BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

ActionCOACH OneCo, LLC

FRANCHISE DISCLOSURE DOCUMENT

Franchisor:
ActionCOACH OneCo, LLC
A Delaware Limited Liability Company
5781 S. Fort Apache Rd.
Las Vegas, Nevada 89148
1-888-483-2828
www.actioncoach.com

Licensor:
ActionCOACH North America, LLC
A Nevada Limited Liability Company
5781 S. Fort Apache Rd.
Las Vegas, Nevada 89148
1-888-483-2828
www.actioncoach.com

The franchisee (also known as a Business Coach) will operate a business that provides business coaching, mentoring, and training to business owners in the small to medium-sized business sector.

The estimated total investment necessary to begin operation of a business coach franchise ranges from $139,456 to $317,022. These figures include $100,000, which must be paid to franchisor.

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 a binding agreement with, or make any payment to, the master licensee, the franchisor, or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Legal at 5781 S. Fort Apache Rd., Las Vegas, NV 89148, 1-888-483-2828, legal@actioncoach.com.

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

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

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

Issuance Date: **April 29, 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 Exhibits I and J.
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 K 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 ActionCOACH business coach franchise 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 ActionCOACH business coach franchisee?	Item 20 or Exhibits I and J lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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 franchisor or the master franchisor, ActionCOACH North America LLC ("ACNA") by mediation, arbitration and/or litigation only in Nevada. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes.

2. **Across-Area Marketing Programs**. ACNA and its affiliates have the right to establish across-area marketing programs (including sales over the Internet and TV infomercials) to sell products and services (for example, books, CDs, DVDs, video files, audio files, seminars, workshops, and software) under the ActionCOACH trademark (or other trademarks). Across-area marketing programs may compete with you in the sale of these products and services.

3. **Minimum Royalty**. The Franchise Agreement requires you to pay a minimum monthly royalty fee of $1,950 or 10% of the Minimum Performance Requirement, whichever is higher, during the term of the franchise agreement, even if your franchise has no revenue.

4. **Termination of Franchise Due to Default**. If we terminate the franchise based on your default, you must pay liquidated damages equal to the present value of the royalty fee and marketing and advertising fee stream for the lesser of two (2) years or the remaining term of the franchise, minus our expenses saved.

5. **No Exclusive Territory**. The franchise agreement does not grant you an exclusive territory.

6. **Termination of Franchise Due to Failure to Complete Training**. The franchise agreement states that failure to successfully complete initial training will result in termination of the franchise and loss of the franchise fee and training fee.

7. **Personal Guarantee**. All owners of the franchise will be required to execute personal guarantees. This requirement places the marital assets of the spouses domiciled in community property states like Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin, at risk if your franchise fails.

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

TABLE OF CONTENTS

PAGE

Exhibits

A. The Firm Business Coach Franchise Agreement

B. State-Required Addenda to Franchise Agreements

C. Managing Director Business Coach Agreement

D. Nondisclosure and Noncompete Agreement

E. Release

F. Compliance Questionnaire

G. Additional State-Required Information

H. State Regulatory Authorities and Registered Agents in Certain States

I. Franchisees as of December 31, 2022

J. Franchise Outlets closed in the year ended December 31, 2022

K. Financial Statements

L. Operations Manual Table of Contents

M. Communications System Specifications

RECEIPT (2 copies)

ITEM 1

THE FRANCHISOR, THE MASTER LICENSEE AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

This disclosure document describes ActionCOACH business coach subfranchises ("ActionCOACH franchises"). We are ActionCOACH OneCo, LLC, the franchisor. We are a master licensee of ActionCOACH North America, LLC, the master franchisor of the ActionCOACH concept in the U.S.A.

In this disclosure document:

"ACOC", "We," "us," or "our" means ActionCOACH OneCo, LLC, the franchisor;

"ACNA" means ActionCOACH North America, LLC, our master franchisor; and

"You" means the individual or entity who acquires the franchise. If a corporation, limited liability company or other entity acquires the franchise, each individual who owns an interest in the entity must sign a personal guaranty in the form attached to the Business Coach Franchise Agreement.

We offer the franchise rights described in this disclosure document. Your franchise agreement will be with us and not with ACNA.

Our Business Form, Parent, Predecessors, and Affiliates

We are a Delaware limited liability company that was formed on April 19, 2021. Our principal business address is 5781 S. Fort Apache Road, Las Vegas, NV 89148. We began offering ActionCOACH business coach franchises in July 2012 through a Master License Agreement with ACNA. As a master licensee, we franchise and support business Coaches within their defined territory. We may conduct limited business coaching services within our territory. We may hire Local Area Managers who provide support to new franchisees and coaching services to Clients.

Our parent is ActionCOACH America, Inc. ("ACAI'), a Nevada corporation that was organized on July 9, 2010. ACAI's principal business address is 5781 S. Fort Apache Road, Las Vegas, NV 89148. ACAI offered ActionCOACH business coach franchises from September 2010 until July 2012. ACAI does not operate a business of the type being offered. ACAI has not engaged in any other line of business or offered franchises in any other line of business.

No other predecessor or affiliate has ever offered business coach franchises. Neither we nor any predecessor or affiliate has ever offered franchises in any other line of business.

The Master Franchisor's Business Form, Predecessors, and Affiliates.

ACNA is a Nevada limited liability company that was organized on March 14, 2012. ACNA's principal business address at 5781 S. Fort Apache Rd., Las Vegas, Nevada 89148. In addition to being our Master Licensee master franchisor, ACNA is our affiliate. ACNA has appointed agents for service of process in certain states; those agents are listed in Exhibit H.

ACNA grants master licenses in specific geographic territories by means of a separate disclosure document. Each master licensee recruits and supports franchises in the master licensee's assigned territory. Through its master licensees and Business Coaches, ACNA provides business coaching, mentoring, and training programs and services to business owners ("Clients") in the small to medium-size business sector.

Master Licensees and Business Coaches deliver services using a business format and materials created by Brad Sugars, an entrepreneur and business coach who founded the ActionCOACH concept (then known as Action International) in the early 1990s. ACNA is a member of a controlled group of companies owned by Mr. Sugars. Action International Pty Ltd ("AIPL") was incorporated in Australia in 1994 to develop the business and offered franchises in Australia using the "Action International" marks from January 1995 until December 2006. Its address was Australia Fair Tower, Level 11, Suite 2, 32 Mains Parade, Southport, Queensland 4215, Australia. ACTIONCOACH LIMITED ("ActionCOACH Limited") owned the ActionCOACH marks and other intellectual property relating to the ActionCOACH System and licensed them to MindRICH S.A.R.L. ("MindRich"). On July 1, 2012, the ActionCOACH marks and intellectual property were assigned by ActionCOACH Limited to ActionCOACH IPCo, Ltd. ("ACIP") and MindRich's license was then terminated with ACNA now holding the right, from ACIP, to sublicense the intellectual property in the Territory, among others. ACIP was incorporated in 2012 in the United Kingdom. ACIP's principal business address is Argon House, Argon Mews, Fulham Broadway, London, UK SWB 1BJ. On May 1, 2012, ActionCOACH Global Marketing Fund (Pty) Ltd. ("ACGM") was incorporated in Australia for the purpose of managing and administering the Marketing and Advertising Fees collected from franchisees beginning July 1, 2012. ACGM's registered office is Suite 2, Level 11, Australia Fair, 40 Marine Parade, Southport, QLD 4215. Other companies in the group engage in the same business activity in other regions of the world.

Prior to ACNA granting Master Licenses in the Territory, ACUI (formerly known as "Brad Sugars Action International, Inc.") offered Master Licenses and direct Business Coach franchises using the "Action International" trademark in the U.S.A. from August 1999 until December 2006, at which time ACUI ceased licensing the "Action International" trademark in most states. Since January 2007, ACUI offered Master Licenses and direct Business Coach franchises using the "ActionCOACH" trademark. Existing franchisees were required to begin using the ActionCOACH marks by March 31, 2007. ACNA has no other predecessor as franchisor of the ActionCOACH concept in the U.S.A.

We and ACNA are affiliated with ProfitPlus Accounts Pty Ltd ("ProfitPlus Australia") franchisor of the ProfitPlus Accounts franchise business in Australia. In 2012, Mr. Sugars established through ProfitPlus Australia the ProfitPlus Accounts concept for financial reporting, business management, management reporting and business development services in Australia. ProfitPlus Australia was organized on September 14, 2012, in Australia and has its principal office at Suite 2, Level 11, Australia Fair, 40 Marine Parade, Southport, QLD 4215.

We and ACNA are also associated with the following businesses: (a) Engage and Grow Global Pty Ltd, which was established in June 2016 in QLD, Australia to offer employee engagement programs, and (b) Avalanche Enterprises Limited ("Avalanche Enterprises"), was organized in March 2016 in the United Kingdom. Avalanche Enterprises offers digital lead-generation solutions and content creation services. These associated companies offer franchises that provide products and services that may supplement or complement the ActionCOACH business coaching and mentoring services. Franchisees are not required to purchase any of these franchises or any of the services they provide.

The Business Coach Franchise

The ActionCOACH Business Coach Franchise business provides a number of services to owners of small and medium-sized businesses ("Clients"). The major offerings are business coaching, mentoring, and training in sales, marketing, and business management. The franchise business also markets a range of business-building products designed to help Clients enhance their business knowledge and personal development. These services are offered through Business Coaches. The Business Coaches are not trained or authorized by us to offer legal or accounting advice to Clients.

Our mission is to grant franchises to qualified individuals and groups who believe they can achieve their personal and business goals by:

- Fully, completely and consistently implementing our operating systems;
- Enhancing our valued Brand;
- Creating and keeping VERY satisfied clients;
- Working cooperatively with the other Business Coaches;
- Helping us build market share;
- Willingly and enthusiastically participating in all aspects of our relationship; and

- Fully and completely fulfilling and performing all financial and legal obligations.

This disclosure document summarizes certain key features of a Business Coach franchise. Descriptions in this disclosure document are required to be brief and are for general informational purposes only. In many cases, the body of the disclosure document contains excerpts or summaries of the Franchise Agreement or other documents. The actual agreements will be controlling, and you should refer to the exhibits to this disclosure document for complete information. You should understand that a fundamental requirement of your joining and remaining part of the ActionCOACH System will be your commitment to the operation of your ActionCOACH business according to the System, as we or ACNA may modify it.

The Firm Business Coach Franchise

If you are purchasing a franchise, you will sign the Firm Business Coach Franchise Agreement (see Exhibit A). With a franchise, you are given the right to operate the franchise business with exclusive Direct Marketing (defined below) rights within an agreed upon Designated Direct Marketing Area ("DDMA") consisting of approximately 10,000 businesses. "**Direct Marketing**" means communication to prospective clients within the DDMA by direct mail, telemarketing, email marketing, door-to-door marketing, broadcast faxing, voicemail marketing, couponing, direct selling, or other type of activity we identify from time-to-time.

Generally, the owner of the franchise will provide coaching services as Managing Director Business Coach ("MDC") for the franchise and will lead a team of Employee Business Coaches. You have the right to create a team of an unlimited number of Employee Business Coaches to provide coaching services to Clients. Since growth and market penetration within your DDMA are key goals for the franchise, you must also employ or contract the services of at least one (1) Sales Manager or one (1) Lead Generation Specialist (each a "Key Personnel") within six (6) months of completing the 10-day training (see Exhibit A). Your responsibility is to connect with every business within your DDMA and to offer ActionCOACH business services.

Business Coaches: The Managing Director Business Coach and the Employee Business Coach

An important term in the ActionCOACH Franchise is the Business Coach, who is the individual authorized to provide coaching services to Clients on behalf of your Business. Business Coaches are classified as either a Managing Director Business Coach ("MDC") or an Employee Business Coach ("EBC").

You as the franchise owner must, generally, act as MDC for the Business throughout the Term. You may appoint another person to act as MDC in your place provided that (i) we approve in writing for you to appoint a MDC, and (ii) the proposed MDC has (a) been approved by us and attended the applicable training by ACNA; (b) signed a Managing Director Business Coach Agreement with you and us; and (c) been given direct responsibility for all business operations of the franchise, and the authority to bind you in any dealings with us or ACNA. ACNA's current approved form of Managing Director Business Coach Agreement is in Exhibit C to this disclosure document. Only one (1) person may be the Managing Director Business Coach for any franchise at any given time.

In addition to the MDC, you may also appoint an unlimited number of individuals to serve as EBCs, provided that each of those individuals has: (a) been approved by us, (b) trained by ACNA, and (c) has signed an Employee Business Coach Agreement with you. Each EBC must complete the 5-day virtual training before offering business coaching services. For each EBC, you must pay a training fee of $5,000 for the 5-day virtual training and a Quarterly Conference and Technology Fee.

<u>The Market For Our Services</u>.

The market is developing for the type of business coaching services and executive coaching Business Coaches offer. You have an exclusive Direct Marketing territory only, so you will not compete for Clients with other ActionCOACH franchisees in your DDMA. However, all franchisees may have to compete with other national and local coaching businesses offering business and executive coaching, consulting, mentoring and business training programs and similar products and services. You will face both typical and special business risk factors, including changing market conditions; competition; cost of supplies, equipment, capital, and labor; your own health and continuity of your management; availability of financing; recession or depression locally, nationally, or internationally; wars; strikes; emergencies; natural and manmade disasters; litigation; and liability and casualty losses. Another risk factor is your dependence upon key personnel, the loss of whom could have an adverse effect on your business.

Industry-Specific Regulation.

We are not aware of any industry-specific or special laws that apply to businesses that provide business coaching, mentoring, and training services to small and medium-sized businesses. You will be subject to all of the laws, codes and regulations normally applicable to services businesses, which may include federal, state, and local laws regarding matters such as wages and hours, occupational health and safety, building codes, equal employment opportunity, and the Americans with Disabilities Act.

You should research these requirements before you invest in a franchise. You are solely responsible, at your own expense, for compliance with the federal, state, local, and any other laws that apply to your ActionCOACH Business Coach franchise.

ITEM 2

BUSINESS EXPERIENCE

Chairman and Founder: Bradley J. Sugars

Mr. Sugars is the founder of the ActionCOACH business concept and currently serves as Chairman and CEO of the ActionCOACH group of companies. Mr. Sugars serves in that position for us and for ACNA and has done so since our and ACNA's formation. Mr. Sugars is also founder of the ProfitPlus Accounts business concept in Australia and currently serves as its Chairman since September 2012. Mr. Sugars was the Director of Engage and Grow Global Pty Ltd a private limited company based in Victoria, Australia since June 2016.

CEO – Asia Pacific and North America: Michelle Adams

Ms. Adams was appointed our CEO in December 2022 and is based in Queensland, Australia. Ms. Adams also serves as CEO of our affiliate, ActionCOACH Asia Pacific Pty. Ltd. ("ACAP") and has done so since April 2022. Before joining ActionCOACH, Ms. Adams was the Founder and CEO of Marvel Marketing from January 2018 to July 2022; Founder and CEO of Brag Reviews from February 2019 to April 2022; and General Manager of Bartercard from January 2017 to January 2018.

Chief of Sales & International Expansion Officer: Vittorio Ciuffetelli

Mr. Ciuffetelli is based in Queensland, Australia and is our Chief of Sales & International Expansion Officer, a role he has served in since January 2023. From December 2019 to December 2022, Mr. Ciuffetelli was our CEO. He was CEO of EMEA from October 2019 to December 2022; CEO of ACAP from November 2019 to December 2022.

Chief Partner Experience Officer and Chief Technology Officer: Carmen Gigar

Ms. Gigar is based in Las Vegas, NV and is our Chief Partner Experience Officer and Chief Technology Officer, a role she has served in since December 2022. Ms. Gigar was Chief Marketing Officer from December 2018 to December 2022 and Director of Marketing from September 2018 to November 2018 for ACNA in Las Vegas, NV.

Chief Product Officer and Chief Training Officer: Nicholas Clark

Mr. Clark is based in Bangkok, Thailand and was appointed Chief Product Officer and Chief Training Officer of the ActionCOACH group of companies and serves in that position for us and for ACNA since November

2021. Mr. Clark is also currently the COO of our affiliate, ProfitPlus Accounts Pty Ltd since April 2013. He was Director of our affiliate, Partner Success from November 2021 to December 2022.

ITEM 3

LITIGATION

MSF Enterprises, Inc., et al, v. ActionCOACH North America LLC, American Arbitration Association ("AAA"), Case No. 01-21-0017-5144

On November 29, 2021, ACNA received notice from the AAA that claimants ("MSF") have applied for the appointment of an Emergency Arbitrator to consider its request for immediate relief to maintain the status quo between MSF and ACNA as master licensee and franchisor for the State of Colorado, respectively, under the Master License Agreement dated November 6, 2001, as amended ("MLA"). On December 16, 2021, the emergency application was held in abeyance upon agreement of the parties to submit to mediation. When the parties failed to resolve the dispute on mediation, the AAA on May 9, 2022, terminated the emergency application. Upon receipt of MSF's amended demand for arbitration, the AAA converted the dispute to a standard arbitration proceeding by notice to the parties on May 25, 2022. MSF alleges that (a) ACNA's refusal to renew the MLA is a breach of ACNA's obligation to renew the MLA for successive 5-year terms with no minimum performance or minimum royalty requirements and, (b) ACNA should be estopped from including minimum performance or minimum royalty requirements in the 5-year renewal starting as of November 2021. Claimants asked the AAA to (i) enjoin ACNA to specifically perform its obligation to renew the MLA without any minimum performance or minimum royalty requirements, and (ii) award MSF reasonable attorney's fees and costs. As of July 31, 2022, the parties have entered into a Settlement Agreement whereby the parties agreed to (a) renew the MLA on the same terms as it was immediately prior to the dispute, and (b) bear its own respective costs and fees.

<u>Litigation Regarding ACNA and its Predecessor</u>:

In the Matter of Brad Sugars Action International, Inc. Administrative Proceeding before the Securities Commissioner of Maryland, Case No. 2002-0571.

As a result of an investigation into ACUI's (f/k/a Brad Sugars Action International, Inc.) franchise-related activities, the Maryland Securities Commissioner (the "Commissioner") concluded that grounds existed to allege that ACUI violated the registration, disclosure, and anti-fraud provisions of the Maryland Franchise Law in relation to the offers and sale of ACUI master franchises in Maryland. Specifically, the Maryland Securities Commissioner concluded that grounds existed to allege that ACUI (a) offered and granted an option to a Pennsylvania resident, The Coaching Company, LLC, for the purchase of a Master License to operate a ACUI franchise business in Maryland, and offered and sold a Master License to a Maryland resident, Mid-Atlantic Business Coaching, Inc., during times when ACUI was not registered to offer and sell franchises in Maryland; (b) did not provide the correct offering circular to prospective Maryland franchisees; (c) did not provide the required disclosure within the time periods prescribed by the Maryland Franchise Law; (d) failed to comply with the fee deferral requirement imposed by the Commissioner and the Maryland Franchise Law; (e) signed a franchise agreement with a master franchisee which did not conform to the form of agreement required by the Commissioner; (f) provided advertising to prospective franchisees which contains earnings claims in violation of the Maryland Franchise Law; and (g) failed to maintain documents required by the Maryland Franchise Law. On September 19, 2002, the Commissioner and ACUI agreed to enter into a Consent Order without ACUI admitting or denying any violation of law. Under the Consent Order, ACUI agreed to: (a) immediately and permanently cease violating the Maryland Franchise Law; (b) offer to rescind Mid-Atlantic Business Coaching, Inc.'s Master License agreement and refund all franchise fees and cancel any indebtedness upon request; and (c) implement a franchise compliance program approved by the Commissioner. Mid-Atlantic Business Coaching, Inc. declined the rescission offer on October 15, 2002. Following the Consent Order, the National Franchise Council provided a compliance training program to ACUI's executives and office staff on October 28, 2002.

California Department of Corporations Desist and Refrain Order

On September 23, 1999, the California Department of Corporations (the "Department") issued a Desist and Refrain Order to Bradley J. Sugars, International Chairman of Action International, Inc. [sic], Claude G. Xuereb, President & CEO of Action International, Inc. [sic], and Action International, Inc. [sic]. The Department issued the Desist and Refrain Order based on its opinion that *Action International* franchises had been offered for sale in California without first being registered with the Department. In May 2002 and July 2002, ACUI (f/k/a Brad Sugars Action International, Inc.) voluntarily entered into agreements with two Licensed Coaches in California to terminate the franchise relationships, and ACUI refunded the franchisees a total of $207,000. The Department has not contacted ACUI regarding this matter since November 2002. ACUI understands that the inquiry is closed; the Department approved ACUI's application to offer franchises in California in February 2005.

Other than the matters listed above, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

In October 2012, Mr. Nic Clark, Director of Partner Success, filed a Debtor's Petition (No. QLD 5110/12/5) with the Australian Financial Security Authority. The order of discharge under the Bankruptcy Act was issued in October 2015.

ITEM 5

INITIAL FEES

For a franchise you will pay us a franchise fee of $75,000 for a DDMA with a population of approximately 10,000 businesses. If you acquire more than one (1) DDMA within a 30-day period, you will be entitled to the following reduced Multi Territory Package franchise fees:

DDMA	Franchise Fee
1st DDMA	$75,000
1st 3-Pack of DDMAs	$180,000
2nd 3-Pack of DDMAs and onwards	$165,000

In the year ended December 31, 2022, there were no variances in the franchise fees paid by franchisees. The franchise fee is payable in a lump sum and is non-refundable. The franchise fees charged are uniform. However, we participate in the Veterans Transition Franchise Initiative (VetFran) program and offer a maximum of $5,000 discount on franchise fees per eligible military veteran.

You must also pay us a non-refundable franchisee training fee of $25,000 for you (or your MDC) if you are a legal entity. For an additional fee of $3,500 you may send one (1) MDC to attend the 10-day training at any time for the term of the Franchise Agreement. The fee is due upon signing of the franchise agreement. You must also pay us a non-refundable EBC virtual training fee of $5,000 for every EBC attending the 5-day training within 14 days from the start of the scheduled EBC training. You must also pay us a non-refundable Key Personnel virtual training fee of $2,500 for every Key Personnel attending the two (2) day training within 14 days from the start of the scheduled Key Personnel training.

If you are signing a franchise agreement in connection with the renewal of a previous one, you will not pay any renewal fee if you meet the Minimum Performance Requirement as identified in the franchise agreement.

ITEM 6

OTHER FEES

The following table shows the Other Fees for the franchise.

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	The monthly Royalty Fee is 10% of the Minimum Performance Requirement or 10% of Gross Revenues in the preceding month, whichever is higher but in no case less than $1,950. (Note 1)	Payment of $1,950 is due on the 1st day of each month, while payment for the balance, if any, is due on the 15th day of the month.	Starts on the 4th month after you or your MDC completes the training program.
Marketing and Advertising Fee	5% of your Gross Revenues during the preceding month. (Note 1)	The 5th of each month.	No fee with respect to Gross Revenues in the month in which you or your MDC complete the 10-day training program. The Marketing & Advertising fee is capped at $2,000 per month provided that you employ a full-time marketing manager who is approved by us.
Quarterly Conference and Technology Fee	$495, plus $395 per EBC/Key Personnel	1st day of each quarter	Paid to ACNA; Starts on the quarter after you, your MDC or EBC/Key Personnel attend training.
Transfer Fee	$5,000	With submission of request for approval of transfer	Paid if you sell your franchise.
Renewal Fee	$2,500	With submission of request for approval of renewal	Paid when you renew your franchise.
Franchisee Training (before renewal)	$25,000	14 days before training session begins	Applies if we require you to remedy non-compliance by attending franchisee training before, we will renew your franchise.
Employee Business Coach and/or Key Personnel Training	$5,000 per trainee (EBC) or $2,500 per trainee for Key Personnel. Subject to change by ACNA.	14 days before training session begins	Each EBC and Key Personnel (after you begin operating) you appoint must complete the virtual 5-day training program for EBC or the applicable virtual 2-day training program for Key Personnel at the then-current fee. We will publish the current fee when the training session is announced.

Type of Fee	Amount	Due Date	Remarks
Additional Training	Up to $1,000 per day.	14 days before training session begins	Payable only if we require you to attend additional training at our offices based on your failure to meet Minimum Performance requirements.
Mandatory Annual Regional Conferences	Approximately $2,500 per year for travel, accommodation, and meals.	Before conference begins	Conference fee for Franchisee/MDC and his/her EBCs/Key Personnel are included in the Quarterly Conference and Technology Fee. You are responsible for travel, accommodation, and meal costs to the Conference. We may conduct interim conferences that are not mandatory.
Interest Charges	1.5% per month or maximum legal rate.	With payment of underlying amount due	Payable only if you are late in payment.
Inspection and Audit Costs	Actual cost of examination or audit by a Big-4 accounting firm, including travel expenses for the examiner or auditor.	Within 5 business days after your receipt of inspection or audit report	Payable only if the inspection or audit shows an understatement of 5% or more of the correct amount due.
Insurance Reimbursement	Amount paid by us or ACNA.	On demand for reimbursement	Payable only if you fail to obtain coverage and we or ACNA purchase it on your behalf.
Liquidated Damages upon your breach	Present value of Royalty Fee and Marketing and Advertising Fee stream for lesser of two (2) years or remaining term, minus our expenses saved.	On termination of Franchise Agreement	Payable only if we terminate your agreement for default.
Enforcement Costs	Actual costs	On demand for reimbursement	You must pay all of our and ACNA's investigation costs, collection costs, and attorneys' fees resulting from your default under the Franchise Agreement, if we or ACNA prevail in any legal action or arbitration.
Indemnification Costs	Actual losses or expenses incurred by us, ACNA, and ACIP.	On demand for reimbursement	You must indemnify us, ACNA and ACIP against all claims, expenses, and liabilities arising from the operation of your Business Coach franchise. Does not apply to liabilities that arise from gross negligence or willful acts by us or ACNA or its affiliates.

Type of Fee	Amount	Due Date	Remarks
Amendment Fee	Our reasonable costs, estimated at $500 to $700.	On demand for reimbursement	If you request an amendment to the Franchise Agreement during the term of your agreement, you must reimburse us (and ACNA, if applicable) for the reasonable costs we incur in connection with the amendment, including reasonable attorneys' fees.

NOTES:

(1) "Gross Revenues" means the total receipts derived from services performed and products sold by or in connection with your ActionCOACH business. Gross Revenues are determined on an accrual basis. Any property or services your franchise receives from Clients in exchange for your services must be included in Gross Revenues at their fair market value at the time received. Gross Revenues also include any proceeds your franchise may receive from business interruption insurance. Gross Revenues do not include sales taxes or other taxes that your franchise collects from Clients and pay directly to the appropriate governmental authorities. The figures listed above in Royalty Fee are not a financial performance representation and should not be considered as a guide for possible revenues.

(2) Unless otherwise indicated, the fees and payments described above are not refundable, and are uniformly applied (except to the extent required by different terms that may be contained in prior forms of franchise agreement). For each type of fee or payment, you must use the payment method we designate. You must furnish us and your bank with any authorizations necessary to make payment by the methods we require.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To whom payment is to be made (note 1)
Franchise Fee	$75,000 If you purchase more than one (1) DDMA within a 30-day period, you will be entitled to the following reduced Multi Territory Package: • For the 1st 3-Pack of DDMAs – Franchise Fee is $180,000. • For the 2nd 3-Pack of DDMAs and onwards, Franchise Fee is $165,000.	Lump sum	When you sign Franchise Agreement	Us
Franchisee Training Fee **(note 2)**	$25,000 for You (or your MDC if you are a legal entity). For an additional fee of $3,500 you may send one (1) additional MDC to attend the 10-day training at any time for the term of the Franchise Agreement.	Lump sum	When you sign the Franchise Agreement or for one (1) additional MDC, 14 days before the training session begins.	Us
Travel to Franchisee Training **(note 2)**	$500 to $2,500	As incurred	As incurred	Airlines, etc.
EBC Training Fee **(note 2)**	$0 to $5,000	Lump sum	14 days before training session begins	Payable to ACNA at least 14 days prior to the training session. EBC training is only offered virtually.

Type of Expenditure	Amount	Method of Payment	When Due	To whom payment is to be made (note 1)
Key Personnel Training Fee **(note 2)**	$0 to $2,500	Lump sum	14 days before training session begins	Payable to ACNA at least 14 days prior to the training session. Key Personnel training is only offered virtually.
Travel Expenses for Mandatory Annual Regional Conferences **(note 2)**	$0 to $3,500 depending on timing of conferences and class of airline ticket	As incurred	Before conference and/or as incurred	Airlines, hotel, etc.
Quarterly Conference and Technology Fee **(note 3)**	$495 to $890	Lump sum	1st day of each quarter	ACNA
Computer, Telephone & Office Equipment **(note 4)**	$0 to $4,000	As incurred	As incurred	Equipment suppliers
CRM **(note 4)**	$1,080 to $1,080	As incurred	As incurred	Third party supplier
Non-Coach Email Addresses	$110 per month subscription	As incurred	As incurred	ACNA
Marketing Materials & Inventory	$1,000 to $5,000	As incurred	Upon ordering or at delivery	Suppliers and/or Vendors
Insurance **(note 5)**	$1,000 to $2,000	As incurred	Before you start business	Third party insurance providers
Additional Funds (for first 3 months of operation) **(note 6)**	$15,000 to$30,000	As incurred	Varied times	Suppliers and/or Vendors
Website (optional, must be approved by ACNA)	$0 to $5,000	As incurred	As incurred	Third Party supplier
Rent **(note 7)**	$3,000 to $7,500	As incurred	Monthly	Third Party
Security Deposit	$1,000 to $2,500	As incurred	As incurred	Third Party
Grand Opening Launch Event	$2,500 to $7,500	As incurred	As incurred	Third Party vendors

Type of Expenditure	Amount	Method of Payment	When Due	To whom payment is to be made (note 1)
Salaries and Wages **(note 8)**	$0 to $90,000	As incurred	As incurred	Employees
Marketing Spend	$15,000 to $36,000	As incurred	As incurred	Third Party marketing vendors (print, digital, media, etc.)
TOTAL (one DDMA): (note 9)	**$140,536 to $309,712**			

NOTES:

(1) All payments to us and ACNA are non-refundable. Whether any of the costs payable to third parties are refundable will depend upon the arrangements you make with those parties.

(2) You will pay one (1) training fee for you (or your MDC if franchisee is a legal entity). All transportation costs to and from Las Vegas are your responsibility. However, accommodations, meals, and transfers to and from hotel to the training venue during training are included in the training fee. Any incidental costs incurred during any of the training sessions are your responsibility. The estimates are for travel by one (1) trainee and assume that training will be held in Las Vegas, Nevada. At least once a year, ACNA organizes Regional Conferences and every year you are required to attend at least one (1) of these regional conferences. Conference fees for you and your EBCs/Key Personnel at the regional conferences are included in the Quarterly Conference and Technology Fee. However, travel to and from, accommodation during and meals outside the regional conference are not covered. You, or your MDC are required to attend Regional Conferences. EBC and Key Personnel are encouraged to attend Regional Conferences, but it is not a requirement to attend. In addition, at least once per year, ACNA organizes a Global Conference which may be held outside of the U.S. You are encouraged but not required to attend Global Conference. You will have to pay a registration fee for each person attending the Global Conference and your own travel, accommodation, and meal costs. It is possible that one of the mandatory conferences will occur during the initial months of your franchise.

(3) You must pay ACNA a Quarterly Conference and Technology Fee for you (or your MDC if franchisee is a legal entity) and each EBC/Key Personnel in your franchise. This fee covers conference fees for you and your EBCs/Key Personnel at the annual regional conferences, registration fee for the annual business excellence forum and awards. The high range of the estimate assumes that one (1) Key Personnel will be appointed by you and trained by Franchisor before the start of your operations.

