hereby appoints Amazing Athletes Franchise Systems, LLC and/or its successors and assigns as attorney-in-fact for Franchisee to execute such documents as are necessary or desirable to affect the assignment of the Telephone and Internet Listings and Advertisements to Amazing Athletes Franchise Systems, LLC. Franchisee authorizes Amazing Athletes Franchise Systems, LLC and/or its successors and assigns as attorney-in-fact to insert references to those Telephone and Internet Listings and Advertisements in existence as of the date of the expiration or termination of the Franchise Agreement where applicable above at such times as Franchisor may determine, including but not limited to upon the expiration or termination of the Franchise Agreement. Franchisee will, at any time and from time to time after the date hereof, upon the reasonable request of Amazing Athletes Franchise Systems, LLC, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney or assurances as may be required for transferring, assigning, conveying and confirming to Amazing Athletes Franchise Systems,

LLC, or for aiding and assisting in reducing to possession by Amazing Athletes Franchise Systems, LLC, any of the Telephone and Internet Listings and Advertisements or rights being assigned hereunder, or to vest in Amazing Athletes Franchise Systems, LLC good, valid and marketable rights to such Telephone and Internet Listings and Advertisements.

This Assignment of Telephone and Internet Listings and Advertisements shall inure to the benefit of Amazing Athletes Franchise Systems, LLC and shall be binding upon Franchisee and its successors and assigns.

IN WITNESS WHEREOF, Franchisee has caused this Assignment of Telephone and Internet Listings and Advertisements to be duly executed this_____day of _____,____.

ASSIGNOR:

By: _____

Its
Duly Authorized

STATE OF _____)
) ss.:
COUNTY OF_____)

On _____, ____ before me _____

personally came_____, to me known, who, by me duly sworn, did depose and say that deponent resides at _____, that deponent is the_____of Franchisee, the corporation described in the foregoing Assignment of Telephone and Internet Listings and Advertisements, and which executed said Assignment of Telephone and Internet Listings and Advertisements, that deponent knows the seal of the corporation, that the seal affixed to the Assignment of Telephone and Internet Listings and Advertisements is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____
Notary Public

My Commission expires:

FRANCHISE AGREEMENT
EXHIBIT 9

GUARANTEE

In consideration of the execution by Franchisor of the Franchise Agreement (the "Agreement") dated the_____day of_____, 20_____, between Amazing Athletes Franchise Systems, LLC ("Franchisor") and _____ ("Franchisee") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby absolutely and unconditionally guarantee the payment of all amounts and the performance of all covenants, terms, conditions, agreements and undertakings contained and set forth in said Agreement and in any other agreement(s) by and between Franchisee and Franchisor.

1. If more than one person has executed this guarantee ("Guarantee"), the term "the undersigned", as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

2. The undersigned, individually and jointly, hereby agree to be personally bound by each and every covenant, term, condition, agreement and undertaking contained and set forth in said Agreement and any other agreement(s) by and between Franchisee and Franchisor, and agree that this Guarantee shall be construed as though the undersigned and each of them executed agreement(s) containing the identical terms and conditions of the Agreement and any other agreement(s) by and between Franchisee and Franchisor.

3. The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder (a) any term, covenant or condition of the Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Agreement or any other person.

4. Should Franchisee be in breach or default under the Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Agreement or any others of the undersigned.

5. Notice to or demand upon Franchisee or any of the undersigned shall be deemed notice to or demand upon Franchisee and all of the undersigned, and no notice or demand need be made to or upon any or all of the undersigned. The cessation of or release

from liability of Franchisee or any of the undersigned shall not relieve any other guarantor from liability pursuant to this Guarantee, under the Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

6. Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Agreement or any other agreement(s) by and between Franchisee and Franchisor, shall in no way modify or amend this Guarantee, which shall be continuing, absolute, unconditional and irrevocable.

7. It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee shall inure to the benefit of the Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

8. Governing Law, Arbitration, Jurisdiction and Venue

a. This Guarantee, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New York without recourse to New York (or any other) choice of law or conflictsof law principles. If, however, any provision of this Guarantee would not be enforceable under the laws of New York, and if any Franchised Business is located outside of New York and the provision would be enforceable under the laws of that state, then the provision (and only that provision) will be interpreted and construed under the laws of thatstate. Nothing in this Section 8 is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New York or any other state, which would not otherwise apply.

b. All claims, controversies or disputes, except for those claims, controversies or disputes provided for in Section 23.4(g), the party asserting the claim shall submit such claim, controversy or dispute exclusively to arbitration, to be held in New York, New York, before and in accordance with the Commercial Rules of Arbitration of the AAA.

c. Any arbitration under this Section 8 shall be conducted by a single arbitrator mutually agreed to by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Guarantor shall obtain an identical list of arbitrators from the American Arbitration Association, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Guarantor shall strike the first name off the list.

d. In no event shall the arbitrator be entitled to award punitive, incidental, special or consequential damages against the Franchisor.

e. Any award rendered in connection with an arbitration pursuant to

this Section 84 shall be final and binding. The parties may initiate litigation in any court of competent jurisdiction to confirm, enter and enforce such arbitration award.

f. Franchisor and Guarantor agree that arbitration will be conducted only on an individual, not a class-wide, basis, and that an arbitration proceeding between Franchisor (including its subsidiaries, affiliates, shareholders, officers, directors, managers, representatives and employees) and Guarantor (and the Franchisee) may not be consolidated with any other arbitration proceeding between them and any other person or legal entity. No findings, conclusions, orders or awards emanating from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever. The parties agree that the principles of collateral estoppel shall not apply in any arbitration proceeding conducted under this Section.

g. Notwithstanding anything to the contrary above, Franchisor may institute litigation (without first proceeding with arbitration) exclusively in a court of competent jurisdiction: (1) to protect the Principal Trademarks, any intellectual property and Confidential Information; (2) to determine the validity of termination of this Agreement and/or any other related agreement; (3) to enforce the termination of this Agreement and/or any other related agreement; (4) to enforce the Confidentiality, Non-Use and Non-Competition Agreement and any other agreement executed by franchisee; (5) to confirm, enter and enforce an arbitrator's award; (6) for monies owed; and (7) to enjoin or restrain Franchisee from otherwise causing immediate and irreparable harm to Franchisor, its parent and/or its affiliates.

h. The provisions of this Section are intended to benefit and bind certain third party non-signatories (including without limitation the undersigned's owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Guarantee.

9. Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.

IN WITNESS WHEREOF, each of the undersigned has executed this Guarantee effective as of the date of the Agreement.

Attest:

By: _____

_____
Signature

_____
Printed Name

_____

_____
Address

Attest:

By: _____

_____
Signature

_____
Printed Name

_____

_____
Address

FRANCHISE AGREEMENT
EXHIBIT 10

PROMISSORY NOTE

PROMISSORY NOTE

$_____ _____, 20___

FOR VALUE RECEIVED_____, a_____with a principal place of business at_____(the "Maker") promises to pay to the order of Amazing Athletes Franchise Systems, LLC, a Delaware limited liability company with an address at 14 George Street, Budd Lake, New Jersey 07828 (collectively the "Payee"), the sum of_____($_____) as provided below, at an interest rate of fifteen percent (15%).

1. This Note is given in consideration of a Franchise Agreement entered into by Maker and Payee simultaneously herewith.

2. Interest, Payment; Maturity.

2.1 Payment of this note shall be made as follows: the sum of _____ _____ DOLLARS ($_____) shall be paid to Payee in twelve (12) equal monthly installments. The first monthly installment is to be paid no later than the fifth day of the month following the date of this Promissory Note and each monthly installment payment thereafter shall be paid no later than the fifth day of such month.

Notwithstanding anything to the contrary herein, in the event that Maker fails to make an installment payment within ten days of the due date, Maker shall pay Payee interest on such installment amount at the default rate of the lesser of eighteen percent (18%) per annum or the highest rate permitted by law. The parties agree and acknowledge that all installment payments specified this 2.1 shall be made payable to such party, as directed by Payee.

2.2 Notwithstanding anything in Section 2.1 to the contrary, if Maker makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due; or an order, judgment, decree or injunction is entered adjudicating Maker bankrupt or insolvent or requiring the dissolution or split up of Maker or preventing Maker from conducting all or any part of its business; or any order for relief with respect to Maker is entered under the Federal Bankruptcy Code (as defined below); or Maker petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of Maker or of any substantial part of the assets of Maker or commences any proceeding relating to Maker under any bankruptcy reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation or similar laws of any jurisdiction now or hereafter in effect; or any such petition or application is filed, or any such proceeding is commenced, against Maker and either (a) Maker by any act indicates its approval thereof, consent thereto or acquiescence therein or (b) such petition, application or proceeding is not dismissed within sixty (60) days, then the aggregate outstanding principal amount of this Note shall become immediately due and payable

without any action on the part of the Payee, and Maker shall immediately pay to the Payee all amounts due and payable with respect to this Note.