(4) You must have a computer, specific software, Internet access, printer, scanner, fax and general office equipment. If you already have equipment meeting ACNA's specifications, no expenditure will be necessary. See Item 11 for a list of recommended computer equipment and Exhibit M for our current communications system specifications. You should consider obtaining a toll-free telephone number if you plan to serve Clients outside of your local calling area. You are also required to purchase a CRM software. This estimate is from a current preferred vendor.

(5) You must obtain general business insurance that meets requirements that we and ACNA specify periodically, but in no event less than the minimum insurance requirements under applicable law. Currently, we require $1,000,000 of professional liability insurance, $1,000,000 of general liability

insurance, disability or business interruption insurance, worker's compensation insurance, and any other insurance required by law or your office lease or mortgage. We and ACNA must be listed as an additional insured in the policy or policies.

(6) This estimate is for additional funds that you may need before operations begin and during the first three (3) months of operation. The estimate is based upon information reported by ACNA's existing Business Coaches. The estimate includes miscellaneous startup costs such as deposits, license fees (if any), and legal and accounting fees, and any ongoing operating expenses such as the Marketing and Advertising Fee, expenses for hiring or contracting one (1) Key Personnel, equipment leases, inventory, and supplies. It also includes fees you may pay professional advisors to assist you with specific know-how, methods, or technology you deem necessary to be able to competently provide services to your Clients. It does not include any compensation you may choose to pay yourself. The high range of the estimate also includes expenses for hiring or contracting one (1) EBC. You will need capital to support these and other ongoing costs of your business. Your costs will depend on factors such as how closely you follow our recommended systems and procedures, your technical, marketing, and general business skills, local economic conditions, and the local market for your business and competition.

(7) You must operate your business from a professional office space located within your DDMA. The minimum space requirement of your office is 300 square feet. We suggest that you lease the office space and if possible, for the first six (6) months, lease serviced office space with suitable meeting and conference rooms. Our estimate of rent costs is based on a serviced office or similar arrangement. Traditional commercial office leasing may require a fit-out and will cost significantly more. Due to the large variance in commercial office lease costs, we are unable to provide cost estimates for that type of office.

(8) The low estimate assumes no EBC or Key Personnel have been recruited.

(9) The above table outlines the estimated initial investment to establish a Business Coach franchise based on one (1) DDMA. The figures listed are not all-inclusive. For example, they do not include tax obligations or provide for your cash needs to cover any financing incurred by you, Marketing and Advertising Fee, other employee and management salaries and benefits, or other ongoing operating expenses. Your costs will vary and may exceed the estimate set out above.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

ActionCOACH Products. ACNA offers a range of books, printed materials, CDs, DVDs, and board games for business owners. These items are proprietary to ActionCOACH IPCo, Ltd., an affiliate of ACNA. You must purchase these materials from ACNA's approved suppliers if you want them.

All branded materials or items (those containing proprietary marks or information) must be acquired through a supplier approved by ACNA. If ACNA publishes standards for non-proprietary equipment, software, telephone lines, Internet service, supplies, stationery, or other items, you may purchase these items from any reputable manufacturer or supplier as long as the items meet the applicable standards. If you receive notice from us or ACNA of a change in the standards, you must comply with the new or revised standards as soon as practicable.

However, if you choose to build and maintain a web site, you must obtain our prior approval of the design, content and appearance of the website and use ACNA's approved supplier for design, development, and web hosting to ensure compliance with ACNA's requirements for usage of the ActionCOACH marks and intellectual property.

Specifications and Supplier Approvals. There are no written criteria, no fees, and no formal process for supplier approval at this time. ACNA may issue specifications and standards in the Manuals or separate directives, in writing or orally, and may modify them at any time. ACNA issues specifications based on its subjective determination of quality, value, and appearance.

Currently we and ACNA are not approved suppliers, but we may be approved suppliers in the future. We estimate that your purchases of goods and services subject to ACNA's specifications will constitute about 10% of your total purchases and leases (excluding your initial franchise fee and training fee) in establishing the business. We estimate that, during the operation of your Business Coach business, your purchases of goods and services subject to ACNA's specifications will constitute about 50% to 75% of your total expenses for goods and services.

Strategic Alliance Relationships. ACNA occasionally establishes "Strategic Alliance" relationships with independent companies for the benefit of ActionCOACH Business Coach franchisees. These relationships are formed so you may have access to the beneficial products and services these companies provide. These products and services will generally be made available to you at costs below what the general public or other users would pay for the same product, service, or information.

As of December 31, 2022, ACNA had preferred vendor relationships with the following companies:

Related Companies	Products
Bucket List	Life coaching services
Engage and Grow	Employee engagement programs
Luv4 Marketing	SEO, social media, and online marketing services
Avalanche Enterprises	Digital Lead-generation solutions and content creation service
ProfitPlus Accounts	Bookkeeping and business planning services

Although these related companies offer products and services which may supplement or complement ActionCOACH business coaching services, franchisees are not required to purchase products or services from these related companies.

Independent Companies	Products
Assessment 24/7	DISC and VAK
HubSpot	CRM
Land's End Apparel	Apparel and Gear

In some cases, the above companies are currently the only source of the product or service. While ACNA encourages you to form relationships with the above companies and to use their products and services since they offer high quality goods and services to our franchisees for less than typical market prices, you are, however, not required to use them unless (i) the products and services you require involve the use of ACIP or ACNA's proprietary marks or information; or (ii) you are building or maintaining your web site. In those cases, you must use the applicable approved supplier.

We currently do not receive rebates as a result of these Strategic Alliance relationships. As of the year ended December 31, 2022, ACNA derived $448,044.34 in revenues from purchases of products and services made by franchisees, including the annual global and regional conference fees, which is 14.26% of ACNA's $3,141,607 total revenues for the same period. ACOC does not derive revenue from purchases or products and services made by franchisees, including the annual global and regional conference fees. In cases where any revenues such as volume discounts, rebate fees or discount bonuses (whether by way of cash, kind or credit) are received by ACNA from any such supplier, whether or not on account of purchases made (i) by ACNA for its own account or for yours, or (ii) by you directly for your own account, ACNA is entitled to retain the whole of the amount or any part of such volume discounts, rebate fees or discount bonuses.

Other than the related companies named in the 1st table above, there are no approved suppliers in which any of our or ACNA's officers or affiliates owns an interest.

Neither we nor ACNA provides material benefits to you (for example, additional renewal rights or additional franchises) because of your purchases of particular products or services or your use of designated or approved suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Section 9	Item 11
b. Pre-opening purchases/leases	Sections 3, 9, 13 & 14	Item 7
c. Site development and other pre-opening requirements	Sections 3, 9, 11.2, 13 & 14	Item 11
d. Initial and ongoing training	Sections 7.1 & 11.2	Introduction, Item 5, 6, 15 & 17
e. Opening	Sections 2 & 11	Item 11
f. Fees	Sections 2.22.2(I), 3–5, 17, 18.4 & 20.3(E), Attachment 1	Item 5 & 6
g. Compliance with standards and policies/operating manual	Sections 7.1, 10 & 11	Item 11 & Exhibit L
h. Trademarks and proprietary information	Section 15 & 17.2	Item 13 & 14
i. Restrictions on products/services offered	Sections 1, 11 & 16	Item 8 & 16
j. Warranty and customer service requirements	Section 11	None
k. Territorial development and sales quotas	Section 8, 11, 12 & Attachment 1	Item 11 & 12
l. Ongoing product/service purchases	Sections 13 & 14	Item 16
m. Maintenance, appearance and remodeling requirements	Section 9 & 11.2	None
n. Insurance	Section 14	Item 7
o. Advertising	Sections 4.2, 5, 7.1 & 8	Item 11
p. Indemnification	Section 14	None

Obligation	Section in Franchise Agreement	Disclosure Document Item
q. Owner's participation/ management/staffing	Section 11	Item 15
r. Records and reports	Section 6	None
s. Inspection and audits	Section 6	None
t. Transfer	Section 20	Items 1 & 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Sections 6.2, 11.8, 15, 16 & 18	Item 17
w. Non-competition covenants	Section 16	Item 17
x. Dispute resolution	Section 22.9	Item 17
y. Liquidated Damages	Section 18.4	Item 17

ITEM 10

FINANCING

Neither we nor ACNA nor its affiliates offer any direct or indirect financing to you. We will not guarantee any note, lease, or other obligation you may make to others.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Master Licensee's Obligations Before You Start Business

Before you begin your business, we will:

1. Arrange for you to attend the initial training program provided by ACNA. (Franchise Agreement - Section 7.1(A)).

2. Help you write the initial "Your Action Plan" document, which serves as a blueprint for your start-up. (Franchise Agreement – Section 7.1(B))

3. Provide you pre-opening guidance and supply you on-line access to advertising and promotional materials. (Franchise Agreement – Section 7.1(C)).

4. Assist you in determining the location of your office. However, the final selection of the location is your responsibility. (Franchise Agreement – Section 7.1(D)).

5. Loan you a copy of the *Confidential Operating Manuals* via on-line access containing mandatory and suggested specifications, standards, operating procedures, and guidelines prescribed by ACNA. (Franchise Agreement - Section 7.1(G)). The Manuals are confidential and remain the property of ACNA. ACNA modifies the Manuals, but the modifications will not alter your status and rights under the Franchise Agreement. ACNA has implemented an online version of the Manuals and no longer provide the written Manuals. The Table of Contents of the online Manual is in Exhibit L to this disclosure document.

6. Arrange for ACNA to provide you access to the ActionCOACH intranet (assuming that you have the necessary computer and communications equipment in place prior to opening; otherwise, access will be provided once the equipment is in place).

Time to Open

The typical length of time between signing the ActionCOACH Business Coach Franchise Agreement and starting business is about one (1) to two (2) months. The principal factors that affect this length of time are the scheduling of your ActionCOACH initial training and the time needed for your pre-opening preparations.

Master Licensee's Obligations After Opening

After you open for business:

1. Provide opening assistance, once your office is ready for operation. (Franchise Agreement - Section 7.1(C)).

2. Each week for the first ninety (90) days after you start business, we will provide you an opportunity to communicate either via personal telephone calls, team captain calls or team calls to discuss your operational challenges and to provide guidance for your marketing, sales and coaching activities. (Franchise Agreement - Section 7.1(D))

3. We will arrange for you to attend ACNA's annual regional conferences to discuss marketing strategies, coaching techniques, training, performance standards, advertising programs and procedures. (Franchise Agreement – Section 7.1(F)).

4. We will conduct marketing programs for the Territory, and ACNA will conduct marketing programs on a regional or national basis. (Franchise Agreement – Section 5.2)

5. We will inform you of any changes and improvements to the System that ActionCOACH IPCo, Ltd. or ACNA may develop and authorize for use by Business Coaches. (Franchise Agreement – Section 7.1(H))

6. We will provide assistance in conducting workshops and seminars for Clients and potential clients, our schedule permitting. (Franchise Agreement – Section 7.1(I))

Marketing and Advertising

Franchises generally contribute to the Marketing and Advertising Fund at the monthly rate of 5% of its Gross Revenues during the preceding month capped at $2,000 (subject to appointment of Key Personnel). In the past, franchises that have operated as a single unit and transitioned into retirement (with reduced number of clients) were allowed a reduced rate of contribution after completion of the initial term and compliance with the terms of its initial franchise agreement.

ACGM, under the direction of ACNA, administers all or a portion of the Marketing and Advertising Fees collected from franchisees in the Territory. We will remit all or a portion of the Marketing and Advertising Fees to ACNA, and we, ACNA or ACGM will use these funds for regional or national marketing. Neither we, ACNA nor ACGM has any contractual obligation to contribute our own funds for marketing or advertising purposes.

ACNA directs all marketing programs supported by the Marketing and Advertising Fees collected from franchisees, with final discretion over creative concepts, materials, and media used in the programs and their placement. Marketing and Advertising fees may be used for any activities that ACNA believes would benefit ActionCOACH businesses generally, including, but not limited to, national and international advertising, promotion, production of advertising and promotion, marketing research and development, public relations, Internet, and reasonable administrative expenses related to these efforts. The media where advertising may be disseminated may be print, mail, telephone, radio, television, Internet, or any other media. Coverage of the media may be local, regional, or national. Creative materials may be produced in-house or by a national or local advertising agency.

During ACNA's fiscal year ended December 31, 2022, ACGM spent $289,350.31 on marketing and advertising for the USA. These expenditures were allocated as follows:

Media placement	48.39%
Administrative Expenses	47.82%
Others	3.79%
Total	100%

During our fiscal year ended December 31, 2022, we spent $97,127.90 from the Marketing and Advertising Fees remitted by Business Coaches in the Territory. Our expenditures were allocated as follows:

Media placement	48.39%
Administrative Expenses	47.82%
Others	3.79%
Total	100%

These figures are not audited. We or ACNA may make financial information relating to these expenditures available for your review, but we have no contractual obligation to do so.

Any Marketing and Advertising Fees not spent in the fiscal year in which we collect them are retained for use in future years. Neither we nor ACNA uses Marketing and Advertising Fees to solicit for the sale of franchises. Neither we nor ACNA is required to spend any specific amount on advertising in your local area or for the benefit of your Business Coach franchise. Neither we nor ACNA represents or guarantees that you will benefit from marketing programs in proportion to your contributions.

You may not publish or distribute any advertising or promotional material without our approval. If we object to any advertising or promotional material that you are using, you must immediately stop using it. If you operate a web site, you must obtain our prior approval as to the design, content, and appearance of the website, and we require that you use our approved supplier for design, development, and hosting. We may require you to make your web site accessible only from our site or to not create links to other sites.

ACNA does not have a council of franchisees that advises on advertising policies. You do not have to participate in any local or regional advertising cooperative.

<u>Computer and Communications Systems</u>

You must acquire, maintain, update and/or upgrade computer hardware and software for managing the business, performing accounting functions, and communicating with us. We do not require you to purchase computer hardware from a specific manufacturer and you can choose to purchase either a laptop or desktop computer. We do require you to obtain a modern system (Intel or AMD) that is capable of running Microsoft Windows 11 and Microsoft Office 365 with PowerPoint or a system capable of running the latest version of MacOS. You should have Adobe Reader software, QuickBooks, Xero, or equivalent finance software. You must have a current anti-virus software, broadband connectivity, and an uninterruptible power supply and surge protector. More detailed specifications are found in Exhibit M. You must also acquire a Customer Relationship Management (CRM) software for managing your interactions with clients and sales prospects. This software provides sales reporting and analysis, information management and communication management.

If you already have equipment meeting ACNA's specifications, no expenditure will be necessary. The estimated cost for these purchases may run up to $5,000, depending on the equipment you may already own.

ACNA reserves the right to make changes in the computer and communications system specifications. Neither we, ACNA, any affiliate, nor any third party is obligated to provide ongoing maintenance, repairs, upgrades, or updates to your computer system.

You must acquire, maintain, upgrade and update hardware, software, and ISP or other communications system during the term of the franchise, at your own expense. There are no limitations on ACNA's right to require upgrades and updates. ACNA does not currently recommend or require a specific type of maintenance, updating, upgrading or support contract.

The estimated annual cost for maintaining, updating, and upgrading the computer system is $1,000.

You will use the information and communications system to report to and communicate with us, for your accounting, and for other tasks we may designate. You must transmit information to us daily or at other intervals that we specify and, in the form, and manner we specify. You must also give us and ACNA independent access to the ActionCOACH-related information that will be generated and stored in your computer system. There are no contractual limits on our right to access the information, including sending our representatives to your office location to access your computer system.

Selection of Business Location

We do not select the location of your office or the seminar/meeting venues you use. However, you must obtain our written approval of your office location. You can locate your office anywhere in the DDMA. The office must at all times be well presented and of a professional nature.

Training Program

10-DAY TRAINING PROGRAM

For Franchisees and their MDCs

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Firm Leadership and Development	7	0	Las Vegas, NV
Organizational Structure	7	0	Las Vegas, NV
Team Structure, Roles, Responsibilities	10	0	Las Vegas, NV
Sales and Sales Processes	16	0	Las Vegas, NV
6 Steps and Growth Club	10	0	Las Vegas, NV
Team Building Activities	8	0	Las Vegas, NV
Membership System	6	0	Las Vegas, NV
Product Marketing and Sales	19	0	Las Vegas, NV
Goals and Planning	7	0	Las Vegas, NV
Review & Lock in Learning	9	0	Las Vegas, NV
Certification and Graduation	4	0	Las Vegas, NV
Totals	**106**	**0**	

This mandatory franchisee training program will take place in Las Vegas, Nevada unless ACNA designates a different location or format (live or online). We will inform you of the upcoming training dates, locations, and format before you sign the Business Coach Franchise Agreement. This initial training program currently lasts ten (10) days. You will attend this training program after signing the Franchise Agreement, paying the franchise fee and franchisee training fee, and before opening for business. Satisfactory completion of the Franchisee Training program is mandatory. If you fail to complete this training program, we may terminate your Franchise Agreement. See below for information on trainers for this training program.

5- DAY TRAINING PROGRAM

For EBCs

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Culture, Mindset, Leadership	8	0	Online (virtual)
Alignment Process and Plans	4	0	Online (virtual)
Positioning Weeks 1 to 6	3	0	Online (virtual)
5 Ways and 4 Ways Systems	8	0	Online (virtual)
6 Steps to Building a Business	8	0	Online (virtual)
GrowthCLUB, 90 Day Planning, 13 Weeks	4	0	Online (virtual)
Systems, Tools, Processes	4	0	Online (virtual)
Responsibilities Reporting, KPIs, Systems	3	0	Online (virtual)
DISC and VAK	3	0	Online (virtual)
Review and Lock in Learning	3	0	Online (virtual)
Certification and Graduation	2	0	Online (virtual)
Totals	**50**	**0**	

This mandatory training program for EBCs lasts five (5) days and will take place virtually unless ACOC designates a different format (live or virtual). We will inform you of the upcoming training dates and format before you appoint an Employee Business Coach. Your EBC must satisfactorily complete this training program before providing business coaching services. See below for information on trainers for this training program.

2 – DAY TRAINING PROGRAM
For Lead Generation Specialist

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Digital Marketing	6	0	Online (virtual)
Community Marketing	4	0	Online (virtual)
Direct Marketing	3	0	Online (virtual)
6 Steps Event	2	0	Online (virtual)
Responsibilities Reporting, KPIs, Systems	2	0	Online (virtual)

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Certification and Graduation	1	0	Online (virtual)
Digital Marketing	6	0	Online (virtual)
Community Marketing	4	0	Online (virtual)
Direct Marketing	3	0	Online (virtual)
6 Steps Event	2	0	Online (virtual)
Responsibilities Reporting, KPIs, Systems	2	0	Online (virtual)
Totals	**35**	**0**	

This mandatory training program for Lead Generation Specialist Key Personnel lasts two (2) days and will take place virtually unless ACNA designates a different format (live or online). We will inform you of the upcoming training dates and format before you appoint a Lead Generation Specialists Key Personnel. Your Lead Generation Specialist must satisfactorily complete this training program. See below for information on trainers for this training program.

2 – DAY TRAINING PROGRAM
For Sales Manager

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Mindset and Professionalism of Sale	2	0	Online (virtual)
Technique and Sales	2	0	Online (virtual)
Sales Negotiation and Objection Handling	4	0	Online (virtual)
13 Step Sales – Sales Area Role Play	5	0	Online (virtual)
DISC and VAK In Sales	2	0	Online (virtual)
Responsibilities Reporting, KPIs, Systems	2	0	Online (virtual)
Certification and Graduation	1	0	Online (virtual)
Mindset and Professionalism of Sale	2	0	Online (virtual)
Technique and Sales	2	0	Online (virtual)
Sales Negotiation and Objection Handling	4	0	Online (virtual)
13 Step Sales – Sales Area Role Play	5	0	Online (virtual)
Totals	**31**	**0**	

This mandatory training program for Sales Manager Key Personnel lasts two (2) days and will take place virtually unless ACNA designates a different format (live or online). We will inform you of the upcoming training dates and format before you appoint a Sales Manager Key Personnel. Your Sales Manager Key Personnel must satisfactorily complete this training program before providing business coaching services. See below for information on trainers for this training program.

2 – DAY TRAINING PROGRAM
For Membership Manager

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Onboarding Members	3	0	Online (virtual)
Weekly Process and Focus	2	0	Online (virtual)
Monthly Process and Focus	2	0	Online (virtual)
Quarterly Process and Focus	2	0	Online (virtual)
Annual Process and Outcome	1	0	Online (virtual)
Sponsorships Development	4	0	Online (virtual)
Strategic Alliance Development	3	0	Online (virtual)
Responsibilities Reporting, KPIs, Systems	3	0	Online (virtual)
Certification and Graduation	1	0	Online (virtual)
Onboarding Members	3	0	Online (virtual)
Weekly Process and Focus	2	0	Online (virtual)
Totals	**26**	**0**	

This mandatory training program for Membership Manager Key Personnel lasts two (2) days and will take place virtually unless ACNA designates a different format (live or online). We will inform you of the upcoming training dates and format before you appoint a Membership Manager Key Personnel. Your Membership Manager Key Personnel must satisfactorily complete this training program. See below for information on trainers for this training program.

The training programs and trainers are under the direction of ACNA personnel. The instructors are ActionCOACH franchisees and business coaches who have varying lengths (but at least 12 months) of personal experience in marketing, sales, coaching, and diagnostic methods that they have used in their own businesses. Instructional materials and techniques used include the Manuals, discussion notes, PowerPoint slides, case studies, flipcharts, and role-playing. The scheduling of virtual training will be managed by ACNA, based on demand.

Subsequent Training. Except if you have failed to meet Minimum Performance requirements, we offer, but do not require you or any of your personnel and Business Coaches to attend additional or advanced training. If you elect to attend additional training or we require you to attend for failure to meet Minimum Performance requirements, you must pay whatever the charge is made by us or third-party trainers, if any, plus travel, food, and accommodations, and all other necessary expenses, which are subject to increase.

Mandatory Attendance at Conferences. At least once a year, ACNA organizes Regional Conferences and every year you are required to attend at least one (1) of these regional conferences. Conference fees for you and your EBCs/Key Personnel at the regional conferences are included in the Quarterly Conference and Technology Fee. However, travel to and from, accommodation during and meals outside the regional conference are not covered. You, or your MDC are required to attend Regional Conferences. EBC and Key Personnel are encouraged to attend Regional Conferences, but it is not a requirement to attend. In addition, at least once per year, ACNA organizes a Global Conference which may be held outside of the U.S. You are encouraged but not required to attend Global Conference. You will have to pay a registration fee for each person attending the Global Conference and your own travel, accommodation, and meal costs. It is possible that one of the mandatory conferences will occur during the initial months of your franchise.

ITEM 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We grant you the right to operate the franchise from one (1) specific location approved by us. You are granted a limited, exclusive Direct Marketing territory referred to as the Designated Direct Marketing Area (DDMA). The DDMA will be entered into Attachment 1 of the Franchise Agreement by contiguous zip codes, postal codes and/or counties. After we grant you a franchise, we will not grant a franchise nor license others to engage in any Direct Marketing to businesses within your DDMA. However, if any existing franchisee(s) have an existing right to provide Coaching Services and engage in Direct Marketing within the DDMA you have selected, we will provide details of each franchisee in Attachment 1 of the Franchise Agreement, and those franchisees will retain their Direct Marketing rights within your DDMA and will compete with you.

The standard DDMA is approximately 10,000 businesses at the time of granting you a Firm Business Coach Franchise Agreement. We will use third party demographic information service suppliers to determine the number of businesses in the DDMA you have chosen.

Your DDMA may be materially different to the DDMA of other franchisees due to differences in business population, density, business type, number of employees employed by the business, annual revenues, or other local economic and market conditions. We are under no obligation to grant you similar or like demographic profiles as other franchisees.

The DDMA may fluctuate in size during the term due to factors beyond our control, such as an increase or decrease in the number of existing businesses due to economic or other conditions or a change in demographics. A reduction in the number of businesses or change in the demographic of the DDMA will not result in a refund or reduction in the franchise fee. An increase in the number of businesses of the DDMA will not result in your payment of an additional franchise fee.

You can locate your office anywhere in the DDMA at a location we approve. Your initial office location will be specified in the Franchise Agreement. If you wish to relocate your office within your DDMA, you must obtain our prior consent. The primary factor we consider in evaluating any proposed location is whether it is professionally presented. We will not unreasonably withhold our consent to your relocation within your DDMA.

You can market and provide your services in or to any part of your DDMA, but you may not advertise in any media whose primary circulation or footprint is outside of your DDMA. If you receive a request from a Client or prospective Client to provide services outside of your DDMA, you must refer the request to us. If the Client's or prospective Client's principal office is outside of your DDMA and no Master Licensee or Business Coach has been licensed to operate in that area, we may refer the prospective Client back to you. After the first 12 months of your franchise agreement, you must meet a monthly quota referred to as the Minimum Performance Requirement, which is $10,000 per month starting on the 2nd year of your franchise agreement, $20,000 per month starting on the 3rd year of your franchise agreement, $30,000 per month starting on the 4th year of your franchise agreement, $40,000 per month starting on the 5th year of your franchise agreement and $50,000 per month starting on the 6th year of your franchise agreement and onwards. You must also employ or contract the services of at least one (1) Sales Manager or one (1) Lead Generation Specialist (each a "Key Personnel") within six (6) months of completing the 10-day training. If you fail to meet the Minimum Performance requirement in any assessment period, you must meet with us, at your expense, to discuss the performance of your business and develop a plan that we approve. You do not receive any options, rights of first refusal or similar rights to acquire additional franchises.

You do not have the right to Direct Market to Blue Chip Accounts. A Blue-Chip Account is a Fortune 500 Company that is listed in the past and present annual list compiled and published by Fortune magazine or similar publication. Typically, Blue Chip Accounts will be owned and serviced by us or ACNA through channels other than ActionCOACH business coach franchisees.

There are no circumstances under which we can modify your DDMA without your written consent.

However, we, ACIP and ACNA have the right to sell products in your DDMA via Across-Area Marketing Programs that reach customers and potential customers anywhere. We do not have to compensate you for soliciting or accepting orders from inside your DDMA. Across-Area Marketing Programs can be any type of Internet, television, electronic, co-branding, alliance, or affinity program, policy, or marketing strategy. For example, ACIP and/or its licensees sell products and speaker's services, over the Internet and on television, using the ActionCOACH marks. ACNA, ACIP and their affiliates have the right to establish other franchises, outlets, or distribution channels that may sell similar products and services under trademarks other than the ActionCOACH mark without compensating you, though we have no present plans to do so. As a result, you may face competition from channels of distribution or competitive brands that ACNA controls.

ITEM 13

TRADEMARKS

The following service marks are registered on the Principal Register of the United States Patent and Trademark Office (USPTO):

Mark	Registration Date	Registration Number	Class
ACTION COACH	December 9, 2008	3544043	9, 16, 25, 28, 35
actionCOACH	December 9, 2008	3544044	9, 16, 25, 28, 35

By virtue of an assignment from ActionCOACH Limited in 2012, ACIP became the registered owner of the marks above and intends to file an affidavit of incontestability, and renewal applications when due, for each registered mark. Renewal applications were submitted to and accepted by the USPTO for each of these registered marks as of December 2018.

Under a license dated July 1, 2012, ACIP granted ACNA the exclusive right to license the ActionCOACH trademarks and other intellectual property in the Territory, among others. The license is for a term of 99 years, and is terminable by ACIP only if: (i) ACNA fails to cure a material default within 90 days after receiving notice of default from ACIP; (ii) ACNA or any of its directors or executive officers is convicted (or pleads no contest to) of a felony, crime involving moral turpitude, or other crime that is likely to harm ACIP's goodwill in the trademarks; (iii) ACNA's assets are attached pursuant to court order; (iv) ACNA becomes insolvent or the subject of bankruptcy or dissolution proceedings, or ceases to do business. The license provides that, if the license to ACNA expires or terminates for any reason, ACNA's direct Business Coaches and Master Licensees, as sublicensees, will automatically become direct licensees of ACIP; so that your Business Coach Franchise Agreement will remain in effect.

ACNA has granted us a master license ("Master License") to use the Marks to franchise the ActionCOACH System in our territory. The Master License had an original term that ended on May 1, 2017, and we had the right to renew it (and have done so) for consecutive additional five (5) year terms in perpetuity. Our Master License can be terminated (for among other reasons) our bankruptcy, we fail to award the minimum required number of franchises, we are unable to pay debts, we transfer or assign our Master License without permission, we make material misrepresentations to ACNA, we fail to pay money owed to ACNA, or we commit any other material breach of the Master License. We are required to pay ACNA royalty, advertising, and other fees under the Master License. If the Master License is terminated, ACNA has the right to require us to assign your Franchise Agreement to ACNA or its designee.

There are no other agreements currently in effect that significantly limit our rights to use or license you to use the principal trademarks.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringements, opposition or cancellation proceedings, or any pending material litigation involving the principal trademarks. Neither we nor ACNA is aware of any superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the Territory or elsewhere.

You must notify us immediately if you become aware of any infringement of, or challenge to, your use of the principal trademarks. The Business Coach Franchise Agreement does not require us to defend you or indemnify you against any third-party claim or demand arising out of your use of the principal trademarks, but we or ACNA may do so voluntarily and have the right to control any proceeding or litigation involving the principal trademarks. You must assist and cooperate with us or ACNA in taking such action, if any, as we or ACNA deem appropriate to protect the Confidential Information and the principal trademarks.

If we notify you that ACIP has changed, discontinued, or substituted for any of the trademarks, you must comply with the changes at your own expense. You may not contest ACIP's ownership of, or ACNA's right to use and sublicense, any of the trademarks. On expiration or termination of the Business Coach Franchise Agreement for any reason, you must cease using the trademarks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are relevant to the franchise. However, ACIP, by way of assignment from ActionCOACH Limited in July 2012, claims copyrights in and/or trade secret protection with respect to all materials (including books, and forms), systems, customer lists, supplier lists, Manuals, software, electronic communications, Intranets, Web Pages, shows, events, marketing plans, and research and development related to the ActionCOACH concept. ActionCOACH Limited and ACIP has not registered the copyright in any of these materials. ACNA has been licensed by ACIP to use this intellectual property in the U.S.A. and to sublicense it to us and you. The license from ACIP to ACNA is cancelable only in the situations described in Item 13.

You must treat the Manuals, the information contained in them, and all other trade secrets, know how, methods, information, recruiting techniques, accounting procedures, control procedures, marketing techniques and customer and prospect data relating to the System as confidential information owned by ACIP. You may not divulge any of this proprietary information or use it for any purpose other than the operation of your Business Coach franchise. You must have your Business Coaches and employees sign nondisclosure and noncompete agreements similar to those binding you. A sample employee nondisclosure and noncompete agreement is in Exhibit D. You must promptly tell us when you learn about unauthorized use or disclosure of any of ACIP's proprietary materials or information.

If we notify you that ACNA has modified the trademarks to be used in the Territory, you must change, discontinue, or substitute for any of the trademarks, at your own expense. You must also immediately inform us of any suspected, known or threatened infringement of or challenge to the trademarks, copyright or unauthorized disclosure or use of confidential information. You must assist and cooperate with us or ACNA in taking such action, if any, as we or ACNA deem appropriate to protect the confidential Information or trademarks.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Only one (1) person may be an MDC at any given time. Ordinarily, you must personally serve as the MDC throughout the franchise term. You may appoint another individual to serve as MDC in your place only if we approve you in writing to appoint an MDC. We will only approve an MDC if he or she: (a) has been approved by us and trained by ACNA; (b) has signed a Managing Director Business Coach Agreement (in Exhibit C) with you and us; and (c) has direct responsibility for all business operations of the franchise and the authority to bind you in any dealings with us and ACNA. This person does not need to have an ownership interest in your business. We generally approve a proposed MDC unless the individual has a poor record of business performance.

In addition to the MDC, you may appoint an unlimited number of individuals to serve as EBCs as long as the individuals have (a) been approved by us and trained by ACNA and (b) have signed an Employee Business Coach agreement with you.

If you wish to transfer your Business Coach Franchise Agreement to a corporation, limited liability company, or other legal entity, all owners of the entity must personally guarantee its obligations to us. The current form of personal guaranty is Attachment 2 to the Franchise Agreement. Your spouse does not have to sign a personal guaranty unless he or she is an owner.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer only the coaching services and related products that ACNA has approved for sale by Business Coaches in the U.S.A. You may not offer any legal advice, accounting services, or other professional advice or services which require a license from the state. You must offer all products and services that ACNA specifies to be made available to Clients. ACNA may change the types of authorized goods or services. ACNA or we will communicate any changes to you. There are no limits on ACNA's right to make changes in this area.

You may not advertise in any media whose primary circulation or footprint is outside your DDMA. You may not engage in direct marketing to customers or prospects outside of your DDMA. Web advertising will be subject to the terms and conditions ACNA specifies. If you receive a request from a Client or prospective Client to provide services outside of the DDMA, you must refer the request to ACNA. If the prospective Client's principal office is outside of your DDMA and no Business Coach has been licensed to operate in that area, then ACNA may refer the prospective Client back to you for coaching services.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreement in Exhibit A to this disclosure document.

Provision	Section	Summary
a. Length of the franchise term	Section 2	15 years

Provision	Section	Summary
b. Renewal or extension of the term	Section 2	Successive 15 years
c. Requirements for franchisee to renew or extend	Section 2	Give notice at least six (6) months before expiration, be current in payments and remedy any specified breaches, have received no more than 1 notice of default in last 24 months, good record of compliance with Agreement and Manual, achieve minimum performance , sign updated form of franchise agreement (which may contain materially different terms and conditions than your original agreement), upgrade image and appearance of business as needed, pay renewal fee, sign release. The new franchise agreement may have materially different terms and conditions than the Franchise Agreement that covered your initial term. The boundaries of your DDMA may change, and the fees on renewal will not be greater than the fees we impose on similarly situated renewing franchises.
d. Termination by franchisee	Section 17.1	You can terminate if we commit a material default and fail to cure within 60 days. This provision is subject to state law.
e. Termination by Master License without cause	Not applicable	Not applicable
f. Termination by Franchisor for cause	Section 17.2 & 17.3	We may terminate your franchise for cause.
g. "Cause" defined - curable defaults	Section 17.3	You have 30 days to cure for non-payment of fees, non-submission of reports, and any other default not listed in h. below.
h. "Cause" defined – non-curable defaults	Section 17.2	Non-curable defaults: abandonment, conviction of crime, trademark misuse, health or public safety hazard, unapproved ownership transfer, failure to maintain a business office, understatement of Gross Revenues by 3% or more twice within 12 months, failure to submit reports, pay fees, or pay creditors 3 times in 12 months, misrepresentations in franchise application or reports.
i. Franchisee's obligations on termination/ non-renewal	Sections 6.2, 14.4, 15, 16.2, 16.7 & 18	Obligations include notification to Clients and prospective clients, payment of amounts due, complete de-identification and cessation of use of marks, surrender of Client and prospective client database, withdrawal of fictitious name filings, payment of liquidated damages (if we terminate based on your default), and compliance with indemnification clause and post-term non-compete.

Provision	Section	Summary
j. Assignment of contract by franchisor	Section 20.1, 19.2	No restriction on our right to assign. If our Master License Agreement expires or is terminated, our interest in your agreement is automatically assigned to ACNA, which will be responsible only for obligations after the date of its assumption of your agreement.
k. "Transfer" by franchisee - defined	Section 20.2	Includes assignment of the Franchise Agreement and sale or other transfer of any ownership interest in the business.
l. Franchisor approval of transfer by franchisee	Section 20.2	We have the right to approve all transfers.
m. Conditions for Franchisor approval of transfer	Section 20.3,	We approve proposed transferee, transferee pays training fee and completes training, you pay outstanding obligations and cure other defaults, you sign general release and pay transfer fee, transferee signs new franchise agreement (at our option). You may not transfer your Managing Director Business Coach Agreement and/or any of your individual Employee Business Coach agreements unless you are transferring all such existing agreements together as a complete franchise.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 20	We can match any offer for your business.
o. Franchisor's option to purchase franchisee's business	Section 20	Only after notice of your intention to sell to a third party.
p. Death or disability of franchisee	Section 20.5	Your heirs or personal representatives must apply within 120 days for consent to transfer your interest. Standard conditions apply, except no transfer fee is required. In case of death, your executor can buy out of the remaining term of the Franchise Agreement.
q. Non-competition covenants during the Term of franchise	Section 16.1 and 16.7	No involvement in any business that offers business coaching or mentoring services in the U.S.A. ("Competing Business"). You may not employ or otherwise interfere with the employment relationship of any person who is employed by us, ACNA or any other master licensee.

Provision	Section	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 16.2 and 16.7	You may not engage in any of the activities described in q. above for 2 years after expiration, termination, or transfer. You may not solicit, for the benefit of any Competing Business, any person who was a Client of the Business during the 2 years immediately before expiration, termination, or transfer. All of the above applies in the DDMA and for 100 miles outside of the DDMA.
s. Modification of the agreement	Sections 10.3 & 22.5	Amendments must be in writing. ACNA has the right to make changes to the Manuals.
t. Integration/merger clause	Section 22.5	Only the terms of the Franchise Agreement are binding (subject to state law; see Exhibit G). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Section 22.9	All disputes are to be resolved by mediation and arbitration. This provision is subject to state law.
v. Choice of forum	Section 22.9	If ACNA is a party, then the exclusive venue for arbitration is the city or county where ACNA has its headquarters at the time the arbitration demand is filed (currently Las Vegas, Nevada). No forum selection clause for litigation. State franchise statutes may supersede this choice of forum, but may be preempted by the Federal Arbitration Act; see Exhibit G. This provision is subject to state law.
w. Choice of law	Section 22.8	The law of the state where ACNA has its headquarters at the time of the dispute governs the contract (currently, Nevada). State law may override this provision; see Exhibit G. This provision is subject to state law.

If applicable, Exhibit B to this disclosure document includes an addendum to the Franchise Agreement to implement contract changes required by your state. If applicable, Exhibit G contains additional disclosures required by your state.

ITEM 18

PUBLIC FIGURES

Neither we nor ACNA currently uses any public figure to promote ActionCOACH Business Coach franchises.

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

Except as set forth in the Tables below, we do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of an ActionCOACH franchise.

All data in this Item 19 were based on unaudited data reported on a voluntary basis by 126 outlets (or 89% percent of the 142 franchise outlets operating as of December 31, 2022) in the ActionMEMBERS Key Performance Indicator system. 16 franchise outlets or 11% of the 142 franchise outlets operating as of December 31, 2022, did not report any data. All amounts are in US Dollars.

Numbers from two (2) types of business coach franchises are included in this Item 19. "Firm" business coach franchises are the type of franchise we are offering you under this Franchise Disclosure Document. Firm franchisees have no restriction on the number of EBCs they may hire. "Practice" business coaches largely operate as individuals and, except for Practice Premium franchises, may not have EBCs. Practice Premium franchises may have up to two (2) EBCs only. Further, Practice franchisees do not have any rights of exclusivity within their respective designated territories unless they separately paid for that right. Otherwise, there are no material differences between Firm franchises and Practice franchises. We no longer offer Practice franchises.

Tables 1 through 4 are historical representations of the unaudited average and median Gross Revenues, 1-on-1 Sales, Sales of other products and the average hourly rate as reported by the following groups of franchises:

	Description
Firm	40 outlets of Firm franchises that operated for all 12 months of the year ended December 31, 2022, which are also: • 68% of the total 59 Firm outlets operating as of December 31, 2022. • 31% of the total 128 franchise outlets that operated for all 12 months of the year ended December 31, 2022. • 27% of the total 150 franchise outlets operating as of December 31, 2022. The following were excluded from this subset: (a) 10 Firm outlets that permanently closed in 2022, (b) 14 Firm outlets that only started operating in 2022. No Firm outlet temporarily closed in 2022.
Practices	88 outlets of Practice, Practice (Pro), Practice (7 Year) and Practice (Premium) franchises that operated for all 12 months of the year ended December 31, 2022, which are also: • 97% of the total 91 Practice, Practice (Pro), Practice (7 Year) and Practice (Premium) franchise outlets operating as of December 31 of 2022. • 69% of the total 128 franchise outlets that operated for all 12 months of the year ended December 31, 2022. • 62% of the total 142 franchise outlets operating as of December 31, 2022.

The following were excluded from this subset: (a) 15 Practice outlets that permanently closed in 2022, (b) 6 Practices outlets that only started operating in 2022 and (c) 1 practice outlet that temporarily closed in 2022.

Table 1 - Gross Revenues

Franchise	Average						Median
	Annual	Monthly	Franchisees that Reached/Exceeded Average				
			No.	%	High Amount (Annual)	Low Amount (Annual)	
Firm	275,956	22,996	9	39%	1,095,630	355,005	174,082
Practices	171,942	14,329	31	34%	815,273	196,125	112,600

Table 2 - 1 to 1 Sales

Franchise	Average						Median
	Annual	Monthly	Franchisees that Reached/Exceeded Average				
			No.	%	High Amount (Annual)	Low Amount (Annual)	
Firm	192,022	16,002	8	35%	800,197	272,400	73,893
Practices	123,844	10,320	34	37%	543,300	127,690	96,299

Table 3 – Sales of other Products

Franchise	Average						Median
	Annual	Monthly	Franchisees that Reached/Exceeded Average				
			No.	%	High Amount (Annual)	Low Amount (Annual)	
Firm	28,180	2,348	4	17%	359,680	53,094	-
Practices	13,652	1,138	20	22%	173,886	14,669	750

Table 4 – Hourly Rate

Franchise	Average					Median
	Hourly Rate	Franchisees that Reached/Exceeded Average				
		No.	%	High Amount (Annual)	Low Amount (Annual)	

Firm	416	12	52%	1,645	436	436
Practices	295	46	51%	858	295	295

Notes:

(1) "Gross Revenues" means the total receipts derived by each outlet from services performed and products sold by or in connection with the Business. Any property or services received from Clients in exchange for Coaching Services by each outlet will be included in Gross Revenues at their fair market value at the time received. Gross Revenues also include any proceeds an outlet may receive from business interruption insurance. Gross Revenues do not include sales taxes or credits such as the sale price of any products returned by Clients or other taxes that an outlet collects from Clients and pay directly to the appropriate governmental authorities.

(2) "1-to-1 Sales" means sales of the following business coaching programs: StartUP, StepUP, PowerUP, FreedomCOACH and UltimateCOACH.

(3) "Other Products" means all products or programs other than the 1-on-1 business coaching programs.

CAUTION

The financial performance representation figures do not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be a source of this information.

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

We offer substantially the same coaching programs for delivery to clients to all franchisees. Although we may suggest prices for coaching programs offered by franchisees, franchisees may offer and sell coaching programs and services at any price it chooses.

ACNA will, on reasonable request, make available to qualified prospective franchisees written substantiation of the financial performance representation at ACNA's headquarters.

Other than the preceding financial performance representation, ActionCOACH OneCo, 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, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting accounts@actioncoach.com at 5781 S. Fort Apache Road, Las Vegas, NV; Tel. No. 1-888-483-2828, the Federal Trade Commission, and the appropriate state regulatory agencies.

[This Area Intentionally Left Blank]

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

For consistency, we have provided information as of ACNA's last three (3) fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022. Our fiscal year ends on December 31 of each year.

Tables 1 through 5 cover the history of all outlets in the United States for these periods.

Table 1

System wide Franchise Outlet Summary for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022

Outlet Type	Year End	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	31-Dec-20	154	121	-33
	31-Dec-21	121	138	17
	31-Dec-22	138	139	1
Company Owned	31-Dec-20	0	0	0
	31-Dec-21	0	2	2
	31-Dec-22	2	2	2
Total	**31-Dec-20**	**154**	**121**	**-33**
	31-Dec-21	**121**	**140**	**19**
	31-Dec-22	**140**	**141**	**3**

Table 2

Transfers of Outlets from Franchisees to New Owners (other than Franchisor) for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022

State	Year End	No. of Transfers
North Carolina	31-Dec-20	0
	31-Dec-21	0
	31-Dec-22	1
Ohio	31-Dec-20	0
	31-Dec-21	0
	31-Dec-22	1
Texas	31-Dec-20	0
	30-Dec-21	1
	30-Dec-22	2
Total	**31-Dec-20**	**0**
	31-Dec-21	**1**
	30-Dec-22	**4**

Table 3
Status of Franchised Outlets for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022

State	Year End	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewal	Re-acquired	Ceased Operation / Other reason (Note 3)	Outlets at end of Year
Alabama	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Arizona	31-Dec-20	3	0	0	0	0	1	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
California	31-Dec-20	9	0	1	0	0	2	6
	31-Dec-21	6	0	0	0	0	0	6
	31-Dec-22	6	1	1	0	0	1	5
Colorado	31-Dec-20	4	0	0	0	0	2	2
	31-Dec-21	2	0	0	1	0	0	1
	31-Dec-22	1	0	0	0	0	0	1
Connecticut	31-Dec-20	1	1	0	0	0	0	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
Delaware	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Florida	31-Dec-20	14	0	0	0	0	4	10
	31-Dec-21	10	1	0	0	0	1	10
	31-Dec-22	10	2	1	0	0	0	11
Georgia	31-Dec-20	4	2	0	0	0	1	5
	31-Dec-21	5	1	0	0	0	1	5
	31-Dec-22	5	2	0	0	0	0	7
Idaho	31-Dec-20	1	0	1	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Illinois	31-Dec-20	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	1	0	0	1
	31-Dec-22	1	0	0	0	0	0	1
Indiana	31-Dec-20	3	0	0	0	0	0	3
	31-Dec-21	3	4	0	0	0	1	6
	31-Dec-22	6	0	1	0	0	0	5
Iowa / Nebraska	31-Dec-20	11	1	0	2	0	5	5
	31-Dec-21	5	2	0	0	0	0	7
	31-Dec-22	7	2	1	0	0	0	8
Kansas	31-Dec-20	5	0	0	0	0	3	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
Kentucky	31-Dec-20	5	1	0	0	0	2	4
	31-Dec-21	4	4	0	0	0	4	4
	31-Dec-22	4	0	0	0	0	0	4

State	Year End	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewal	Re-acquired	Ceased Operation / Other reason (Note 3)	Outlets at end of Year
Louisiana	31-Dec-20	2	0	0	0	0	0	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
Maine	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Maryland	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Massachusetts	31-Dec-20	1	0	0	1	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Michigan	31-Dec-20	1	0	0	1	0	0	0
	31-Dec-21	0	1	0	0	0	0	1
	31-Dec-22	1	0	0	0	0	0	1
Minnesota	31-Dec-20	3	1	0	0	0	2	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	6	1	0	0	0	5
Mississippi	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	2	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
Missouri	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	1	0	0	0	0	1
Nevada	31-Dec-20	2	1	0	0	0	0	3
	31-Dec-21	3	1	1	0	0	0	3
	31-Dec-22	3	0	1	0	0	0	2
New Jersey	31-Dec-20	2	0	0	0	0	0	2
	31-Dec-21	2	0	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
New Mexico	31-Dec-20	1	0	0	0	0	0	1
	31-Dec-21	1	0	0	0	0	0	1
	31-Dec-22	1	0	0	0	0	0	1
New York	31-Dec-20	1	0	0	0	0	0	1
	31-Dec-21	1	1	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
North Carolina	31-Dec-20	12	0	0	0	0	6	6
	31-Dec-21	6	3	1	0	0	0	8
	31-Dec-22	8	0	0	0	0	0	8
Ohio	31-Dec-20	17	6	1	0	0	5	17
	31-Dec-21	17	4	2	0	0	2	17
	31-Dec-22	17	5	3	1	0	0	15
Oklahoma	31-Dec-20	1	0	0	0	0	0	1
	31-Dec-21	1	0	0	0	0	0	1
	31-Dec-22	1	0	0	0	0	0	1

State	Year End	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewal	Re-acquired	Ceased Operation / Other reason (Note 3)	Outlets at end of Year
Oregon	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Pennsylvania	31-Dec-20	3	0	0	0	0	0	3
	31-Dec-21	3	0	0	0	0	0	3
	31-Dec-22	3	0	0	0	0	0	3
South Carolina	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Tennessee	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Texas	31-Dec-20	31	9	7	0	0	5	28
	31-Dec-21	28	10	3	0	0	1	34
	31-Dec-22	34	1	2	0	2	0	35
Utah	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	2	0	0	0	0	2
	31-Dec-22	2	0	0	0	0	0	2
Virginia	31-Dec-20	1	2	0	0	0	0	3
	31-Dec-21	3	0	0	0	0	0	3
	31-Dec-22	3	1	2	0	0	0	2
W. Virginia	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	0	0	0	0	0	0
Washington	31-Dec-20	2	0	0	0	0	0	2
	31-Dec-21	2	1	0	0	0	1	2
	31-Dec-22	2	0	0	0	0	0	2
Wisconsin	31-Dec-20	12	2	0	0	0	7	7
	31-Dec-21	7	0	0	0	0	0	7
	31-Dec-22	7	3	0	1	0	0	9
Total	**31-Dec-20**	**155**	**26**	**10**	**4**	**0**	**45**	**121**
	31-Dec-21	**121**	**37**	**7**	**2**	**0**	**11**	**138**
	31-Dec-22	**138**	**24**	**13**	**2**	**2**	**2**	**148**

Table 4
Status of Company Owned Franchise Outlets for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022

State	Year End	Outlets at Start of Year	Outlets Opened	Termina-tion	Non-Renewal	Re-acquired	Ceased Operation / Other reason	Outlets at end of Year
Alabama	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	1	0	0	0	1	0
Idaho	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	1	0	0	0	1	0
Nevada	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	2	0	0	0	1	1
	31-Dec-22	1	2	0	0	0	2	1
Oregon	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	1	0	0	0	1	0
Tennessee	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	0	0	0	0	0	0
	31-Dec-22	0	1	0	0	0	1	0
Utah	31-Dec-20	0	0	0	0	0	0	0
	31-Dec-21	0	1	0	0	0	0	1
	31-Dec-22	1	0	0	0	0	0	1
Total	**31-Dec-20**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	31-Dec-21	**0**	**3**	**0**	**0**	**0**	**1**	**2**
	31-Dec-22	**2**	**6**	**0**	**0**	**0**	**6**	**2**

Table 5
Projected Franchised Outlet Openings

State	Franchise Agreements signed but Outlet not open as of December 31, 2022	Projected New Outlets for Fiscal Year ending December 31, 2023	
		Franchised	Company Owned
Alabama	-	1	1
Alaska	-	1	1
Arizona	-	4	1
Arkansas	-	1	1
California	-	5	1
Colorado	-	1	-
Connecticut	-	4	1
Florida	-	4	-
Georgia	-	2	-
Hawaii	-	1	1
Idaho	-	1	1

State	Franchise Agreements signed but Outlet not open as of December 31, 2022	Projected New Outlets for Fiscal Year ending December 31, 2023	
		Franchised	Company Owned
Illinois	-	1	1
Indiana	-	1	-
Iowa	1	4	1
Kansas	-	1	1
Kentucky	-	1	1
Louisiana	-	1	1
Maine	-	1	1
Maryland	-	1	-
Massachusetts	-	1	1
Michigan	-	1	1
Minnesota	5	1	-
Mississippi	-	1	1
Missouri	-	1	1
Nebraska	-	2	-
Nevada	-	1	4
New Hampshire	-	1	1
New Jersey	-	2	1
New Mexico	-	1	1
New York	-	1	1
North Carolina	-	3	1
North Dakota	-	1	1
Ohio	3	1	1
Oklahoma	-	1	1
Oregon	-	1	1
Pennsylvania	-	2	1
Rhode Island	-	1	1
South Carolina	-	1	-
South Dakota	-	1	1
Tennessee	-	2	1
Texas	-	16	1
Utah	-	1	1
Vermont	-	1	1
Virginia	-	3	1
Washington	-	1	1
West Virginia	-	1	1
Wisconsin	3	1	-
Wyoming	-	1	1
Total	**12**	**88**	**42**

NOTES:

(1) “Outlets at Start of Year” and “Outlets at End of Year” include all outlets being actively operated as of the first and last day of the fiscal year, respectively. “Outlets Opened” may reflect franchises opened that fiscal year but sold in previous fiscal years. The table does not include outlets that were terminated without ever having been operated.

(2) “Reacquired” includes outlets reacquired by us, ACNA or the master licensee in the pertinent state.

(3) Outlets under “Ceased Operation / Other Reason” also include (a) outlets that ceased operating an old franchise to operate a new franchise by reason of purchase of a new franchise model or a franchise model upgrade, and (b) employee business coaches of franchisees who continue to provide Coaching Services for a franchise but are no longer considered a separate franchise outlet. See also Exhibit J.

(4) States that are not listed in Table 5 had no Business Coach franchise agreement signed but not open as of December 31, 2022, and have no Business Coach franchise agreements projected for the year ending December 31, 2023.

Exhibit I to this disclosure document is a list of all Franchisees in the USA as of December 31, 2022. Exhibit J to this disclosure document lists the names and last known addresses and telephone numbers of every Franchisee who had a franchise agreement terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business or operate an outlet under a franchise agreement during ACNA’s fiscal year ended December 31, 2022. The list also identifies any Franchisee who had not communicated with us within ten (10) weeks of **April 29, 2023**. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, within the periods covered by the tables in this Item 19, current and former franchisees have signed confidentiality clauses, provisions restricting their ability to speak openly about their experience with ActionCOACH. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

There is no trademark-specific franchisee organization associated with ActionCOACH franchise system.

ITEM 21

FINANCIAL STATEMENTS

Exhibit K contains the following financial statements:

1. Our audited financial statements for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022.

2. The audited financial statement of ACNA for the fiscal years ended December 31, 2020, December 31, 2021, and December 31, 2022.

ITEM 22

CONTRACTS

Exhibit A	The Firm Business Coach Franchise Agreement
Exhibit B	State-Required Addenda to Franchise Agreement
Exhibit C	Managing Director Business Coach Agreement
Exhibit D	Nondisclosure and Noncompete Agreement
Exhibit E	Release
Exhibit F	Compliance Questionnaire

We will not ask you to complete the Compliance Questionnaire, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

ITEM 23

RECEIPTS

Included at the end of this disclosure document are two (2) detachable Receipts. You must sign and date both Receipts and deliver one (1) of the signed Receipts to us at least 14 calendar days (or 10 business days, in certain states) before you sign the Business Coach Franchise Agreement or pay us any money.

EXHIBIT A

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

THE FIRM

BUSINESS COACH FRANCHISE AGREEMENT

THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

Table of Contents

THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

THIS FIRM BUSINESS COACH FRANCHISE AGREEMENT (this "Agreement") is entered into as of the Effective Date between **ActionCOACH OneCo., LLC** ("Master Licensee") and [name or entity], the individual or legal entity identified as "Franchisee", on Attachment 1 ("you" or "your").

RECITALS

A. ActionCOACH IPCo, Ltd. ("Licensor") owns the Marks, the System, and the Confidential Information, all as defined below, and has granted ActionCOACH North America, LLC ("Franchisor") the exclusive right to license and authorize the sublicensing of the Marks, the System, and the Confidential Information within Master Licensee's Territory.

B. Franchisor has granted Master Licensee the right to sublicense the Marks, the System and the Confidential Information within Master Licensee's Territory.

C. You wish to obtain the right to use the System, the Confidential Information, and the Marks and be assisted, trained, and licensed by Master Licensee as an ActionCOACH business coaching and mentoring Business, operating in the DDMA.

The parties agree as follows:

DEFINITIONS

"Across-Area Marketing Programs" means ActionCOACH Internet, television, electronic, co-branding, alliance, affinity, and other marketing programs, policies, and strategies.

"Affiliate" means a person or business entity which is united, attached, connected, or allied with, or is controlling or under common control with a party.

"Agreement" is defined in the first paragraph of this contract.

"Blue Chip Account" is a Fortune 500 Company that is listed in the past or present annual list compiled and published by Fortune magazine or similar publication. Due to the rapid development of new business concepts including online businesses, Franchisor may amend the guidelines and policies for Blue Chip Accounts from time-to-time.

"Business" means the ActionCOACH business coaching, business training and mentoring business that you are authorized to conduct within the DDMA under this Agreement.

"Business Coach" means a person providing Coaching Services to Clients either as Managing Director Business Coach or Employee Business Coach.

"Client" means a business owner or other customer who agrees to purchase Coaching Services from the Business.

"Client Forms" means the forms specified by Franchisor or Master Licensee in the Manuals or otherwise in writing to be used by you to procure the details of Clients.

"Client Information" means Client-related contact names, addresses, telephone numbers, e-mail addresses, completed Client Forms, Client purchase and service records, other details relating to Clients, and all other information collected by you relating to a Client.

"Coaching Services" means the business coaching, business training, business coaching and mentoring services, training modules, products, business plan drafting assistance, and other services and products authorized by Franchisor from time-to-time for you to deliver or provide to Clients through your Business.

"Conference and Technology Fees" is defined in Section 4.4.

"Confidential Information" is defined in Section 15.3.

“Designated Direct Marketing Area” or “DDMA” means the area specified in Attachment 1 for the purpose of your Direct Marketing to prospective clients and Clients and as set out in Section 8 and may be modified in accordance with the terms of this Agreement. Master Licensee assigns the DDMA as a geographical area defined by zip codes, postal codes and/or counties.

“Direct Market" or “Direct Marketing” means to communicate to prospective clients within the DDMA by direct mail, telemarketing, email marketing, door-to-door marketing, broadcast faxing, voicemail marketing, couponing, or direct selling. Franchisor has the sole right to determine, whether any other activity or marketing method not listed here is considered Direct Marketing.

“Effective Date” is the date Master Licensee signs this Agreement, as indicated in the signature block.

“Employee Business Coach” or “EBC” means the specific individual (other than a Managing Director Business Coach) who is authorized by Master Licensee and Firm Owner(s) to provide Coaching Services to Clients on the Business’s behalf. You may appoint an unlimited number of individuals to serve as EBCs, as long as those individuals: (i) have been approved by Master Licensee and trained by Franchisor, and (ii) have signed an Employee Business Coach agreement with you.

“Financial Year” means a year commencing on January 1 and ending on December 31.

“Firm Owner” means the individual or business entity who has executed this Agreement. Firm Owner(s) who have attended Franchisor’s training are authorized, and required, to provide coaching support services and supervision to the Managing Director Business Coach within the Business under a Managing Director Business Coach Agreement, in a form approved by Franchisor. All Firm Owners must be identified in Attachment 1.

“Gross Revenues” means all consideration, whether by cash, credit, in kind, checks, gift certificates, scrip, coupons, services, property or other means of exchange, or otherwise, derived directly or indirectly from the operation of the Business. Any property or services received from Clients in exchange for Coaching Services will be included in Gross Revenues at their fair market value at the time received. Gross Revenues also include any proceeds you may receive from business interruption insurance. Gross Revenues do not include sales taxes or credits such as the sale price of any products returned by Clients or other taxes that you collect from Clients and pay directly to the appropriate governmental authorities.

“Improvement” is defined in Section 15.6.

“Interim Term” is defined in Section 2.3.

“Key Personnel” means your MDC, sales manager, and/or lead generation specialist.

“Managing Director Business Coach” or “MDC” means the Firm Owner personally serving as Business Coach or the person appointed by the Firm Owner (subject to conditions herein) to provide Coaching Services to Clients on behalf of the Business and has authority to bind you in any dealings with Master Licensee and Franchisor. At least one (1) Firm Owner must personally serve as a Managing Director Business Coach throughout the Term unless Master Licensee agrees to shorten this period (which agreement may be conditional). You may appoint an MDC in lieu of a Firm Owner serving in that role, as long as such individual: (i) has been approved by Master Licensee and trained by Franchisor; and (ii) has signed a Managing Director Business Coach Agreement with you and Master Licensee.

“Manuals” means the operations manuals, policy statements, directives, and other written instructions issued by Franchisor with respect to the System, including, without limitation, information and materials posted in the Intranet areas of the ActionCOACH website, as they may be amended and revised from time-to-time. Part or all of the Manuals may be issued in electronic form.

“Marketing and Advertising Fee” is defined in Section 4.2.

“Marks” means ACTION COACH, ActionCOACH, and such other registered and unregistered trade names, trademarks, service marks, logos, commercial symbols, Internet domain names, website identifiers, designs, color schemes, and trade dress as Franchisor may designate from time-to-time for use with the System.

“Master Licensee” is the party identified as such in the first section of Attachment 1.

"**Master Licensee's Territory"** is described in Attachment 1.

"Minimum Key Personnel Requirement" means that you must have an MDC and one (1) sales manager or one (1) lead generation specialist.

"Minimum Performance Requirement" means the criteria specified in Section 12.

"Office" means the professional office space from which you will operate your Business, at the location identified on Attachment 1.

"Renewal Notice" is defined in Section 2.1(A).

"Restraint Area" is defined in Section 16.

"Restraint Period" is defined in Section 16.

"Royalty Fee" is defined in Section 4.1.

"System" means the business methods, specifications, procedures, and accumulated trial and error developed, and to be developed, by Franchisor for the operation and management of a Business.

"Term" is defined in Section 2.1.

"Training Fee" is defined in Section 4.3.

"Transfer Fee" is defined in Section 20.3.

SECTION 1 - RIGHTS GRANTED

1.1 Master Licensee grants you the right, and you undertake the obligation, to:

A. Operate the Business from the Office and within the DDMA under the terms and conditions of this Agreement; and

B. Use the Marks and the System as they may be modified, amended, and developed from time-to-time in the operation of the Business.

1.2 This Agreement does not include, and you do not have: (i) the right to sell products to any vendor who would in turn sell to consumers; (ii) the right to sell any product or services using the Marks or the System except through the Business, in conformance with Franchisor's requirements; (iii) or the right to perform any Coaching Services other than through the Business.

1.3 You do not have the right to grant franchises or sub-licenses of any kind to any other party.

SECTION 2 - TERM AND RENEWAL OPTIONS

2.1 The term of this Agreement (the "Term") commences on the Effective Date and, unless sooner terminated under Section 17, expires on the fifteenth (15^{th}) anniversary of the Effective Date.

2.2 You have the option at the end of the Term to obtain a successor franchise and continue operating the Business for an unlimited number of additional terms of fifteen (15) years each, subject to your fulfilling the conditions listed below. Specifically, Master Licensee may in its sole discretion refuse to grant you a successor franchise agreement if you have not satisfied each of the following conditions:

A. You must give Master Licensee written notice of your election to renew ("Renewal Notice") not more than nine (9) months, and not less than six (6) months, before the current Term expires. Master Licensee will respond to this notice with its approval or disapproval within two (2) months of receiving the Renewal Notice.

B. You must be current in all payment obligations to Master Licensee and must not be in default of this Agreement or of any other agreement between you and: (i) Franchisor or its Affiliates; or (ii) Master Licensee or its Affiliates.