2.3 Maker acknowledges that this Note shall not be subordinate to any loan, note, promise, obligation or any other debt made or owed by Maker to any third party unless such loan, note, promise, obligation or any other debt is subject to an agreement previously entered into which specifically prohibits the subordination of such loan, note, promise, obligation and/or debt.

3. Rights Cumulative. The rights and remedies of Payee as provided herein shall be cumulative and concurrent, and may be pursued singly, successively or together against Maker, at the sole discretion of Payee; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same. Payee shall not by any act of omission or commission be deemed to waive any of its rights or remedies under this Note unless such waiver is in writing and signed by Payee, and then only to the extent specifically set forth therein; and a waiver of one event shall not be construed as continuing or as a bar to or waiver of such right or remedy on a subsequent event.

4. Construction of Terms. In this Note, unless a clear contrary intention appears: (a) the singular number includes the plural number and vice versa; (b) reference to any person includes such person's successors and assigns, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (c) reference to any gender includes each other gender; (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof (and without giving effect to any amendment or modification that would not be permitted in accordance with the terms hereof); (e) reference to any applicable law means such applicable law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any particular provision of any applicable law shall be interpreted to include any revision of or successor to that provision regardless of how numbered or classified; (f) "hereunder," "hereof," "hereto" and words of similar import shall be deemed references to this Note as a whole and not to any particular Section or other provision hereof; (g) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; (h) relative to the determining of any period of time, "from" means "from and including" and "to" and "through" means "to but including"; and (i) "or", "either" and "any" are not exclusive.

5. Modifications. This Note may not be changed orally, but only by an agreement in writing signed by Maker and Payee.

6. Submission to Jurisdiction. Maker and Payee submit to the exclusive jurisdiction of any New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York in any action or proceeding arising out of or relating to this Note and agree that all claims in respect of the action or proceeding may be heard and determined in any such court. Maker and Payee waive any defense of inconvenient forum to the maintenance of any action or proceeding

brought in any New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York and waive any bond, surety, or other security that might be required of any other party with respect thereto.

7. Governing Law. This Note and any claims arising out of or relating hereto, shall be governed by, and interpreted and enforced pursuant to, the substantive laws of New York, without regard to New York's choice of law or conflict of laws principlesthat would cause the application of the substantive laws of any other jurisdiction.

8. Headings. The headings are inserted solely for convenience of reference and shall not constitute a part of this Note nor shall they affect its meaning, construction or effect.

9. Severability. If any provision of this Note or the application thereof is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall not be affected thereby, and each provision of this Note shall be valid and enforceable to the fullest extent permitted by law.

10. Lost, Stolen, Destroyed or Mutilated Note. Upon receipt of evidence satisfactory to Maker of the loss, theft, destruction or mutilation of this Note and, in case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to Maker or, in the case of any such mutilation, upon surrender and cancellation of this Note, Maker will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Note, a new Note bearing interest at the rate set forth herein or like tenor and unpaid principal amount of this Note.

11. Collection. If this Note is placed in the hands of an attorney for collection as provided herein or for enforcement, the prevailing party shall be entitled to recover from the non-prevailing party, all of the prevailing party's costs and expenses (including reasonable attorney fees) in connection with such collection or enforcement.

12. Notices. All notices, demands and other communications made hereunder shall be in writing and shall be given either by personal service, certified or registered mail, return receipt requested, or Federal Express or other recognized overnight delivery service regularly providing proof of delivery, addressed to the respective addresses first set forth above.

13. Business Day. If any payment is due, or any time period for giving notice or taking action expires, on a day which is not a Business Day (as defined below), the payment shall be due and payable on, and the time period shall automatically be extended to, the next Business Day immediately following. "Business Day" shall mean (a) any day other than a Saturday, Sunday, or other day on which banking institutions in Morris County, New Jersey are authorized or obligated to close.

IN WITNESS WHEREOF, Maker has caused this Note to be dulyexecuted as of the day and year first above written.

Maker:

Franchisee: _____

_____

By:_____

Its: _____

FRANCHISE AGREEMENT
EXHIBIT 11

STATE AMENDMENTS TO FRANCHISE AGREEMENT

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

CALIFORNIA LAW MODIFICATIONS

1. The California Department of Financial Protection and Innovation requires that certain provisions contained in the franchise documents for franchises offered or sold to either a resident of the Stateof California or non-resident who will be operating a franchise in the State of California be amended to be consistent with California law, including the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043 (collectively the "Acts"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded:

a. The Acts provide rights to Franchisee concerning non-renewal and termination of the Agreement. The Federal Bankruptcy Code (11 U.S.C. §101 et seq.) also provides rights to Franchisee concerning termination of the Agreement upon certain bankruptcy-related events. To the extent the Agreement contains a provision that is inconsistent with these laws, these laws will control.

b. If the Franchisee is required in the Agreement to execute a release of claims, such release shall exclude claims arising under the Acts. California Corporations Code 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043.

c. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

d. If the Agreement contains a covenant not to compete which extend beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law.

e. If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

f. If the Agreement requires that it be governed by a state's law, other than the State of California, such requirement may be unenforceable.

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

2. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF HAWAII

The Franchise Agreement between_____("Franchisee") and AmazingAthletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

HAWAII LAW MODIFICATIONS

The Agreement is amended to include the following:

1. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

ILLINOIS LAW MODIFICATIONS

1. Notwithstanding anything to the contrary within the Agreement, Illinois law governs the Agreement.

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

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

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

5. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC FRANCHISE AGREEMENT FOR THE STATE OF INDIANA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

INDIANA LAW MODIFICATIONS

1. The Indiana Securities Commissioner requires that certain provisions contained in the franchise documents offered or sold to either a resident of the State of Indiana or a non-resident who will be operating a franchise in the State of Indiana be amended to be consistent with Indiana law, including the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51 (collectively the "Act"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded.

a. The Indiana Deceptive Franchise Practices Act provides rights to Franchisee concerning non-renewal and termination of this Agreement. To the extent the Agreement contains a provision that is inconsistent with the Act, the Act will control.

b. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate this Act, or a role or order under the Act, such release shall exclude claims arising under the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, and such acknowledgments shall be void with respect to claims under the Acts.

c. If this Agreement contains covenants not to compete upon expiration or termination of the Agreement that are inconsistent with the Indiana Deceptive Franchise Practices Act, the requirements of the Act will control.

d. The Indiana Deceptive Franchise Practices Act provides that substantial modification of the Agreement by Franchisor requires written consent of the Franchisee. If the Agreement contains provisions that are inconsistent with this requirement, the Act will control.

e. If the Agreement requires litigation to be conducted in a forum other than the State of Indiana, the requirement may be unenforceable as a limitation on litigation under the Indiana Deceptive Franchise Practices Act.

f. If the Agreement requires that it be governed by a state's law, other than the State of Indiana, to the extent that such law conflicts with the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, the Act will control.

2. Each provision of the Amendment shall be effective only to the extent that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, relating to each such provision, are met independent of this Agreement. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

MARYLAND LAW MODIFICATIONS

1. The Maryland Securities Division requires that certain provisions contained in the franchise documents offered or sold to either a resident of the State of Maryland or a non-resident who will be operating a franchise in the State of Maryland be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law. To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded.

a. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

b. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Any claims arising under the Maryland Franchisor Registration and Disclosure Law must be brought within three years after the grant of the franchise.

3. The Franchise Agreement requires prospective franchisees to disclaim the occurrence and/or acknowledgment the non-occurrence of acts that would constitute a violation of Section 14-226 of the Maryland Franchise Registration and Disclosure Law and therefore the Franchise Agreement is hereby amended and superseded to state that such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light

of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

MINNESOTA LAW MODIFICATIONS

The franchise agreement is amended to include the following:

1. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibits the Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular or agreement can abrogate or reduce any of the Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or the Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C. 14, Subs. 3, 4 and *5* which require, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of the Franchise Agreement.

3. The agreements contain a liquidated damages clause. Under Minn. Rule 2860.4400J liquidated damage clauses are prohibited.

4. The Franchisor will protect the Franchisee's right to use the Principal Trademarks and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Principal Trademarks.

5. Minn. Rule 2860.4400D prohibits the Franchisor from requiring the Franchisee to assent to a general release. Any release the Franchisee signs as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law.

6. For Minnesota franchisees, to the extent the Franchise Agreement requires it to be governed by a state's law other than the State of Minnesota or provides for arbitration or mediation, these provisions shall not in any way abrogate or reduce any rights of the franchisee as provided for in the Minnesota Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

7. Section 80Cl7, Subd. 5. of the Minnesota Franchise Act states that no civil action may be commenced for violation of the Minnesota Franchise Act more than three years after the cause of action accrues. Section 18.3 of the Franchise Agreement contains certain time limits on commencing actions. For Minnesota franchisees, to the extent that these limitations are inconsistent with those under the Minnesota Franchise Act, the provisions of the franchise Agreement are superseded by the Minnesota Franchise Act's requirements and shall have no force or effect.