C. You must not have received more than one (1) written notice of default from Master Licensee in the twenty-four (24) months preceding delivery of the Renewal Notice.

E. You must have achieved Minimum Performance and the Minimum Key Personnel Requirement set out in Attachment 1 for each month during the Term.

F. You must execute a new franchise agreement on the then-current form designated by Franchisor, the terms of which may differ from this Agreement and may incorporate, without limitation: (a) any increase in the Royalty Fee, EBC Training Fee, Marketing and Advertising Cap and other fees that Franchisor may adopt generally for renewing franchisees, and (b) Franchisor's then-current Minimum Royalty or Minimum Performance Requirement, which may be materially and substantially different than the Minimum Royalty or Minimum Performance Requirement. Your failure to execute the new franchise agreement within thirty (30) days after its delivery to you will be deemed an election not to renew.

G. You must execute a general release in Franchisor's then-current form of any and all claims against Master Licensee, Licensor, Franchisor, each of their respective Affiliates and their respective officers, directors, shareholders, managers, members, agents and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release you give will not be inconsistent with any state law regulating franchising.

H. You must make such expenditures as may be reasonably required to upgrade the Business and its signs, stock, forms, and equipment so as to reflect the then-current image of the ActionCOACH concept.

I. You must pay Master Licensee the Renewal Fee specified in Attachment 1.

J. You, or your Managing Director Business Coach must have attended every year at least one (1) of Franchisor's regional conferences. If you, or your Managing Director Business Coach has not met this requirement, Franchisor, in its absolute discretion, may allow you, or your Managing Director Business Coach to re-attend the pertinent training to remedy non-compliance. However, you must pay the then-current Training Fee.

2.3 If you do not sign the new franchise agreement prior to the expiration of this Agreement and you continue to accept the benefits of this Agreement after it expires, then at Master Licensee's option, this Agreement may be treated either as: (i) expired as of the date of expiration with you then operating without a franchise; or (ii) continued on a month-to-month basis ("Interim Term") until one party provides the other with written notice of such party's intent to terminate the Interim Term, in which case the Interim Term will terminate thirty (30) days after the date of the notice to terminate the Interim Term. In the latter case, all of your obligations will remain in full force and effect during the Interim Term as if this Agreement had not expired, and all obligations and restrictions imposed on you upon expiration of this Agreement will be deemed to take effect upon termination of the Interim Term.

SECTION 3 - INITIAL FEES

You must pay Master Licensee the Franchise Fee and Training Fee specified in Attachment 1 upon signing this Agreement. These fees are fully earned once paid and not refundable in whole or in part under any circumstances.

SECTION 4 - ONGOING FEES AND ROYALTIES

4.1 Beginning on the first (1st) day of the fourth (4th) full month after you or your MDC completes the initial training program, you must pay Master Licensee a monthly royalty fee equal to the greater of: (i) ten percent (10%) of the Gross Revenues from your Business during the preceding month; (ii) ten percent

(10%) of the monthly Minimum Performance Requirement; or (iii) one thousand nine hundred fifty dollars ($1,950) (the "Royalty Fee").

A. Of these amounts, one thousand nine hundred fifty dollars ($1,950) must be paid on or before the 1st calendar day of the month. The balance, if any, must be paid on or before the 15th day of the month.

B. Each Royalty Fee payment must be accompanied by a statement of the preceding month's Gross Revenues in a form approved by Master Licensee.

4.2 Beginning on or before the fifth (5th) day of the calendar month after you or your Managing Director Business Coach completes the initial training program, you must pay Master Licensee a monthly marketing and advertising fee equal to five percent (5%) of the Gross Revenues from your Business during the preceding month (the "Marketing and Advertising Fee"). If you employ a full-time lead generation specialist for your Business who meets Franchisor's then-current criteria and is approved in writing by Master Licensee, the Marketing and Advertising Fee will be capped at two thousand dollars ($2,000) monthly.

4.3 You must, no later than fourteen (14) days before the beginning of the applicable training program, pay Master Licensee: (i) an EBC training fee of five thousand dollars ($5,000) per trainee; and (ii) a Key Personnel training fee of twenty-eight thousand five hundred dollars ($28,500) (each, a "Training Fee").

4.4 On or before the 1st day of each quarter you must pay Franchisor, through Master Licensee, a conference and technology fee equal to: (i) four hundred ninety-five dollars ($495); plus (ii) an additional three hundred ninety-five dollars ($395) for each EBC and Key Person at your Business (the "Conference and Technology Fees"). These fees are for you, your EBCs, and your Key Personnel to attend annual regional conferences, annual business excellence forum and awards, technical and administrative support, provision of an email address, and an ActionCOACH webpage to be determined by Franchisor.

4.5 Any amount due under this Agreement that is not paid on or before the due date will accrue interest daily at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less. Each failure to pay Royalty Fees, Marketing and Advertising Fees, or any other amount payable to Master Licensee when due is a material breach of this Agreement.

4.6 You will establish a separate bank account for the Business and use the method(s) specified from time-to-time by Master Licensee or Franchisor for the payment of Royalty Fees, Marketing and Advertising Fees, and all other fees and amounts owed. You will furnish Master Licensee, Franchisor and your bank with such authorizations as may be necessary to effect payment by the method required by Master Licensee or Franchisor.

4.7 With the exception of the Franchise Fee and Training Fee, you must make all payments to Master Licensee with respect to amounts owed by you to Master Licensee pursuant to this Agreement by means of direct debit into a bank account nominated by Master Licensee and must, prior to commencing operation of the Business: (a) nominate in writing to Master Licensee a bank account from which Master Licensee will direct debit the payments; and (b) sign Attachment 4 and all necessary forms and consents permitting the direct debit of funds from the bank account in the manner and on the dates specified in writing by Master Licensee. Master Licensee may, at its sole discretion, specify another form of payment, and you agree to make payment through the method specified by Master Licensee in writing as well as sign all reasonably necessary forms and consents to permit the said newly specified payment method.

4.8 You must pay for the cost of any of Master Licensee's administrative fees connected with the failure of your direct debit facility.

4.9 You have no right of set off as against Master Licensee or Franchisor. You must not for any reason withhold payment of any amount due to Master Licensee or Franchisor. This applies even if you allege that Master Licensee has not performed or is not performing an obligation imposed upon it under this Agreement or a related agreement. Master Licensee may accept any part payment without prejudice to its right to recover the balance due or pursue any other remedy. Master Licensee may set off against any payment due to you by Master Licensee any of your unpaid debts to Master Licensee.

4.10 Notwithstanding the provisions of Sections 4.1 and 4.2 you must pay the Royalty Fee and the Marketing and Advertising Fee directly to Franchisor if you receive a written notice from Franchisor to that effect. Provided you comply with that notice, your obligations to the Master Licensee under those clauses will be discharged.

SECTION 5 - ADVERTISING AND MARKETING

5.1 You will advertise and promote the Business at your own expense and in accordance with the Manuals. However, you may not publish or distribute any advertising or promotional material unless it has been approved in writing by Master Licensee, which approval will not be unreasonably withheld or delayed. If Master Licensee objects to any advertising or promotional material that you are using, you must immediately stop using it. Advertising and promotional materials furnished by Master Licensee may be used only in the manner and during the period specified by Master Licensee. Master Licensee has the right to charge reasonable fees for any materials that Master Licensee provides.

5.2 You acknowledge that, unless otherwise specified by Franchisor in writing, forty percent (40%) of the Marketing and Advertising Fees will be sent by Master Licensee to Franchisor for its use in local, regional, or national marketing and advertising. Franchisor will direct programs supported by Marketing and Advertising Fees, with final discretion over creative concepts, materials, and media used in the programs and their placement. Franchisor may use the fees for any activities that it believes would benefit Franchisor businesses generally, including, but not limited to, national and international advertising, promotion, creative development, production of advertising and promotion, marketing research and development, public relations, Internet, and reasonable administrative expenses related to these efforts. Franchisor and Master Licensee may use the Marketing and Advertising Fees to pay the costs of: (a) developing and conducting advertising and promotional campaigns, as determined by Franchisor or Master Licensee in its sole discretion, including customer database development and management; (b) developing and funding advertisements; (c) sourcing the production of marketing materials and other sales materials; (d) conducting research including research in relation to products and customers; (e) developing public relations, customer and supply relations; (f) engaging advertising agencies and marketing consultants; (g) coordinating the activities set out above and administering the Marketing and Advertising Fees, including reasonable overhead and administrative costs, the cost of materials and employees' salaries and printing costs; and (h) payment of accountancy, legal and other fees in respect of audits of the records relating to the Marketing and Advertising Fees. Franchisor and Master Licensee may determine in their discretion how the Marketing and Advertising Fees are spent.

5.3 You must use the Marks in all advertising and promotion of the Business. You must, at your own cost, display signs at the Business location and at events specified by Master Licensee, Franchisor or Licensor in accordance with the Manuals' specifications.

5.4 You acknowledge that your website, if any, constitutes advertising and promotion subject to Section 5.1 above. You agree to comply with all policies and standards that Master Licensee or Franchisor issues from time-to-time with respect to websites specifically. You also acknowledge that in the event you do want to create your own website, you are required to obtain Franchisor's prior approval of the design, content, and appearance of the website and to use Franchisor's approved supplier for design, development, and web hosting to ensure compliance with Franchisor's requirements for branding and usage of the Marks. Master Licensee or Franchisor may: (i) require that your website be accessible only by link from Master Licensee's site, and (ii) prohibit links between your website and any other website. You agree to execute any documents that Master Licensee or Franchisor requires to affirm Franchisor's ownership of the copyright. You represent that you have, or will have, the lawful right to use any proprietary materials of others that appear in your website.

SECTION 6 - RECORDS AND AUDITS

6.1 You must maintain complete and accurate records concerning all financial, marketing, and operating aspects of the Business. You must keep these records at your Business location (or another place approved in writing by Master Licensee). You must provide such reports as may be required by Master Licensee or Franchisor. Your records must include Business tax returns; daily and weekly marketing, sales, and performance reports; statements of Gross Revenues (to be prepared each month for the preceding month); profit and loss statements; and balance sheets. If Master Licensee determines that your records or financial statements are not of sufficient detail or reliability, Master Licensee has the right to require that you have such records or statements reviewed or prepared by an independent Certified Public Accountant. Master Licensee and Franchisor will keep your financial data confidential except to the extent that Master Licensee or Franchisor decides, or is required, to make a "financial performance representation" under applicable franchise disclosure laws.

6.2 While this Agreement is in effect, and for three (3) years after its expiration or termination or after any transfer approved under Section 20, Master Licensee and Franchisor have the right to request, receive, inspect, and audit any of the records referred to in Section 6.1. Master Licensee and Franchisor will conduct inspections and audits at reasonable times. You agree to keep all original records, reports, invoices, order forms, and calculations for at least six (6) years from the date they were generated or for a longer period if required by applicable law. You agree to cooperate fully with our representatives and independent accountants in any examination. Should any inspection or audit disclose a deficiency in the payment of any Royalty Fee, Marketing and Advertising Fee or other amounts required to be paid under this Agreement, you will immediately pay the deficiency to Master Licensee. In addition, if the deficiency for any audit period equals or exceeds five percent (5%) of the correct amount due, you must also immediately pay to Master Licensee the reasonable cost of the inspection or audit, including travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel. Should the audit disclose an overpayment of any Royalty Fee, Marketing and Advertising Fees or other amounts due, Master Licensee or Franchisor will promptly pay the amount of the overpayment to you if the amount exceeds Fifty Dollars ($50.00).

SECTION 7 - ASSISTANCE BY MASTER LICENSEE

7.1 Master Licensee will:

A. Arrange for your Key Personnel and your Business Coaches to attend Franchisor's training program.

B. Assist you with the preparation of an initial business plan.

C. Provide you with guidance (in its absolute discretion) on pre-opening and opening activities for the Business, prior to and including its first two (2) weeks of operation. This will include on-line access to advertising and promotional material which may include guidance on advertising and promotional programs.

D. Each week for the first ninety (90) days after you complete the ActionCOACH training program, provide access via conference or personal calls to discuss any operational challenges and assist you in examining your results from your weekly reports. Thereafter, Master Licensee will conduct or arrange for periodic conference calls (as determined by Master Licensee in its absolute discretion) with you to discuss operational challenges and conduct ongoing training.

E. Grant approval of your office location and assist you in determining the location of your office. The selection of your office location will be your responsibility.

F. Arrange for you and your MDC to attend Franchisor's annual regional conferences. There will be a conference fee for the global conference, and you must pay all travel and living expenses of your attendee(s) at both global and regional conferences. Master Licensee may also hold such conferences within the DDMA. Unless waived by Franchisor or Master Licensee in writing, mandatory attendance is required by you and your MDC to attend annually at least one (1) of Franchisor's regional North American conferences.

G. Provide to you an online WIKI format version of the Manuals and any amendments thereto promulgated by Franchisor. The Manuals for your Business Coaches will be supplied to you via on-line access once Master Licensee receives an executed copy of the Managing Director Business Coach Agreement or Employee Business Coach Agreement, as the case may be, and the Training Fee has been paid.

H. Inform you of any changes and improvements to the System that may be developed by Franchisor or Licensor and authorized for use by Franchisor business coaches in the U.S.A.

l. Provide assistance in conducting workshops and seminars for Clients and potential clients, insofar as Master Licensee is available.

7.2 Master Licensee will offer you such additional guidance and assistance as Master Licensee deems necessary or advisable. Failure of Master Licensee to provide any particular service, either initial or continuing, will not excuse you from paying any of the fees, including but not limited to the Franchise Fee, Royalty Fees or Marketing and Advertising Fees.

SECTION 8 - DDMA

8.1 During the Term and provided you are not in default of this Agreement, Master Licensee will not grant a franchise nor license others to Direct Market in the DDMA, except as provided in this Agreement.

8.2 You acknowledge that the demographics of your DDMA are unique and may vary substantially from the DDMA of other ActionCOACH franchisees, including but not limited to, business population, density, business type, number of employees employed by businesses, annual revenues or other local economic and market conditions and Master Licensee is under no obligation to grant you similar terms. You agree that if the business population of the DDMA decreases, you will not be entitled to any reduction or refund of any portion or whole of any fees that you have paid Franchisor or Master Licensee.

8.3 Your franchise is non-exclusive, except as provided in Section 8.1. There may be other Business Coaches providing Coaching Services in the DDMA as set out in Attachment 1. In addition, Franchisor and Licensor may sell products in the DDMA via Across-Area Marketing Programs. Master Licensee will communicate to you any policies that Franchisor or Licensor issues to coordinate Across-Area Marketing Programs.

8.4 You may not Direct Market or advertise in any media whose primary circulation or footprint is outside of the DDMA, nor may you engage in marketing to clients or prospects outside of the DDMA. Franchisor and Master Licensee may establish terms and conditions under which you may advertise on the Internet. Should you receive a request for services from a Client or prospective client outside of the DDMA, you must refer the request to Master Licensee. If the Client or prospective client's principal office is outside of the DDMA and Franchisor has not licensed any third party to operate in that DDMA, Master Licensee may refer the request for services back to you.

8.5 Master Licensee may authorize another Business Coach to provide Coaching Services to clients within the DDMA where it is satisfied that the Business Coach has been referred because of an existing client relationship.

8.6 The right to provide Coaching Services to Blue Chip Accounts within the DDMA is hereby specifically excluded. You acknowledge that it is necessary for Franchisor and Master Licensee to identify, manage and service Blue Chip Accounts to ensure the consistent delivery and co-ordination of Coaching Services provided to Blue Chip Accounts. You further acknowledge that other Business Coaches may provide Coaching Services to Blue Chip Accounts at or from locations in the DDMA. With the prior written consent of Master Licensee, you may provide Coaching Services to Blue Chip Accounts at or from locations outside your DDMA but within the Master Licensee's Territory at the sole discretion of Master Licensee, whose decision is final and binding on you. Franchisor retains the sole and exclusive right to identify Clients or potential Clients as Blue-Chip Accounts who are outside the Master Licensee's Territory and permit other Business Coaches to provide Coaching Services in accordance with Franchisor's policy (as amended from time-to-time) on Blue Chip Accounts. All disputes relating to Blue Chip Accounts will be resolved by Franchisor, whose decision will be final and binding upon all parties.

SECTION 9 - OFFICE LOCATION

9.1 You can locate your office anywhere within the DDMA. The office must at all times be well presented and of a professional nature. Your approved office location is specified in Attachment 1. You must notify Master Licensee (in advance, if possible) if you intend to change your office location, or if for any reason you are or will be unable to operate the Business from your then-current approved office location. The Term will not be extended by any such interruption, nor will you be excused from any of your obligations under this Agreement during such interruption. If no premises are specified in

Attachment 1 then you must, prior to seeking Master Licensee's approval of the office location, confirm in writing that it has met the requirements specified in Section 9.3 (A), (B) and (C).

9.2 Your office must comply, at your sole cost and expense, with the fit-out guide contained in the Manuals which may be amended from time-to-time.

9.3 Regarding the office location you have selected (identified in Attachment 1), you acknowledge that you have:

A. made all necessary inquiries and have conducted your own due diligence in relation to the office location;

B. absolutely and unconditionally satisfied yourself as a result of these inquiries and your own due diligence as to the suitability of the office location for the conduct of the Business; and

C. entered into this Agreement as a result of your own assessment of all of these matters and not in reliance upon any alleged statement, warranty, condition or representation made to or alleged to have been made to you by Master Licensee, Franchisor or by any person on behalf of Master Licensee or Franchisor.

SECTION 10-MANUALS

10.1 You acknowledge that the Manuals are furnished to you on loan and that they are the sole property of Licensor. You must not make any copies (paper, electronic, or otherwise) of the Manuals.

10.2 Licensor or Franchisor may revise the Manuals at any time and from time-to-time, which you must follow. Master Licensee will communicate any such changes to you. Such revisions may include, without limitation, changes with respect to:

A. The authorized Coaching Services;

B. Operating procedures;

C. Advertising and promotions;

D. Equipment and supplies;

E. Dress codes;

F. Additions or modifications of Marks;

G. Accounting and reporting systems and forms; and

H. Insurance requirements.

10.3 You agree to operate the Business in accordance with the Manuals, as modified from time-to-time. Failure to comply with the standards set forth in the Manuals will constitute a material breach of this Agreement.

SECTION 11 - YOUR DUTIES AND OBLIGATIONS

11.1 You, or if you are a business entity, your MDC agree(s) to use your, her or his best efforts to increase the reputation of, and demand for, Coaching Services in the DDMA.

11.2 You agree to strictly comply with all present and future standards, specifications and procedures prescribed by Licensor or Franchisor and communicated by Master Licensee or set out in the Manuals, including but not limited to the following requirements:

A. You, your Business Coaches and Key Personnel must complete the Franchisor training program, at a location designated by Franchisor. You must complete training before the

Business opens. Your Business Coaches are not permitted to provide Coaching Services until after they have completed Franchisor's training.

B. Attendance by you, or your MDC every year to at least one (1) of Franchisor's Regional Conferences is mandatory. You are responsible for all salary, travel expenses, and other expenses of persons attending programs, seminars, and conferences offered by Franchisor or Master Licensee.

C. You must identify all your employees to Master Licensee and must ensure that they are suitably qualified to run the Business properly. You must keep Master Licensee informed at all times regarding the names, background and experience of all personnel.

D. You, your MDC and your EBCs may offer only the Coaching Services and related products approved by Franchisor for sale by Business Coaches. If Franchisor authorizes any additional Coaching Services or products for sale by ActionCOACH Business Coaches and designates such services or products as mandatory, you must begin offering them at the time and in the manner required by Franchisor.

E. All personnel must be professional in dress and appearance, in a manner consistent with the requirements of Franchisor and Master Licensee.

F. You must operate the Business only under the Marks and under no other trade name or business name. However, you must make it clear to Clients, employees, and the general public that you are an independent party operating the Business under license from Master Licensee. You may not use the Marks as any part of a corporate or other legal name, but you may append "d/b/a ActionCOACH" after your corporate or legal name using the then-current naming convention as approved by Master Licensee.

G. You must attend all seminars, workshops and exhibitions hosted or arranged on behalf of the Business and/or its Clients as reasonably required by Master Licensee. At your cost, you must display signs at such events in accordance with the Manuals' specifications.

H. You must pay all debts and taxes arising in connection with the Business when due, including debts payable to Master Licensee.

I. You must comply with all laws applicable to the Business.

J. You must participate in Client satisfaction surveys and participate in programs derived from such surveys. You must also cooperate with, and participate in, Across-Area Marketing Programs.

K. You must provide the supervision, support and instruction required to be given to your MDC and EBCs.

L. Prior to contracting with or employment of, you must require your Key Personnel, employees, MDC and EBCs to sign a nondisclosure and non-compete agreement in a form acceptable to Master Licensee and Franchisor.

M. Throughout the Term, you must be of good character and must not indulge in what the Master Licensee reasonably considers to be unethical conduct or acts of moral turpitude or do anything which might damage the goodwill attaching to the Marks and other intellectual property associated with the System or damage any other ActionCOACH businesses within or outside the DDMA, whether franchised or operated by Franchisor (or its Affiliates).

11.3 You must submit to Master Licensee the reports and information specified in the Manuals from time-to-time, and you must submit them in the form and manner prescribed by the Manuals. If you fail to deliver the required information in a timely manner, Master Licensee, in addition to any other remedies available under this Agreement, may suspend or terminate the services provided to you by Master Licensee under this Agreement. The required reports include:

A. A report entitled "Action Plan," which outlines the goals, strategies, and actions you set for development of the Business. This report will be completed and delivered from time-to-time within ten (10) business days of Master Licensee's request.

B. A report entitled "Key Performance Indicators," which summarizes the activities of the Business for each week. This report must be completed and delivered to Master Licensee at the end of each week or as otherwise specified in the Manuals.

C. Weekly marketing results and sales performance reports.

D. Detailed financial statements for the Business by March 31st after the end of each Financial Year for that Financial Year including a balance sheet, a profit and loss statement and a source and application of funds statement prepared by your accountant certifying that the contents are true and correct and are a fair and accurate view of the Business.

11.4 You acknowledge and agree that the submission of all required reports is a primary responsibility of each Business Coach. You also agree to give Master Licensee and Franchisor independent access to the information relating to your Business stored in your computer system.

11.5 Master Licensee has the right (either directly or through a designated agent) to inspect your office and all aspects of your Business upon reasonable prior notice, which will not be less than twenty-four (24) hours. Master Licensee has the right to discuss at any time with your Clients and personnel any matters that may pertain to the Business and to compliance with this Agreement. You acknowledge that any evaluation or inspection Master Licensee conducts is not intended to exercise, and does not constitute, control over your day-to-day operation of your Business or to assume any responsibility for your obligations under this Agreement.

11.6 Master Licensee may call ad hoc meetings of Business Coaches, which will not number more than twelve (12) per year. You will use your best efforts to attend.

11.7 While this Agreement is in effect, and for three (3) years after its termination, expiration, or any transfer approved under Section 20, you agree to supply Master Licensee with your home address, telephone number, and email address, as well as the home addresses, telephone numbers, and email addresses of your directors and officers.

11.8 You must:

A. Inform Master Licensee in writing of, and promptly act to address, all Client complaints at your cost and in accordance with the Manuals.

B. If you fail to address a Client complaint within two (2) Business Days, Master Licensee may attempt to address the complaint.

C. If Master Licensee attempts to address a Client complaint due to your failure to satisfactorily address the complaint, you must pay Master Licensee's reasonable costs incurred in attempting to address the complaint.

11.9 Subject to applicable law, you must:

A. collect the information from Clients specified in the Manuals or otherwise in writing by Franchisor or Master Licensee;

B. collect Client information in the manner specified in the Manuals or otherwise in writing by Franchisor or Master Licensee; and

C. provide Franchisor and Master Licensee with all Client Information, in the form specified in the Manuals, at the end of each Month or within twenty-four (24) hours after receiving a request from Master Licensee.

11.10 Franchisor and/or Master Licensee may establish and maintain a Client database to store Client Information.

11.11 All Clients and the information contained in any forms completed by Clients and the client database are and will remain the sole property of Franchisor.

11.12 Your appointment of a Business Coach shall be subject to the following:

A. A Managing Director Business Coach must: (i) be approved by Master Licensee and trained by Franchisor; (ii) sign a Managing Director Business Coach Agreement with you; and (iii) have direct responsibility for all operations of the Business and has the authority to bind you in any dealings with Master Licensee or Franchisor.

B. You are entitled to appoint Employee Business Coaches under the following conditions: (i) your EBC must be approved by Master Licensee and trained by Franchisor; and (ii) your EBC must sign an Employee Business Coach agreement with you.

C. You may appoint an unlimited number of Employee Business Coaches.

D. You must pay Training Fees and Conference and Technology Fees for each EBC.

SECTION 12 - MINIMUM PERFORMANCE AND MINIMUM KEY PERSONNEL REQUIREMENT

12.1 Beginning with the thirteenth (13^{th}) month after the Effective Date and each calendar month thereafter, you must achieve the Minimum Performance Requirement. The "Minimum Performance Requirement" means (i) $10,000 in Gross Revenues per month for months 13 through 24; (ii) $20,000 in Gross Revenues per month for months 25 through 36; (iii) $30,000 in Gross Revenues per month for months 37 through 48; (iv) $40,000 in Gross Revenues per month for months 39 through 60; and (v) $50,000 in Gross Revenues per month beginning in the sixty-first month after the Effective Date and thereafter.

12.2 If you fail to achieve the Minimum Performance or Minimum Key Personnel Requirement in any calendar month you must attend a meeting held by Master Licensee, at your cost, to discuss the performance of the Business.

12.3 You must at the meeting referred to in Section 12.2: (a) provide Master Licensee and Franchisor with a written explanation for the failure to achieve the Minimum Performance and/or the Minimum Key Personnel Requirement, if requested to do so by Master Licensee or Franchisor; and (b) if requested by Master Licensee or Franchisor, set out specific strategies or actions to be taken to address the failure which are acceptable to Master Licensee and Franchisor.

12.4 If Master Licensee and Franchisor consider that you have failed to achieve the Minimum Performance or Minimum Key Personnel Requirement for reasons within your control, Master Licensee or Franchisor may require you, your MDC, your EBCs and employees to undertake additional training, at your cost.

12.5 If you fail to: (a) attend a meeting with Master Licensee in accordance with Section 12.2; (b) attend and complete additional training or procure additional training that your MDC, your EBCs and/or employees are required to attend and complete to the satisfaction of Franchisor as required by Master Licensee and Franchisor under Section 12.4; (c) implement any agreed strategy or action resulting from the meeting referred to in Section 12.2; (d) meet Minimum Performance and/or Minimum Key Personnel Requirement within six (6) months of: attending a meeting with Master Licensee; or (e) you, your MDC, your EBCs and/or your employees completing additional training, as required under Section 12.4, you must, within six (6) months of the date upon which Master Licensee notifies you that you have failed to meet one (1) or more of your obligations under this section, transfer the Business in accordance with the procedure set out in Section 20.

12.6 If you are required to transfer the Business under Section 12.5 and fail to do so within the required time frame, Master Licensee may terminate this Agreement by written notice to you and the Master

Licensee is not required to pay any compensation to you or any other person in respect of the termination.

12.7 Master Licensee will review and set a new Minimum Performance Requirement upon Renewal.

SECTION 13 - PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES

Except for equipment and products that are proprietary to Licensor or Franchisor, you may purchase your equipment, software, supplies, and other items from any reputable manufacturer or supplier. To the extent that Franchisor publishes standards for non-proprietary equipment, software, telephone lines, Internet service, supplies, stationery, or other items used in the Business, you must use only items meeting the applicable standards. If you receive notice from Master Licensee of a change in the applicable standards, you agree to comply with the new or revised standards as soon as practicable.

SECTION 14 - INSURANCE AND INDEMNIFICATION

14.1 You must purchase before the Business opens, and at all times thereafter maintain in full force and effect, all insurance policies of the types and with the minimum policy limits prescribed by Master Licensee and/or Franchisor from time-to-time (but in no event less than the coverage required under applicable law), including without limitation:

A. Professional indemnity insurance;

B. Comprehensive general liability insurance;

C. Workers' compensation insurance and employers' liability insurance without any limit as to the amount;

D. Insurance as may be required by the terms of any lease, mortgage, or other loan for the Business; and

E. Any additional insurance that Master Licensee or Franchisor may inform you is required.

All liability policies must list Master Licensee and Franchisor as additional named insured. Your liability insurance will not be limited in any way by reason of any insurance that may be maintained by Master Licensee or Franchisor.

14.2 All policies of insurance must be with responsible companies qualified to do business and in good standing in the state where the Business is located. At Master Licensee's or Franchisor's request, you must furnish certificates issued by each of your insurers indicating that all premiums due have been paid, that all required insurance is in full force and effect, and that the insurance will not be terminated or changed without at least thirty (30) days' prior written notice from the insurer to Master Licensee and Franchisor. Within five (5) days of any request by Master Licensee, you must deliver a copy of all insurance policies to Master Licensee for examination.

14.3 If you fail to obtain or maintain adequate insurance, Master Licensee or Franchisor may, at its sole discretion, obtain insurance for you in your name. Within five (5) days of written request by Master Licensee or Franchisor, you must reimburse Master Licensee or Franchisor for any costs incurred in obtaining insurance on your behalf.

14.4 You agree to indemnify, exculpate, defend and hold harmless, to the fullest extent permitted by law, us, our successor, assigns, and Affiliates and the respective officers, directors, shareholders, agents, representatives, independent contractors, servants, and employees of each of them (the "Indemnified Parties") from all losses and expenses incurred in connection with any action, suit, proceeding, claim, damages (actual, consequential, or otherwise), demand, losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, investigation, or inquiry (formal or informal), or any settlement of any of them, which arises out of or is based upon operation of the Business, except to the extent that such liabilities arise from the gross negligence or willful acts of the party seeking indemnification from you. This indemnity will remain in force after expiration or termination of this Agreement or after any transfer approved by you. This indemnity is not limited by the amount of insurance that you carry. We have the right to defend any such action or claim against us at your expense. This indemnification will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. For the purposes of the indemnification in this Section 14.4 only, the term "claim" also includes all obligations and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountant, arbitrator, attorney, and expert witness fees, costs of investigation and proof of facts, court costs, and other expenses of litigation, arbitration, or alternative dispute resolution and travel and living expenses.

14.5 All property used in the Business will be maintained at your sole risk, and if any property is damaged in any way, Master Licensee will not compensate you except to the extent the damage was caused by Master Licensee's gross negligence or willful acts.

SECTION 15 - TRADEMARKS AND CONFIDENTIAL INFORMATION

15.1 You acknowledge Licensor's exclusive ownership of and rights in the Marks and in the System. All goodwill now or in the future associated with your use of the Marks will accrue exclusively to the benefit of Licensor. You agree that you will not, during or after the term of this Agreement:

A. contest or aid in contesting the validity or ownership of the Marks;

B. take any action in derogation of Licensor's, Franchisor's, or Master Licensee's rights with respect to the Marks, whether now existing or later obtained;

C. use anything that resembles or is deceptively or confusingly similar to the Marks or the System in any manner or for any purpose, or do anything that would dilute, directly or indirectly, the value of the goodwill associated with the Marks, nor counsel, procure or assist anyone else to do the same;

D. use, or assist others to use, the Marks in a derogatory, negative or other inappropriate manner in any medium; or

E. use, register or attempt to register the Marks in your own name for any purpose, including but not limited to, any registration at any government or domain name registry. You may, however, register a "d/b/a" or a fictitious business name certificate in connection with the operation of the Business with the written permission of the Master Licensee.

15.2 You agree to:

A. use the Marks only in connection with the Business;

B. use the Marks only in accordance with the Manuals;

C. reproduce the Marks exactly and accurately; and

D. change, discontinue, or substitute for any of the Marks, at your own expense, if Master Licensee notifies you that Licensor or Franchisor has modified the Marks.

15.3 You acknowledge that you will have access to the Manuals and other valuable trade secrets; know how; methods; information; recruiting techniques; accounting procedures; control procedures; the means and methods used in performing Coaching Services; sales and marketing methods and data; information regarding the System; operating and other business data; computer programs; trade secrets; business plans; advertising and promotional methods; financial information and data; product information; information regarding current or prospective customers; other franchisees; agencies; and other related information; the economic and financial characteristics of the System, the Business, and other franchisees; capital and debt structures; and Client Information (collectively, the "Confidential Information"). The Confidential Information was developed at significant cost, is owned by Licensor, and is necessary to the operation of the Business. You further acknowledge that such Confidential Information was unknown to you prior to negotiation for and execution of this Agreement. You will take all steps necessary, at your own expense, to protect such Confidential Information and will not divulge it either during the Term of this Agreement or thereafter. Your employees may have access to the Confidential Information only to the extent necessary to perform particular tasks, and only after first signing a confidentiality agreement, in a form acceptable to Franchisor. You will be responsible for all unauthorized disclosures of Confidential Information by any person to whom you give access to the Confidential Information. Upon expiration or termination of this Agreement or any transfer approved under Section 20, you will return or destroy all Confidential Information.

15.4 You must immediately inform Master Licensee of any suspected, known or threatened infringement of or challenge to the Marks or unauthorized disclosure or use of Confidential Information. You must assist and cooperate with Master Licensee, Franchisor and Licensor in taking such action, if any, as they deem appropriate to protect the Confidential Information and the Marks.

15.5 You agree that all data you collect from Clients and prospective clients in connection with the Business is deemed to be jointly owned by Master Licensee and Franchisor. you are licensed to use such data only while this Agreement is in effect. Upon expiration or termination of this Agreement or an approved transfer of the Business to a new owner, you must comply with Section 17 and not use any Client or prospective client data for any purpose contrary to Section 15.2.

15.6 If you, your Key Personnel, employees, or Business Coaches develop any new concept, process or improvement in the operation or promotion of your Business or Businesses generally (an "Improvement"), you agree to promptly notify Master Licensee and provide Master Licensee with all necessary related information, without compensation. Any such Improvement will become Franchisor's sole property and Franchisor will be the sole owner of all related copyrights, trademarks, patents, patent applications, and other intellectual property rights. You must fully disclose the Improvement(s) to Franchisor and Master Licensee, without disclosing the Improvement(s) to others, and you must obtain Master Licensee's written approval prior to using such Improvement(s). You agree to assign to Franchisor any rights you may have or acquire in the Improvement(s), including the right to modify the Improvement, and you waive and/or release all rights of restraint and moral rights in and to the Improvement. You agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any Improvement. In the event that the foregoing provisions of this Section 15.6 are found to be invalid or otherwise unenforceable, you and hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on your rights to the Improvement.

SECTION 16 - RESTRICTIONS ON COMPETITION

16.1 During the Term and any successor to it, you may not, either directly or indirectly through any other person or entity, own, invest in, participate in, partner with, direct, serve as an officer or director for, be employed by, act as a consultant for, represent, act as an agent for, or act as a Business Coach (or any similar capacity) to, provide financial assistance to, or acquire any interest in any business that offers services in competition with or similar to any of the Coaching Services (a "Competing Business") to clients anywhere.

16.2 You covenant and agree that, for a period of two (2) years after the termination, expiration or transfer of this Agreement (or any successor to it), neither you nor your Firm Owner, MDC, officers, directors, members, and partners will directly or indirectly own, invest in, participate in, partner with, direct, serve as an officer or director for, be employed by, act as a consultant for, represent, act as an agent for, or act as a Business Coach (or any similar capacity) to, provide financial assistance to, or acquire any interest in, any Competitive Business within: (a) one-hundred (100) miles of the DDMA; or (b) the DDMA of any other Business that is then operating.

16.3 You covenant and agree that, for a period of two (2) years after the termination, expiration or transfer of this Agreement (or any successor to it), you will not solicit, divert, attempt to divert, or accept business from any person who was a Client of the Business during the two (2) years immediately before expiration, termination, or transfer of this Agreement.

16.4 During the term of this Agreement and during the Restraint Period, you may not employ or otherwise interfere with the employment relationship of any person who is employed by Licensor, Franchisor, or Master Licensee.

16.5 Master Licensee and Franchisor have the right unilaterally to reduce the scope of any restriction in this Section 16 by written notice to you.

16.6 This Section and Section 15 apply to your MDC, EBCs, employees and individuals holding an ownership interest in the Business, and any persons or legal entities controlled by the foregoing individuals. At Master Licensee's request, you must furnish Master Licensee with executed agreements from such individuals, in forms acceptable to Master Licensee, in which they agree to be bound by Sections 15 and 16.

16.7 You agree that damages caused to Master Licensee, Franchisor, and Licensor for failure to comply with Section 15 or Section 16 are irreparable. You agree that Master Licensee, Franchisor, and Licensor may, notwithstanding the provisions of Section 22.9 hereof, seek injunctive relief, without notice to you, in addition to any other relief that may be available to them for breach of Section 15 or Section 16.

16.8 In the event that legal action becomes necessary for the enforcement of any of the provisions of Sections 15 or 16 of this Agreement, the prevailing party shall receive in addition to any other damages or relief awarded, its reasonable attorney's fees, together with appropriate costs and interest. You agree that in the event of a breach of any of the provisions of Sections 15 or 16, Franchisor shall be entitled, notwithstanding the provisions of Section 22.9 hereof, to recover provisional or permanent injunctive relief, and that Franchisor does not have an adequate remedy at law for any such breaches which you may commit. YOU EXPRESSLY ACKNOWLEDGE THAT YOU POSSESS SKILLS AND ABILITIES OF A GENERAL NATURE AND HAVE OTHER OPPORTUNITIES TO EXPLOIT SUCH SKILLS. CONSEQUENTLY, YOU REPRESENT TO US THAT ENFORCEMENT OF THE COVENANTS SET FORTH ABOVE WILL NOT DEPRIVE YOU OF THE ABILITY TO EARN A LIVING.

16.9 The parties agree that each covenant in Sections 15 and 16 must be construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Agreement is held unenforceable or unreasonable by a court or agency having competent jurisdiction in any final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and part of this Agreement. Any period specified in this Section 16 will be tolled and suspended for any period of time during which you are in violation of any restrictive covenant.

16.10 If a court or arbitrator determines that any restriction or provision in this Section 16, strictly applied, would be invalid or unenforceable, then the restriction or provision will be deemed modified to the extent necessary (but only to that extent) to make it valid and enforceable. If a dispute regarding enforceability of Section 16.2 or 16.3 is resolved in favor of Master Licensee and Franchisor, the two (2) year period (or the period deemed to be reasonable by the court or arbitrator) will run from the date of the order permitting its enforcement.

SECTION 17 - DEFAULT AND TERMINATION

17.1 **Termination by You.**

If you are in compliance with this Agreement and Master Licensee materially breaches this and fails to cure the breach within sixty (60) days after you deliver a written notice of the breach to Master Licensee, you may terminate this Agreement, effective ten (10) days after you deliver a notice of termination to Master Licensee. If you terminate this Agreement under this Section 17.1, you must comply with the provisions of Sections 15, 16, and 18.

17.2 **Termination by Master Licensee - No Right to Cure.**

In addition to its other rights of termination contained in this Agreement, Master Licensee will have the right to terminate this Agreement by written notice, effective immediately, if you:

A. voluntarily abandon the franchise relationship;

B. or any of your Key Personnel engage in conduct that is reasonably likely to have an adverse effect or reflect unfavorably on your Business, Franchisor, Master Licensee, the System, Businesses generally, the Marks, or the goodwill associated with them, or are convicted of a criminal offense directly related to the Business, or convicted of any felony;

C. fail to cure a default under this Agreement which materially impairs the goodwill associated with the Marks within twenty-four (24) hours after receiving written notice to cure;

D. fail to cure a material violation of any health, safety, sanitation or other regulatory law, ordinance, standard, practice or regulation, or operate the Business in a manner that presents a health or safety hazard to its employees, Clients, or the general public;

E. make or permit an unauthorized transfer of this Agreement or of any direct or indirect interest in the Business;

F. submit to Master Licensee two (2) or more sales reports, financial statements, or other information or supporting records, in any period of twelve (12) consecutive months, which understate by more than five percent (5%) the Gross Revenues of the Business;

G. make material misrepresentations in your application for the franchise or any other material report or statement to Master Licensee;

H. fail to submit sales reports or financial statements when due on three (3) or more occasions in any twelve (12) month period;

I. fail to pay Royalty Fees, Marketing and Advertising Fees, or other amounts owed to Master Licensee when due on three (3) or more occasions in any twelve (12) month period;

J. fail on three (3) or more occasions in a twelve (12) month period to pay creditors, employees, or suppliers on a timely basis;

K. fail on three (3) or more occasions in a thirty-six (36) month period to achieve an overall score of at least eighty percent (80%) on a compliance audit or a score of at least seventy percent (70%) for any section of the compliance audit;

L. refuse to allow or cooperate with an audit or inspection by Master Licensee or Franchisor; and

M. fail to achieve Minimum Performance Requirement in three (3) or more calendar months during the Term.

17.3 **Termination by Master Licensee - Failure to Cure.**

Except as provided in Section 17.2, you will have thirty (30) days from receipt of notice of default from Master Licensee to cure any material breach of this Agreement or failure to comply with any material specification, standard or operating procedure prescribed by Master Licensee or Franchisor. If you fail to cure the breach within the thirty (30) day period, Master Licensee will have the right to terminate this Agreement by written notice without any further opportunity to cure. The description of any breach in any notice on you will in no way preclude Master Licensee from specifying additional or supplemental breaches in any action, arbitration, hearing, or suit relating to this Agreement or its termination.

17.4 **Cross-Default.**

Any default by you under any agreement between you and Master Licensee or you and Franchisor or its Affiliates, and your failure to cure within any applicable cure period, will be considered a default under this Agreement and will provide an independent basis for Master Licensee to terminate this Agreement. If the default under the other agreement is such that it would entitle Master Licensee, Franchisor, or its Affiliates to immediately terminate that other agreement, then Master Licensee will be entitled to immediately terminate this Agreement in the manner stated in Section 17.2.

SECTION 18-OBLIGATIONS UPON EXPIRATION OR TERMINATION

18.1 Upon expiration or termination of this Agreement, you must:

A. Notify your Clients and prospective clients that you are no longer an authorized ActionCOACH franchisee or Business Coach;

B. Promptly pay to Master Licensee all amounts owed based on business conducted through the date of expiration or termination;

C. Immediately discontinue the use of all Marks, the Manuals, the Confidential Information, and all materials of any kind that are identified with the System. You must return all of these materials to Master Licensee and, at Master Licensee's request, assign your telephone numbers, fax numbers, email addresses, domain names, related listings, and advertising to Master Licensee or Franchisor. You must execute an assignment ("Conditional Assignment of Telephone and Directory Listings"), in a form set forth in Attachment 3;

D. Surrender an unaltered database of all Clients and prospective clients and remove and return any electronic database system provided to you by Master Licensee;

E. Provide Master Licensee with executed copies of all Client agreements and immediately execute any further agreements requested by Master Licensee necessary to assign any Client agreements to Master Licensee;

F. Immediately amend or terminate your business registration of any d/b/a, or fictitious name or any other registration or filing containing the Marks, so as to delete the Marks and all references to anything associated with the System. If you have not furnished evidence of compliance with this obligation within thirty (30) days, you grant Master Licensee a limited power of attorney to amend or terminate all registrations and filings on your behalf, this appointment being coupled with an interest to enable Master Licensee to protect the System; and

G. Comply with the provisions of Section 15 (Confidential Information) and 16 (Restrictions on Competition).

18.2 The expiration or termination of this Agreement will not affect, modify, or discharge any claims, rights, causes of action, or remedies that Master Licensee, Franchisor, or Licensor may have against you.

18.3 You acknowledge that injuries caused by your failure to comply with this Section 18 are irreparable. You agree that Master Licensee will be entitled to injunctive relief in addition to any other relief that may be available for breach of this Section 18.

18.4 If Master Licensee terminates this Agreement based on your default, you must pay Master Licensee liquidated damages, calculated as follows: (a) the average of your monthly Royalty Fees and Marketing and Advertising Fees due for the last twelve (12) months before termination (not including the months before the Royalty Fee and Marketing and Advertising Fee obligations begin under Sections 4.1 and 4.2); (b) multiplied by the lesser of twenty four (24) or the number of months remaining in the Term, (c) discounted to present value using the then-current prime rate of interest quoted by Master Licensee's principal commercial bank; (d) minus the present value (determined using the same period as in (b) and the same discount rate as in (c)) of the expenses of performance avoided by Master Licensee because of termination of this Agreement.

SECTION 19 - THIRD PARTY RIGHTS OF FRANCHISOR AND LICENSOR

19.1 You acknowledge and agree that all of Master Licensee's rights and all of your obligations under this Agreement inure to the benefit of Franchisor and Licensor, and that they each have a third-party beneficiary interest in this Agreement. You agree that Franchisor and Licensor have the right to exercise any rights of Master Licensee and/or to enforce any of your obligations if Master Licensee fails to do so.

19.2 Upon termination or expiration of the Master License Agreement for any reason, this Agreement will remain in effect, and Master Licensee's interest in this Agreement will be deemed to be automatically assigned to and assumed by Franchisor. You agree to be bound by the assignment upon receipt of notice from Franchisor of the effective date of the assignment.

SECTION 20 - TRANSFER

20.1 **By Master Licensee.**

Master Licensee may transfer its rights under this Agreement as it sees fit without notice to you, subject to the terms of the Master License Agreement. This Agreement will inure to the benefit of Master Licensee's successors and assigns.

20.2 **By You - General.**

A. None of your rights or obligations under this Agreement, nor any direct or indirect interest in the Business, may be transferred without Master Licensee's prior written consent, which will not be unreasonably withheld, and your full compliance in all other respects with the terms of this Section 20. Any action contrary to this Section 20 will be a material breach of this Agreement and will be void.

B. If this Agreement has been transferred to an entity under Section 20.4 below, any proposed transfer of any ownership interest in the entity will be subject to all of the provisions of this Section 20.

C. No transfer that requires Master Licensee's consent may be completed until at least sixty (60) days after Master Licensee receives written notice of the proposed transfer. You agree to provide all information and documentation relating to the proposed transfer that Master Licensee reasonably requests. Master Licensee may withhold its consent on any reasonable grounds, including, but not limited to, failure to satisfy any of the conditions imposed under Section 20.3.

D. Master Licensee has the right to communicate with and counsel both you and the proposed transferee on any aspect of a proposed transfer.

E. All approved transferees will be bound by this Agreement and liable for all obligations under it. No stockholder in any corporation or other entity to which you transfer this Agreement will have any rights under this Agreement by reason of such ownership.

20.3 **Conditions to Transfers.**

No transfer will be approved by Master Licensee or be effective unless and until:

A. The proposed transferee has been approved by Master Licensee as meeting the then-current qualifications for a Firm Owner;

B. The proposed transferee has paid the then-current training fee and has satisfactorily completed the ActionCOACH training program, except that part or all of this requirement may be waived if the transferee has completed the training program within the last five (5) years;

C. You have settled all outstanding accounts with Master Licensee, and there is no other existing material default in the performance of your obligations under this Agreement or any other agreement you may have with Master Licensee;

D. You have executed a general release of all claims against Master Licensee, Franchisor, and Licensor, in a form acceptable to Master Licensee and Franchisor;

E. You have paid to Master Licensee a transfer fee of five thousand dollars ($5,000) ("Transfer Fee"); and

F. The transferee has executed a new Firm Business Coach Franchise Agreement in the form then being offered by Master Licensee to new Firm Owners in Master Licensee's Territory.

20.4 **Transfer to a Corporation, LLC, etc.**

If you are an individual (and not a business entity) and you desire to transfer this Agreement to a corporation, limited liability company, partnership, trust, or other entity, you may do so only if:

A. The entity is newly formed, and its authorized activities are limited to operating the Business;

B. You are the majority owner and have sole power to direct and control the management and affairs of the entity;

C. You remain jointly liable with the entity for all obligations of the Business Coach under this Agreement. You acknowledge and agree that the assumption of your obligations by the entity does not limit your personal obligations under this Agreement, and that you and the entity will be jointly and severally liable;

D. You continue to devote your full time and best efforts to manage the operations of the Business, unless you have a General Manager or similar designee approved by Master Licensee;

E. The entity signs an agreement with Master Licensee assuming, jointly and severally, all of your obligations under this Agreement; and

F. The stock certificates, certificated units of partnership or certificated beneficial interests of the corporation, partnership or trust bear the following legend:

"The (shares of capital stock) (partnership interest) (beneficial interest) represented by this certificate are subject to the terms and conditions set forth in that certain Business Coach Franchise Agreement dated   between the Company and   , a copy of which is on file in the Company's principal office and a copy of which will be provided to the holder of record hereof upon written request without charge."

20.5 **Death, Incapacity or Personal Bankruptcy.**

A. If you die (or any owner dies, if this Agreement has been transferred to an entity), the executor may terminate this Agreement by signing a termination agreement and release satisfactory to Master Licensee and Franchisor. Upon executing and submitting the appropriate termination documents, the estate and its representatives will have no further obligation under this Agreement except for any matters that exist as of the date of such termination.

B. If you (or any owner, if this Agreement has been transferred to a business entity) die, become incapacitated, or enter bankruptcy proceedings, the executor, administrator, personal representative, or trustee may apply to Master Licensee in writing within one hundred twenty (120) days after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to transfer the affected interest in the Business. The transfer will be subject to the provisions of Sections 20.2 and 20.3, except that no Transfer Fee will be required. In addition, if the deceased or incapacitated person is the General Manager, Master Licensee will have the right (but not the obligation) to take over operation of the Business until the transfer is completed and to charge a reasonable management fee for such services. For purposes of this Section, "incapacity" means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (i) for a period of thirty (30) or more consecutive days; or (ii) for sixty (60) or more total days during a calendar year. In the case of transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Sections 19.3, the executor may transfer the decedent's interest to another successor that Master Licensee has approved, subject to all of the terms and conditions for transfers contained in this Agreement.

SECTION 21 - OPTION TO PURCHASE

21.1 Master Licensee will have the first option, but no obligation, to purchase all of the assets of the Business upon receipt of notice from you under Section 20.2 of your intention to sell the Business to an independent third party pursuant to a bona fide written offer to purchase. The purchase price for assets will be the price specified in the written bona fide purchase offer from the third party. If Master Licensee cannot reasonably be required to furnish the same consideration as the third party, then Master Licensee may purchase the interest for the reasonable equivalent in cash. If you and Master Licensee cannot agree on the reasonable equivalent in cash within a reasonable time, each party will designate an independent appraiser, and the average of the two (2) appraised values will be binding. Master Licensee will have the right to set off all amounts due from you under this Agreement, as well as the cost of any appraisals, against the purchase price.

21.2 Master Licensee will notify you of its intention to exercise the option to purchase within thirty (30) days following receipt of notice from you under Section 20.2. You will have fourteen (14) days following receipt of Master Licensee's notice to object to any of its terms. If Master Licensee declines to exercise its rights under Section 21.1 within thirty (30) days, you may thereafter sell the Business to the third party identified in the disclosed purchase offer, but not at a lower price or on more favorable terms than you previously disclosed to Master Licensee. Any such sale will be subject to the terms set forth in Section 20.

21.3 The purchase and sale contemplated in this Section will be consummated as soon as practicable. Following the delivery of a notice as specified in Section 20.2, Master Licensee, or its designee, will have the right to operate the Business pending the closing of the sale.

SECTION 22 - GENERAL PROVISIONS

22.1 **Relationship of Parties.**

You do not have any authority to act on behalf of, or as an agent of, Master Licensee, Franchisor, or Licensor for any purpose, nor may you hold yourself out as having such authority. No fiduciary, agency, employment, or partnership relationship exists between you and Master Licensee. You are an independent contractor responsible for all obligations and liabilities of the Business, including any claims or demands based on damage or destruction of property or on injury, illness or death of any person arising directly or indirectly from, or in connection with, the operation of the Business.

22.2 **No Conflict with Other Agreements.**

You represent that you are not a party to or subject to any agreement that might conflict with the terms of this Agreement.

22.3 **Prevailing Party Reimbursement.**

In any legal action or arbitration involving you and Master Licensee and/or Franchisor, the prevailing party will be entitled to recover its investigation costs, collection costs, reasonable attorneys' fees, court costs, and all litigation or arbitration expenses, including arbitrators' fees.

22.4 **No Waiver.**

No failure or delay on the part of Master Licensee or Franchisor in connection with the enforcement or exercise of any rights under this Agreement will affect Master Licensee's or Franchisor's right to strictly enforce this Agreement at any time. No custom or practice regarding this Agreement will preclude the strict enforcement of this Agreement. No waiver by Master Licensee of performance of any provision of this Agreement will constitute a waiver of Master Licensee's or Franchisor's rights to enforce that provision at any future time.

22.5 **Entire Agreement; Amendments.**

This Agreement constitutes the entire agreement between you and Master Licensee and supersedes all prior agreements, negotiations, correspondence, and representations, whether oral or written, concerning the same subject matter; provided however, that nothing in the foregoing clause is intended to disclaim any representations made by Master Licensee in the Franchise Disclosure Document provided to you in connection with your entry into this Agreement. Except as expressly provided herein, this Agreement may be modified only by a written document signed by you and an authorized representative of Master Licensee.

22.6 **Survival.**

All provisions of this Agreement that by their terms or by reasonable implication are intended to survive the termination or expiration of this Agreement or a transfer approved under Section 20, including your obligations of non-competition, confidentiality, return of proprietary items, and indemnity, will remain in effect after the expiration or termination of this Agreement or a transfer approved under Section 20.

22.7 **Severability.**

If any term or provision of this Agreement or the application thereof to any person, property or circumstance is determined by a court or arbitrator to be invalid or unenforceable, the remainder of this Agreement will be unaffected and will remain in full force and effect. Should this prove impractical, Master Licensee will have the option of terminating this Agreement upon written notice to you.

22.8 **Governing Law.**

This Agreement will be interpreted in accordance with and governed by the laws of the state in which Franchisor's principal office is located at the time of the dispute, except as otherwise required by the laws of the state in which the Business is located.

22.9 **Mediation and Arbitration.**

A. This dispute resolution clause applies to claims (except claims by Master Licensee for any payment to be made by Franchisee to Master Licensee under this Agreement) by and against all parties and their affiliates, successors, owners, managers, officers, directors, employees, agents, and representatives, as to claims arising out of or relating to this Agreement, or of violation of any applicable law or regulation, except as stated below. This dispute resolution clause will survive expiration, termination or a transfer approved under Section 19.

B. The parties will first attempt to resolve any dispute relating to or arising out of this Agreement by negotiation. Any dispute subject to negotiation, and not resolved within ten (10) days, will be submitted to nonbinding mediation. Mediation will be before a single skilled independent mediator mutually and reasonably agreed on by the parties. The parties will equally bear the costs of mediation. Mediation will be conducted in accordance with the procedures of the American Arbitration Association unless the parties agree to use a different mediation service. The mediation will be conducted in Las Vegas, Nevada if Franchisor is a party to or joined in the mediation.

C. Any dispute relating to or arising out of this Agreement, and subject to negotiation and mediation, and not resolved exclusively by mandatory arbitration in accordance with the rules of the American Arbitration Association. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all parties so agree. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. If Franchisor is a party to or joined in the arbitration, the exclusive venue of the arbitration will be set in the city or county in which Franchisor's principal office is located at the time the demand for arbitration is filed. If Franchisor is not a party to or joined in the arbitration, the exclusive venue of the arbitration will be set in the city or county in which Master Licensee's principal office is located at the time the demand for arbitration is filed.

D. Notwithstanding Section 22.8, all issues relating to arbitrability, or the enforcement of this Section 22.9 are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

E. Each party to any arbitration or litigation under this Agreement waives, to the fullest extent permitted by law, any right to or claim for any special, indirect, consequential, punitive, or exemplary damages against any other party, except: (i) for liquidated damages under Section 18.4; and (ii) as allowed under law for trademark, trade secret, and copyright infringement.

F. Except as otherwise expressly provided in this Agreement, no right or remedy conferred upon or reserved to any party by this Agreement is intended to be, or will be deemed, exclusive of any other right or remedy provided herein or by law or equity, but each will be cumulative of every other right or remedy.

22.10 **Waiver of Right to Bring Class, Group, or Collective Action**.

Arbitration or litigation of any dispute must proceed solely on an individual basis. The parties expressly and irrevocably waive the right for any dispute to be arbitrated or litigated on a class action basis, or on bases involving disputes arbitrated or litigated in a purported representative capacity on behalf of others. The authority of a court or arbitrator to resolve disputes and make written awards or judgments is limited to disputes between you (on the one hand) and Master Licensee, Licensor, or Franchisor (on the other hand) alone. Disputes will not be joined or consolidated with any other dispute(s) unless agreed to in writing by all parties. No arbitration award or court decision will have any preclusive effect as to issues or claims in any dispute with any person or entity not a named party to the arbitration. No previous course of dealing will be admissible to explain, modify, or contradict the terms of this Agreement.

22.11 **Notices.**

All notices pursuant to this Agreement must be in writing and be delivered in person or mailed by certified or other receipted mail, or by Federal Express or other receipted commercial delivery service, or by facsimile or electronic mail. The addresses for notice will be those set forth in Attachment 1. You or Master Licensee, with notice to the other party, may change the address to which notices will be sent.

22.12 **Successors.**

This Agreement will inure to the benefit of and be binding on you and Master Licensee, and your and Master Licensee's respective successors, assigns, heirs, executors, administrators, and personal representatives.

22.13 **Costs to Alter Contracts.**

If you request, and Master Licensee approves, any amendment to this Agreement after the date of this Agreement, you agree to reimburse Master Licensee (and Franchisor, if applicable) for their reasonable costs (including attorneys' fees) incurred in connection with such amendment.

22.14 **Acknowledgment.**

YOU ACKNOWLEDGE THAT YOU RECEIVED A FRANCHISE DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFORE THE DATE ON WHICH YOU SIGNED THIS AGREEMENT OR PAID ANY CONSIDERATION.

[Signature page follows]

THE PARTIES have caused this Agreement to be duly executed as evidenced by their signatures appearing below.

FRANCHISEE / FIRM OWNER

By:

Title:

Date:

If you are a corporation or other entity, all persons with ownership interest in you must sign below and specify their ownership interest percentage. All such persons must personally, jointly, and severally guarantee the obligations to Master Licensee under this Agreement by executing an Individual Guarantee in the form that appears as Attachment 2 to this Agreement.

Name	Signature	Percentage Interest
		%
		%
		%

MASTER LICENSEE

By:

Title:

Date:

ATTACHMENT 1
TO THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

INFORMATION REGARDING FRANCHISEE AND FRANCHISE

1	**Parties**	Master Licensee Name: ActionCOACH OneCo., LLC Address: 5781 S. Fort Apache Rd. Las Vegas, NV 89148 Email: contracts@actioncoach.com Franchisee / Firm Owner Name: Address: Email:
2	**DDMA**	Master Licensee's Territory or Territory: See Attachment 3 DDMA: See Attachment 3
3	**Franchise Fee**	Franchise Fee: ☐ $75,000 Reduced Franchise Fees (for purchases of more than one (1) DDMA within a 30-day period only, as below): ☐ $180,000 for 1st 3-Pack of DDMAs ☐ $165,000 for 2nd 3-Pack of DDMAs and onwards
4	**Term**	Term: 15 years Effective Date: Expiry Date: Renewal Term: 15 years
5	**Royalty Fee**	The monthly Royalty Fee is 10% of the Minimum Performance Requirement or 10% of Gross Revenues in the preceding month, whichever is higher but in no case less than $1,950. Payment of $1,950 is due on the 1st day of each month, while payment of the balance, if any, is due on the 15th day of each month.
6	**Marketing and Advertising Fee**	The monthly Marketing and Advertising Fee is 5% of Gross Revenues in the preceding month (capped at $2,000 per month if you have a Lead Generation Specialist) and is due on the 5th day of each calendar month, except that no Marketing and Advertising Fee is due with respect to Gross Revenues in the month in which you or your MDC, as applicable, complete the induction training program.
7	**Minimum Performance Requirement**	Year 1 = Nil Year 2 = $10,000 per month Year 3 = $20,000 per month Year 4 = $30,000 per month Year 5 = $40,000 per month Year 6 = $50,000 per month Year 7 = $50,000 per month Year 8 = $50,000 per month Year 9 = $50,000 per month Year 10 = $50,000 per month

		Year 11 = $50,000 per month Year 12 = $50,000 per month Year 13 = $50,000 per month Year 14 = $50,000 per month Year 15 = $50,000 per month
8	**Assessment Period**	Every month after the 1st year
9	**Minimum Key Personnel Requirement**	• Sales Manager; or • Lead Generation Specialist At least one (1) of the above must attend the appropriate 2-day training within six (6) months of you (or your MDC if you are a legal entity) completing the 10-day training.
10	**Training Fee**	• $25,000 for you (or your MDC if you are a legal entity) • For an additional fee of $3,500 you may send one (1) MDC to attend the 10-day training at any time for the term of the Franchise Agreement. The fee includes accommodation, meals, and transportation to and from hotel to the training venue during the training. All other expenses shall be for your account. • $5,000 per trainee for your EBCs for the virtual 5-day training. • $2,500 per trainee for your Key Personnel for the virtual 2-day training.
11	**Renewal Fee**	$2,500
12	**Quarterly Conference and Technology Fee**	$495, plus $395 per EBC/Key Personnel
13	**Transfer Fee**	$5,000
14	**Interest Rate**	1.5% per month or the maximum rate permitted by law; whichever is less.
15	**Business Coaches**	• Managing Director Business Coach: • Employee Business Coach:
16	**Office Location** (if different from the address in Item 1 above)	
17	**Tradenames and Trademarks**	ActionCOACH

18	**Restraint Area and Restraint Period**	"Restraint Area" means the DDMA and within 100 miles thereof. "Restraint Period" means 24 months after termination, expiration or transfer of this Agreement under Section 20 hereof; or if not deemed reasonable.
19	**Executive Coaching**	You (or your MDC) and your EBCs may be eligible to participate in the executive coaching program subject to compliance with Minimum Performance Requirements and other program guidelines. The executive coaching training shall be conducted by Franchisor (or its nominees) and shall be separate from the induction training program described in Item 10 above. Notwithstanding the provisions of the Agreement, neither you (or your MDC) nor any of your EBCs may offer or conduct executive coaching services without satisfactory completion of the executive training program.

ATTACHMENT 2
TO THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

PERSONAL GUARANTEE

We, the undersigned, in order to induce Master Licensee to enter into a Firm Business Coach Agreement (the "Agreement") with (“Firm Owner”), hereby irrevocably, absolutely, and unconditionally guarantee to Master Licensee and any of its respective assignees or affiliates performance of Firm Owner's obligations under the Agreement, including, without limitation, performance and observance of all terms, conditions, covenants, including the confidentiality and non-competition covenants, and agreements and the payment of all debts and liabilities (the "Obligations").