8. Notwithstanding anything to the contrary in the Franchise Agreement, Minn. Rule 2860.4400J prohibits the Franchisee's consent to the Franchisor obtaining injunctive relief. Rather, where injunctive relief is provided for in the Franchise Agreement, the Franchisee acknowledges that the Franchisor may seek injunctive relief. Further, in connection with injunctive relief, Franchisee and Franchisor acknowledge that a court will determine whether a bond is required.

9. 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.

10. Sections 4.5 (d), 4.5 (e), and 4.5(g) of the Franchise Agreement are amended by the addition of the following language: "These provisions are not enforceable under Minnesota law."

11. Non-Sufficient Funds ("NSF") checks are governed by Minnesota Statute 604.113, which puts a cap of thirty dollars ($30) on service charges. Section 4.5 (l) of the Franchise Agreement is amended accordingly.

12. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on 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 with the franchise, including but not limited to Sections 20.1 (a) and 26.2, and Exhibit 11 of the Franchise Agreement.

13. The following statement is added to the end of Section 4.1 of the Franchise Agreement:
Notwithstanding anything to the contrary in this Section 4.1, Franchisor shall defer collection of the initial franchise fee and other initial payments owed by Franchisee to Franchisor and/or its affiliates until such time as the franchise is operational.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

NORTH DAKOTA LAW MODIFICATIONS

The Agreement is amended to include the following:

1. **RELEASES**. The following is added to the end of Sections 3.2, and 10.3 of the Agreement:

   Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. **COVENANT NOT TO COMPETE**. The following is added as a new Section 9.8 of the Agreement:

   9.8. North Dakota Franchise Law

   Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

3. **LIQUIDATED DAMAGES**. Nothing in the Agreement shall require Franchisee to consent to the payment of liquidated damages. Accordingly, Section 14.1 of the Agreement is deleted in its entirety. Further, any reference to the payment of liquidated damages by Franchisee in the Franchise Disclosure Document, or any agreement attached to the Agreement, is deleted in its entirety.

4. **COSTS OF ENFORCEMENT**. Section 23.1 of the Agreement is hereby deleted and the following is added as new Section 23.1:

   23.1 The prevailing party in any enforcement action will be entitled to recover all costs and expenses including attorneys' fees, experts' fees, court costs and all other expenses of litigation.

1. **GOVERNING LAW**. The following statement is added to the end of Section 23.3 of the Agreement:

   Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law shall apply.

2. **CONSENT TO JURISDICTION**. The following language is added to the end of Section 23.4 of the Agreement:

   Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

3. **ARBITRATION**. The following is added at the end of Section 23.4 of the Agreement:

   Notwithstanding anything to the contrary herein, the arbitration proceedings shall be conducted in the city where we then have our principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions; however, to the extent otherwise required by the North Dakota Franchise Investment Law (unlesssuch a requirement is preempted by the Federal Arbitration Act), arbitration proceedings shall be held at a mutually agreeable site in North Dakota.

4. **LIMITATIONS ON LEGAL CLAIMS**. Notwithstanding anything to the contrary in the Agreement, including but not limited to Section 23.5 thereof, nothing in the Agreement shall require a waiver by Franchisee to exemplary or punitive claims. Accordingly, Section 23.5 is deleted in its entirety. Further, any reference to a waiver of exemplary or punitive damages by Franchisee in the Franchise Disclosure Document or any agreement attached to the Agreement isdeleted in its entirety.

5. **NO WAIVER OF TRIAL BY JURY**. Notwithstanding anything to the contrary in the Agreement, including but not limited to Section 23.6 thereof, nothing in the Agreement shall require a waiver by Franchisee to a trial by jury. Accordingly, Section 23.6 is deleted in its entirety. Further, any reference to a waiver of a trial by jury in the Franchise Disclosure Documentor any agreement attached to the Agreement is deleted in its entirety.

6. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20___.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

RHODE ISLAND LAW MODIFICATIONS

The Agreement is amended to include the following:

1. **GOVERNING LAW/CONSENT TO JURISDICTION**. The following statement is added to the end of Article XXIII of the Agreement:

   Section 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." To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

2. 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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF SOUTH DAKOTA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

SOUTH DAKOTA LAW MODIFICATIONS

The Agreement is amended to include the following:

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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF VIRGINIA

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

VIRGINIA LAW MODIFICATIONS

The Agreement is amended to include the following:

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.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on_____, 20_.

FRANCHISEE: _____

BY:_____
NAME:_____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY:_____
NAME:_____
TITLE: _____

AMENDMENT TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

The Franchise Agreement between_____("Franchisee") and Amazing Athletes Franchise Systems, LLC ("Franchisor") dated_____, 20___(the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

WASHINGTON LAW MODIFICATIONS

The Agreement is amended to include the following:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor 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 the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

8. 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.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Washington Law, applicable to the provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

Notwithstanding anything to the contrary in Paragraph 14.7 of the Agreement, in the event Franchisor exercises its option under Paragraph 14.7, Franchisor shall pay a lump sum for any asset it purchases from Franchisee in connection with the exercise of such option.

IN WITNESS WHEREOF, the Franchisee on behalf or itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20____.

FRANCHISEE: _____

BY: _____
NAME: _____
TITLE: _____

Amazing Athletes Franchise Systems, LLC

BY: _____
NAME: _____
TITLE: _____

EXHIBIT D

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EXHIBIT E

AMAZING ATHLETES FRANCHISE SYSTEMS, LLC

LIST OF FRANCHISEES

AS OF DECEMBER 31, 2022

Several franchisees own more than one unit and are listed only once unless the franchisee owns units under different names or contact information in which case the franchisee's name will appear more than one time.

Alabama:

Robert Moore
of the Gulf Coast
21464 Brick Stack Lane
Fairhope, AL 36532
1-678-910-1433
gulfcoast@amazingathletes.com

Arizona:

DeAndre Jones
Of West Valley
5212 South Seton Court
Gilbert, AZ 85298
1-480-865-8589
westvalley@amazingathletes.com

California:

Ala Tayeh
of Northern Sacramento
CA 5311 Elgin Hills Way
Antelope, CA 95843
1-916-595-0997
coacht@amazingathletes.com
(2 units)

Amber Fletcher & Natalie Phillips
Of Bakersfield, CA
4633 Quarter Avenue
Bakersfield, CA 93309
1-661-599-2890
bakersfield@amazingathletes.com
Amy & Ron Romberger
of the Media Cities
1020 West Palm Avenue
Burbank, CA 91506
1-818-207-9047
mediacities@amazingathletes.com

Elizabeth Nelson
Of East County
24165 Del Amo Road
Ramona, CA 92065
1-951-333-3348
eastcounty@amazingathletes.com

Nicolette Brits
of South Bay
181 Burnham Court, Apt D
Campbell, CA 95008
1-408-799-7014
nicolette@amazingathletes.com

Sherry Schmitz-Price
of North OC
10301 Longden Street
Cypress, CA 90630
1-714-403-4769
sherry@amazingathletes.com

Deborah Aufill
With Coach Debi, CA 88
Bridgeport Street
Dana Point, CA 92629
1-949-412-1141
coachdebi@amazingathletes.com

Jill Nagel
of South Orange County
123 Primrose Drive
Foothill Ranch, CA 92610
1-949-285-0912
soc@amazingathletes.com

Brian Sandmark
of SoCal Foothills
9592 Center Drive
Villa Park CA 92861
1-626-531-1151
socalfoothills@amazingathletes.com
(3 units)
Tony & Colette Perachiotti
Of North Bay
3 Amanda Lane
Novato, CA 94948
1-415-895-6071
coachtony@amazingathletes.com
(2 units)

Karla Thoegersen
Of Thousand Oaks
291 Kanan Road
Oak Park, CA 91377
1-808-426-8908
karla@amazingathletes.com

Jennifer Keller
Of *North Inland, SoCal*
2254 La Brea
Street Ramona,
CA 92065
1-760-547-3119
northlandca@amazingathletes.com

Nadia Krzyzaniak
of Inland Empire
1437 Kem Way
Walnut, CA 91789
1-909-907-4105
ie@amazingathletes.com

Gary Calderone
of West Los Angeles
7950 West Sunset Blvd Apt 412
Los Angeles, CA 90046
1-323-533-5806
westla@amazingathletes.com

Colorado:

Edward & Kelsie Furst
Of Northern Colorado
3198 Twin Heron CT
Fort Collins, CO 80528
1-970-573-7529
northernco@amazingathletes.com

Janella Chamberlain
Of Metro Denver
149 Muriel Drive
Northglen, CO 80233
1-303-450-7129
metrodenver@amazingathletes.com