In addition, we agree to be personally bound by the confidentiality, non-competition, transfer, and dispute resolution provisions of the Agreement.

We acknowledge that our obligations under this Personal Guarantee are joint, several, personal and irrevocable. Until all of the Obligations of Firm Owner to Master Licensee have been paid in full and/or performed in full, we will not have any right of subrogation, unless expressly given to us in writing by Master Licensee.

IN WITNESS WHEREOF, Guarantor has executed this Personal Guaranty this day of , 20 .

GUARANTOR:

By:

Name:

ATTACHMENT 3
TO THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

DDMA

A. DDMA ( )

The DDMA consists of the following zip codes, postal codes, and/or counties in the State of: .

If the U.S. Postal Service alters the boundaries or numbers of any of the zip codes referencing the DDMA, Master Licensee will use its best endeavors to reassign the redesignated zip codes that corresponds as closely as possible to the previously held zip codes. You must advise Master Licensee if you become aware of any change to Zip Code boundaries or any other change which alters the DDMA.

B. Franchisees that have the Right to Direct Marketing in the DDMA

The following franchisees and their Business Coaches have the right to direct market within the DDMA:

ATTACHMENT 4
TO THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS

In consideration of Master Licensee ("Assignee") concurrently granting an ActionCOACH Firm Business Coach Agreement ("Franchised Business") to (“Assignor”), and other valuable consideration, Assignor assigns to Assignee all telephone numbers, directory listings, fax numbers, Internet website addresses and domain names, and other listings, whether in electronic or other media, used or to be used by Assignor in the operation of the Franchised Business. Assignee assumes the performance of all of the terms, covenants, and conditions of the telephone or directory company with respect to these listings with the same force and effect as if they had been originally issued to Assignee. This Assignment is valid on the effective date and is irrevocable. Assignee may fill in, add, or change the effective date and the listings at any time. The telephone or directory company is authorized to rely on this Assignment. The parties will hold harmless and indemnify the telephone or directory company from any claims based on reliance on this Assignment.

Date:

ASSIGNOR	**ASSIGNEE**
By:	By:
Name:	Name:
Position/Title:	Position/Title:

ATTACHMENT 5
TO THE FIRM BUSINESS COACH FRANCHISE AGREEMENT

DIRECT DEBIT AUTHORIZATION FORM

Effective date of Authorization: _____________

Type of Authorization: ☐ New Authorization ☐ Change banking information

☐ Change payment amount ☐ Discontinue electronic payment

☐ Change payment date

Last Name	First Name
Address	
City	State Zip

Please debit payments from my (check one): ☐ Checking Account (attach voided check when returning) ☐ Savings Account (contact your financial institution for Routing#)	Routing Number: *(valid routing #'s must start with 0, 1, 2, or 3)* ______________________________ Account Number: ______________________________
Date of first payment: _____/_____/______ Date of last payment (optional): _____/_____/______	Frequency of payment: ☐ Monthly on the 1st (ROYALTY) ☐ Monthly on the 5th (MARKETING)

Deduction Amount:

ROYALTY: If you have signed a franchise agreement with percentage-based Royalty Fee, you will be deducted the amount due based on gross revenues reported in the **Action**MEMBERS KPI system.

MARKETING: If you have signed a franchise agreement with percentage-based Marketing and Advertising Fee, you will be deducted the amount due based on gross revenues reported in the ActionMEMBERS KPI system.

AGREEMENT

I authorize [Name of Master Licensee] to process debit entries to my account. I understand that this authority will remain in effect until I provide reasonable notification to terminate authorization.

Authorized Signature: ____Date: _____________________

FOR OFFICE USE ONLY:	DATE:

EXHIBIT B

To

BUSINESS COACH
FRANCHISE DISCLOSURE DOCUMENT

STATE-REQUIRED ADDENDA TO FRANCHISE AGREEMENT

If you are purchasing a franchise subject to California, Illinois, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota or Washington law, please sign the applicable state addendum only.

The state of Hawaii currently does not require an addendum.

ADDENDUM
REQUIRED BY THE STATE OF CALIFORNIA

The parties agree to modify the FIRM – Business Coach Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

2. Section 3.1 is amended to add the following: Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

3. Section 3.2 is amended to add the following: Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

4. Section 4.4 is amended to add the following: Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

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.

[Name of Master Licensee]: [Name of FIRM Owner/Business Coach]:

By: By: ______________________________

Title: Title: ____________________________

ADDENDUM
<u>REQUIRED BY THE STATE OF ILLINOIS</u>

Illinois law governs the franchise agreements.

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

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

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:__________________________________	By: __________________________________
Title:__________________________________	Title: ________________________________

ADDENDUM
REQUIRED BY THE STATE OF MARYLAND

In recognition of the Maryland Franchise Registration and Disclosure Law, Maryland Stat. §§ 14-201 to 14-233, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

   Notwithstanding the foregoing, pursuant to COMAR 02.02.02.16L, the general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Section 22.5 is amended to add the following:

   Notwithstanding anything to the contrary in this Franchise Agreement, you are not required to waive any of your rights under the Maryland Franchise Registration and Disclosure Law with regard to Master Licensee's prior representations.

3. Section 22.8 is amended to add the following:

   Notwithstanding the foregoing, the Maryland Franchise Registration and Disclosure Law shall govern any claim arising under that law.

4. Section 22.9 is amended to add the following:

   Notwithstanding the foregoing, you may bring any claims under the Maryland Franchise Registration and Disclosure Law in a Maryland court.

5. The acknowledgements in Section 22.13 do not constitute a release, estoppel or waiver by you of your rights under the Maryland Franchise Registration and Disclosure Law.

6. Notwithstanding anything to the contrary in this Franchise Agreement, any limitation of claims provision shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law.

7. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:__________________________________	By: __________________________________
Title:________________________________	Title: ________________________________

ADDENDUM
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01-80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

   The release required by this section will not relieve any person from liability imposed by Minn. Stat. §§ 80C.01-80C.22. However, Minn. Stat. §§ 80C.01–80C.22 does not bar a release given in connection with the voluntary settlement of disputes.

2. The following paragraph is added as Section 15.6:

   Master Licensee will indemnify you against liability to a third party resulting from claims that your use of the Proprietary Marks infringes trademark rights of the third party, provided that your use is in accordance with the requirements of this Agreement and the System.

3. Section 17.4 is amended to add the following:

   Notwithstanding anything to the contrary in Section 176.2 or 17.3, Master Licensee will comply with Minnesota Statutes § 80C.14, Subdivision 3, 4, and 5 which require, except in certain cases, that Minnesota franchisees be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement.

4. The second sentence of Section 18.3 is deleted and replaced with the following:

   You agree that Master Licensee will be entitled to seek injunctive relief in addition to any other relief that may be available for breach of this Section 18.

5. Section 22.8 is amended to add the following:

   Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring you to waive 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 Minnesota.

6. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of Minnesota Statutes §§ 80C.01 - 80C.22. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:________________________________	By: ________________________________
Title:________________________________	Title: ________________________________

ADDENDUM
REQUIRED BY 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 SERVICES OR 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 THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. 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.

2. The following is to be 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 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.

4. 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.

5. 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.

6. Franchise Questionnaires and Acknowledgements--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.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:________________________________	By:________________________________
Title:______________________________	Title: ______________________________

ADDENDUM
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Cent. Code §§ 51-19-01 to 51-19-17, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

   The release required by this Section will not apply to any claim you may have under the North Dakota Franchise Investment Law.

2. Section 16 is amended to add the following:

   Covenants not to compete will be subject to Section 9-08-06, N.D.C.C.

3. Section 18.4 is amended to add the following:

   Under North Dakota law, a requirement that franchisees consent to liquidated damages or termination penalties is unenforceable.

4. Section 20.3(D) is amended to add the following:

   The release required by this Section will not apply to any claim you may have under the North Dakota Franchise Investment Law.

5. Sections 22.8, 22.9(B), and 22.9(C) are amended to add the following:

   Pursuant to the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the arbitration of disputes at a location that is remote from the site of the franchisee's business, consent to the application of laws of a state other than North Dakota, or consent to the waiver of a trial by jury is void.

6. Section 22.9(E) is amended to add the following:

   Under North Dakota law, a requirement that franchisees consent to waiver of exemplary or punitive damages or penalties is unenforceable.

7. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and Franchisee satisfy all of the jurisdictional requirements of the North Dakota Franchise Investment Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:_______________________________	By:_______________________________
Title:_____________________________	Title: _____________________________

ADDENDUM
REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Section 22.8 is amended to add the following:

   Notwithstanding the foregoing, Rhode Island law governs any claim arising under the Rhode Island Franchise Investment Act.

2. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Rhode Island Franchise Investment Act, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:________________________________	By: ________________________________
Title:________________________________	Title: ________________________________

ADDENDUM
REQUIRED BY THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

   The release required by this Section will not apply to your rights under the Washington Franchise Investment Protection Act.

2. Sections 3 and 22 are amended to add the following:

   The Washington Franchise Investment Protection Act, RCW 19.100.180, may supersede this Agreement in your relationship with Master Licensee, including in the areas of termination and renewal of this Agreement. There also may be court decisions in Washington which may supersede this Agreement in your relationship with Master Licensee, including in the areas of termination and renewal of this Agreement.

3. Section 20.3(D) is amended to add the following:

   The release required by this Section will not apply to your rights under the Washington Franchise Investment Protection Act.

4. Section 20.3(E) is amended to add the following:

   Transfer fees are collectable to the extent that they reflect Master Licensee's reasonable estimated or actual costs in effecting a transfer.

5. Section 20.8 is amended to add the following:

   In the event of a conflict between the Washington Franchise Investment Protection Act and the law chosen in this Agreement, the provisions of the Act shall prevail.

6. The last two sentences of Section 22.9(C) are deleted and replaced with the following:

   Arbitration must take place in Washington, at a place mutually agreed by the parties at the time of arbitration, or at a place determined by the arbitrator. **[Note: Master Licensee and/or Franchisor reserve the right to challenge this restriction under the Federal Arbitration Act.]**

7. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Washington Franchise Investment Protection Act, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Name of Master Licensee]:	**[Name of Franchisee]:**
By:____________________________	By: ____________________________
Title:____________________________	Title: ____________________________

EXHIBIT C

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

MANAGING DIRECTOR BUSINESS COACH AGREEMENT

Managing Director Business Coach Agreement

This Agreement is entered into effective as of [date] between and among (“Franchise Owner”), (“MDC”) and ActionCOACH OneCo, LLC (“Master Licensee”).

RECITALS

A. Franchise Owner is a franchisee of Master Licensee under a Business Coach Agreement (the “Franchise Agreement”).

B. The Franchise Agreement permits only one (1) person at a time to act provide Coaching Services to Clients of the Business as a Managing Director Business Coach (“MDC”), and permits the Franchise Owner, under certain circumstances, to appoint a Managing Director Business Coach In lieu of Franchise Owner.

C. Franchise Owner wishes to appoint MDC as Managing Director Business Coach under the Franchise Agreement effective as of (“Appointment Date”).

D. Master Licensee has approved the appointment of MDC and MDC has either completed the training required by ActionCoach North America, LLC (“Franchisor”), or will complete such training prior to providing any Coaching Services under the Franchise Agreement.

The parties agree as follows:

DEFINITIONS

1.1 Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement have the same meaning as those given in the Franchise Agreement.

APPOINTMENT AND AUTHORITY

2.1 Franchise Owner appoints MDC as the Managing Director Business Coach for the Business effective as of the Appointment Date.

2.2 Effective as of the Appointment Date, MDC has full responsibility for all operations of the Business and has the authority to bind Franchise Owner in any dealings with Master Licensee or Franchisor.

FRANCHISE OWNER’S OBLIGATIONS

3.1 Franchise Owner shall:

(a) ensure that MDC is at all times trained, at the cost of Franchise Owner, in the delivery of the Coaching Services, to the reasonable satisfaction of Master Licensee and Franchisor; and

(b) ensure that MDC delivers the Coaching Services strictly in accordance with the System, including the Manuals, and strictly in accordance with the Franchise Agreement.

3.2 Franchise Owner shall compensate MDC for his or her services as separately arranged between them. The form of the arrangement must generally conform to Franchisor’s then current remuneration model or as otherwise agreed in writing by Master Licensee.

3.3 Franchise Owner acknowledges that its indemnity obligation under the Franchise Agreement applies to any loss or claim suffered by Master Licensee, Franchisor, or ActionCOACH IPCo, Ltd. (“Licensor”), or any of their respective affiliates in consequence of:

(a) MDC not strictly observing or performing his or her obligations under this Agreement; or

(b) MDC's acts, omissions, or activities in the delivery of the Coaching Services to Clients.

MANAGING DIRECTOR BUSINESS COACH'S OBLIGATIONS

4.1 MDC acknowledges that: (i) as the Managing Director Business Coach for the Business, he or she will be given access to the System; (ii) the contents of the System are confidential and are proprietary to Licensor; and (iii) Franchise Owner has been licensed by Master Licensee to use the System subject to the terms of the Franchise Agreement. MDC represents that he or she has received and read a copy of the Franchise Agreement and agrees to be bound by its provisions.

4.2 **Personal Liability**

(a) MDC agrees to be personally bound by all provisions of the Franchise Agreement relating to confidentiality (Section 15), non-competition (Section 16), restrictions on transfer (Section 20), and dispute resolution (Section 22).

(b) MDC agrees that he or she must not:

(i) use the Confidential Information for any purpose other than carrying out his or her obligations under this Agreement and the Franchise Agreement; or

(ii) appropriate, copy, memorize or in any manner reproduce any of the Confidential Information, except to the extent required to carry out MDC's obligations under this Agreement and the Franchise Agreement.

(c) MDC agrees that: (i) with respect to MDC, the two (2) year period specified in Section of the Franchise Agreement shall run from the date on which MDC ends his or her association with Franchise Owner; and (ii) the non- competition obligations imposed by Section 16 of the Franchise Agreement are reasonable as to duration, geographical area and restrained conduct, and extend no further than is reasonably necessary to protect the legitimate interests of Franchise Owner, Master Licensee, Franchisor and Licensor. MDC represents that such restrictions will not prevent MDC from earning a living after ending MDC's association with the Franchise Owner.

(d) Nothing in this Section 4.2 is intended to impose an obligation on MDC to keep confidential any information that is generally known or publicly available other than because of a breach by the MDC of his or her obligations under this section.

(e) MDC specifically acknowledges that:

(i) damages are not a sufficient remedy for any breach of this section;

(ii) Franchise Owner, Master Licensee, Franchisor, and Licensor are entitled to specific performance or injunctive relief (as appropriate) as a remedy for any breach or threatened breach by the MDC, or any person to whom the MDC has disclosed Confidential Information; and

(iii) these remedies are in addition to all other remedies available at law or in equity.

4.3 **Compliance with Manuals**

MDC must carry out his or her activities as the Managing Director Business Coach for the Business in accordance with the methods and procedures prescribed in the Manuals and in all supplemental bulletins and notices from Master Licensee or Franchisor. MDC acknowledges that compliance with the System and the Manuals is essential to preserve, maintain, and enhance the reputation and goodwill built by the System.

MDC'S OBLIGATIONS ON TERMINATION

5.1 No Further Involvement

MDC agrees that he or she will not provide Coaching Services to Clients of the Business after the end of MDC's service as Managing Director Business Coach under the Franchise Agreement.

5.2 Confidentiality and Non-Competition

MDC acknowledges his or her personal obligations under the Franchise Agreement, particularly those in relation to confidentiality and non-competition, and agrees to continue to comply with such obligations after the end of MDC's service as Managing Director Business Coach under the Franchise Agreement. While MDC is associated with Franchise Owner and/or the Business, MDC may not, either directly or indirectly through any other person or entity, participate in, be employed by, act as a coach to provide financial assistance to, or acquire any interest in any business that offers business coaching and mentoring services ("Competing Business") to individuals or businesses. For a continuous two (2) year period after MDC ends her or his association with Franchise Owner, the Business, and the System (the "Disassociation Date"), MDC may not, either directly or indirectly through any other person or entity, participate in, be employed by, act as a coach to, provide financial assistance to, or acquire any interest in any Competing Business within: (i) the DDMA; and (ii) one hundred (100) miles of the DDMA. In addition, for two (2) years after the Disassociation Date, MDC will not solicit, for the benefit of any Competing Business, any person who was a Client of the Business during the two (2) years immediately before the Disassociation Date. During the term of this Agreement and for a continuous two (2) year period after its expiration or termination or after a transfer approved under Section 20, MDC may not employ or otherwise interfere with the employment relationship of any person who is employed by Licensor, Franchisor, or Master Licensee. If legal action becomes necessary for the enforcement of any of the provisions of Sections 15 or 16 of the Franchise Agreement or this Section 5.2, the prevailing party shall receive in addition to any other damages or relief awarded, its reasonable attorney's fees, together with appropriate costs and interest. You agree that in the event of a breach of any of the provisions of Sections 15 or 16 of the Franchise Agreement or this Section 5.2, Franchisor and Master Licensee are entitled to obtain temporary, emergency, or permanent injunctive relief to enforce those provisions. If a court or arbitrator determines that any restriction or provision in Sections 15 or 16 of the Franchise Agreement or this Section 5.2, strictly applied, would be invalid or unenforceable, then the restriction or provision will be deemed modified to the extent necessary (but only to that extent) to make it valid and enforceable. If a dispute regarding enforceability of provisions of Sections 15 or 16 of the Franchise Agreement or this Section 5.2 is resolved in favor of Master Licensee and Franchisor, the two (2) year period (or the period deemed to be reasonable by the court or arbitrator) will run from the date of the order permitting its enforcement.

GENERAL PROVISIONS

6.1 No Waiver

No provision of this Agreement may be waived or varied except in writing signed by the party who is to be bound. None of the following things will preclude Master Licensee from insisting upon strict compliance by another party with the provisions of this Agreement:

(a) Master Licensee's failure to take advantage of any default or breach of any provision of this Agreement;

(b) any custom or practice which may develop between the parties;

(c) a previous waiver by Master Licensee of a particular breach; or

(d) an attempt by Master Licensee to mitigate damages.

6.2 Partial Invalidity

If any provision of this Agreement is determined to be void or unenforceable by any court or arbitrator, that determination will not affect any other provision of this Agreement. It is the intention of the parties that if any provision is capable of two constructions, one of which would render the provision unenforceable and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

6.3 **Governing Law**

This Agreement is governed by the laws of the state in which Franchisor has its principal office.

6.4 **Further Assurance**

Each party must do, sign, execute and deliver all acts and documents reasonably required of it or them by notice from another party effectively to carry out and give full effect to this Agreement and the rights and obligations of the parties under it.

FRANCHISE OWNER	**MANAGING DIRECTOR BUSINESS COACH**
By: Name: Date:	By: Name: Date:

MASTER LICENSEE

By:
Name:
Date:

EXHIBIT D

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

NONDISCLOSURE AND NONCOMPETE AGREEMENT

NONDISCLOSURE AND NONCOMPETE AGREEMENT

This Agreement is entered into on [Date] between [Name of Franchisee] (referred to as "we," "us," and "our"), located at [Franchisee's Address], and [Name of Business Coach / Employee] (referred to as "you" and "your"), located at [Business Coach / Employee's Address], You are signing this Agreement in consideration of, and as a condition to, your association with us and the compensation, dividends, or other payments and benefits you will receive from us.

BACKGROUND

We are an ActionCOACH Business Coach franchisee of ActionCoach OneCo, LLC ("Master Licensee") under a Business Coach Franchise Agreement dated [Date]. We have a license to use the Marks, the System, and the Confidential Information owned by ActionCOACH IPCo, Ltd. ("Licensor") and licensed to ActionCOACH North America, LLC ("Franchisor"). Master Licensee coaches and employees have access to certain confidential information and trade secrets owned by Licensor. Disclosure of this confidential information and trade secrets to unauthorized persons, or its use for any purpose other than the operation of our business, would harm us, Master Licensee, Licensor, other franchise owners, and Franchisor. Accordingly, Master Licensee requires us to have you sign this Agreement.

AGREEMENT

1. As used in this Agreement, "Confidential Information" means all manuals, trade secrets, know how, methods, training materials, information, recruiting techniques, accounting procedures, control procedures, and marketing techniques relating to the ActionCOACH business coaching and mentoring business and system. In addition, financial information, client information, employee information, and other proprietary information of Licensor, Franchisor, Master Licensee, or us (collectively, the "Interested Parties") that you obtain during your association with us.

2. You agree not to disclose any Confidential Information to anyone outside of our organization (other than the Interested Parties) and not to use any Confidential Information for any purpose except to carry out your duties as our employee. You also agree not to claim any ownership in or rights to Confidential Information and not to challenge or contest Licensor's ownership of it. These obligations apply both during and after your association with us.

3. If your association with us ends for any reason, you must return to us all records described in Paragraph 1, all other Confidential Information, and any authorized or unauthorized copies of Confidential Information that you may have in your possession or control. You may not retain any Confidential Information after your association with us ends.

4. You may not, during your association with us, without our prior written consent:

   (a) Own, operate, engage in, be employed by, act as a consultant to, provide financing or assistance to, participate in, or have any interest in any business that offers business coaching and mentoring services ("Competing Business") to clients in the U.S.A.; or

   (b) Divert or attempt to divert any clients or prospective clients to any Competing Business.

5. Paragraph 4 will continue to apply for (a) two (2) years if you are a Business Coach, and (b) one (1) year if you are an Employee, after your association with us ends, regardless of the reason that your association with us ends. However, Paragraph 4(a) will only continue to apply to businesses operating in the geographic area where you performed work for us. In addition, for two (2) years after your association with us ends, you may not solicit, for the benefit of any Competing Business, any person who was a client of our business during the two (2) years immediately before your disassociation.

6. You may not attempt to circumvent the restrictions in Paragraphs 1 through 5 by engaging in prohibited activity indirectly through any other person or entity.

7. If you breach or threaten to breach any part of this Agreement, you agree that we will be entitled to injunctive relief (without posting bond) as well as a suit for damages.

8. If any part of this Agreement is declared invalid for any reason, the invalidity will not affect the remaining provisions of this Agreement. If a court finds any provision of this Agreement to be unreasonable or unenforceable as written, you agree that the court may modify the provision to make it enforceable and that you will abide by the provision as modified.

9. Agreement is independent of any other obligations between us. This means that it is enforceable even if you claim a breach of any other agreement, understanding, commitment or promise between you and us.

10. You are signing this Agreement not only for our benefit, but also for the benefit of Licensor, Franchisor and Master Licensee. Licensor, Franchisor and Master Licensee have the right to enforce this Agreement directly against you.

11. This is not an employment agreement. Nothing in this Agreement creates or should be taken as evidence of an agreement or understanding by us, express or implied, to continue your association with us for any specified period.

12. Your obligations under this Agreement cannot be waived or modified except in writing.

13. This Agreement is governed by the laws of the state in which our principal office is located.

14. If we have to take legal action to enforce this Agreement, we will be entitled to recover from you all of our costs, including reasonable attorneys' fees, to the extent that we prevail on the merits.

15. You certify that you have read and fully understood this Agreement, and that you entered into it willingly.

FRANCHISEE	**EMPLOYEE**
By:	By:
Name:	Name:
Date:	Date:

EXHIBIT E

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

RELEASE

RELEASE

THIS RELEASE is executed on [date] by [Name of Franchise Owner] ("Franchisee") as an express condition of transfer or renewal of the Business Coach Franchise Agreement dated [date of BCFA] between [Name of Master Licensee] ("Master Licensee") and Franchisee.

1. Release by Franchisee. Franchisee, for himself/itself and his/its heirs, personal representatives, and all other persons acting on his/its behalf or claiming under him/it (collectively, the "Franchisee Releasors"), hereby releases and forever discharges Master Licensee, ActionCOACH North America, LLC. and ActionCOACH IPCo, Ltd., and their respective past and present officers, directors, shareholders, members, parents, subsidiaries, affiliates, agents, employees, attorneys, insurers, representatives, predecessors, successors, and assigns, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, suits, actions, and causes of action, of whatever nature, known or unknown, suspected or unsuspected, vested or contingent (collectively, "Claims") that the Franchisee Releasors ever had, now have, or may in the future have, arising out of or relating to any act, omission or event occurring on or before the date of this Release.

2. Risk of changed facts. The Franchisee Releasors understand that the facts in respect of which the release in Section 1 above is given may turn out to be different from the facts now known or believed by the parties to be true. The Franchisee Releasors hereby accept and assume the risk of the facts turning out to be different and agree that its release shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. No prior assignment. Franchisee represents and warrants that he/she/it is the sole owner of all Claims and rights released by Franchisee hereunder and that Franchisee has not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1 above.

4. Covenant not to sue. Franchisee (on behalf of the Franchisee Releasors) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 above with respect to any Claim released under Section 1 above.

5. Complete Defense. Franchisee: (i) acknowledges that this Release shall be a complete defense to any Claim released under Section 1 above; and (ii) consents to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

6. Authorization. The person who executes this Release on behalf of Franchisee_represents and warrants that Franchisee has authorized that person to enter into this Release on behalf of Franchisee. Franchisee represents and warrants that it has the authority to enter into this Release not only on its own behalf, but also on behalf of the other persons and entities to be bound by its signature.

7. Successors and assigns. This Release will inure to the benefit of and bind the successors, assigns, heirs and personal representatives of Franchisee.

IN WITNESS WHEREOF, Franchisee has executed this Release as of the date first above written.

FRANCHISEE
[Entity]

By:
Name:
Date:

EXHIBIT F

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

COMPLIANCE QUESTIONNAIRE

QUESTIONNAIRE TO BE COMPLETED BEFORE YOU SIGN THE BUSINESS COACH FRANCHISE AGREEMENT

You are preparing to enter into an ACTIONCOACH Business Coach Franchise Agreement with ActionCOACH OneCo, LLC ("we" or "us"). The purpose of this Questionnaire is to confirm that you understand the terms of the contract and that no unauthorized statements or promises have been made to you. Please review each of the following questions and statements carefully and provide honest and complete responses to each. **If the answer you give calls for a written explanation and there is not enough room in the space, we provide on this questionnaire to give a complete written explanation, please attach additional pages as necessary.**

We will not ask you to complete this form, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

1. When and where did you have your first face-to-face meeting with our representative(s)?

   Approximate date of first meeting:____
   Place of meeting:____

2. Which of our representative(s) have you been dealing with?

   Name(s):____

3. Have you personally read the ActionCOACH Business Coach Franchise Disclosure Document (FDD)?

   Yes______ No ______

4. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

   Yes______ No______ If yes, on what date? __________________________

5. Do you understand all of the information contained in the FDD?

   Yes______ No ______

   If not, what parts of the FDD do you not understand?

   ____

   ____

6. Have you personally read the Business Coach Franchise Agreement (the "Agreement")?

   Yes______ No ______

7. Do you understand all of the terms of the Agreement?

   Yes______ No ______

   If not, what parts of the Agreement do you not understand?

   ____

8. Has any of our representatives recommended that you have the FDD and agreements reviewed by an attorney or other professional advisor?

Yes______ No ______

9. Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an ACTIONCOACH Business Coach franchise with an attorney, accountant, or other professional advisor?

Yes______ No ______

If yes, name and profession of advisor: ____

If No, do you wish to have more time to do so?

Yes______ No ______

10. In Item 19 of the FDD we have provided a historical financial performance representation. We do not authorize our salespeople to provide information concerning the actual or potential financial performance of a Business Coach franchise beyond what is stated in Item 19. Has any employee of ActionCOACH North America, LLC or Master Licensee, or any other person speaking on our behalf (this does not include Business Coaches whom you contact on your own) made any statement or representation (oral, written, or visual) which is inconsistent with Item 19 regarding:

a. The amount of money that others have made or that you may earn as a Business Coach?

Yes______ No ______

b. The revenue that a Business Coach franchise will generate?

Yes______ No ______

c. The costs you may incur in operating the Business Coach franchise?

Yes______ No ______

d. Any other financial performance information about Business Coach franchises?

Yes______ No ______

11. If your answer to any part of Question 10 is "yes," please describe the statement or representation. Please include when, where, and by whom the statement or representation was made. Please provide full details in the following space.

____

____

____

12. Have you contacted any existing Business Coaches about their financial performance?

Yes______ No ______

13. If your answer to Question 12 is "yes," please describe the type of information that they shared with you in the following space. (You do not need to identify the Business Coaches with whom you spoke.)

____

____

14. Please think about the statements or promises made to you by our employees (or by any other person purporting to speak on our behalf) concerning the advertising, marketing, training, support, or assistance that we will furnish to you. Were any such statements or promises contrary to, or different from, the information contained in the FDD?

Yes______ No ______

15. If you answered "Yes" to Question 14, please provide full details in the following space.

____

____

____

16. Before today, have you entered into any agreement with us concerning our franchise opportunity?

Yes______ No______ If Yes, please describe: ______________________________

17. Have you paid any money to us before today in connection with our franchise opportunity?

Yes______ No______ If Yes, please describe: ______________________________

18. In entering into the Agreement, are you relying on any statement, promise, or assurances by us, or by anyone speaking or purporting to speak on our behalf, other than the terms of the Agreement itself?

Yes______ No______

19. If you answered "Yes" to Question 18, please provide full details in the following space.

____

____

____

20. Would you agree that the success or failure of your Business Coach franchise will depend in large part upon your own skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors?

Yes______ No ______

21. In which state do you reside?____

22. In which state do you intend to operate the Business Coach franchise?____________________

23. Have you selected a specific office location from which you propose to operate the Business Coach franchise?

Yes______ No ______

If yes, please specify the location: ____

____

24. Do you have personal knowledge of the market area in which you will operate?

Yes______ No ______

25. Did you obtain advice from anyone other than our representatives in selecting your market and/or your office location?

Yes______ No______ If yes, name of advisor:__________________________

If not, do you wish to have more time to do so?

Yes______ No ______

26. Have all of your questions concerning your proposed investment in a Business Coach franchise been answered to your satisfaction?

Yes______ No ______

* * *

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

FRANCHISE APPLICANT

By: ___________________________________
Name: _________________________________
Date: _________________________________

EXHIBIT G

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

ADDITIONAL STATE-REQUIRED INFORMATION

We are required to provide you with additional information as a condition of registering our franchise offering in certain states. The additional disclosures are set out below.

INFORMATION REQUIRED
BY THE STATE OF CALIFORNIA

The following information is added to the disclosure document for California residents:

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.

See the cover page of the disclosure document for the ActionCOACH North America, LLC website address. THE WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

Item 3, Additional Disclosure. The following is added to Item 3 of the disclosure document:

> Neither we, nor any person identified in Item 2 above, 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, 15 U.S.C. § 78a *et seq.*) suspending or expelling such person from membership in such association or exchange.

Item 17, Additional Disclosures. The following is added to Item 17 of the disclosure document:

> California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal 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. § 101 *et seq*.).
>
> The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the agreement. This provision may not be enforceable under California law.
>
> The Franchise Agreement contains a liquidated damages clause. Under California Civil Code 1671, certain liquidated damages clauses are unenforceable.
>
> The Franchise Agreement requires application of the laws of the state of Nevada. This provision may not be enforceable under California law.
>
> The Franchise Agreement requires binding arbitration. The arbitration will occur in Las Vegas, Nevada if you initiate the proceeding or in the Territory if we initiate the proceeding, with the costs being borne by the losing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

You must sign a general release if you renew or transfer your franchise. A release may be void under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000-31516). Business and Professional Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

Item 19. Additional Disclosure

The financial performance representation figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the franchise disclosure document, may be one source of this information.

INFORMATION REQUIRED BY THE STATE OF HAWAII

The following information is added to the disclosure document for Hawaii residents:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The name and address of the agent in this state authorized to receive service of process on behalf of ACNA is Commissioner of Securities, Department of Commerce and Consumer Affairs, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

INFORMATION REQUIRED
BY THE STATE OF ILLINOIS

The following information is added to the disclosure document for Illinois residents:

Item 17, Additional Disclosures. The following is added to Item 17(v) and (w) of the disclosure document:

> The Illinois Franchise Disclosure Act requires that Illinois law apply to any claim arising under the Illinois Franchise Disclosure Act.
>
> The conditions under which your Franchise Agreement can be terminated and your rights upon non-renewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.
>
> Pursuant to Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement that designates jurisdiction or venue for litigation in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

INFORMATION REQUIRED
BY THE STATE OF MARYLAND

The following is added to the disclosure document for Maryland residents:

Item 17, Additional Disclosures. The following is added to Item 17 of the disclosure document:

> The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. § 101 *et seq.*).
>
> Pursuant to COMAR 02.02.08.16L, a general release required as a condition of renewal or transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Any choice of forum for litigation is subject to your right to bring an action under the Maryland Franchise Registration and Disclosure Law in Maryland.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

Exhibit H (Compliance Questionnaire), Additional Disclosure. Your responses to this questionnaire do not act as a release, estoppels, or waiver of any liability that we may incur under the Maryland Franchise Registration and Disclosure Law.

INFORMATION REQUIRED BY
THE STATE OF MICHIGAN

The following is added to the disclosure document for Michigan residents:

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE

IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any document relating to a franchise:

(a) A prohibition of the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a Franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a Franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the Franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of Franchisor's intent not to renew the franchise.

(e) A provision that permits the Franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**

(g) A provision which permits a Franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a Franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the Franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the Franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the Franchisor items that are not uniquely identified with the Franchisor. This subdivision does not prohibit a provision that grants to a Franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the Franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the Franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, MI 48913 (517) 373-7117.

INFORMATION REQUIRED
BY THE STATE OF MINNESOTA

The following is added to the disclosure document for Minnesota residents:

Item 13. Additional Disclosures. The following is added to Item 13:

Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of the Marks infringes trademark rights of the third party; provided, however, that we will not indemnify you against the consequences of your use of the Marks unless that use is in accordance with the requirements of the Franchise Agreement.

Item 17. Additional Disclosures. The following is added to Item 17:

We will comply with Minn. Stat. § 80C.14, subdivisions 3, 4 and 5, which require, except in specified circumstances, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minn. Stat. §§ 80C.01-80C.02.

Minnesota Rule 2860.4400J prohibits us from requiring you to waive your rights to a trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, however, that the rule will not bar voluntary arbitration of any matter if the proceeding is conducted by an independent tribunal under the rules of the American Arbitration Association.

Pursuant to Minn. Stat. § 80C.21 and Minn. Rule Part 2860.4400J, the choice of law provision in the Franchise Agreement shall not in any way abrogate or reduce any rights of the franchisee as provided for in Minnesota Statutes, Chapter 80C.

INFORMATION REQUIRED BY 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, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

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.

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.

INFORMATION REQUIRED
BY THE STATE OF NORTH CAROLINA

The following is added to the disclosure document for North Carolina residents:

Cover Page. The following is inserted as the first page of this disclosure document:

> **DISCLOSURES REQUIRED BY NORTH CAROLINA LAW**
>
> The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure document has not been verified by the State of North Carolina. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

Item 11. Additional Disclosures. The following is added to Item 11:

> If ACNA fails to deliver product(s), equipment or supplies to be supplied by ACNA that are necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify ACNA in writing and demand that the contract be cancelled.

INFORMATION REQUIRED
BY THE STATE OF NORTH DAKOTA

The following is added to the disclosure document for North Dakota residents:

Item 17. Additional Disclosures. The following is added to Item 17:

> Pursuant to the North Dakota Franchise Investment Law, any provision requiring a North Dakota franchisee to consent to arbitration or the jurisdiction of courts outside North Dakota, the application of laws of a state other than North Dakota, or the waiver of a trial by jury is void. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**
>
> You are not required to release any claims you might have against us under the North Dakota Franchise Investment Law.
>
> You are not required to consent to a waiver of exemplary or punitive damages against us under the North Dakota Franchise Investment Law.
>
> Covenants not to compete will be subject to Section 9-08-06, N.D.C.C.

INFORMATION REQUIRED
BY THE STATE OF RHODE ISLAND

The following is added to the disclosure document for Rhode Island residents:

Item 17. Additional Disclosure. The following is added to Item 17:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in the 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."

INFORMATION REQUIRED
BY THE STATE OF SOUTH CAROLINA

The following is added to the disclosure document for South Carolina residents:

Cover Page. The following is inserted as the first page of this disclosure document:

DISCLOSURES REQUIRED BY SOUTH CAROLINA LAW

The State of South Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure document has not been verified by the State of South Carolina. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

Item 11. Additional Disclosures. The following is added to Item 11:

If ACNA fails to deliver product, equipment or supplies to be supplied by ACNA that are necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify ACNA in writing and demand that the contract be cancelled.

INFORMATION REQUIRED
BY THE COMMONWEALTH OF VIRGINIA

The following is added to the disclosure document for Virginia residents:

Cover Page. The words "or grant" are added at the end of the third sentence in the third paragraph on Page i.

Receipts. The words "or grant" are added at the end of the second paragraph on each Receipt.

INFORMATION REQUIRED
BY THE STATE OF WASHINGTON

The following is added to the disclosure document for Washington residents:

Item 17. Additional Disclosures. The following is added to Item 17:

RCW § 19.100.180 and court decisions may supersede the Franchise Agreement in your relationship with us, including in the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**

In the event of a conflict between the Washington Franchise Investment Protection Act and the law chosen in the Franchise Agreement, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A release or waiver of rights executed by a franchisee will not include rights under the Washington Franchise Investment Protection Act 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 in Washington.

Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

EXHIBIT H

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

STATE REGULATORY AUTHORITIES AND AGENTS FOR SERVICE OF PROCESS

STATE FRANCHISE ADMINISTRATORS

California:

Department of Financial Protection
and Innovation
1-866-275-2677

Los Angeles

320 West 4th Street, Suite 750
Los Angeles, CA 90013-2344
(213) 576-7500

Sacramento

1515 K Street, Suite 200
Sacramento, CA 95814-4052
(916) 445-7205

San Diego

1350 Front Street, Room 2034
San Diego, CA 92101-3697
(619) 525-4233

San Francisco

1 Sansome Street, Suite 600
San Francisco, CA 94104 (415)
972-8559

Hawaii:

Tung Chan
Commissioner of Securities
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Illinois:

Lisa Madigan
Illinois Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana:

Christopher W. Naylor
Securities Commissioner
Securities Division
Room E-111
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

Maryland:

Office of the Attorney General
Division of Securities
200 St. Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan:

Katharyn Barron Franchise
Administrator Antitrust and
Franchise Unit Consumer
Protection Division
Department of Attorney General
670 Law Building
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

Minnesota:

Glenn Wilson
Commissioner
Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
(651) 296-6328

New York:

NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Floor
New York, NY 10005
(212) 416-8285

North Dakota:

Diane Lillis
Franchise Examiner
North Dakota Securities Department
State Capitol, 5th Floor
600 East Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-2910

Oregon:

Floyd G. Lanter
Administrator
Div. of Finance & Corp. Securities
Department of Consumer &
Business Services, Room 410
350 Winter Street, NE
Salem, OR 97301-3881
(503) 378-4140

Rhode Island:

Maria D'Allessandro Piccirilli
Associate Director and Superintendent
of Securities
Securities Division
Department of Business Regulation
1511 Pontiac Ave., Bldg 69-1
Cranston, RI 02920
(401) 462 9527

South Dakota:

Amanda Feist
Division of Insurance
Department of Labor and Regulation
124 S. Euclid Avenue, 2nd Floor
Pierre, SD 57501
(605) 773-3563

Virginia:

State Corporation Commission
Division of Securities &
Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

Washington:

Michael Stevenson
Director of Securities
Securities Division
Department of Financial Institutions
150 Israel Road, SW
Olympia, WA 98501
(360) 902-8760

Wisconsin:

Mary Wells
Franchise Examiner
Division of Securities
Department of Financial Institutions
345 W. Washington Avenue, 4th Floor
Madison, WI 53703
(608) 266-8557

AGENTS FOR SERVICE OF PROCESS

STATE	AGENT
CALIFORNIA	California Commissioner of Financial Protection and Innovation 1- 866-275-2677 (toll free) Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4017 (916) 445-7205 San Diego: 1350 Front Street Room 2034 San Diego, CA 92101 (619) 525-4233 San Francisco: 1 Sansome Street San Francisco, CA 94104 (415) 972-8559
CONNECTICUT	Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230
GEORGIA	Secretary of State of Georgia Corporations Division 2 Martin Luther King, Jr. Dr., SE Suite 315, West Tower Atlanta, Georgia 30334
HAWAII	Commissioner of Securities State of Hawaii 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465

STATE	AGENT
INDIANA	Secretary of State of Indiana Administrative Offices 201 State House Indianapolis, IN 46204 (317) 232-6681
LOUISIANA	Secretary of State of Louisiana 8549 United Plaza Blvd. Baton Rouge, LA 70809
MAINE	Maine Securities Administrator Office of Securities Department of Professional & Financial Regulation 124 Northern Avenue Gardiner, ME 04345
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building, 525 W. Ottawa Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-4026
NEW YORK	Secretary of State 99 Washington Avenue Albany, NY 12231
NORTH CAROLINA	North Carolina Secretary of State 2 South Salisbury Street Raleigh, NC 27601-2903
NORTH DAKOTA	North Dakota Securities Commissioner 600 East Blvd. Avenue, Fifth Floor Bismarck, ND 58505
OREGON	Director, Oregon Dep't of Insurance & Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director, Rhode Island Dep't of Business Regulation Division of Securities 1511 Pontiac Ave., Bldg. 69-1 Cranston, RI 02920 (401) 462 9527

STATE	AGENT
SOUTH CAROLINA	CT Corporation System 75 Beattie Place Greenville, SC 29601
SOUTH DAKOTA	Director, Division of Securities South Dakota Dep't of Labor & Regulation 124 S EUCLID, Suite 104 Pierre, SD 57501-3185 (605) 773-4823
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Director, Department of Financial Institutions Securities Division 150 Israel Road, SW Olympia, WA 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities Department of Financial Institutions P.O. Box 1768 345 W. Washington Avenue, 4th Floor Madison, WI 53701 (608) 261-9555

EXHIBIT I

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE OUTLETS AS OF DECEMBER 31, 2022

The list below shows the names, last known addresses, and telephone numbers of Franchisees as of ACNA's fiscal year ended December 31, 2022. Some Franchisees may own more than one (1) franchise outlet and some Franchisees may also own only one (1) outlet but for several territories.

Note:

***** *Franchisee has multiple franchise outlets in the State; The number of franchise outlets is listed beside the name.*

ARIZONA

Tom Dougherty
13803 S. 33rd St.
Phoenix, AZ 85044
949-945-8781

Steve Moore
14362 F.L. Wright Blvd. Ste. 1000
Scottsdale, AZ 85260
480-794-0969

CALIFORNIA

Bernard Powers
24530 Lowe Dr.
Corona, CA 92883
951-236-5365

George Preston
19191 Calle Teresa
Murrieta, CA 92562

Karie Kaufman
2815 Camino del Rio, South #235
San Diego, CA 92108
619-321-9262

Joseph Siecinski
4340 Stevens Cr Blvd., Ste. #161
San Jose, CA 95129
408-771-4259

Mahmoud Khairy
31151 Samantha Lane,
Temecula, CA, 92592
951-760-3394

COLORADO

Bob Liebhauser
303 S. Broadway Ste. 200-515
Denver, CO 80209
303-282-0800

CONNECTICUT

David Olchowski
32 Cider Mill Heights
North Granby, CT 06060
860-653-6331

Tom Maier
1 Enterprise Drive, Ste. 110
Shelton, CT 06484
203-763-4005

FLORIDA

Michael Dill
7352 N.W. 45 Ave.
Coconut Creek, FL 33073
954-675-9536

Jody Johnson
1200 Anastasia Ave., Ste. 100
Coral Gables, FL 33134
305-285-9207

Juan Ortega
1451 5318 NW 99th Lane
Coral Springs, FL 33076
954-773-8835

Steve Goranson
3023 Cornelia Dr.
Jacksonville, FL 32257
904-739-0200

Anapaula Lagarriga
1155 Brickell Bay Dr., Ste. PH111
Miami, FL 33131
305-759-4818

Barbara Kyes (2) *
2963 46th Ave. N.
St. Petersburg, FL 33714
727-786-2900

Mark Raciappa
1717 Hermitage Blvd., Ste. 102
Tallahassee, FL 32308
850-597-6627

Patrick Leask
2301 S. Carolina Ave.
Tampa, FL 33629
813-251-8069

Arif Boysan
221 Greymon Drive
West Palm Beach, Florida 33405
917-834-9807

Mauricio Pierson
8557 SW 115 Pl,
Miami, FL 33173
786-497-7247

GEORGIA

Russ Hall
3500 Lenox Road, Ste. 1500
Atlanta, GA 30326
770-649-6730

Jeff Lovejoy
3355 Lenox Road, Ste. 750
Atlanta, GA 30326
404-444-1836

Sonya Howard
5707 Rock Shoals Way
College Park, GA 30349
770-742-9887

John Davis
1687 Bristol Farms Ct
Grayson, GA 30017
817-538-8864

Mike Conner
1603 Heritage Pass
Milton, GA 30004
770-655-9803

Kolin Kirschenmann
115 Bay Drive
Newnan, GA, 30263
701-269-4250

Nathaniel Woods
406 Burgess Pt
Peachtree City, GA 30269
404-313-9286

ILLINOIS

PJ Weiland
1443 Midway Lane
Glenview, IL 60025
847-739-3079

INDIANA

Tom Harris
3201 Stellhorn Road
Fort Wayne, IN 46815
260-450-9163

Mark McNulty
110 E. Market St. #301
New Albany, IN 47150
812-350-4903

Tim Campsall
15373 Dunrobin Drive
Noblesville, IN 46062
262-994-9038

Grant Hellwarth
2660 Boulder Crest Ct
South Bend, IN 46628
312-593-9946

Paul McCoy
85 E. Cedar St.
Zionsville, IN 46077
317-832-0912

IOWA

Lee Iben
26 E. Market Street
Iowa City, IA 52245
319-359-8776

Linda Krei (2) *
4545 Derocher Path
Sioux City, IA 51106
712-251-7189

Greg Thompson
2965 100th St.
Urbandale, IA 50322
515-727-1707

Heather Marquez
119 Ruby Drive
Waterloo, IA 50702
563-260-1530

Gabriel Moore
206 North Union St
Madrid, 50156
515-230-9190

KANSAS

Earl Kemper
3620 SW Fairlawn Rd, Ste. 101
Topeka, KS 66614
970-222-9455

Lee Gray
200 N. Broadway, Ste. 450-C
Wichita, KS 67202
316-640-2193

KENTUCKY

Tim Jones
800 Lily Creek Road, Ste. 201
Louisville, KY 40243
502-240-6244

Foster McCarl
800 Lily Creek Road, Ste. 201
Louisville, KY 40243
502-552-7354

Mark McNulty
800 Lily Creek Rd Ste 201
Louisville, KY 40243
812-350-4903

Bruce Henderson
10514 Summit Cove
Blue Ash, OH 45241
513-325-8885

LOUISIANA

Dan Zimanski
201 Holiday Blvd., Ste. 400
Covington, LA 70433
985-624-8065

Everardo Recendiz
111 Halette Dr.
Shreveport, LA 71115
318-550-3490

MICHIGAN

Manon Bennett
25616 Dogwood Ln.
Novi, MI 48374
248-880-5120

MINNESOTA

David Ford
11149 Zealand Ave. N
Champlin, MN 55316
612-719-8192

Stacy Caslow (3) *
724 Bielenberg Drive
Woodbury, MN 55125
612-256-2210

Martin Rasussen (3) *
7760 France Ave S – Suite 1100
Bloomington, MN 55435
925-640-6460

MISSISSIPPI

Chris Vickrey (2) *
796 Howard Ave. 2F Ste. 106
Biloxi, MS 39530
228-260-0020

NEBRASKA

Shannon Filing
PO Box 360
Panama, NE 68419-0360
402-314-2181

NEVADA

Saad Sahawneh
8975 Warm Springs Rd, Unit 1076
Las Vegas, NV 89148
702-701-4144

Peter Williamson
6490 S McCarran Blvd, Ste #42
Reno, Nevada 89509
775-284-3768

NEW JERSEY

Marcie Hanhart
15 N. Maple Ave.
Basking Ridge, NJ 07920
908-696-9500

Carl Shoemaker
2-83 Saddle River Rd.
Fair Lawn, NJ 07410
201-796-1396

NEW MEXICO

Mark Tobiassen
4801 Lang NE, Ste. 210
Albuquerque, NM 87109
505-263-5657

NEW YORK

Nana Agyekum
198 13th Street
Brooklyn, NY 11215
646-858-8801

Michael Breitman
PO Box 236
Greenvale, NY 11548
516-801-6452

NORTH CAROLINA

Steve Brock/Ross Cox (2) *
3820 N. Elm Street, Suite 101
Greensboro, NC 27455
336.288.8858

Ross Cox
3820 N. Elm St., Ste. 101
Greensboro, NC 27455
336-288-8858

Bill Gilliland
97 Shenandoah Terrace
Montreat, NC 28757
540-290-2389

Brian Johnson
113 Fielding Street
Mount Holly, Ohio 28120
419-509-2978

Reggie Shropshire
107 Chestnut
Wilmington, NC 28401
910-471-2725

Mary Ann Hauser
511 High Street
Winston-Salem, NC 27101
336-499-3251

Mike Cooper
427 Cape Cod Way
Rock Hill, SA 29732
803-579-4730

OHIO

Brian Alquist
P.O. Box 41276
Brecksville, OH 44141
440-746-0534

Rick Plasket
8233 Howe Industrial Pkwy
Canal Winchester, OH 43110
770 842 5833

Bonita Palmer
1029 Crisfield Dr.
Cincinnati, OH 45245
937-609-2504

Rick Phelps
1985 W 28th Street 3rd Floor
Cleveland, OH 44113
216-533-1387

Peg Buehrle
1600 Lane Ave., Ste. 431
Columbus, OH 43221
614-582-8346

Peter McDowell
716 Mt. Airyshire Blvd., Ste. 100
Columbus, OH 43235
614-306-7922

Todd Rodden
11064 Cold Spring Drive
Dayton, OH 45458
937-271-0105

Chuck Visocky
9981 Snoddy Rd.
Lakeville, OH 44638
440-281-4200

John Warfel
2990 Pine Hills Dr.
Medina, OH 44256
330-723-8515

Annette Hohnberger
9188 Candleridge St., Ste. B
Pickering, OH 43147
614-929-3355

Heather Yakes
7115 Logan Thornville Rd., N.E.
Rushville, OH 43150
740-277-3900

Dennis Willis
5201 Waterford Dr.
Sheffield, OH 44035
216-965-9129

Andrew Valley
1093 Lyndale Dr.
Westerville, OH 43081
614-746-5969

Bruce Henderson
10514 Summit Cove
Blue Ash, OH 45241
513-325-8885

Jennifer Sheffel
3825 Edwards Road, Suite 102
Cincinatti, OH 45209
513-214-1501

Scott MacMeans (3)*
6100 Oaktree Blvd, Suite 200
Independence, OK 44131
508-298-4679

OKLAHOMA

Eric Knam
5311 E. 140th Street South
Bixby, OK 74008
918-223-3442

PENNSYLVANIA

Sam Mugavero
1219 North New Street
Bethlehem, PA 18018
713-936-3814

Doug Savidge
11 Reitz Blvd., Ste. 201
Lewisburg, PA 17837
570-524-3547

Ken Sevick
440 W. Main St., Ste. 203
Monongahela, PA 15063
724-310-3296

TEXAS

Rory Sheppard (5) *
600 S. Tyler Suite 2100
Amarillo, TX 79101
210-385-1275

Scott Finkelstein
4036 Berkman Drive
Austin, TX 78723
512-781-1280

Douglas Winnie
6300 W. Loop S., Ste. 502
Bellaire, TX 77401
713-206-4144

Cecilio Flores
16809 W. Caramel Apple Trail
Cypress, TX 77433
409-292-6224

Sean Schoenmakers (2)*
8279 Southwestern Blvd.
Dallas, TX 75206
210-364-7326

Dale Wolter
4155 Buena Vista Street
Dallas, TX 75204
972 310 7741

Cynthia DeHaro
1042 Calle Flor
El Paso, Texas 79912
915-920-3316

Andrew Buchan
1810 Wilson St.
Houston, TX 77019
832-240-6312

Greg Hess
1110 Pennybury Drive
Houston, TX 77094
281-744-3341

Andrew Lamb
20333 State H-way 249, Ste. 200
Houston, TX 77070
832-953-6219

Karl Williams
9801 Westheimer Rd, Ste. 302
Houston, TX 77042
713-351-6480

Nanchon Guyton
900 Rockmead Drive Suite 235,
Kingwood TX 77339
832-273-0043

Robert Belt
4001 Technology Blvd., Ste. 303
Longview, TX 75605
903-926-4118

Rory Harrod
504 South Main St.
Lumberton, TX 77657
409-659-7606

David Girault
100 S. Bicentennial Blvd.
McAllen, TX 78501
956-639-2702

Kyle Killough
6250 Rosewood Dr.
North Richland Hills, TX 76180
972-268-6307

Angie Gilbert
7931 Meadow Ridge Drive
Northlake, TX 76247
214-236-8249

Ted Hair
1702 Yorkshire Creek Ct.
Pearland, TX 77581
281-896-7325

Breanne Salcedo
9330 Broadway St., Ste B304
Pearland, TX 77584
786-357-6522

Sheles Wallace
2500 Business Center Ste 1034
Pearland, TX 77584
314-503-0469

David Braddy
6810 Brazos Lakes Dr
Richmond, TX 77469
281-546-6176

Kevan Hanson
5200 Pointe West Circle, Apt.
6103 Richmond, TX 77469
832-729-5008

Brad Clark
2223 Hyer Dr.
Rockwell, TX 75087
972-971-6556

Michael Hartley
PO Box 8388
Round Rock, TX 78638
512-240-2623

Andy O'Brien
402 A West Palm Valley Blvd
Round Rock, TX 78664
641-420-8496

Lee Hernandez
5822 Garnet Caverns
San Antonio, Texas 78222
210-393-1129

Robert Keplinger
2203 Timberloch Pl., Ste. 132
The Woodlands, TX 77380
832-691-1144

Regan Patterson
3000 Austin Ave
Waco, TX 76710
210-241-5104

Dona Kappmeyer
5350 S.Staples, Suite 333-A,
Corpus Christi, TX 78121
210-273-9577

Hala Dabboussy
27762 Antonio Parkway L1-521
Ladera Ranch, CA 92694
949-415-8089

UTAH

Frank Bonnin (2) *
579 S Main St
Kaysville, UT 84037

VIRGINIA

Stephen Chiama
13905 Cristo Ct.
Centereville, VA 20120
703-638-3316

Sheliah McDaniel
2 Tankard Road
Stafford, VA 22554
571-264-357

WASHINGTON

Ted Schmidt
Ste. 215, 704 S. Freya
Spokane, WA 99202
509-710-1433

Kevin Weir
421 W. Riverside, Ste. 1015
Spokane, WA 99201
509-290-6156

WISCONSIN

Chris Carman
13150 Watertown Plank Rd.
Elm Grove, WI 53122
262-365-9414

Iain MacFarlane
6219 S. Highlands Ave.
Madison, WI 53705
608- 238-7844

Mike McKay
440 Science Dr., Ste. 301
Madison, WI 53711
608-347-2018

Susan Thomson
440 Science Dr., Ste. 301
Madison, WI 53711
608-441-5374

Dave Steffen
S74W17095 Janesville Road
Muskego, WI 53150
262-443-3204

Kory Dogs
PO Box 2
West Bend, WI 53095
262-853-3912

Monica Gunderson (3)*
5810 Main Street
McFarland, WI 53558
608-673-7711

p

EXHIBIT J

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE OUTLETS CLOSED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2022

The list below shows the name, last known addresses and telephone numbers of every Franchisee who had an agreement terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business during ACNA's fiscal year ending December 31, 2022.

TRANSFERS (from Franchisees to New Owners other than a master licensee or ACNA)

TEXAS
Ellie Gates
804 Hibiscus Trail
Waxahachie, TX 75165
972-268-6307

TEXAS
George Reed
13781 Eagles Nest Bay Dr.
Corpus Christi, TX 78418
361-537-5047

NORTH CAROLINA

Joe Miller
12502 Willingdon Road
Huntersville, NC 28078
919-244-9893

OHIO

Gonzalo Herrera
7542 Lakota Springs Dr.
West Chester, OH 45069
513-767-5202

RIGHT REACQUIRED BY ACNA OR MASTER LICENSEE

VIRGINIA

Kevan Danker
3345 Timber Ridge
Williamsburg, VA 23185
757-903-7863

VIRGINIA

Thomas Fish
101 E. Culpeper St., S-150
Culpeper, VA 22701
540-388-0004

TERMINATED BY ACNA OR MASTER LICENSEE FOR DEFAULT, CANCELLED, NOT RENEWED, OTHERWISE CEASED OPERATION OR NO COMMUNICATION IN THE LAST TEN (10) WEEKS

*Notes: * Franchisee ceased operation of franchise due to purchase of new franchise/franchise model upgrade.*
*** Employee business coach of a Franchisee who continues to provide Coaching Services for the franchise but is no longer considered a separate franchise outlet.*

ALABAMA

William Buxton
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

CALIFORNIA

Paul Raggio
25925 Pueblo Drive
Santa Clarita, CA 91355
661-309-9048

FLORIDA

Rose Bugge
2421 14th Street North
St Petersburg, Florida 33704
727-385-9348

IDAHO

Jorden Garcia
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

INDIANA
Chris Beavers
16745 Morris Manor Ct
Westfield, IN 46062
317-617-2263

IOWA
Greg Thompson *
2965 100th St.
Urbandale, IA 50322
515-727-1707

MINNESOTA

Ashley Tapp
4817 Woodlawn Blvd.
Minneapolis, MN 55417
952-649-7806

NEBRASKA

Jim Barger
16646 Howard Circle
Omaha, NE 68118
402-676-8809

NEVADA

Brad Murray
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

NEVADA

Gil Cargil
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

NEVADA

Jodie Sacco
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

OHIO

Garry Kishbaugh
PO Box 45261
Westlake, OH 44145
440-343-0620

OHIO

Mike Gannon
6430 Green Ridge Ave.
New Carlisle, OH 45344
937-477-7785

OHIO

Raymond Cyrus
7060 Scioto Parkway
Powell, OH 43065
262-751-1145

OREGON

Steve Persad
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

TENNESSE

Keith Potts
ActionCOACH Corporate Firms LLC
5781 S. Fort Apache Road
Las Vegas, NV 89148
702-795-3188

WISCONSIN

Rebecca Heidepriem
106 W. Seeboth St., #718
Milwaukee, WI 53204
414-324-0834

RELOCATED

CALIFORNIA

Hala Dabboussy
27762 Antonio Parkway, L1-521
Ladera Ranch, CA 92694
949-975-9694

EXHIBIT K

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

AUDITED FINANCIAL STATEMENTS

ACTIONCOACH ONECO, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2022, 2021 AND 2020

VELEZ HARDY
CPAs and Advisors

ACTIONCOACH ONECO, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022, 2021 AND 2020

Table of Contents

Independent Auditor's Report

To the Member
ActionCOACH OneCo, LLC

Opinion
We have audited the accompanying financial statements of ActionCOACH OneCo, LLC, which comprise the balance sheets as of December 31, 2022, 2021 and 2020, and the related statements of loss and member's equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ActionCOACH OneCo, LLC as of December 31, 2022, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 ActionCOACH OneCo, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 ActionCOACH OneCo, LLC's ability to continue as a going concern within 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 ActionCOACH OneCo, LLC'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 ActionCOACH OneCo, LLC'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.

Velez & Hardy

March 28, 2023
Las Vegas, Nevada

ACTIONCOACH ONECO, LLC
BALANCE SHEETS
DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
ASSETS			
Current Assets:			
Cash	$ 52,622	$ 52,274	$ 32,976
Accounts receivable, net	30,869	39,406	25,720
Prepaid expenses	4,004	5,787	4,465
Current portion of deferred contract costs	68,863	60,473	41,821
Other assets	-	-	49,155
Total current assets	156,358	157,940	154,137
Property and Equipment, net	7,035	11,725	16,415
Other Assets:			
Deferred contract costs, net of current	532,515	483,924	312,767
Intangible assets, net	293,800	420,643	547,486
Total other assets	826,315	904,567	860,253
Total Assets	$ 989,708	$ 1,074,232	$ 1,030,805
LIABILITIES AND MEMBER'S EQUITY (DEFICIT)			
Current Liabilities:			
Accounts payable and accrued expenses	$ 69,981	$ 49,892	$ 35,561
Due to related parties, net	270,546	243,933	233,830
Current portion of deferred franchise fees	67,639	67,889	46,039
Current portion of long-term debt	69,574	78,000	78,000
Total current liabilities	477,740	439,714	393,430
Long-Term Liabilities:			
Deferred franchise fees, net of current	613,495	597,134	381,373
Long-term debt, net of current	-	69,574	147,574
Total long-term liabilities	613,495	666,708	528,947
Total Liabilities	1,091,235	1,106,422	922,377
Member's Equity (Deficit)	(101,527)	(32,190)	108,428
Total Liabilities and Member's Equity (Deficit)	$ 989,708	$ 1,074,232	$ 1,030,805

See accompanying notes to the financial statements.

ACTIONCOACH ONECO, LLC
STATEMENTS OF LOSS AND MEMBER'S EQUITY (DEFICIT)
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Revenues	$ 900,530	$ 701,878	$ 769,818
Cost of Revenues	390,734	337,413	375,540
Gross Profit	509,796	364,465	394,278
Operating Expenses:			
Amortization	126,843	126,843	126,843
Bank charges and merchant fees	8,241	7,737	7,694
Conference and seminars	-	4,425	-
Consulting	54,607	138,541	68,696
Depreciation	4,690	4,690	4,690
Dues and subscriptions	16,515	16,225	10,706
Information technology	10,000	-	28,827
Legal and accounting	24,400	50,173	161,376
Marketing and advertising	15,994	2,682	3,572
Office expense and other	7,109	15,480	4,104
Provision for credit claims	23,295	-	464
Taxes and licenses	886	752	4,164
Travel, meals and entertainment	23,060	9,578	5,825
Utilities	737	-	-
Wages and related expenses	263,189	168,849	72,869
Total operating expenses	579,566	545,975	499,830
Loss from Operations	(69,770)	(181,510)	(105,552)
Other Income (Loss):			
Bad debt recovery	-	40,935	-
Gain (Loss) on foreign currency exchange	433	(43)	(98)
Total other income (loss)	433	40,892	(98)
Net Loss	(69,337)	(140,618)	(105,650)
Member's Equity (Deficit), Beginning of Year	(32,190)	108,428	214,078
Member Distributions	-	-	-
Member's Equity (Deficit), End of Year	$ (101,527)	$ (32,190)	$ 108,428

See accompanying notes to the financial statements.