Florida:

Brad and Emilia Pupello
Of Greater Tampa
1734 Cherry Walk Road
Lutz, FL 33558
1-813-575-8007
greatertampa@amazingathletes.com
(2 units)

James and Brittany Bennett
of Northern Palm Beach
7445 Texas Trail
Boca Raton, FL 33487
1-516-866-1640
npb@amazingathletes.com
(2 units)

Michael Berman
of the Paradise Coast
16366 Barclay Court
Naples, FL 07828
1-239-544-8568
paradisecoast@amazingathletes.com

John and Karan Byrd
of Southwest Florida
1440 Pine Warbler Place
Sarasota, FL 34240

1-248-670-3158
swflorida@amazingathletes.com

Alexia Campoli-Augi
Of Fort Myers
14744 Cantabria Drive
Fort Myers, FL 33905
315-920-3298
fortmyers@amazingathletes.com

Mark & Sarah Ebbing
Of Broward and Palm Beach County
170 NE 2nd St #648
Boca Raton, FL 33429
1-954-304-2534
mebbing@amazingathletes.com
(2 units)

Julie and Matt Kocher
Of Jacksonville
3031 Lorman Drive
Jacksonville, FL 32223
1-615-318-5239
jax@amazingathletes.com

Kristie Linard
Of Emerald Coast & Forgotten Coasts
233 17th Street
Apalachicola, FL 32320
1-614-560-0037
emeraldcoast@amazingathletes.com

Felix Lopez
of Central Florida
14596 Winter Stay Drive
Winter Gardens, FL 34787
1-407-984-5558
centralfl@amazingathletes.com
(5 units)

Georgia:

Greg and Angel Calvosa

of Northeast Atlanta
416 Deerfield Point
Alpharetta, GA 30004
1-770-990-4748
greateratlanta@amazingathletes.com

Alvin and Shawn Johnson
of North ATL
4483 Redan Court
Smyrna, GA 30080
1-404-606-2421
northATL@amazingathletes.com
(3 units)

Zachary Erlandson
Of Savannah
149 Barrington Road
Pooler, GA 31322
1-303-919-0214
savannah@amazingathletes.com

Tacora and Terica Johnson
Of Northwest Georgia
5425 Cascade Ridge
Atlanta, GA 30336
1-614-929-4295
northwestga@amazingathletes.com

Hawaii:
Sam Sangkyu Kim and Pamela Aera Lee
Of Oahu
1288 Ala Moana Blvd, 6A
Honolulu, HI 96814
1-808-753-5470
oahu@amazingathletes.com
(2 units)

Idaho:

Brian and Kelly Reed
of Boise
9215 West Beach Side
Lane Boise, ID 83714
1-208-891-9007
boise@amazingathletes.com

Brenda Bookholtz
Of the Inland NW
806 E Couer D'Alene Ave
Coeur D'Alene, ID 83814
1-208-640-9521
brendab@amazingathletes.com

Indiana:

Stacy and Andy McIntyre
Of Central Indiana
205 Andover Lane
Noblesville, IN 46060
1-317-508-2861
centralin@amazingathletes.com

Illinois:

Rory Levine
of Chicago North Shore/Suburbs
90 Oakwood
Lincolnshire, IL 60069
1-312-209-1158
rory@amazingathletes.com
(2 units)

Kentucky:

Kristen Yaden
of East Louisville
13319 Stepping Stone Way
Lousiville, KY 40299
1-502-386-8509
eastlouisville@amazingathletes.com

Maryland:

Erik Jenks
Of Central Maryland
5989 Florey Road
Hanover, MD 21076
1-808-294-5997
centralmd@amazingathletes.com
(2 units)

Jimmy Ark
of Greater Annapolis Area
1523 Long Point Rd
Pasadena, MD 21122
1-443-286-4705
coachjimy@amazingathletes.com

Massachusetts

Shawn Kenny
of Greater Boston
133 Crescent Avenue
Hamilton, NJ 08619
1-617-431-8012
skenny@amazingathletes.com

Michigan:

Kendra & Dan Alpert
of Metro Detroit
1202 Wyandotte Avenue
Royal Oak, MI 48067
1-313-729-2437
kendra@amazingathletes.com

Sean Gladwish
of North Oakland County
5441 Waldon Road
Clarkston MI 48348
1-586-243-4898
northocMI@amazingathletes.com

Minnesota:

Molly Hurrle
of Central Minnesota
12390 County Road 150

Kimball, MN 55353
1-320-267-9813
centralmn@amazingathletes.com
(4 units)

Daniel Moore
of Minneapolis-St. Paul
4712 Washburn Avenue South
Minneapolis, MN 55410
1-612-963-1856
danmoore@amazingathletes.com

Kelly Wallis
of East Metro
1325 Butler Court
South St. Paul, MN 55075
1-651-285-3644
kwallis@amazingathletes.com
(2 units)

Missouri:

David & Ann Bagan
Of Kansas City
601 East Santa Fe Trail
Kansas City, MO 64145
1-913-289-4752
kansascity@amazingathletes.com
(2 units)

Nebraska:

Christina Trindle
of Greater Omaha
17410 Timberline Circle
Bennington, NE 68007
1-402-660-7886
ctrindle@amazingathletes.com

Nevada:

Keaton Cross
Of Northern Nevada
9540 Clovis Pt Drive
Reno, NV 89521
1-775-453-6682
northernnv@amazingathletes.com

New Jersey:

Larry Kiernan
of Northern NJ
22 D Star Lake Road
Bloomingdale, NJ 07403
1-201-286-7451
northernnj@amazingathletes.com

Vincent Scuorzo & Rose Scuorzo & Anthony Scuorzo Sr.
Of Central Jersey
14 Crowhill Road
Freehold, NJ 07728
1-848-565-5290
vtr@amazingathletes.com
(2 units)

Vincent Scuorzo & James Crosby
Of Midstate NJ
6 Evesboro Road
Medford, NJ 08055
1-848-565-5290
midstate@amazingathletes.com

Shawn Kenny
Of South Central New Jersey
133 Crescent Ave
Hamilton, NJ 08619
1-609-610-0730
skenny@amazingathletes.com
(2 units)

Gary Carmona
of Lehigh Valley, NJ & PA
14 Church Street, #2
Oxford, NJ 07863
1-908-291-2307
lehighvalley@amazingathletes.com

Kelly & Anthony Scuorzo
Of North Central New Jersey
1127 Monroe Drive
Stewartsville, NJ

1-908-344-9794
anthony@amazingathletes.com
(3 units)

Sheila Kelly
Of the NJ Gateway Region
322 Gregory Avenue West
Orange, NJ 07052
1-973-941-1218
Sheila@amazingathletes.com

Susan Saad and William Engelhardt
Of Jersey Shore
1935 Sawhill Ct
Toms River, NJ 08755
732-503-2517
jerseyshore@amazingathletes.com

Tammy Zigarelli
of Northeast NJ
29 White Terrace
Nutley, NJ 07110
1-201-214-0645
northeastNJ@amazingathletes.com

New York:

Kayla Boomhower
Of the Capital Region
6 Loudonville, NY 12211
1-518-229-6944
capitalregion@amazingathletes.com

Christine Trifiletti
of Central Long Island
19 Audrey Lane
Commack, NY 11725
1-631-819-0162
longisland@amazingathletes.com

North Carolina:

Caroline Jerger
Of Raleigh
2200 Laurel Valley Way
Raleigh, NC 27604
1-919-868-4972
cjerger@amazingathletes.com
(3 units)

David Perrine
Of Crystal Coast
1213 Gurten Street
New Bern, NC 28562
1-215-872-8393
crystalcoast@amazingathletes.com

Jared Taylor
of Greater Charlotte
540 Riddle Road
Pauline, SC 29374
1-864-706-6143
coachjared@amazingathletes.com
(2 units)

Ohio

Heather & Will Howe
of Central Ohio
8071 Rameys Crossing Drive
Blacklick, OH 43004
1-614-404-8046
centralohio@amazingathletes.com

Luke Kleinhenz
of Southwest Ohio
260 South Wind Ct.
Maineville, OH 45039
1-513-500-6951
swohio@amazingathletes.com

Oklahoma:

Angie Wiggy
Of Central Oklahoma
1216 Sunvalley Drive

Midwest City, OK 73110
1-405-834-1892
angiew@amazingathletes.com

Dustin Sewell
of Eastern Oklahoma
4578 East 45th Street Tulsa,
OK 74135
1-918-695-8552
easternok@amazingathletes.com
(2 units)

Pennsylvania:

Gary Carmona
of Lehigh Valley, NJ & PA
of Berk County
of Montgomery County
14 Church Street, #2
Oxford, NJ 07863
1-782-492-9043
lehighvalley@amazingathletes.com
(2 units)

South Carolina:

Jared Taylor
of the Upstate, SC
540 Riddle Road
Pauline, SC 29374
1-864-706-6143
coachjared@amazingathletes.com
(4 units)

Andrew Nelson
of Greater Columbia
4022 Pavilion Tower Circle
Columbia, SC 29201
1-803-397-0255
greatercolumbia@amazingathletes.com

Kerissa Rivas
of Low Country

8943 South Red Maple Circle
Summerville, SC 29485
1-843-489-1952
kerissa@amazingathletes.com

Tennessee:

Angela Dolan
of Middle Tennessee
2010 Brewster Drive
Franklin, TN 37067
1-615-354-3326
angela@amazingathletes.com

Texas:

Laura Aveidi
of Southwest Houston
1110 Oyster Bay Drive
Sugarland, TX 77478
1-218-723-4978
swhouston@amazingathletes.com

Emile Campbell
of Central Texas
900 Naranjo Drive
Georgetown, TX 78628
1-512-548-0550
centraltx@amazingathletesc.com

Sue Bigelow
Of North Texas
14840 Overland Park Lane
Frisco, TX 75035
1-808-639-7572
northtexas@amazingathletes.com

Thomas & Delia Huss
Of DFW Metro
6658 Barclay Lane
Garland, TX 75044
1-469-661-9661
dfwmetro@amazingathletes.com
(3 units)

Brenda Power
of West Houston

26502 Rosehearth Court
Katy, TX 77494
1-713-584-5875
brenda@amazingathletes.com

James Chiang
of North Dallas
4690 Cecile Road
Plano, TX 75024
1-469-556-5824
james@amazingathletes.com
(2 units)

Michelle Upshaw
of North Austin Area
611 Reggie Jackson Trail
Round Rock, TX 78665
1-512-636-2737
naa@amazingathletes.com

Utah:

Kenyon Cotton
of Salt Lake Valley
1142 Countrywide Circle
Herber City, UT 84032
saltlakevalley@amazinathletes.com

Virginia:

Leah Richmond and Cordereau Dye
of Hampton Roads
900 Monticello Mews, Suite 204
Hampton, VA 23666
1-757-672-9052
hamptonroads@amazingathletes.com

Andy & Jennifer Stromberg
Of NoVA
21674 Bronte Place
Ashburn, VA 20191
1-703-636-1310
NoVa@amazingathletes.com

Robert Jackson
of Potomac Coast
1003 South Culpeper
Road Sterling, VA 20164
1-703-856-4512
robertjacksonjr@gmail.com

Washington:

Emmanuel Liam
Of Eastside Seattle
9712 167th Avenue NE
Redmond, WA 98052
1-425-247-5905
eastside@amazingathletes.com

Wisconsin:

Rory Levine
of Milwaukee North
90 Oakwood
Lincolnshire, IL 60069
1-312-209-1158
rorylevine1@gmail.com
(2 units)

UAE
Daniel McShane
Al Thammam 30, G02
Remraam
Dubai
971526000000
dubai@amazingathletes.com

FORMER FRANCHISEES WHO HAVE LEFT THE SYSTEM IN 2022

2022 Non-Renewals

Lori Stillwell
Of St. Louis Area, MO
346 Novara Drive
Ballwin, MO 63021
1-636-751-0435
stlousarea@amazingathletes.com

Sherry Schmitz-Price
of North OC, CA
10301 Longden Street
Cypress, CA 90630
1-714-403-4769
schmitz.sherry@gmail.com

2022 Terminations or Reacquisitions

Austin Peletta
Of Sonoma-Napa
707-339-0037

1401 21st Street
Sacramento, CA 95811
sonomanapa@amazingathletes.com

Shonda Tamez
of Durham-Chapel Hill
430 Liberty Express Place
Knightdale, NC 27545
1-919-907-8420
DCH@amazingathletes.com

John & Katherine McLeod
of Roanoke Valley
418 First Street Roanoke, VA 24011
1-540-632-9746
roanokevalleyathletes@gmail.com

2022 Transfers

Sue Anne Bigelow
of Oahu
1893 Alaweo Street
Honolulu, HI 96821
1-808-639-7572
oahu@amazingathletes.com
(2 units)

Terry Brookwell
Of Mid-State
4 Arborwood Court East
Windsor, NJ 08524
1-732-580-1063
midstate@amazingathletes.com

Edward & Kelsie Furst
Of Northern Colorado
3198 Twin Heron CT
Fort Collins, CO 80528
1-970-573-7529

northernco@amazingathletes.com

Jessica Perrott
of The Capital Region
6 Cloverfield Drive
Loundonville, NY 12211
1-518-441-6608
Jessica@amazingathletes.com

If you buy this franchise, your contact information may be disclosed to other buyers when you enter or leave the franchise system

EXHIBIT F

AMAZING ATHLETES FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

Amazing Athletes Franchise Systems, LLC

Financial Statements
and Independent Auditor's Report

December 31, 2022, 2021 and 2020

CohnReznick
ADVISORY • ASSURANCE • TAX

Amazing Athletes Franchise Systems, LLC

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Statements of Operations and Member’s Equity (Deficit)	5
Statements of Cash Flows	6
Notes to Financial Statements	7

Independent Auditor's Report

To the Member
Amazing Athletes Franchise Systems, LLC

Opinion

We have audited the financial statements of Amazing Athletes Franchise Systems, LLC (the "Company"), which comprise the balance sheet as of December 31, 2022, and the related statements of operations and member's equity (deficit) and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Amazing Athletes Franchise Systems, LLC as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of Amazing Athletes Franchise Systems, LLC for the years ended December 31, 2021 and 2020 were audited by other auditors who expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

CohnReznick LLP

Melville, New York
June 23, 2023

Amazing Athletes Franchise Systems, LLC

Balance Sheets
December 31, 2022, 2021 and 2020

Assets

	2022	2021	2020
Current assets			
Cash	$ 50,158	$ 84,380	$ 1,894
Accounts receivable, net	397,581	101,566	12,193
Deferred charges - current	37,105	28,795	13,009
Notes receivable - current	69,614	42,000	-
Due from affiliates, net	309,396	-	86,425
Due from Member, net	28,500	-	-
Prepaid expenses and other current assets	12,727	8,146	12,185
Total current assets	905,081	264,887	125,706
Property and equipment, net	40,862	3,907	6,475
Deferred charges - net of current portion	258,701	216,238	172,001
Notes receivable - net of current portion	107,808	-	50,351
Total assets	$ 1,312,452	$ 485,032	$ 354,533

Liabilities and member's equity (deficit)

Current liabilities			
Accounts payable	$ 41,202	$ 57,895	$ 9,400
Accrued expenses and other liabilities	44,802	72,732	76,194
Due to affiliates, net	-	16,852	-
Due to Member, net	-	103,000	83,000
Deferred franchise fees - current	76,016	58,010	86,960
Total current liabilities	162,020	308,489	255,554
Deferred franchise fees - net of current portion	482,649	349,785	272,483
Total liabilities	644,669	658,274	528,037
Commitments and contingencies			
Member's equity (deficit)	667,783	(173,242)	(173,504)
Total liabilities and member's equity (deficit)	$ 1,312,452	$ 485,032	$ 354,533

See Notes to Financial Statements.

Amazing Athletes Franchise Systems, LLC

Statements of Operations and Member's Equity (Deficit)
Years Ended December 31, 2022, 2021 and 2020

	2022	2021	2020
Revenues			
Franchise fees	$ 195,230	$ 197,647	$ 190,313
Franchise royalties	897,485	169,772	68,686
Technology fees	138,430	64,500	39,650
Advertising fees	197,508	35,450	14,731
Other revenue	17,500	-	-
Total revenues	1,446,153	467,369	313,380
Operating expenses			
Selling, general and administrative expenses	663,302	531,657	508,845
Marketing fund expense	250,525	35,450	14,731
Total operating expenses	913,827	567,107	523,576
Income (loss) from operations	532,326	(99,738)	(210,196)
Other income			
Management fees	-	100,000	41,054
Employee retention credit	94,139	-	-
Other income, net	5,729	-	-
Total other income	99,868	100,000	41,054
Net income (loss)	632,194	262	(169,142)
Member's deficit - beginning	(173,242)	(173,504)	(4,362)
Contribution of net assets from related party	208,831	-	-
Member's equity (deficit) - end	$ 667,783	$ (173,242)	$ (173,504)

See Notes to Financial Statements.

Amazing Athletes Franchise Systems, LLC

Statements of Cash Flows
Years Ended December 31, 2022, 2021 and 2020

	2022	2021	2020
Cash flows from operating activities:			
Net income (loss)	$ 632,194	$ 262	$ (169,142)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	72,416	2,568	1,212
Bad debt expense	40,431	2,850	16,055
Changes in operating assets and liabilities:			
Accounts receivable, net	(165,336)	(92,223)	(19,956)
Deferred charges	(50,773)	(60,023)	(71,106)
Due from affiliates, net	(326,248)	103,276	149,598
Prepaid expenses and other current assets	(4,581)	4,039	1,815
Notes receivable	(135,422)	8,351	(50,351)
Accounts payable	(39,966)	48,495	(80,892)
Advertising fund obligation	-	-	(450)
Accrued expenses and other liabilities	(74,102)	(3,462)	(19,314)
Due to Member	(131,500)	20,000	75,000
Deferred franchise fees	161,280	48,353	173,801
Net cash (used in) provided by operating activities	(21,607)	82,486	6,270
Cash flows from investing activities:			
Purchases of property and equipment	(12,615)	-	(6,639)
Net cash used in investing activities	(12,615)	-	(6,639)
Net (decrease) increase in cash	(34,222)	82,486	(369)
Cash at the beginning of year	84,380	1,894	2,263
Cash at the end of year	$ 50,158	$ 84,380	$ 1,894
Supplemental disclosure of non-cash investing and financing activities			
Contribution of net assets from related party	$ 208,831	$ -	$ -

See Notes to Financial Statements.

Note 1 - Organization and nature of operations

Description of business

Amazing Athletes Franchise Systems, LLC (the "Company") was formed on October 3, 2018, as a Delaware limited liability company and is governed by its operating agreement (the “Operating Agreement”). The Company is a wholly-owned subsidiary of Amazing Athletes, LLC.

The Company is a limited liability company and, therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

The Company is primarily engaged to sell franchises pursuant to a non-exclusive license agreement dated October 3, 2018, between the Company and its sole member, Amazing Athletes, LLC (the "Licensor"). Franchisees operate businesses which provide developmental sports lessons, physical fitness activities, motor development fundamentals and basic anatomy and nutrition lessons to children under the age of 12 years old under the tradename "Amazing Athletes."

Effective January 1, 2022, the Company entered into an assignment and assumption agreement with Amazing Athletes Franchise, LLC (“AAF”), a related party wholly-owned subsidiary of Amazing Athletes, LLC, in which AAF assigned and transferred certain assets and assumed contracts to the Company, as defined in the agreement. As a result, all franchise operations were transferred from AAF to the Company as of January 1, 2022. As the transaction was with an entity under common control, the net assets were recorded at book value, resulting in a contribution of net assets of $208,831 on January 1, 2022.

Note 2 - Summary of significant accounting policies

Basis of presentation

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates and differences could be material.

Cash

The Company maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits; however, the Company has not experienced any losses in these accounts. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000, per institution. As of December 31, 2022, the Company did not have any uninsured cash.

Accounts receivable

Accounts receivable, net of allowance for doubtful accounts, consists primarily of franchise royalty fee receivables, franchise fees, and other service fees due from the Company’s franchisees. Accounts receivable are stated at the amount the Company expects to collect. The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of some of its franchisees to make required payments. Management considers the following factors when determining the collectability of specific franchisee accounts: franchisee creditworthiness, past transaction history with the franchisee, and current economic industry trends. If the financial condition of the Company’s franchisees were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management’s assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to

a valuation allowance. Balances that remain outstanding after the Company has made reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Company had gross accounts receivables of $437,795, $124,012 and $50,738 at December 31, 2022, 2021 and 2020, respectively. The Company had $40,214, $22,446 and $38,545 of allowances for doubtful accounts as December 31, 2022, 2021 and 2020, respectively. As of January 1, 2022, the Company had $10,794 of accounts receivable.

Property and equipment
Property and equipment are carried at cost, less accumulated depreciation, and are depreciated over the estimated useful life of the assets on a straight-line basis. Major expenditures for property and equipment which substantially increase the useful lives of the assets are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and any resulting gains or losses are included in the results of operations in the period of disposal.

Depreciation is provided using the straight-line method over the estimated useful life of the assets, which is three years for computer equipment and software.

Impairment of long lived assets
The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In performing a review for impairment, the Company compares the carrying value of the assets with their estimated future undiscounted cash flows. If it is determined that impairment has occurred, the loss would be recognized during that period. The impairment loss is calculated as the difference between the assets' carrying values and the present value of estimated net cash flows or comparable market values, giving consideration to recent operating performance and pricing trends. The Company does not believe that any material impairment currently exists related to its long-lived assets.

Revenue
General
The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*. The Company derives its revenues from franchise fees, transfer fees, renewal fees, royalties, advertising fees, technology fees and other revenues.

Franchise fees
Contract consideration from franchisees is expected to consist primarily of initial or renewal franchise fees, sales-based royalties, sales-based advertising fund fees, technology fees and transfer fees payable by a franchisee for the transfer of their franchise unit to another franchisee. The initial franchise fees are nonrefundable and collectible when the underlying franchise agreement is signed by the franchisee. Sales-based royalties, sales-based advertising fund fees, and technology fees are payable monthly. Renewal and transfer fees are due from franchisees when an existing franchisee renews the franchise agreement for an additional term or when a transfer to a third party occurs.

The Company's primary performance obligation under the franchise agreement includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including site selection, training and other such activities commonly referred to collectively as "pre-opening activities." Pre-opening activities consistent with those under Accounting Standards Update ("ASU") No. 2021-02, *Franchisors - Revenue from Contracts with Customers (Subtopic 952-606)* ("ASU 2021-02") are recognized as a single performance obligation.

For all other pre-opening activities, if any, the Company determines if a certain portion of those pre-opening activities provided is not brand specific and provides the franchisee with relevant general business information that is separate from the operation of a Company-branded franchise unit. The portion of pre-opening activities that is not brand specific is deemed to be distinct, as it provides a benefit to the franchisee and is not highly interrelated to the use of the Company's intellectual property, and is accounted for as a separate performance obligation. All other pre-opening activities are expected to be highly interrelated to the use of the Company's intellectual property and are accounted for as a single performance obligation, which is satisfied by granting certain rights to use the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company first allocates the initial franchise fees and the fixed consideration under the franchise agreement to the standalone selling price of the pre-opening activities and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, other than those included under ASU No. 2021-02, which are not brand specific is recognized ratably as those services are rendered. Consideration allocated to pre-opening activities that are not brand specific are recognized when those performance obligations are satisfied**.**

Initial, renewal and transfer franchise fees are allocated to the right to access the Company's intellectual property is recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

The Company capitalizes direct and incremental costs, principally consisting of commissions associated with the sale of franchises, and amortizes them over the term of the franchise agreement. As of December 31, 2022, 2021 and 2020, deferred contract costs were $295,806, $245,033 and $185,010, respectively. As of January 1, 2020 deferred contract costs were $71,106.

Contract liabilities are comprised of unamortized initial, renewal and transfer franchise fees received from franchisees, which are presented as "Deferred franchise fees" on the accompanying balance sheets. As of December 31, 2022, 2021 and 2020, deferred franchise fees were $558,665, $407,795 and $359,443, respectively. As of January 1, 2020 deferred franchise fees were $185,642.

Franchise royalty fees
Royalties earned are typically the greater of a minimum stated monthly amount ("minimum royalties") or a percentage of franchisee gross sales ("sales-based royalties") over the term of the franchise agreement, as defined in each respective franchise agreement. Revenue from minimum royalties and sales-based royalties are recognized as the related sales occur.

Advertising fund
The Company may maintain an advertising fund which will be established to collect and administer funds contributed for use in marketing programs for franchise units. Advertising fund income is collected from franchisees based on a percentage of franchisee gross sales. The Company has determined that it acts as a principal in the collection and administration of the advertising fund and therefore recognizes the revenues and expenses related to the advertising fund on a gross basis. The Company has determined that the right to access its intellectual property and administration of the brand fund are highly interrelated and therefore is accounted for as a single performance obligation. As a result, revenues from the advertising fund represent sales-based royalties related to the right to access the Company's intellectual property, which is recognized as franchisee sales occur.

If advertising fund income exceeds the related advertising fund expenses in a reporting period, advertising costs will be accrued up to the amount of advertising fund revenues recognized.

Other revenue
The Company will recognize revenue from other fees and other services provided to the franchisees as a single performance obligation, when the services are rendered.

Revenue recognition
The Company derives its revenues from franchisees located throughout the United States and internationally. The economic risks of the Company's revenues is dependent on the strength of the economy in the United States and its ability to collect on its contracts. The Company disaggregates revenue from contracts with customers by the timing of revenue recognition by type of revenues, as it believes this best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors. Revenues by timing of recognition for point in time and over time were as follows for the years ended December 31, 2022, 2021 and 2020:

	2022	2021	2020
Point in time	$ 1,272,777	$ 334,722	$ 171,817
Over time	173,376	132,647	141,563
Total revenues	$ 1,446,153	$ 467,369	$ 313,380

Advertising
Advertising costs are expensed as incurred. Advertising costs were $250,525, $58,514 and $56,037 for the years ended December 31, 2022, 2021 and 2020, respectively.

Franchised outlets
The following data reflects the status of the Company's franchised outlets as of and for the year ended December 31, 2022, 2021 and 2020:

	2022	2021	2020
Franchised outlets at beginning of year	54	37	31
Franchises transferred as a result of assignment and assumption	66	-	-
Franchises sold	8	13	7
Franchises transferred	-	5	-
Franchises renewed	-	8	6
Franchises terminated	(6)	(9)	(7)
Franchised outlets at end of year	122	54	37
Franchised outlets in operation	122	54	37
Related party owned outlets in operation	16	-	-
Total	138	54	37

Income taxes
The Company elected income tax status as a limited liability company. Under this election, the Company is not subject to federal income taxes and all taxes and all taxable income are passed through to the member.

The Company had no unrecognized tax benefits as of December 31, 2022, 2021 and 2020. The Company's tax years since 2019 are subject to a tax examination by any federal, state or local authority.

Variable interest entities
In October 2018, FASB issued ASU No. 2018-17, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which no longer requires nonpublic companies to apply variable interest entity guidance to certain common control arrangements. The Company has elected to adopt and apply the alternative accounting and disclosures for certain variable interest entities provided to private companies pursuant to U.S. GAAP. The Company has determined that the Licensor, as described in Note 6, meets the conditions under the standard and, accordingly, is not required to include the accounts of the related party in the Company's financial statement.

Subsequent events
The Company has evaluated subsequent events through June 23, 2023, which is the date the financial statements were available to be issued.

Note 3 - Property and equipment

As of December 31, 2022, 2021 and 2020, property and equipment, net consisted of the following:

	2022	2021	2020
Computer equipment	$ 5,784	$ 5,784	$ 5,784
Capitalized software	252,217	1,920	1,920
	258,001	7,704	7,704
Less accumulated depreciation	(217,139)	(3,797)	(1,229)
Property and equipment, net	$ 40,862	$ 3,907	$ 6,475

Depreciation expense for the years ended December 31, 2022, 2021 and 2020 was $72,416, $2,568 and $1,212, respectively. As a result of the assignment and assumption agreement (see Note 1), AAF transferred $96,756 in property and equipment to the Company on January 1, 2022.

Note 4 - Notes receivable

During the year ended December 31, 2022, the Company entered into promissory note agreements with franchisees for initial franchise fees, renewal fees and outstanding royalties, wherein the franchisees promised to pay the Company amounts ranging from $6,000 to $77,660, with monthly and annual principal payments ranging from $1,300 to $2,650, interest ranging from 0% to 10%, per annum, on various maturity dates ranging from December 31, 2023 to December 31, 2032. As of December 31, 2022 and 2021, the total outstanding notes receivable balance was $177,422 and $42,000, respectively.

Note 5 - Franchise national advertising fund

Pursuant to the structured form of the franchising arrangement, the Company reserves the right to collect fixed franchisee national advertising fees of $150 per month for the Basic Program and $200 per month for all other Programs, as defined in the franchise agreement. These funds are to be spent solely on advertising and related expenses for the benefit of the franchisees with a portion designated to offset the Company's administrative costs to administer the funds, all at the discretion of the Company. There were $197,508, $35,450 and $14,731 contributions to the franchisee national advertising fund for the years ended December 31, 2022, 2021 and 2020, respectively, which are included in advertising fees on the statements of operations and member's equity (deficit).

Note 6 - Commitments and contingencies

Litigation

The Company may be subject to legal proceedings, claims, and litigation arising in the ordinary course of business. There are no pending significant legal proceedings to which the Company is a party for which management believes the ultimate outcome would have a material adverse effect on the Company's financial position.

Operating leases

As of December 31, 2022, the Company has no lease obligations.

Note 7 - Related party transactions

License agreement

On October 3, 2018, the Company entered into a non-exclusive license agreement with the Licensor (the "License Agreement"). The License Agreement commences on the effective date set forth in the agreement and shall remain in effect for five years. Pursuant to the License Agreement, the Company acquired the right to sell Amazing Athletes franchises in the United States, and the right to earn franchise fees, royalties and other fees from franchisees. The Company is obligated to pay the Licensor a license fee of $20,000 per year for the term of the agreement, as further defined in the License Agreement. The Licensor will not license the trademarks and/or confidential information to any third parties for the purpose of operating a competing franchised system and will not use the trademarks for any other business activity without the written approval of the Company. License fee expense amounted to $20,000 for the years ended December 31, 2022, 2021 and 2020, which are included in selling, general and administrative expenses on the statements of operations and member's equity (deficit).

Management service agreement

On October 3, 2018, the Company entered into a management service agreement (the "Management Agreement") with the Licensor, whereby the Company agreed to perform such franchisor services on an affiliate's, related by common ownership and control, behalf for the franchised contracts entered into by the affiliate prior to the date of the Management Agreement. All fees collected from the affiliate's franchisees were retained by the Company as compensation for services provided, as well as to reimburse the Company's costs relating to servicing the affiliate's franchisees. The Licensor agreed to pay the Company a management fee of 10% of all royalties and other fees, as defined, received from the affiliate's franchisees by the Company under the franchise agreements and reimbursement of expenses, not to exceed $100,000 per year. Management fee income for the years ended December 31, 2021 and 2020 were $100,000 and $41,054, respectively. Effective January 1, 2022, the Management Agreement was terminated as a result of the assignment and assumption agreement (see Note 1).

Due to / from affiliates, net

In the ordinary course of business, the Company periodically advances funds to and receives funds from entities related to the Company by common ownership and control. No interest is charged on these advances. Advances to and from these entities are unsecured and have no specific repayment terms. Management has made an arrangement with the related affiliates to settle the balance due within the next 12 months of the balance sheet date. As of December 31, 2022, the net balance due from these related affiliates amounted to $309,396, which is included in "Due from affiliates, net" in the accompanying balance sheet. As of December 31, 2021, the net balance due to these related affiliates amounted to $16,852, which is included in "Due to affiliates, net" in the accompanying balance sheet. As of December 31, 2020, the net balance due from these related affiliates amounted to $86,425, which is included in "Due from affiliates, net" in the accompanying balance sheet.

Due to / from Member

In the ordinary course of business, the Company periodically advances funds to and receives funds from the member. No interest is charged on these advances. Advances to and from the member are unsecured and have no specific repayment terms. Management has made an arrangement with the member to settle the balance due within the next 12 months of the balance sheet date. At December 31, 2022, the balance due from the member amounted to $28,500, which is included in "Due from Member, net" in the accompanying balance sheet. As of December 31, 2021 and 2020, the balance due to the member amounted to $103,000 and $83,000, respectively, which is included in “Due to Member, net.”

Related party owned outlets

As of December 31, 2022, the Company had 16 related party owned outlets, which are owned and operated by Amazing Athletes Opco, LLC, a related party. The Company did not receive franchise royalties or advertising fees from these outlets during the year ended December 31, 2022.

Note 8 - Employee retention credit

The Employee Retention Credit (originally under the Coronavirus Aid, Relief, and Economic Security Act, and for purposes of the third and fourth calendar quarters of 2021, under IRC Section 3134) is a fully refundable payroll tax credit available for certain eligible employers that continued to compensate and/or provide medical insurance coverage for employees during 2021 and 2020. For the year ended December 31, 2022, the Company received Employee Retention Credits of $94,139. The Company recognized those payroll tax credits in its statements of operations and member’s equity (deficit) as other income.

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EXHIBIT G

STATE ADDENDA TO DISCLOSURE DOCUMENT

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

The disclosure document is amended to include the following:

1. Item 3 is amended to reflect that:

Neither Amazing Athletes Franchise Systems, LLC nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A. 78a et seq., suspending or expelling such persons from membership is such association or exchange.

2. Item 17 is amended by the addition of the following language:

California Business and Professions Code Sections 20000 through 20043 provide rights to you 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. Sec. 101 et seq.).

The Franchise Agreement contains covenants not to compete which extend beyond expiration or termination of the Agreement. These provisions may not be enforceable under California law.

The California Corporations Code, Section 31125 requires Amazing Athletes Franchise Systems, LLC to give you a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed materialmodification of an existing franchise.

If the Franchise Agreement contains a liquidated damages clause, under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires the application of the laws of New York. This provision may be unenforceable under California Law.

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

3. 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.

4. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

5. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV .

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII

The Disclosure Document is amended to include the following:

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

1. The Disclosure Document is amended to include the following:

   a. Item 17 of this Disclosure Document is amended by adding the following:

   In accordance with Illinois law 815 ILCS 705/4, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois. In addition, Illinois law will govern the Franchise Agreement.

   b. The following should be added to Item 17 of this Disclosure Document:

   The conditions under which we may terminate the Franchise Agreement may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

   c. The following should be added to of Item 17 of this Disclosure Document: Your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF INDIANA

The Disclosure Document is amended to include the following:

1. Item 17 of the Disclosure Document is amended by inserting the following provision:

> Notwithstanding any other provision in this document, any release executed in connection with the Franchise Agreement, whether upon renewal or transfer, will not apply to any claims that may arise under the Franchise Disclosure Law and the Indiana Deceptive Practices Act.

2. The post termination covenant not to compete of the Disclosure Document shall not apply to a franchisee's activities outside the Territory.

3. Indiana law makes unilateral termination of a franchise unlawful unless there is a material violation of the Franchise Agreement and the termination is not done in bad faith.

4. If Indiana law requires the Franchise Agreement and all related documents to be governed by Indiana law, then nothing in the Franchise Agreement or related documents referring to New York law will abrogate or reduce any of your rights as provided for under Indiana law.

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND

The Disclosure Document is amended to include the following:

1. Item 17 of the Disclosure Document is amended to reflect that the general release required as a condition of renewal, sale, and/or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17 of the Disclosure Document is amended to reflect that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

3. Item 17 of the Disclosure Document is amended to state that you may sue in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Item 17 of the Disclosure Document is amended to state that the provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

5. Item 17 of the Disclosure Document is amended to state that the franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its rights to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

1. Item 17 of the disclosure document is hereby amended to include the following:

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

With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C. 14, Subs. 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 for non-renewal of the Franchise Agreement.

The agreements contain a liquidated damages clause. Under Minn. Rule 2860.4400J liquidated damage clauses are prohibited.

We will protect your right to use the Marks and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release. Any release you sign as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law.

For Minnesota franchisees, to the extent the Franchise Agreement requires it to be governed by a state's law other than the State of Minnesota or provides for arbitration or mediation, these provisions shall not in any way abrogate or reduce any rights of the franchisee as provided for in the Minnesota Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

Section 80Cl7, Subd. *5*. of the Minnesota Franchise Act states that no civil action may be commenced for violation of the Minnesota Franchise Act more than 3 years after the cause of action accrues. Section 18.3 of the Franchise Agreement contains certain time limits on commencing actions. For Minnesota franchisees, to the extent that these limitations are inconsistent with those under the Minnesota Franchise Act, the provisions of the franchise Agreement are superseded by the Minnesota Franchise Act's requirements and shall have no force or effect.

Minn. Rule 2860.4400J prohibits you from consenting to us obtaining injunctive relief. Rather, where injunctive relief is provided for in the Franchise Agreement, you acknowledge that we <u>may</u> seek injunctive relief. Further, in connection with injunctive relief, you and we acknowledge that a court will determine whether a bond is required.

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK 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 NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

REGARDING ITEM 17 (RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION) REFERRING TO ARTICLE 23 OF THE FRANCHISE AGREEMENT, THE CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON THE FRANCHISEE BY ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK, WHERE APPLICABLE.

THE FRANCHISE AGREEMENT CONTAINS TERMINATION RIGHTS FOR THE FRANCHISOR, AS STATED IN ARTICLE 14; THESE FRANCHISOR RIGHTS CAN POSE A RISK TO YOUR ABILITY TO KEEP YOUR FRANCHISE AND YOU SHOULD FAMILIARIZE YOURSELF WITH THEM.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT

TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

a. No such party 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. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

c. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 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.

d. No such party 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. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (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 that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for franchisee to renew or extend,"** and Item 17(m), entitled **"Conditions for franchisor approval of transfer"**:

However, to the extent required by applicable law, all rights you enjoy 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 proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**:

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled **"Assignment of contract by franchisor"**:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled **"Choice of forum"**, and Item 17(w), titled **"Choice of law"**:

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

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA

The Disclosure Document is amended to include the following:

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

> However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The following is added to the end of the "Summary" section of Item 17(i) of the Franchise Disclosure Document, entitled "Franchisee's obligations on termination/nonrenewal":

> However, any obligation to pay liquidated damages upon termination or nonrenewal will not apply, to the extent prohibited by the North Dakota Franchise Investment Law. Notwithstanding any other provision in this document, any waiver of exemplary and/or punitive damages, executed in connection with the Franchise Agreement, will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following is added to the end of the "Summary" section of Item 17(r) of the Franchise Disclosure Document, entitled "Non-competition covenants after the franchise is terminated or expires":

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

4. The "Summary" section of Item 17(u) of the Franchise Disclosure Document, entitled "Dispute resolution by arbitration or mediation," is deleted and replaced with the following:

> To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the United States Arbitration Act), arbitration will be at a site to which we and you mutually agree.

5. The following is added to the end of the "Summary" section of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of forum":

> However, to the extent required by applicable law, you may bring an action in North Dakota.

6. The following is added to the end of the "Summary" section of Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law":

To the extent required by law, North Dakota law applies.

7. The following is added to Item 5

Until all initial obligations have been performed by us and you have opened your Franchised Business for business, all initial fees due by you to us will be deferred. Simultaneously upon commencement of the operation of your Franchised Business, you will remit payment to us for all initial fees that have been deferred.

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND

The Disclosure Document is amended to include the following:

The following language is added to the end of the "Summary" sections of Item 17(v) of the Franchise Disclosure Document, entitled "Choice of forum," and Item 17(w) of the Franchise Disclosure Document, entitled "Choice of law":

Section 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."

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF SOUTH DAKOTA

The Disclosure Document is amended to include the following:

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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

The Disclosure Document is amended to include the following:

This Disclosure Document is provided for your own protection and contains a summary only of certain material provisions of the Franchise Agreement. This Disclosure Document and all contracts and agreements should be read carefully in their entirety for an understanding of all rights and obligations of both the Franchisor and Franchisee.

Although the Franchise has been registered under the Virginia Retail Franchising Act as amended, registration does not constitute approval, recommendation or endorsement by the Division of Securities and retail franchising of the Virginia State Corporation Commission or a finding by the Division of Securities and Retail franchising that the information provided herein is true, complete, accurate or not misleading.

If this Disclosure Document is not delivered on time, or if it contains a false, incomplete, inaccurate or misleading statement, a violation of Federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the Virginia Division of Securities and Retail Franchising, 1300 East Main Street, Richmond, Virginia 23219.

The name and address of the Franchisor's agent in Virginia authorized to receive service of process is:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, Virginia 23219

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

Additional Disclosure: the following statements are added to Item 17.h.

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

NO STATEMENT, QUESTIONNAIRE, OR 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.

ADDENDUM TO AMAZING ATHLETES FRANCHISE SYSTEMS, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON

The Disclosure Document is amended to include the following:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor 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 the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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

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.

EXHIBIT H

State Effective Dates

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

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

EXHIBIT I

RECEIPT

Amazing Athletes Franchise Systems LLC FDD # - _____

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 Amazing Athletes Franchise Systems LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York and Rhode Island require that we give you this disclosure document 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.]

[Michigan, Oregon, and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

[Washington requires that we give you this disclosure document at least 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Amazing Athletes Franchise Systems 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 and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Agencies listed in Exhibit A.

The franchisor is Amazing Athletes Franchise Systems LLC, 14 George Street, Budd Lake, New Jersey 07828. Its telephone number is (615) 807-1623.

Issuance Date: June 23, 2023.

The franchise seller(s) for this offering is/are (check all that apply):

□ John Erlandson, Amazing Athletes Franchise Systems LLC, 14 George Street, Budd Lake, New Jersey 07828. Its telephone number is (615) 807-1623.

□ Other (Specify name, company, address and telephone number): _____

_____

Amazing Athletes Franchise Systems LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state.

I have received a Franchise Disclosure Document with an issuance date of June 23, 2023, and with effective date(s) of state registration as described in the FDD. This Disclosure Document included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Credit and Criminal Background Check Release Form
C. Franchise Agreement
D. Confidential Operating Manual Table of Contents
E. List of Franchisees
F. Financial Statements
G. State Addenda to Disclosure Document
H. State Effective Dates
I. This Receipt

Date:_____
(Do Not Leave Blank)

Disclosee:_____

Printed name: _____

Disclosee: _____

Printed name: _____

TO BE RETURNED TO:

You may return the signed receipt either by signing, dating, and mailing it to Amazing Athletes Franchise Systems LLC at 14 George Street, Budd Lake, New Jersey 07828 or by emailing the signed and dated receipt to Amazing Athletes Franchise Systems LLC at john@amazingathletes.com.

RECEIPT

Amazing Athletes Franchise Systems LLC FDD # - _____

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If Amazing Athletes Franchise Systems LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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F. Financial Statements
G. State Addenda to Disclosure Document
H. State Effective Dates
I. This Receipt

Date:_____
(Do Not Leave Blank)

Disclosee:_____

Printed name: _____

Disclosee: _____

Printed name: _____

TO BE RETURNED TO:

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