ACTIONCOACH ONECO, LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Cash Flows from Operating Activities:			
Net loss	$ (69,337)	$ (140,618)	$ (105,650)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Amortization	126,843	126,843	126,843
Depreciation	4,690	4,690	4,690
Provision for credit claims	23,295	-	464
(Increase) decrease in:			
Accounts receivable	(14,758)	(13,686)	86,048
Prepaid expenses	1,783	(1,322)	6,400
Deferred contract costs	(56,981)	(189,809)	(55,742)
Other assets	-	49,155	(3,004)
Increase (decrease) in:			
Accounts payable and accrued expenses	20,089	14,331	(33,824)
Due to related parties	26,613	10,103	127,510
Unearned revenue	-	-	(5,000)
Deferred franchise fees	16,111	237,611	(40,589)
Net cash provided by operating activities	78,348	97,298	108,146
Cash Flows from Financing Activities:			
Payments on long-term debt	(78,000)	(78,000)	(78,000)
Net cash used in financing activities	(78,000)	(78,000)	(78,000)
Net Change in Cash	348	19,298	30,146
Cash, Beginning of Year	52,274	32,976	2,830
Cash, End of Year	$ 52,622	$ 52,274	$ 32,976

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of ActionCOACH OneCo, LLC (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of the Company

The Company was incorporated under the laws of the State of Delaware on April 19, 2012.

The Company markets business coaching, mentoring and training programs and services through the sale of sub-franchisees (known as business coaches) in approved territories throughout the United States.

The franchisees provide coaching and training to small and medium-sized business sectors.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company's receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements.

Accounts receivable are reported net of an allowance for doubtful accounts. Accounts are charged to provision for credit claims as they are deemed uncollectible based upon periodic review of the accounts.

As of December 31, accounts receivable consisted of the following balances:

	2022	2021	2020	2019
Accounts receivable	$ 69,795	$ 81,762	$ 98,864	$ 184,912
Allowance for doubtful accounts	(38,926)	(42,356)	(73,144)	(72,680)
Accounts receivable, net	$ 30,869	$ 39,406	$ 25,720	$ 112,232

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

The Company capitalizes significant expenditures for property and equipment at cost, generally those that exceed $1,000. Depreciation is calculated using the straight-line method over the useful lives of the related assets. Maintenance, repairs and minor renewals are expensed as incurred. The cost of property sold or otherwise disposed of and the related accumulated depreciation is relieved from the accounts, and any gains or losses arising from sale or disposal are included in income.

Revenue Recognition

The Company has determined that the services provided in exchange for the initial upfront master license fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial master license fees collected up front are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial master license fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial master license fees. As of December 31, deferred franchise fees consisted of the following:

	2022	2021	2020
Deferred franchise fees	$ 681,134	$ 665,023	$ 427,412
Less: current maturities	(67,639)	(67,889)	(46,039)
	$ 613,495	$ 597,134	$ 381,373

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2023	$ 67,639
2024	61,389
2025	61,389
2026	61,389
2027	61,389
Thereafter	367,939
	$ 681,134

Training fees are recognized as revenue upon the completion of initial training.

Continuing fees are recognized monthly, as they were earned.

The Company incurs incremental costs in the course of obtaining franchise agreements. The Company's incremental costs of obtaining franchise agreements are capitalized and presented on the accompanying balance sheets. Costs for these incremental costs are recognized on the straight-line basis which is consistent with the franchisee's right to use and benefit from intellectual property.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The Company's contract assets are comprised of unamortized incremental contract costs. As of December 31, deferred contract costs consisted of the following:

	2022	2021	2020
Deferred contract costs	$ 601,378	$ 544,397	$ 354,588
Less: current maturities	(68,863)	(60,473)	(41,821)
	$ 532,515	$ 483,924	$ 312,767

Marketing and Advertising

The Company expenses all marketing and advertising costs as incurred. The marketing and advertising expense for the years ended December 31, 2022, 2021 and 2020 was $15,994, $2,682 and $3,572, respectively.

Income Taxes

The Company was organized as a Limited Liability Company. Income is not taxed at the Company level, but is passed through to the members. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2022, the tax years that remain subject to potential examination by taxing authorities begin with 2019.

NOTE 2 - PROPERTY AND EQUIPMENT

As of December 31, property and equipment consisted of the following:

	2022	2021	2020
Computer equipment and software	$ 23,450	$ 23,450	$ 23,450
Less: accumulated depreciation	(16,415)	(11,725)	(7,035)
	$ 7,035	$ 11,725	$ 16,415

Depreciation expense for the years ended December 31, 2022, 2021 and 2020 was $4,690, $4,690 and $4,690, respectively.

NOTE 3 – INTANGIBLE ASSETS

Intangible assets are attributable to the Company's reacquisition of membership interests of some of its members and their territories. The Company amortizes intangible assets on the straight-line method over ten years unless a shorter useful life is more appropriate. The Company's management evaluates intangible assets annually for impairment.

As of December 31, the gross carrying amount of intangible assets, accumulated amortization, and accumulated impairment loss consisted of the following:

	2022	2021	2020
Reacquired territories	$ 1,268,430	$ 1,268,430	$ 1,268,430
Less: accumulated amortization	(974,630)	(847,787)	(720,944)
Less: impairment loss	-	-	-
	$ 293,800	$ 420,643	$ 547,486

Amortization expense for the years ended December 31, 2022, 2021 and 2020 was $126,843, $126,843 and $126,843, respectively.

NOTE 4 – RELATED PARTIES

The Company is a member of a controlled group of companies that are either wholly owned or majority owned by the Company's member. The other companies are located in the United States, Australia, Canada and Europe, and are engaged in the same business activity as ActionCOACH OneCo, LLC. Balances due from and due to related parties include transactions with the companies related through common ownership.

Amounts transferred between the Company and its related parties are for various purposes including training income, royalties, support recharges and rent.

As of December 31, the net amount due to related parties consisted of the following balances:

	2022	2021	2020
ActionCOACH America, Inc	$ (22,900)	$ (22,900)	$ (22,900)
ActionCOACH Canada	(5,101)	(5,471)	83,732
ActionCOACH EMEA	78,212	75,204	85,204
ActionCOACH North America, LLC	(763,205)	(725,228)	(814,183)
Sugar Enterprises, Inc.	442,196	435,196	435,196
Other related parties	252	(734)	(879)
Total due to related parties	$ (270,546)	$ (243,933)	$ (233,830)

Substantially all balances due from and due to related parties are non-interest bearing and are due on demand.

NOTE 4 – RELATED PARTIES (Continued)

The Company pays royalty and license fees to ActionCOACH North America, LLC, the franchisor of the ActionCOACH concept, as part of the franchise agreement. Total royalty and license fees were $192,749 and $0, respectively for the year ended December 31, 2022, $174,970 and $0, respectively, for the year ended December 31, 2021 and $163,171 and $0, respectively, for the year ended December 31, 2020.

As part of the franchise agreement, the Company pays fees to the Global Marketing Fund, an Australian Company, for marketing and advertising fees. Total marketing fees associated with the Global Marketing Fund were $83,006, $84,593 and $62,148 for the years ended December 31, 2022, 2021 and 2020, respectively.

NOTE 5 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	2022	2021	2020
Note payable to an individual, due in monthly installments of $6,500 with an interest rate of 0% and a maturity date of June 2024, collateralized by business assets.	$ 69,574	$ 147,574	$ 225,574
Less: current maturities	(69,574)	(78,000)	(78,000)
	$ -	$ 69,574	$ 147,574

NOTE 6 – REVENUES

For the years ended December 31, revenue sources were as follows:

	2022	2021	2020
Master and license coach fees	$ 103,889	$ 87,889	$ 115,089
Training fees, royalties, product income and others	663,813	529,458	578,144
Marketing fees	118,792	74,552	69,751
Other	14,036	9,979	6,834
Total revenue	$ 900,530	$ 701,878	$ 769,818

As of December 31, the timing and recognition of revenue was as follows:

	2022	2021	2020
Services transferred at a point in time	$ 796,641	$ 613,989	$ 654,729
Services transferred over time	103,889	87,889	115,089
	$ 900,530	$ 701,878	$ 769,818

Various economic factors such as supply and demand, law and policies, and labor affect revenues and cash flows. The Company's revenue is derived from sources within the United States.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The Company is involved, from time to time, in some disputes and claims incidental to the conduct of its business. Based on consultation with legal counsel, the Company does not believe that any claims or disputes, either individually or in the aggregate, will have a material adverse effect on the Company's financial condition or results of operations.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 28, 2023, the date which the financial statements were available to be issued. No additional events were identified that would require additional disclosure.

ACTIONCOACH NORTH AMERICA, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2022, 2021 AND 2020

VELEZ • HARDY
CPAs and Advisors

ACTIONCOACH NORTH AMERICA, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022, 2021 AND 2020

Table of Contents

VELEZ • HARDY
CPAs and Advisors

Independent Auditor's Report

To the Member
ActionCOACH North America, LLC

Opinion
We have audited the accompanying financial statements of ActionCOACH North America, LLC, which comprise the balance sheets as of December 31, 2022, 2021 and 2020, and the related statements of income and member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ActionCOACH North America, LLC as of December 31, 2022, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 ActionCOACH North America, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 ActionCOACH North America, LLC's ability to continue as a going concern within 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 ActionCOACH North America, LLC'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 ActionCOACH North America, LLC'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.

Velez & Hardy

March 23, 2023
Las Vegas, Nevada

ACTIONCOACH NORTH AMERICA, LLC
BALANCE SHEETS
DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
ASSETS			
Current Assets:			
Cash	$ 30,569	$ 105,383	$ 187,812
Accounts receivable, net	24,777	31,853	84,779
Current portion of deferred contract costs	3,904	3,904	3,904
Due from related parties, net	2,569,950	1,688,037	540,593
Other current assets	235,906	236,287	377,029
Total current assets	2,865,106	2,065,464	1,194,117
Property and Equipment, net	601,266	578,300	409,103
Other Assets:			
Intangible lease assets, net	997,031	-	-
Deferred contract costs, net of current	10,575	14,479	18,383
	1,007,606	14,479	18,383
Total Assets	$ 4,473,978	$ 2,658,243	$ 1,621,603
LIABILITIES AND MEMBER'S EQUITY			
Current Liabilities:			
Accounts payable and accrued expenses	$ 559,662	$ 329,299	$ 184,817
Borrowings against line of credit	62,500	62,500	75,000
Unearned revenue	560,774	421,801	194,883
Current portion of deferred franchise fees	38,167	38,167	38,167
Current portion of long-term debt	413,083	-	-
Current portion of lease obligations	96,408	-	-
Total current liabilities	1,730,594	851,767	492,867
Long Term Liabilities:			
Deferred franchise fees, net of current	103,999	142,166	180,333
Long-term debt, net of current	163,738	159,161	153,312
Lease obligations, net of current	913,356	-	-
	1,181,093	301,327	333,645
Total Liabilities	2,911,687	1,153,094	826,512
Member's Equity	1,562,291	1,505,149	795,091
Total Liabilities and Member's Equity	$ 4,473,978	$ 2,658,243	$ 1,621,603

See accompanying notes to the financial statements.

ACTIONCOACH NORTH AMERICA, LLC
STATEMENTS OF INCOME AND MEMBER'S EQUITY
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Revenues	$ 3,141,607	$ 2,574,982	$ 2,751,032
Cost of Revenues	942,130	379,861	673,150
Gross Profit	2,199,477	2,195,121	2,077,882
Operating Expenses:			
Bank charges and merchant fees	46,281	23,961	36,758
Depreciation	156,636	96,036	66,267
Dues and subscriptions	193,367	87,851	125,547
Equipment lease	36,428	33,919	26,980
Global recharge	(1,584,000)	(1,810,000)	(1,685,162)
Information technology	323,634	205,469	221,315
Insurance	47,517	50,953	42,711
Legal and accounting	46,925	30,120	30,161
Marketing and advertising	61,096	55,581	2,419
Office expense and other	55,414	72,270	35,573
Provision for credit claims	8,780	17,280	40,876
Recruitment	15,193	5,713	3,203
Rent	112,399	129,900	143,561
Taxes and licenses	18,252	41,055	14,573
Telephone	83,643	104,588	85,307
Travel	199,395	240,371	74,420
Utilities	9,731	8,633	7,496
Wages and related expenses	1,564,585	1,951,681	1,911,675
Total operating expenses	1,395,276	1,345,381	1,183,680
Income from Operations	804,201	849,740	894,202
Other Income (Loss):			
PPP loan forgiveness	-	268,750	264,719
Interest expense	(20,712)	(12,281)	(27,752)
Gain (loss) on foreign currency exchange	(13,012)	(14,129)	(5,484)
Total other income (loss)	(33,724)	242,340	231,483
Net Income	770,477	1,092,080	1,125,685
Member's Equity (Deficit), Beginning of Year	1,505,149	795,091	(207,583)
Member Contributions	-	3,570	1,594
Member Distributions	(713,335)	(385,592)	(124,605)
Member's Equity, End of Year	$ 1,562,291	$ 1,505,149	$ 795,091

See accompanying notes to the financial statements.

ACTIONCOACH NORTH AMERICA, LLC
STATEMENTS OF CASHFLOWS
YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	2022	2021	2020
Cash Flows from Operating Activities:			
Net Income	$ 770,477	$ 1,092,080	$ 1,125,685
Adjustments to reconcile net income to net cash provided by operating activities:			
PPP loan forgiveness	-	(268,750)	(264,719)
Accrued interest expense	4,577	9,879	3,312
Depreciation	156,636	96,036	66,267
Provision for credit claims	8,780	17,280	40,876
Amortization of intangible lease asset	43,349	-	-
(Increase) decrease in:			
Accounts receivable	(1,704)	35,646	(62,482)
Due from related parties	(881,913)	(1,147,444)	(295,723)
Other assets	381	140,742	8,359
Deferred contract costs	3,904	3,904	3,904
Increase (decrease) in:			
Accounts payable and accrued expenses	230,363	144,482	(124,843)
Unearned revenue	138,973	226,918	(373,101)
Deferred franchise fees	(38,167)	(38,167)	(101,367)
Net cash provided by operating activities	435,656	312,606	26,168
Cash Flows from Investing Activities:			
Purchase of property and equipment	(179,601)	(265,233)	(152,090)
Cash Flows from Financing Activities:			
Proceeds from debt borrowings	427,098	264,720	414,719
Principal payments on debt	(14,015)	-	-
Lease principal payments	(30,617)		
Line of credit payments	-	(12,500)	-
Member contributions	-	3,570	1,594
Member distributions	(713,335)	(385,592)	(124,605)
Net cash provided by (used in) financing activities	(330,869)	(129,802)	291,708
Net Change in Cash	(74,814)	(82,429)	165,786
Cash, Beginning of Year	105,383	187,812	22,026
Cash, End of Year	$ 30,569	$ 105,383	$ 187,812
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 16,135	$ 2,402	$ 24,440

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of ActionCOACH North America, LLC (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of the Company

The Company was incorporated under the laws of the State of Nevada on March 14, 2012.

The Company markets business coaching, mentoring and training programs, and services, through the sale of master license franchises and their sub-franchisees (known as business coaches) in approved territories throughout the United States.

Master licensees sell and support ActionCOACH Business Coaching franchises within a defined territory. The franchisees provide coaching and training to small and medium-sized business sectors.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company's receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements.

Accounts receivable are reported net of an allowance for doubtful accounts. Accounts are charged to provision for credit claims as they are deemed uncollectible, based upon periodic review of the accounts.

As of December 31, accounts receivable consisted of the following balances:

	2022	2021	2020	2019
Accounts receivable	$ 30,558	$ 49,371	$ 148,073	$ 85,592
Allowance for doubtful accounts	(5,781)	(17,518)	(63,294)	(22,419)
Accounts receivable, net	$ 24,777	$ 31,853	$ 84,779	$ 63,173

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

The Company capitalizes significant expenditures for property and equipment at cost, generally those that exceed $1,000. Depreciation is calculated using the straight-line method over the following useful lives:

Description	Estimated Useful Lives (Years)
Furniture and fixtures	5-7
Vehicles	5-7
Computer equipment and software	3-5
Building improvements	20

Maintenance, repairs and minor renewals are expensed as incurred. The cost of property sold or otherwise disposed of and the related accumulated depreciation is relieved from the accounts, and any gains or losses arising from sale or disposal are included in income.

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchise. Franchise agreements typically require the franchise to pay an initial, non-refundable fee and continuing fees based upon a percentage of sales or a percentage fee for each single unit franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

Services provided in exchange for the initial upfront master license fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial master license fees collected up front are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial master license fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial master license fees. As of December 31, deferred franchise fees consisted of the following:

	2022	2021	2020
Deferred franchise fees	$ 142,166	$ 180,333	$ 218,500
Less: current maturities	(38,167)	(38,167)	(38,167)
	$ 103,999	$ 142,166	$ 180,333

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2023	$	38,167
2024		38,167
2025		13,167
2026		13,167
2027		13,167
Thereafter		26,331
	$	142,166

Training fees were recognized as revenue upon the completion of initial training.

Continuing fees were recognized monthly, as they were earned.

The Company incurs incremental costs in the course of obtaining franchise agreements. The Company's incremental costs of obtaining franchise agreements are capitalized and presented on the accompanying balance sheets. Costs for these incremental costs are recognized on the straight-line basis which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract assets are comprised of unamortized incremental contract costs. As of December 31, deferred contract costs consisted of the following:

	2022		2021		2020	
Deferred contract costs	$	14,479	$	18,383	$	22,287
Less: current maturities		(3,904)		(3,904)		(3,904)
	$	10,575	$	14,479	$	18,383

Marketing and Advertising

The Company expenses all marketing and advertising costs as incurred. The marketing and advertising expense for the years ended December 31, 2022, 2021 and 2020 was $61,096, $55,581 and $2,419, respectively.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Member's equity was unchanged due to these reclassifications.

Intangible Lease Asset

The Company recognizes intangible right-of-use lease assets and associated lease obligation under its non-cancelable lease arrangements. The intangible lease asset is amortized on a straight-line basis over the shorter of the term of the lease or the useful life of the underlying asset.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company was organized as a Limited Liability Company. Income is not taxed at the Company level, but is passed through to the member. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2022, the tax years that remain subject to potential examination by taxing authorities begin with 2019.

NOTE 2 – PROPERTY AND EQUIPMENT

As of December 31, property and equipment consisted of the following:

	2022	2021	2020
Building improvements	$ 150,645	$ 150,645	$ 150,645
Computer equipment and software	865,245	685,643	420,410
	1,015,890	836,288	571,055
Less accumulated depreciation	(414,624)	(257,988)	(161,952)
Total	$ 601,266	$ 578,300	$ 409,103

Depreciation expense for the years ended December 31, 2022, 2021 and 2020 was $156,636, $96,036, and $66,267, respectively.

NOTE 3 – RELATED PARTIES

The Company is a member of a controlled group of companies that are either wholly owned or majority owned by its member. The other companies are located in the United States, Australia, Canada and Europe, and are engaged in the same business activity as ActionCOACH North America, LLC. Balances due from and due to related parties include transactions with the companies related through common ownership.

Amounts transferred between the Company and its related parties are for various purposes including training income, royalties, support recharges and costs and rent.

NOTE 3 – RELATED PARTIES (Continued)

As of December 31, the net balance due from related parties consisted of the following:

	2022	2021	2020
ActionCOACH America, Inc	$ 72,789	$ 69,939	$ 67,189
ActionCOACH Asia Pacific, PTY	(21,527)	(27,651)	(53,027)
ActionCOACH Canada	(166,533)	(95,608)	(159,615)
ActionCOACH Corporate Firms LLC	617,733	268,233	-
ActionCOACH EMEA	(1,353,412)	(2,190,379)	(2,346,614)
ActionCOACH Global Marketing Fund	19,104	(13,857)	35,093
ActionCOACH Holdings, LLC	(932,025)	(741,620)	(732,203)
ActionCOACH OneCo, LLC	763,205	725,228	814,183
Bucket List Training, LLC	141,648	141,421	101,036
Coby Holdings, Ltd	(588,242)	(161,894)	(175,861)
Grasshopper, LLC	-	-	(105,714)
ProfitPlus Accounts, LLC	82,252	68,220	55,212
ProfitPlus Australia	106,527	106,527	106,527
Sugar Enterprises	3,804,147	3,533,668	2,872,598
Other related parties	24,284	5,810	61,789
Total due from related parties	$ 2,569,950	$ 1,688,037	$ 540,593

Substantially all balances due from and due to related parties are non-interest bearing and are due on demand.

The Company charges royalty and license fees to ActionCOACH OneCo, LLC, as part of the franchise agreement. Total royalty and license fees were $192,749 and $0, respectively, for the year ended December 31, 2022, $174,970 and $0, respectively, for the year ended December 31, 2021 and $163,171 and $0, respectively, for the year ended December 31, 2020.

NOTE 4 – REVENUE RECOGNITION

As of December 31, revenue sources for were as follows:

	2022	2021	2020
Master and license coach fees	$ 314,175	$ 88,313	$ 177,695
Training fees, royalties, product income and others	2,308,516	2,378,212	2,118,355
Conferences and seminars	518,916	108,457	454,982
Total	$ 3,141,607	$ 2,574,982	$ 2,751,032

NOTE 4 – REVENUE RECOGNITION (Continued)

As of December 31, the timing and recognition of revenue was as follows:

	2022	2021	2020
Services transferred at a point in time	$ 2,827,432	$ 2,486,669	$ 2,573,337
Services transferred over time	314,175	88,313	177,695
	$ 3,141,607	$ 2,574,982	$ 2,751,032

Various economic factors such as supply and demand, law and policies, and labor affect revenues and cash flows. The Company's revenue is derived from sources within the United States.

NOTE 5 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	2022	2021	2020
On May 22, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of $150,000, pursuant to Section 7(b) of the Small Business Act, as amended. The loan matures in May 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in December 2022. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	$ 163,738	$ 159,161	$ -
Note payable to a financial institution, due in monthly installments between $3,161 and $3,479 beginning in May 2022, with interest between 3.95% and 6.00%. The note matures in April 2032 and requires a final balloon payment of $183,043. Additionally, this note can be called due at any time during the term of note.	413,083	-	-
Total long-term debt	576,821	159,161	-
Less: current maturities	(413,083)	-	-
	$ 163,738	$ 159,161	$ -

As of December 31, long-term debt matures as follows:

2023	$ 413,083
2024	-
2025	-
2026	1,839
2027	4,029
Thereafter	157,870
	$ 576,821

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The Company is involved, from time to time, in disputes and claims incidental to the conduct of its business. Based on consultation with legal counsel, the Company does not believe that any claims or disputes, either individually or in the aggregate, will have a material adverse effect on the Company's financial condition or results of operations.

NOTE 7 – INTELLECTUAL PROPERTY

Under a license agreement dated July 1, 2012, the Company became licensed by ActionCOACH IPCo, Ltd. (Licensor) to use and sublicense, within the United States of America and Canada, the trademarks, copyrighted materials and other intellectual property associated with the ActionCOACH concept. The license is for a term of 99 years and is terminable by the Licensor if: (1) the Company fails to cure a material default within 90 days after receiving notice of default from the Franchisor; (2) the Company or any of its directors or executive officers is convicted (or pleads no contest to) of a felony, crime involving moral turpitude, or other crime that is likely to harm the Licensor's goodwill in the trademarks; (3) the Company's assets are attached pursuant to court order; (4) the Company becomes insolvent or the subject of bankruptcy or dissolution proceedings, or ceases to do business.

NOTE 8 – LEASING ARRANGEMENTS

The Company leases office space under a non-cancelable operating lease. This leased commenced in September 2022, with monthly payments ranging from $11,941 to $14,686 and expires in August 2030.

Minimum lease commitments for the remainder of the leases are as follows:

Year Ending December 31,

2023	$	144,731
2024		149,072
2025		153,544
2026		158,150
2027		162,895
Thereafter		458,088
Less: Interest		(216,716)
	$	1,009,764

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 23, 2023, the date which the financial statements were available to be issued. No events were identified that would require additional disclosure.

EXHIBIT L

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

OPERATIONS MANUAL – TABLE OF CONTENTS

Please note that as of the Issuance Date of this Disclosure Document, ACNA has completely implemented an online dashboard format version of the Manuals and no longer issues written Manuals.

TABLE OF CONTENTS

- Systems Set Up
- Week 01 Post Training
- Week 02 Post Training
- Week 03 Post Training
- Week 04 Post Training
- Week 05 Post Training
- Week 06 Post Training
- Week 07 Post Training
- Week 08 Post Training
- Week 09 Post Training
- Week 10 Post Training
- Week 11 Post Training
- Week 12 Post Training

9 COACHING SYSTEM

<u>ActionCOACH System Overview</u>

1. Start a New Client
2. First Six weeks of Coaching
3. 13 Week Coaching Cycle
4. Coaching 6 Steps – Mastery
5. Coaching 6 Steps – Niche
6. Coaching 6 Steps – Leverage
7. Coaching 6 Steps – Team
8. Coaching 6 Steps – Synergy and Results
9. Coaching Tools
10. KPI's The COM
11. Coaching Tools – The COM
12. PlanningCLUB
13. GrowthCLUB
14. BusinessRICH
15. Six Steps Workshop
16. Five Ways Seminar
17. BookCLUB
18. ActionCLUB
19. Alignment Manual
20. Finding Your Fee in 90 Days

10 SALES

- Step 01 Identify Target Customer
- Step 02 Marketing
- Step 03 Prospect Inbound
- Step 04 Prospect Follow Up
- Step 05 Info Pack
- Step 06 Con'f of Receipt
- Step 07 Follow Up
- Step 08 Info Pack CD
- Step 09 Coach on Deck
- Step 10 Postcard
- Step 11 24hr PreCall
- Step 12 Diag/6 Steps
- Step 13 Starter pack
- 13 Editable Process Scripts
- Sales Training
- Audios and Videos

11 GUARANTEE

<u>What is the ActionCOACH Guarantee?</u>

- 18 Questions
- 28 Questions
- ActionCLUB
- ActionCOACH Letterhead
- ActionCOACH Video Trailer and Online Policy
- Assessments Online
- Brochures
- Brand Standards Guide
- Business Cards
- Business VALUATION
- BusinessRICH
- Coach Level Certificates
- Continuing Education Credits (NASBA, US only)
- Flip Chart Covers
- French Materials
- GrowthCLUB
- Logo Package
- Leverage Game Nights
- MasterCLASS
- PPT Design
- PlanningCLUB
- ProfitCLUB
- Roll-Up Banners
- Setting Up A Seminar/Workshop/Training Room
- SeminarCLUB
- Testimonials
- Tickets/Gift Certificates/Vouchers
- Wallpapers

18 MARKETING MEDIA

- ActionCOACH Policies and Procedures
- ActionCOACH Social Media Links
- ActionCOACH Vision/Mission/Purpose
- Advertising and General Marketing
- FAQ’s
- Marketing Strategies
- Public Relations
- Video Platforms
- Webinars Media

19 ActionMEMBERS

- The COM KPI
- The COM Coaching Tools

20 ActionMEMBERSHIP

- Brad Sugars on Membership
- Training and Certification
- Latest Coach Interview
- International Speaker Highlight
- Marketing Fundamentals
- Membership Material

ActionCOACH®
BUSINESS COACHING

EXHIBIT M

To

BUSINESS COACH

FRANCHISE DISCLOSURE DOCUMENT

COMMUNICATIONS SYSTEM SPECIFICATIONS

COMMUNICATIONS SYSTEM SPECIFICATIONS

Hardware Requirements

Intel or AMD Based system capable at a minimum of running Microsoft Windows 11.

- Alternatively, Macintosh System capable of running the latest version of MacOS.
- Desktop Laptop or tablet depending on your preference.

Surge Protector

- For complete protection, purchase an uninterruptible power supply (or UPS).

Software Requirements

Microsoft 365

- Standard edition or better – must contain PowerPoint.
- Latest Subscription to Adobe Acrobat (free download from http://adobe.com).

Adobe Acrobat Creation Utility

- There are freeware utilities without requiring the purchase of the full Adobe Acrobat application. See http://www.primopdf.com

QuickBooks

- Recommended, or equivalent business finance software.

Anti-Virus Software

- is required.

Customer Relationship Management (CRM) Software.

- HubSpot recommended.

Communications and Collaborative Software

- Broadband connectivity, minimum of 768kb/s download speed and 384 kb/s upload speed is recommended but not required, as download speed is generally limited by geographical restrictions.
- Microsoft Team (Included in any ActionCOACH software bundle) is the recommended communication platform for group meetings and IM.

STATE EFFECTIVE DATES

The following states 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	June 12, 2023
Rhode Island	
South Dakota	May 3, 2023
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.

{You Date, Sign, and Give Us This Copy}

RECEIPT

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

If ActionCOACH OneCo, LLC ("we") or ActionCOACH North America, Inc. ("ACNA") offer you a franchise, we or ACNA must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, us, ACNA 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 ten (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 and Oregon require that we give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If we or ACNA do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Exhibit H.

We and ACNA's agents for service of process are listed in Exhibit H.

The franchise seller for this offering is: .

Issuance date: **April 29, 2023**

I have received a Franchise Disclosure Document dated **April 29, 2023**, which included the following exhibits: Exhibit A: The Firm Business Coach Agreement; Exhibit B: State- Required Addenda to Franchise Agreement; Exhibit C: Managing Director Business Coach Agreement; Exhibit D: Nondisclosure and Noncompete Agreement; Exhibit E: Release; Exhibit F: Compliance Questionnaire; Exhibit G: Additional State-Required Information; Exhibit H: State Regulatory Authorities and Registered Agents in Certain States; Exhibit I: Franchisees as of December 31, 2022; Exhibit J: Franchise Outlets closed in the year ended December 31, 2022; Exhibit K: Financial Statements; Exhibit L: Operations Manual Table of Contents; and Exhibit M: Communications System Specifications.

If I received the Franchise Disclosure Document by electronic means, then by printing this receipt for signature, I acknowledge that I have the equipment, software, and other means necessary to open and to review the Franchise Disclosure Document in its entirety.

Date:

By:
Name:

{You Date, Sign, and Give Us This Copy}

RECEIPT

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

If ActionCOACH OneCo, LLC ("we") or ActionCOACH North America, Inc. ("ACNA") offer you a franchise, we or ACNA must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, us, ACNA 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 ten (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 and Oregon require that we give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If we or ACNA do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Exhibit H.

We and ACNA's agents for service of process are listed in Exhibit H.

The franchise seller for this offering is: .

Issuance date: **April 29, 2023**

I have received a Franchise Disclosure Document dated **April 29, 2023**, which included the following exhibits: Exhibit A: The Firm Business Coach Agreement; Exhibit B: State- Required Addenda to Franchise Agreement; Exhibit C: Managing Director Business Coach Agreement; Exhibit D: Nondisclosure and Noncompete Agreement; Exhibit E: Release; Exhibit F: Compliance Questionnaire; Exhibit G: Additional State-Required Information; Exhibit H: State Regulatory Authorities and Registered Agents in Certain States; Exhibit I: Franchisees as of December 31, 2022; Exhibit J: Franchise Outlets closed in the year ended December 31, 2022; Exhibit K: Financial Statements; Exhibit L: Operations Manual Table of Contents; and Exhibit M: Communications System Specifications.

If I received the Franchise Disclosure Document by electronic means, then by printing this receipt for signature, I acknowledge that I have the equipment, software, and other means necessary to open and to review the Franchise Disclosure Document in its entirety.

Date:	By: Name: