

FRANCHISE DISCLOSURE DOCUMENT

Club Z!, Inc.
a Florida corporation
15310 Amberly Drive, Suite 175
Tampa, Florida 33647
(813) 931-5516
corporate@clubztutoring.com
www.clubztutoring.com



As a CLUB Z!® franchisee you will operate an In-Home Tutoring franchise business offering affordable tutoring services at a student's home.

The total investment necessary to begin operation of a CLUB Z! franchised business is from \$40,975 to \$57,425. This includes \$27,250 to \$39,750 that must be paid to franchisor or its affiliates. This is the total of all initial fees and payments for services or goods received from the franchisor and its affiliates before the business opens.

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 franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in the document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Cari Diaz, Vice President at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647, Telephone 813-931-5516, corporate@clubztutoring.com.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor like a lawyer or 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 Guide to Buying a Franchise](#)," which can help you understand how to use this Disclosure Document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance date: April 1, 2024.

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 E & F.
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 B 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 CLUB Z! In-Home Tutoring 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 a CLUB Z! In-Home Tutoring franchisee?	Item 20 or Exhibits E & F list 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 A.

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise and loss of your investment.
3. **Turnover rate.** During the last 3 years, a large number of franchised outlets (115) were terminated, not renewed, re-acquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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
ITEM 1 THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	3
ITEM 3 LITIGATION.....	4
ITEM 4 BANKRUPTCY	4
ITEM 5 INITIAL FEES.....	4
ITEM 6 OTHER FEES.....	4
ITEM 7 ESTIMATED INITIAL INVESTMENT	8
ITEM 8 RESTRICTIONS ON SOURCES.....	9
ITEM 9 FRANCHISEE’S OBLIGATIONS.....	11
ITEM 10 FINANCING	12
ITEM 11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	12
ITEM 12 TERRITORY	18
ITEM 13 TRADEMARKS	19
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	20
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	21
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	22
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	22
ITEM 18 PUBLIC FIGURES.....	24
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	25
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION	28
ITEM 21 FINANCIAL STATEMENTS	38
ITEM 22 CONTRACTS.....	38
ITEM 23 RECEIPT.....	Last Page

EXHIBIT

Exhibit A	List of State Agencies/Agents for Service of Process
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement
Exhibit D	Manual Table of Contents
Exhibit E	List of Franchise Owners
Exhibit F	List of Franchisees Who Have Left the System
Exhibit G	State Specific Addenda / Riders

ITEM 1

THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES

The Franchisor is **CLUB Z!, INC.**, referred to as “we,” “us,” or “our.” We also do business under the name “**CLUB Z!® IN-HOME TUTORING.**” “You” means a person who buys the right to operate a CLUB Z!® In-Home Tutoring franchise from us. If you are a corporation, partnership or other entity, certain provisions of our Franchise Agreement also will apply to your owners. This Disclosure Document will indicate when your owners also are covered by a particular provision.

We are a Florida corporation, formed on June 19, 1995. Our current principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. Our agent in this state for service of process is, if applicable, disclosed in Exhibit “A.” We conduct business under our corporate name and under the trade and service marks “CLUB Z!®” and associated logos, designs, symbols and trade dress. See Item 13.

Our Predecessors and Affiliates.

We have no parent or predecessors.

Our affiliate, Fast-Teks, Inc., a Florida corporation, was established June 25, 2004. Fast-Teks, Inc.’s principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. Fast-Teks, Inc.’s principal business is offering franchises under the trade name FAST-TEKS which provides onsite computer services. Fast-Teks, Inc. offered on site computer services franchises from 2005 to 2012. Fast-Teks, Inc. has 1 franchise.

Our affiliate, Club Z! In-Home Tutoring Services, Inc., a Florida corporation was established on October 12, 2005. Club Z! In-Home Tutoring Services, Inc.’s principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. Club Z! In-Home Tutoring Services, Inc.’s principal business was conducting supplemental education services under the name Club Z! In-Home Tutoring for academic tutoring through the No Child Left Behind Act. Currently Club Z! In-Home Tutoring Services, Inc. operates CLUB Z!® 35 franchises. Club Z! In-Home Tutoring Services, Inc. has never offered franchises or licenses in any line of business and currently does not provide products or services directly to franchisees.

Our affiliate ABZ Franchise Systems, Inc., a Florida corporation was established on June 25, 2004. ABZ Franchise Systems, Inc.’s principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. In 2011, ABZ Franchise Systems, Inc. began providing supplemental education services under the name ABZ Prep for academic tutoring through private placement and government sponsored tutoring programs in non-franchised territories.

Our affiliate, ActiKare, Inc., a Florida corporation, was established September 5, 2007. ActiKare, Inc.’s principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. ActiKare, Inc.’s principal business is to offer franchises under the trade name ACTIKARE which provides in-home care services. ActiKare, Inc. has 146 franchises.

Our affiliate, ML Capital Group, Inc., a Florida corporation, was established February 12, 2003. ML Capital Group, Inc.’s principal business address is 15310 Amberly Drive, Suite 175, Tampa, Florida 33647. ML Capital Group, Inc..

Except as provided above, our affiliates have not offered franchises in this or any other line of business. Except as provided above, we have no affiliates required to be disclosed in Item 1.

The principal business addresses of our agents for service of process are shown on Exhibit A.

CLUB Z!® In-Home Tutoring System.

We have expended considerable time and effort developing a system for providing tutoring services and related merchandise and products (a "**CLUB Z!® In-Home Tutoring Service**" or a "**CLUB Z!® Business**"). We use, promote and license in the operation of a CLUB Z!® Business, the service marks and trade name "CLUB Z!®" and "CLUB Z!® stylized" and other associated logos, designs, artwork and trade dress, trademarks, service marks, commercial symbols, and e-names, which have gained and continue to gain public acceptance and goodwill, and may create, use and license additional trademarks, service marks, e-names and commercial symbols in conjunction with the operation of CLUB Z!® Businesses (collectively, the "**Marks**"). CLUB Z!® BUSINESSES operate under the Marks and under distinctive business formats, methods, procedures, designs, layouts, signs, equipment, standards and specifications, all of which we may improve, further develop or otherwise modify from time to time (the "**System**").

In the CLUB Z!® System, our franchisees, whom we refer to as Area Director franchisees, operate single unit franchises that recruit qualified teachers to perform services for students. The System uses these qualified teachers to tutor children one-on-one in the child's home using a wide variety of textbooks, workbooks and computer programs. Our tutoring programs improve academic skills as well as attitudes towards learning. Our tutors work in partnership with the child's classroom teachers. We assist you in operating your Business and design an on-going marketing program to reach potential customers within your protected territory. Generally, CLUB Z!® Businesses market to students from grades pre-K to grade 12.

Our Franchise Program.

In this Disclosure Document we grant to persons who meet our qualifications and who are willing to undertake the investment and effort, franchises for the right to own and operate a single unit CLUB Z!® Business (the "**Franchise**") within a protected territory. Our current form of Franchise Agreement is attached as Exhibit "C."

Our Business.

We have been offering franchises since July 1998. We operated a CLUB Z!® In-Home Tutoring Service from October 1995 until June 2000. We do not currently operate a CLUB Z!® In-Home Tutoring Service. As of the date of this Disclosure Document we have 348 franchise locations. We do not engage in other business activities and have not offered franchises in other lines of business.

Competition.

You will be competing with schools, learning centers, teachers and other tutoring services. These CLUB Z!® Businesses and similar businesses may be associated with national or regional chains or may be local independent CLUB Z!® Businesses and other businesses. The market for CLUB Z!® Businesses is developed in some areas and developing in other areas, depending on the number of this type of CLUB Z!® Businesses in the particular area.

Regulations.

There are no regulations specific to the industry in which CLUB Z!® Businesses operate, although you must comply with all local, state and federal laws that apply to CLUB Z!® Business operations. You will also be required to comply with workers' compensation, equal protection and workplace safety laws and regulations, including Title VII and the ADA.

ITEM 2

BUSINESS EXPERIENCE

Director and CEO: Mark Lucas

Mr. Lucas has been our Director and CEO since January 2000. Since 2003, Mr. Lucas has been the President of ML Capital Group, Inc., located in Tampa, Florida. ML Capital Group, Inc. is a shareholder of Club Z!, Inc. and Fast-Teks, Inc. Mr. Lucas has been the Director and CEO of our affiliate Fast-Teks, Inc. since its formation in June 2004. Mr. Lucas has been founder, Director and CEO of our affiliate ActiKare, Inc., since September 2007. Mr. Lucas has been CEO of Club Z! In-Home Tutoring Services, Inc. since February, 2019. Mr. Lucas has been CEO of Sunshine Autism Center, Inc. located in Tampa, Florida since January, 2023. Mr. Lucas has been CEO of Sunshine Autism Center GA, Inc. located in Alpharetta, Georgia since May, 2023.

Vice President: Cari Diaz

Mrs. Diaz has been our Vice President since April 2014. From June 2010 to April 2014, Mrs. Diaz was our Vice President of Operations. From July 2005 to April 2014, Mrs. Diaz was our Director of Franchise Support. From January 2004 to July 2005, Mrs. Diaz was our Manager of the Sales Support Center and Franchise Support. Mrs. Diaz has been Vice President of Operations for ActiKare, Inc. since June 2011. Mrs. Diaz was Director of Franchise Support for ActiKare, Inc. from September 2007 to July 2011. Mrs. Diaz has been Vice President of Operations for Fast-Teks, Inc. in Tampa, FL since June 2011. In addition, Mrs. Diaz has been the Director of Franchise Support of Fast-Teks, Inc. in Tampa, Florida since 2005.

Director, Secretary and Director of Operations: Jessica Pisculli

Mrs. Pisculli has been our Director of Operations since August 2018. Mrs. Pisculli was our Director of Franchise Development from September 2012 to August 2018. Mrs. Pisculli is also Director of Operations for our affiliate ActiKare, Inc., located in Tampa, Florida, since August 2018. Mrs. Pisculli was Director of Franchise Development of ActiKare, Inc. from September 2012 to August 2018. Mrs. Pisculli is also Director of Operations of our affiliate Fast-Teks, Inc., located in Tampa, Florida, since August 2018. Mrs. Pisculli was Director of Franchise Development for Fast-Teks, Inc. from September 2012 to August 2018. Prior, Mrs. Pisculli held the following positions with Club Z!, Inc., Executive Assistant from September 2007 to September 2012; Educational Director from September 2006 to September 2007 and Franchise Support from August 2005 to September 2006. In addition, Mrs. Pisculli was an Executive Assistant from September 2007 to September 2012 with ActiKare, Inc. Ms. Pisculli has been Vice President of Sunshine Autism Center, Inc. located in Tampa, Florida since January, 2023. Ms. Pisculli has been Vice President of Sunshine Autism Center GA, Inc. located in Alpharetta, Georgia since May, 2023.

Director of Franchise Support: Amanda Farley

Mrs. Farley has been our Director of Franchise Support since April 2014. From April 2006 to April 2014, Mrs. Farley was our Senior Support Specialist. From May 2005 to May 2006, Mrs. Farley was a CLUB Z!® Franchise Support Specialist.

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4
BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

**ITEM 5
INITIAL FEES**

Your initial franchise fee varies depending on the population of the territory as follows:

Franchise Fee	Population Up To:
\$27,250	100,000
\$39,750	200,000

You must pay the initial franchise fee in a lump sum when you sign the Franchise Agreement. In consideration for this initial franchise fee, we grant you a franchise to operate a CLUB Z![®] Business in a protected territory, provide you with initial training, and furnish you with the Franchise Package, described in the Franchise Agreement.

All fees are non-refundable. You pay us or our affiliates no other fees or payments for services or goods before your business opens.

**ITEM 6
OTHER FEES**

Type of Fee¹	Amount	Due Date	Remarks
Royalty/Support Fee ¹	The greater of: 8% to 6% of Gross Sales ² or: \$550 per month for up to 100,000 population. The greater of 6% of Gross Sales ² or: \$550 per month for an expanded territory* of up to 200,000 population. ³	Payable by the 10 th day of each month	See Note 3 below.
Advertising Fund ¹	The greater of: 2% of Gross Sales ² or \$50 per month	Payable by the 10 th day of each month	The Advertising Fund fee will commence 30 days after completion of training.

Type of Fee ¹	Amount	Due Date	Remarks
Club Z! Business Package	\$250-\$300 per month	Payable on the 1 st day of each month	Beginning 30 days from the date of your Franchise Agreement, \$250 must be paid directly to us for call center services/ appointment setting services, cold calling potential business partners on your behalf, live chat services, and a customized Website. This fee will increase to \$300 your third year in business and remain at \$300 for the remainder of your Franchise Agreement. Payment shall be made monthly by automatic debit to your credit card.
Virtual one-on-one on-line classroom training	\$1,500	Payable at the time of your request	Onsite classroom training is included with your Franchise Fee; only if you request Virtual on-line training is the fee charged
Late Fees ¹	\$100 initial fee, plus 1.67% or the maximum interest rate permitted by state law if less, of the amount due for each day after the due date that payment is not received.	As incurred	Payable only when the Royalty/Support Fee and Advertising Fund Fee are not received by the 10 th of the month.
Software, Virtual Business Telephone Number, Web Hosting and Email Account ⁴	\$75 per month	Payable on the 1 st day of each month	You agree to pay any tax imposed by the state in which your CLUB Z!® Business is located if such tax is imposed on Software fees or other payments made to us. This fee is payable the first month starting after the execution of the Franchise Agreement. Payment shall be made monthly by automatic debt to your credit card.
Conference Fee	Up to \$295 per person	Prior to Conference	From time to time, throughout the term of your Franchise Agreement, we will host a national or regional conference and charge you a Conference Fee not to exceed \$295 per person, whether or not you attend. We encourage you to attend, but you are not required to do so. The conference will be held at a specific location, as we designate. If you attend you will have to pay travel, food and lodging for you and any employees you may bring.

Type of Fee ¹	Amount	Due Date	Remarks
Training of Transferee	\$3,000	Prior to consummation of transfer	Payable when the Franchise is transferred. We reserve the right to increase this fee based on our current rates for similar services.
Transfer	\$2,000	Prior to consummation of transfer	Payable when the Franchise is transferred.
Early Termination Fee	Will vary under circumstances	At the time of your request	If you request early termination of your Franchise Agreement without providing the required 180 days written notice. Amount due will be equal to 180 days of your minimum Royalty/Support and Advertising Fund Fees
Initial Advertising Launch	\$1,500 per month for first 4 months	Beginning the 1 st day of the month following the date you sign the Franchise Agreement	For initial launch advertising and marketing services which we will execute on your behalf for your territory.
Renewal Fee	\$250	At time of renewal	New franchise agreement, which may have different terms or conditions, must be signed by you and us.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with the Franchise Agreement.
Indemnification	Will vary under circumstances	As incurred	You have to reimburse us if we are held liable for claims arising from your CLUB Z!® Franchised Business's operations.

1. All fees are imposed by and payable to us. All fees are non-refundable. All fees are uniformly imposed. Maximum interest permitted in California is 10% annually. You agree to provide authorization for your credit card to be automatically charged by us for your monthly Royalty/Support Fee and Ad Fund minimums, should you fail to submit payment by the 10th of the month. If your amount due exceeds your Royalty/Support Fee or Ad Fund minimum, you will be required to submit the balance due immediately. If payment is not received by the 10th of the month, and/or the credit card you provided is declined and not replaced within forty-eight hours of notice, you will be subject to a late fee.

2. "Gross Sales" shall mean the gross receipts of every kind and nature for sales of all products and services made in, upon, from or through operation of the Franchised Business, and income of every other kind and nature related to the Franchised Business, whether for products, services, exchange, credit, cash, or check regardless whether such sale is conducted in compliance with or in violation of the terms of your Agreement. Gross Sales shall not include the amount of refunds, tax collections, or allowances or discounts to customers.

3. Royalty/Support Fees based on Gross Sales in any monthly billing period are as follows:

<u>Monthly Gross Sales</u>	<u>Royalty/Support Fee</u>
\$10,000 or less	8% of Gross Sales;
\$10,001 - \$20,000	7% of Gross Sales between \$10,001 and \$20,000;
\$20,001 or higher	6% of all Gross Sales over \$20,000.

*If you purchase an Expanded Territory you will pay a fixed royalty percentage of 6%.

For 2 months, starting the month following completion of training, the Royalty/Support fees and the monthly minimum royalty fees are waived. Thereafter the minimum Royalty/Support fee will be collected according to the table above based on Territory Population of your Franchise Business. However, in any month your percentage of monthly gross sales exceeds the monthly minimum royalty, the full monthly Royalty/Support Fee is due.

4. We will provide you with a local business telephone number, Web Hosting and one Email Account. Additional email accounts are available for \$120 per account annually.

[Remainder of this page intentionally left blank]

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditures (3)	Amount	Method Of Payment	When Due	To Whom Payment is made
Initial Franchise Fee (1)	\$27,250 - \$39,750	Lump Sum	Upon signing Franchise Agreement	Us
Travel and Living Expenses during Training (2)	\$1,000 - \$1,500	As agreed	As incurred	Third Parties
Miscellaneous Opening Costs	\$500	As agreed	As incurred	Third Parties
Computer and other Equipment, Supplies	\$550 - \$1,200	As agreed	As incurred	Third Parties
Software, Business Telephone Number, Web Hosting and Email Account (5) (3 months)	\$225	As agreed	As incurred	Us
Club Z! Business Package (6) (3 months)	\$750	Lump Sum	Monthly	Us
Initial Launch Advertising (7) (4 months)	\$6,000	As agreed	Monthly	Us
Insurance (8)	\$700 - \$1,500	As agreed	As incurred	Third Parties
Additional Funds (3 months)	\$4,000 - \$6,000	As agreed	As incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT UNDER PROGRAM (EXCLUDING REAL ESTATE COSTS)(3, 4, 6)	\$40,975 - \$57,425			

Explanatory Notes

1. The franchise fee is: (a) \$27,250 for up to 100,000 population territory; or (b) \$39,750 for up to 200,000 population territory.

2. We provide initial training to you and two additional people (or up to 3 of your owners) without charge, but you are responsible for all travel and living expenses if you are training at the corporate office or at another mutually agreed upon location (additional fees to reimburse us for our costs will apply). This estimate is for 2 people.

3. This item estimates your initial startup expenses. These expenses include payroll costs. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period.

4. We do not estimate any real estate or office space costs. They vary dramatically based on numerous factors. We presume you will operate your CLUB Z!® Franchised Business from your home.

5. We require franchise owners to use our proprietary scheduling software to streamline processes in four major areas: client and employee/tutor management, scheduling, billing, and payroll. In addition to the proprietary scheduling software, we will also provide and you will utilize a virtual local business telephone number exclusively for advertising and marketing your franchise business, Web Hosting and an email account. This fee shall begin 30 days from the date of the Franchise Agreement.

6. Beginning 30 days from the date of the Franchise Agreement, \$250.00 must be paid directly to us each month for services which we will execute on your behalf, including call center services/appointment setting services, cold calling potential business partners on your behalf, live chat services during business hours and a customized Website (your “Sitelet”), and ongoing updates. As further described in Item 11, this fee increases beginning year three.

7. Beginning the first day of the month following the date you sign the Franchise Agreement, during your first four months of business, \$1,500 must be paid directly to us each month for Launch Advertising services which we will execute on your behalf for your territory.

8. We require franchise owners to carry one million dollars in General Liability and one million dollars in Professional Liability coverage naming us as an additional insured.

9. We relied on our experience to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer financing directly or indirectly for any part of the initial investment for your CLUB Z!® Franchised Business. None of the fees to us are refundable. Any refund of payments made to various vendors will depend on the terms you arrange with those vendors.

ITEM 8

RESTRICTIONS ON SOURCES

The following table summarizes the approximate percentages of your purchases of equipment and supplies through sourcing restrictions, based on the nature of the restriction.

REQUIRED PURCHASES FROM US	REQUIRED PURCHASES FROM APPROVED SUPPLIERS	REQUIRED PURCHASES IN ACCORDANCE WITH OUR SPECIFICATIONS AND STANDARDS
Establishment – 20-30%	Establishment – 0%	Establishment – 0%
Operation – 5% - 10%	Operation – 0% - 10%	Operation – 0% - 10%

You are not currently required to purchase any equipment or supplies from us, approved suppliers or according to our specifications and standards. We will furnish you with an initial supply of brochures and other trademarked materials. You may purchase equipment, supplies, and inventory items under specifications in the Operations Manual from suppliers approved by us. We do not make our criteria for vendor/supplier approval available to our franchisees.

Our specifications for equipment, supplies and inventory items have been designed to minimize costs and to create consistency throughout the CLUB Z!® System. Those specifications include standards for performance, competitive cost, quality, availability, compatibility, and the supplier or manufacturer's service and credit history. To the extent we designate vendors/suppliers and you wish to purchase goods or supplies from a vendor/supplier not on our approved list, you or the supplier must request our approval in writing. We will then examine the vendor or supplier, which examination may include a review of product specifications, actual testing or review of their product, inquiries as to general reputation and reliability, and all such other factors as we deem important. You or the supplier are not required to pay costs of our examination. We must respond to the request in writing within 30 days. Such response may indicate that we need additional time to complete our review. If we do not approve your request, we must

tell you why. If we give approval, our specifications and standards will be given to the vendor/supplier and they will be added to our approved list for you and all other franchisees.

We continually monitor and evaluate all approved suppliers and vendors based on our experience and that of our franchisees. We will discontinue the use of any vendor or supplier that fails to consistently meet quality control standards, conform to our specifications or meet the needs of our franchisees.

We are the exclusive vendor for our Launch Advertising, Club Z! Business Package, Software, Virtual Business Telephone Number, Web Hosting and Email Account (“Support Services”).

We are an approved vendor for all trademarked materials. However, you may use any vendor you choose if they can produce our trademarked materials to our specifications and are approved by our office. Except as described above, there are currently no other items or services for which we or our affiliates are approved suppliers or the only approved suppliers

You can purchase additional supplies, but you are not required to do so. We do derive revenue from your purchase of our Support Services and trademarked material. We mark up these materials approximately 10% to 12% to cover handling costs. As of our fiscal year end December 31, 2023, we realized \$14,829.91 in revenue from your purchases which accounted for 0.27% of our total revenues of \$5,593,173.

Other than as described above, there are no approved suppliers in which any of our officers owns an interest.

Computer Hardware and Software.

We do not require you to purchase a computer or any software from any particular vendor. We do not require you to purchase a new computer, however you are required to own a computer for CLUB Z!® Business.

We do require that you use QuickBooks by Intuit, Inc. as your accounting software. We require that you use our proprietary scheduling software.

We reserve the right to require you to use certain scheduling, tracking and reporting software to operate your Franchised Business, and this requirement may change over time. We will provide you with at least 90 days’ notice of any change to your required software.

Miscellaneous.

Except as described above, we currently derive no revenue or other material consideration as a result of required purchases or leases. There currently are no purchasing or distribution cooperatives. We do not currently negotiate purchase arrangements with suppliers for the benefit of franchisees but we may do so in the future.

We restrict, designate, and have the right to approve, or control all of your electronic, digital, social media, and Internet activity. You shall not establish or operate a web site on the Internet using any domain name containing the words Club Z! .com, .net, .biz, .org or any variation, without our prior written permission. You may not create, maintain or operate any blogs, Internet web sites or other online activities advertising, promoting or discussing the services of the CLUB Z!® Business, any competitive business or any tutoring or tutoring-related business, including the sending of bulk e-mail, other than in accordance with our Manuals or as we otherwise specify in writing. You shall, within 48 hours of a demand to do so by us, dismantle and/or deactivate any frames and/or links between your web pages and any other web sites, or violating domains or any other items appearing on the Internet or elsewhere in violation of our policies and procedures.

ITEM 9 FRANCHISEE'S OBLIGATIONS

These tables list your principal obligations under the franchise agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Franchise Agreement	Item in Disclosure Document
(a) Site selection and acquisition/lease	Not Applicable	Item 12
(b) Pre-opening purchases/leases	Section 1	Items 5, 6, 7, 8, 11 and 16
(c) Site development and other pre-opening requirements	Sections 5 and 7	Items 6, 7 and 11
(d) Initial and ongoing training	Section 4	Item 11
(e) Opening	Sections 4 and 11	Item 11
(f) Fees	Sections 1, 2, 5 and 13	Items 5, 6 and 7
(g) Compliance with standards and policies/Operating Manual	Sections 6 and 7	Item 11
(h) Trademarks and proprietary information	Sections 7, 8 and 16	Items 13 and 14
(i) Restrictions on products/services offered	Sections 6 and 7	Item 16
(j) Warranty and customer service requirements	Not applicable	Not applicable
(k) Territorial development and sales quotas	Not applicable	Not applicable
(l) On-going product/service purchases	Sections 6 and 7	Item 8
(m) Maintenance, appearance and remodeling requirements	Not applicable	Not applicable
(n) Insurance	Section 6	Item 7
(o) Advertising	Sections 6 and 7	Items 6, 7 and 11
(p) Indemnification	Section 6	Item 6
(q) Owner's participation/management/staffing	Section 8	Items 11 and 15
(r) Records and reports	Sections 10 and 14	Item 11
(s) Inspections and audits	Sections 7 and 14	Item 6
(t) Transfer	Sections 5, 12 and 13	Items 6 and 17
(u) Renewal	Sections 5 and 9	Items 6 and 17
(v) Post-termination obligations	Section 12	Item 17

Obligation	Section in Franchise Agreement	Item in Disclosure Document
(w) Non-competition covenants	Sections 8 and 12	Item 17
(x) Dispute resolution	Sections 17 and 19	Item 17

ITEM 10 FINANCING

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

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

Except as listed below, Club Z!, Inc. is not required to provide you with any assistance.

Pre-Opening Obligations: Before you open the CLUB Z!® Business, we will:

1. Provide you with the Franchise Package. (Franchise Agreement – Section 1)
2. Loan you one copy of each of our Manuals (Franchisee Manual and Marketing Plan). (Franchise Agreement - Section 7)
3. Train you and 2 additional people (or if you are a Business Entity, up to 3 of your owners). (Franchise Agreement - Section 4) This training is described in detail later in this Item.

Post-Opening Obligations: During your operation of the CLUB Z!® Business, we will:

1. Provide unlimited telephone support during business hours. (Franchise Agreement - Section 4)
2. Hold conference calls to discuss sales techniques, bookkeeping, performance standards and advertising programs. (Franchise Agreement – Section 4)
3. Loan you one copy of each of our Manuals (Franchisee Manual and Marketing Plan), consisting of such materials for use in operating CLUB Z!® Businesses. The Manuals contain mandatory and suggested specifications, standards, operating procedures and rules (“**System Standards**”) that we prescribe from time to time for operation of a CLUB Z!® Business and information relating to your other obligations under the Franchise Agreement and related agreements. The Manuals may be modified, updated and revised periodically to reflect changes in System Standards. (Franchise Agreement - Section 7)
4. Issue, modify and supplement System Standards for CLUB Z!® businesses. We may periodically modify System Standards, which may accommodate regional or local variations as we determine, and these modifications may obligate you to invest additional capital in the CLUB Z!® Business and/or incur higher operating costs. However, these modifications will not alter your fundamental status and rights under the Agreement. (Franchise Agreement -Section 7)

5. Maintain an Internet Website that will include a list of all CLUB Z! ® locations that are in good standing with us. Our Website will have a link to your customized Website Page (your “Sitelet”). Your Sitelet will include information relating to your specific business location and select content that we provide from our website. Your Sitelet will also showcase the CLUB Z! ® Services and products. By posting or submitting to us information or materials for the CLUB Z! ® Internet Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party’s rights. You must notify us whenever any information about you or the Franchise Business on the CLUB Z! ® Internet Website changes or is not accurate. You may not establish or maintain any other Website without our prior written approval. We reserve the right to change the requirements relating to your Sitelet at any time. (Franchise Agreement- Section 5)

6. Provide you with Web Hosting and an Email Account for your business.

Advertising Fund.

We have established and administer an Advertising Fund for the creation and development of marketing, advertising and related programs and materials on a system-wide basis. Beginning 30 days after completion of your training, you must contribute 2% of your Gross Sales or \$50.00 a month, whichever is greater, to the Advertising Fund. The advertising fee is non-refundable. (Franchise Agreement Section 5(b)) (See Items 6, 8 and 9) The Advertising Fund is administered by our Officers. As the Club Z! franchise system expands, we may create an advertising council.

The Advertising Fund will prepare income and expense statements at least once each calendar quarter, and at such time as is practical, the entire fund will be audited annually. Income and expense statements and audit results, as prepared, are available to any franchisee upon written request. Excess funds not spent in any given fiscal year will be carried forward to the next fiscal year. Although once established the Fund is intended to remain in existence, we reserve the right to terminate the fund only after all monies have been spent for advertising and promotion. In our most recent fiscal year, 2023, we spent the Advertising Fund as follows: Pay-Per-Click 28%, Web Development 2%, Co-op Advertising 23%, Search Engine Optimization 2%, Bank/Merchant Service Charges 5%, Art Department 30%, Social Media/Other Internet 9%, Miscellaneous Expense 1% totaling 100% of the total funds collected.

The Advertising Fund will develop and place advertising for the CLUB Z!® system; decide whether to use advertising agencies and which ones; and to decide which media to use, which may include print, radio, television, or direct mail. It may also include further development of the national web site. You are prohibited from producing any website for use with the Franchised Business unless specific written permission is given by us.

All franchisees contribute to the Advertising Fund on the same basis, and the expenditure of funds will be limited to advertising, promoting and marketing the goods and services offered by the CLUB Z!® system. Franchisees who are not yet contributing to the Advertising Fund may be excluded from receiving benefits from the activities of the Advertising Funds. No portion of the Advertising Funds will be used to sell franchises. Up to 15% of the total Advertising Fund annually may be used to cover our advertising related administrative costs, indirect expenses and subsidizing costs. The Advertising Fund’s operating rules and guidelines will be determined by our Officers. We will spend funds to benefit the CLUB Z!® Franchise System. This does not mean, however, that expenditures in your territory will be equivalent or proportionate to your contribution. In 2023, we placed additional national advertising at our own expense equal to 8% of last year's Advertising Fund, but are not obligated to do so in the future.

You may develop your own advertising materials provided they are submitted to us in advance for review and approval. We recommend you spend a minimum of \$1,000 every month on approved local paid advertising within your territory.

We do not have the power to require cooperatives to be formed, changed, dissolved or merged.

You will receive a virtual telephone number from us that will serve as your official CLUB Z! telephone number to be used exclusively for advertising and marketing to the public. (Franchise Agreement – Section 6)

You agree that upon termination, transfer, or expiration of your Franchise Agreement, you will immediately remove all advertising that you control and notify all advertising sources that your advertising must be removed and/or canceled immediately. For advertising that cannot be immediately canceled, you are responsible for any and all costs related to such advertising until such time as it can be canceled or it expires. You will cooperate with us in the removal of all Internet listings that may arise, for up to 12 months after termination, transfer or expiration of your Agreement.

Initial 4 Month Launch Advertising.

Beginning the 1st day of the month following the date you sign the Franchise Agreement, during your first 4 months of business, you must pay us directly \$1,500 each month for initial launch advertising and marketing services which we will execute on your behalf for your territory. You agree to provide authorization for your credit card to be automatically charged by us on the first day of each month during this 4 month period.

Club Z! Business Package.

Starting 30 days from the date of your Franchise Agreement, and continuing for 24 months, \$250 must be paid directly to us for call center services/appointment setting services, cold calling potential business partners on your behalf, live chat services and a customized Website. This fee will increase to \$300 your third year in business and remain at \$300 for the remainder of your Franchise Agreement. Payment shall be made monthly by automatic debit to your credit card.

Hardware and Software Requirements.

You are required to have a computer. You must purchase or lease a computer if you do not have a computer which meets the following specifications. Currently we do not require our franchisee to use any specific brand of computer. The cost of a computer varies widely but we estimate you may purchase a computer for between \$500 and \$1,000. You are required to have Microsoft Word, Microsoft Excel, Microsoft Outlook, QuickBooks, and Internet Explorer on this PC to access our website. You may purchase the hardware and software from any source. The computer is not proprietary and does not require a maintenance, support or service contracts. You are responsible for purchasing and arranging delivery of this equipment with the vendor. The computer system manages your sales activities and general business operations.

You are also required to use our scheduling and management software that will assist you with your day-to-day business operations. This proprietary software will streamline processes in four major areas: client and employee/tutor management, scheduling, billing, and payroll. The management aspect of the software will allow you to manage contact information, schedules, skills and certifications, etc. The scheduling feature will allow you to assign tutors to clients according to geographic location, needs, schedules and personality types. The scheduling software will allow you to invoice clients based on the confirmed visits made to the client's home. The proprietary software will also allow franchise owners to print various reports. You will be charged a monthly fee of \$75 to utilize the proprietary software and a virtual business telephone number, in addition to our Web Hosting services and our provision of your email account, beginning 30 days from the date you sign your Franchise Agreement.

Although not required, we do highly recommend a broadband connection for your computer. We reserve the right to require you, at your expense and in the timeframe determined by us, to update or upgrade the hardware and/or software you use to conform to new standards or specifications and we have no

limitations on our ability to do so. We have no history on which to base an estimate of your hardware and software update and upgrade costs, if any. However, we do not request the right to remotely access information and data maintained on the computer system.

Time To Opening.

We estimate that there will be an interval of 30 days between the signing of the Franchise Agreement and the opening of the CLUB Z!® Business, but the interval may vary based upon such factors as, the delivery schedule for the initial Franchise Package, delays in securing financing arrangements and completing training and your compliance with local laws and regulations. You may not open the CLUB Z!® Business for business until your pre-opening training has been completed to our satisfaction and you submit proof of insurance in the amounts required under the Franchise Agreement.

Training.

You must attend and successfully complete to our satisfaction the initial training program that we provide to franchisees (the “**Initial Training**”). We may extend the Initial Training for anyone who fails to successfully complete the program, but you must attend and successfully complete the program within 180 days of signing your Franchise Agreement, or we may terminate your Franchise Agreement. Your manager, if any, may attend training but must sign a confidentiality agreement prior to attendance.

The Initial Training Program consists of 10 hours of Web-based Pre-training and Post-training and approximately 2 days of Corporate Training which is presently conducted at our headquarters in Tampa, Florida, on-line or at another mutually agreed upon location (*additional fees to reimburse us for our costs will apply*). Successful completion consists of attending the 2 day training program outlined below. Training programs are scheduled and run as needed.

The Web-based training is a self-paced program conducted through the Internet. The time to complete the Web-based training varies depending on how much time you can devote to training and how quickly you are able to absorb the materials. We expect this aspect of your training to take you 2 to 4 weeks to complete. The instructional material used in the Web-based training is our confidential operations manual and the Internet.

Currently our Initial Training consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Business Setup Module (e.g. Banking, Merchant Services, Insurance)	2.5	N/A	Web-based
Introduction to CLUB Z!®	1	N/A	Live/Instructor-Led Training – Tampa, FL or Online
CLUB Z!® Tutoring Program	1.5	N/A	Live/Instructor-Led Training – Tampa, FL or Online

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Tutors (Recruiting, Interviewing, Onboarding, and Retention)	3	N/A	Live/Instructor-Led Training – Tampa, FL or Online
Advertising and Marketing (e.g. Direct marketing, Online marketing, SEO, Referral marketing, School Marketing, Social Media)	3	N/A	Live/Instructor-Led Training – Tampa, FL or Online
Initial Parent Telephone Call	1	N/A	Live/Instructor-Led Training – Tampa, FL or Online
Students (Contracting, Scheduling, Tutor Match and Billing)	2	N/A	Live/Instructor-Led Training – Tampa, FL or Online
General Operations and Success Metrics	1.5	N/A	Live/Instructor-Led Training – Tampa, FL or Online
Club Z! Proprietary Curriculum and Programs (Program Overview, Sales)	2	N/A	Live/Instructor-Led Training – Tampa, FL or Online
SAT/ ACT Test Prep Services (Diagnostic Tests, Online Test Modules, Sales)	2	N/A	Live/Instructor-Led Training – Tampa, FL or Online
CLUB Z!® Proprietary Curriculum and Programs (Materials, Ordering, Syllabus Options, Tutor Guides)	3	N/A	Live/Instructor-Led Training – Tampa, FL or Online
Z! Hub Client Management System	1.5	N/A	Web-based
QuickBooks Training Module (Chart of Accounts Set Up, Processing Transactions and Understanding Financial Metrics)	3	N/A	Web-based

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Post-Training Module (Initial Launch Marketing, Tutor Onboarding, Sales Support Center, and Web Form Management)	3	N/A	Web-based
TOTAL	30 Hours		

1. It is the nature of the CLUB Z![®] Business that all aspects of training are integrated, that is, there are no definitive starting and stopping times.

2. Although the individuals instructing the training may vary, all of our instructors have at least three years of relevant work experience in their designated subject area as well as seven to ten years of experience with us. In addition, we conduct optional training programs and conference. If you participate you must pay the costs and expenses for yourself and anyone attending with you. We may charge for optional training programs. We do not require you to attend additional training or refresher courses.

Following the initial phase of in-person training, you will be assigned to a dedicated support team from our corporate office to assist you in completing two additional phases of pre-opening training. This assistance includes but is not limited to rate setting, establishing an advertising and marketing campaign, tutor recruitment and staffing, role playing and setting up back office functions. Following successful completion of these training modules, you will be granted approval to market and accept clients. During this phase, you will submit applicable documentation to your dedicated support specialist to confirm that you are operating within our System Standards and meeting expectations for all CLUB Z![®] franchisees.

We will hold conferences, either telephonically or electronically, to discuss sales techniques, bookkeeping, performance standards, advertising programs and other topics we feel may be appropriate. These conferences set forth important information, including but not limited to, changes in System Standards which are mandatory to remain in compliance with the Franchise Agreement. From time to time we may host in-person conferences and you will be required to pay the then current participation fee; however, your attendance is optional.

Employment Policies

Any materials, guidance or assistance that we provide concerning the terms and conditions of employment for your employees, employee hiring, firing and discipline, and similar employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional consideration and use. Those materials, guidance and assistance do not form part of the mandatory System Standards. You will determine to what extent, if any, these materials, guidance or assistance should apply to your employees.

You will have responsibility for your employees and all acts of your employees, and all employment-related decisions including, but not limited to wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, taxes and withholdings, social security contributions, Medicare contributions, unemployment fund contributions and all other terms and conditions of employment. We do not exercise control and do not have the authority to control any of the essential terms and conditions of your employees' employment with you listed below:

(1) Wages, benefits, and other compensation; (2) Hours of work and scheduling; (3) The assignment of duties to be performed; (4) The supervision of the performance of duties; (5) Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) The tenure of employment, including hiring and discharge; and (7) Working conditions related to the safety and health of your employees.

You must disclose to each of your employees in writing, in a form approved by us in advance, that we are not a "joint employer" for the reasons cited above.

Operations Manual.

The table of contents of our Manual is specified in Exhibit "D."

Site Selection.

You may operate your Franchised Business from your home or, at your option you may lease commercial office space from which to operate your Franchised Business. If you choose to operate your Franchised Business from a location, other than your home, we do not provide you with site selection criteria and you are not required to obtain our approval. See Item 12. You must acquire a virtual business address within your protected territory to use for all internet and social media advertising and marketing.

ITEM 12 TERRITORY

The franchise is granted for a specific protected territory consisting of a population of 50,000 to not more than 200,000 (the "**Territory**"). See Item 5. Except as described below in the Rights We Retain, as long as you are in compliance with the Franchise Agreement, we will not grant a franchise for, nor ourselves operate, solicit nor accept sales for a CLUB Z!® business within your Territory. However, if you fail to satisfy the terms and conditions in the Franchise Agreement, we may develop the Club Z! System and business in your Territory. You may relocate your business within your Territory at any time without our permission.

You may operate your CLUB Z!® business office from a commercial site, however you are not permitted to perform any tutoring services from your business office or any retail or commercial site without our written permission, which we can withhold at our sole discretion.

You are also not permitted to operate a business office or perform services at any location or home that is situated outside of your Territory without our written permission. Permission will not be unreasonably withheld. If we grant you permission, you must enter into a written agreement with us which addresses specific terms, policies and procedures. (See Rider A to the Franchise Agreement). If you service a client outside of your protected Territory, without our written permission, you agree to forfeit all of your gross sales for that client to us or our designee.

Other than your right to operate the CLUB Z!® Business in your Territory, we do not grant you any territorial or other rights. We may establish other CLUB Z!® businesses (franchised or owned by us) anywhere outside of the Territory that may compete with your location. 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.

You have no right to acquire additional territory within your Market or contiguous territories; however, additional territories may be purchased with the approval of our Executive Committee.

You may not use alternative distribution channels to make sales outside or inside your Territory. You will receive no compensation for our sales through alternative distribution channels outside or inside your territory, including any government program.

There is no minimum sales quota. You maintain your rights to your area as long as you abide by your Franchise Agreement. We may not alter your Territory without your consent.

Rights We Retain: Nevertheless, we retain the right, on behalf of ourselves or through affiliates, in our discretion, and without granting any rights to you, to:

(a) solicit prospective franchisees and grant franchises or other rights to operate CLUB Z![®] businesses through national or regional advertising, trade shows or conventions or through e-commerce or similar means (franchises will not be granted to operate within your Territory);

(b) solicit, prospective franchisees for, and own and operate, businesses and CLUB Z![®] businesses or any businesses of any other kind or nature, anywhere;

(c) conduct services through any government program. If we grant you permission to participate in a program, which will not be unreasonably withheld, you must enter into a written agreement with us which addresses specific terms, policies and procedures related to participation and pay us the then current program royalty fee; and

(d) conduct or assign any Club Z![®] business within your Territory that you refuse to perform, you are unable to perform or while you are in default of your Franchise Agreement.

ITEM 13 TRADEMARKS

Primary Trademark.

We grant you the right to use certain trademarks, service marks and other commercial symbols in operating your CLUB Z![®] Business. The primary trademarks we use are the “CLUB Z![®] stylized,” “CLUB Z![®]” and associated trade names, logos, symbols, and associated designs and trade dress.

Trademark Registration.

We have registered the following Marks with the United States Patent and Trademark Office (the “USPTO”), the Canadian Intellectual Property Office (CIPO) and the Florida Department of State (“Florida”) as indicated:

Mark	Reg. No.	Reg. Date	Place of Registration
CLUB Z! In-Home Tutoring Services Stylized	4,487,377	02/25/14	Principal Register of USPTO
CLUB Z!	2,288,022	10/19/99	Principal Register of USPTO
CLUB Z!	T95000001021	08/17/95	Florida
CLUB Z!	TMA891,805	12/8/14	Canada

There are no agreements currently in effect which significantly limit our rights to use or license the use of our Marks in a manner material to the franchise. There are no currently effective material

determinations of the CIPO, USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending infringements, opposition or cancellation proceedings, or material litigation involving the Marks. All required registration renewals and affidavits have been filed with the USPTO and CIPO.

Use of the Marks.

You must follow our rules when you use the Marks. You cannot use any Mark as part of your corporate or legal business name or with modifying words, designs or symbols. You may only use the Marks we license to you. You cannot use any Mark in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing.

Infringements.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark, and you may not communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim and cooperate with us fully in pursuing, defending or settling the litigation. We have no affirmative obligation to preserve and protect the ownership and validity of our trademarks. However, we will take all steps that we deem reasonably appropriate. We have sole discretion to take such action as we deem appropriate and the right to control exclusively any litigation, USPTO proceeding or any other administrative proceeding arising from such infringement, challenge or claim or otherwise relating to any Mark licensed by us to you. You must sign any instruments and documents, provide such assistance and take any action that, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks. We will have no obligation to defend or indemnify you for your expenses or damages if the claim against you relates to your use of the trademarks in violation of the Franchise Agreement.

Changes to the Mark.

If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue the use of any Mark and/or use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Mark or for any expenditure you make to promote a modified or substitute trademark or service mark.

Other than as described above, we do not actually know of either superior prior rights or infringing uses that could materially affect your use of our principal trademarks in any state.

Because your telephone listings will be associated with our Marks, we will own all rights to the telephone listings, and all goodwill generated from the use of the telephone listings will be to our benefit. See Items 9 and 11.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents nor pending patent applications that are material to the franchise.

We claim copyrights in the advertising materials and related items used in operating the Franchise. These copyrights have not been registered with the United States Registrar of Copyrights.

The Manual, which is described in Item 11, and other materials we possess contain our confidential information and trade secrets. This information includes methods, formats, specifications, standards, systems, procedures and sales and marketing techniques used, and knowledge of, and experience in,

developing and operating CLUB Z!® Businesses; marketing and advertising programs for CLUB Z!® Businesses; knowledge of specifications for and suppliers of certain equipment, products, materials and supplies; and knowledge of the operating results and financial performance of CLUB Z!® Businesses other than your CLUB Z!® Business.

You may not use our confidential information in an unauthorized manner and must take reasonable steps to prevent its disclosure to others. We require your managers to also agree to not use our confidential information in an unauthorized manner

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. Nor are there any agreements currently in effect which significantly limit our right to use or authorize franchisees to use the copyrighted materials. Furthermore, there are no infringing uses actually known to us which could materially affect a franchisee's use of the copyrighted materials in any state. We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so when this action is in the best interests of the CLUB Z!® Business System.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must at all times faithfully, honestly and diligently perform your obligations under the Franchise Agreement, continuously exert your full time and best efforts to promote, enhance and encourage patronage of all the CLUB Z!® businesses and not engage in any other business or activity that conflicts with your obligations to operate the CLUB Z!® Business in compliance with the Franchise Agreement. You (or your owners/manager) are obligated to participate personally in the direct operation of the CLUB Z!® Business.

If you do hire a manager, that manager is not required to have an equity interest in the Franchise. Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the manager lives or works, that manager cannot have an interest or business relationship with any competing business. The manager is required to attend and complete our on-line training program to our satisfaction within 30 days of hire. Managers must sign our standard written agreement (acceptable to us) to maintain confidentiality of our proprietary rights and confidential information prior to the release of any confidential information.

Any person attending training is required to execute our then current confidentiality agreement if they are not a party to the Franchise Agreement prior to attending training. We do not require you or your spouse or domestic partner to sign a personal guaranty.

You must have any and all persons, who are not a party to the Franchise Agreement, which you authorize to contact us on your behalf, or who will have access to confidential information sign a written agreement (acceptable to us) to maintain confidentiality of our proprietary rights and confidential information prior to the release of any confidential information. We must receive a copy of this signed written agreement within 10 days of the person's hire.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale all products, and perform all services, that we require from time to time for CLUB Z![®] Businesses. You may not offer for sale any products or perform any services that we have not authorized. (See Items 8 and 9) Our System Standards may regulate required or authorized products, services and supplies. We have the right to change the types of required and/or authorized goods and services from time to time. There are no limits on our right to do so. You are specifically limited to provide services to customers who are located in your Territory.

ITEM 17
RENEWAL, TERMINATION, TRANSFER
AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(a) Length of the Franchise Term	Section 9	7 Years.
(b) Renewal or extension of the term	Section 9	Automatically Renews.
(c) Requirements for franchisee to renew or extend	Section 9	You must be in full compliance with your Franchise Agreement, complete any training we require, and you must sign our then-current form of franchise agreement which may contain materially different terms and conditions than your original Agreement including territory and royalties, sign a general release and pay the applicable fee.
(d) Termination by franchisee	Section 11	At any time after your first year, if you are in full compliance with your Franchise Agreement, you may request early termination by providing 180 days prior written notice, comply with post termination obligation and sign a general release. Further, you may terminate the Franchise Agreement on any grounds available by law (subject to local state law).
(e) Termination by franchisor without cause	Not Applicable	Not Applicable

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(f) Termination by franchisor with cause	Section 11	We can terminate only if you commit one of several violations (subject to local state law).
(g) "Cause" defined – curable defaults	Section 11	Failure to report gross income, report defaults, failure to complete training, failure to open franchise, material breach of the Franchise Agreement, or failure to comply with the System Standards or Policies/Procedures.
(h) "Cause" defined – non-curable defaults	Section 11	Monetary defaults, abandonment for 30 days, violation of confidentiality, failure to cure a default within 30 days of notice, interference/disruption of our or other franchisee's business, misuse of the Marks, unauthorized transfer, bankruptcy, creditors attach or foreclose business property, conviction or "no contest" plea to a felony.
(i) Franchisee's obligations on termination/nonrenewal	Section 12	Obligations include payment of outstanding amounts, complete de-identification, pay advertising and telephone obligations, removal of advertising and return of confidential information (also see r below).
(j) Assignment of contract by franchisor	Section 13	No restrictions on our right to assign the Franchise Agreement.
(k) "Transfer" by franchisee-definition	Section 13	Your (or your owners') voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in: (a) the Franchise; (b) you or (c) the Club Z!® Business
(l) Franchisor's approval of transfer by franchisee	Section 13	We have the right to approve all transfers.
(m) Conditions for franchisor's approval of transfer	Section 13	Assumption of your obligations by transferee, and the training and transfer fees are paid. Transferee must qualify and must sign our then current franchise agreement, which may contain material changes.
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 13	We can match the terms of any attempted transfer for a period of 14 days after receipt of notice of such proposed transfer.
(o) Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(p) Death or disability of franchisee	Section 15	We can terminate Franchise Agreement unless we approve a transferee.
(q) Non-competition covenants during the term of the franchise	Section 6	No involvement in a similar business. (subject to state law)
(r) Non-competition covenants after the franchise is terminated or expires	Section 12	No solicitation or recruitment of clients of your CLUB Z!® Business, any other CLUB Z!® businesses or any other current or former CLUB Z!® franchisees for a period of 2 years. (subject to state law)
(s) Modification of the agreement	Section 19	No modifications except by written agreement, but Manual and System Standards are subject to change
(t) Integration/merger clause	Section 19	Only the terms of the Franchise Agreement, Exhibits and all Agreements signed with it are enforceable (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim the franchisor's representations made in the Franchise Disclosure Document.
(u) Dispute resolution by arbitration or mediation	Section 17	Except for certain claims, all disputes must be arbitrated at the office of the American Arbitration Association closest to our headquarters, which is currently Florida (subject to state law).
(v) Choice of forum	Section 19	Jurisdiction is in the Federal or state court in the county in which our principal office is located, which is currently Florida. (subject to state law)
(w) Choice of law	Section 19	Florida (subject to state law).

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet that 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.

As of fiscal year end 2023, of our 348 Franchised Businesses, in Tables One, Two, Three, and Four (Student Counts), we are reporting only on those businesses that provided mandatory monthly revenue reports for the months of January – December 2023 and operated under the same owner for at least 12 months.

TABLE ONE
Private Student Counts

Of our 348 Franchised Businesses in operation, 168 or 48% met the criteria above and work 35 or more hours per week during regular business hours.

Average # of Private Students	49
72 or 43% attained or surpassed this stated average	
Student Median	44
Student Low	12
Student High	165

TABLE TWO
Private Student Counts

Of our 348 Franchised Businesses in operation, 98 or 28% met the criteria above and work 20-30 hours per week during regular business hours.

Average # of Private Students	36
41 or 42% attained or surpassed this stated average	
Student Median	29
Student Low	10
Student High	87

TABLE THREE
Private Student Counts

Of our 348 Franchised Businesses in operation, 63 or 18% met the criteria above and work 10-20 hours per week during regular business hours.

Average # of Private Students	18
23 or 37% attained or surpassed this stated average	
Student Median	14
Student Low	8
Student High	40

TABLE FOUR
Private Student Counts

Of our 348 Franchised Businesses in operation, 20 or 6% met the criteria above and work 10 or fewer hours per week during regular business hours.

Average # of Private Students	9
8 or 40% attained or surpassed this stated average	
Student Median	6
Student Low	1
Student High	18

As of fiscal year end 2023, of our 348 Franchised Businesses, in Table Five (Tutor Pay Rates) and Table Six (Client Pay Rates), we are reporting only on those businesses for which tutor pay and client rates were posted in our customer management software as of March 2023. Of our 348 Franchised Businesses, 325 franchisees, or 93% of the franchise system, had tutor pay and client rates posted in our customer management software as of March 2023. The 24 Franchise Businesses excluded from Tables Five and Six did not post tutor pay and client rates in our customer management software, as such the information was not available.

TABLE FIVE
Tutor Hourly Pay Rates

Elementary School Level Tutor Hourly Pay Rates	
Average	\$23
156 or 48% attained or surpassed this stated average	
Median	\$21
Low	\$16
High	\$28
Middle School Level Tutor Hourly Pay Rates	
Average	\$24
146 or 45% attained or surpassed this stated average	
Median	\$22
Low	\$18
High	\$30
High School Level Tutor Hourly Pay Rates	
Average	\$25
146 or 45% attained or surpassed this stated average	
Median	\$24
Low	\$20
High	\$38
Test Preparation Tutor Hourly Pay Rates	
Average	\$27
143 or 44% attained or surpassed this stated average	
Median	\$25
Low	\$20
High	\$47

TABLE SIX
Client Pay Rates

Elementary School Level Client Pay Rates	
Average	\$50
146 or 45% attained or surpassed this stated average	
Median	\$48
Low	\$35
High	\$95
Middle School Level Client Pay Rates	
Average	\$53
146 or 45% attained or surpassed this stated average	
Median	\$52
Low	\$37
High	\$95
High School Level Client Pay Rates	
Average	\$55
140 or 43% attained or surpassed this stated average	
Median	\$55
Low	\$39
High	\$99
Test Preparation Client Pay Rates	
Average	\$125
140 or 43% attained or surpassed this stated average	
Median	\$90
Low	\$65
High	\$250

The Franchised Businesses presented above do not differ materially from the franchises now being offered.

The Franchised Businesses included in the above tables are mature business, in operation for one full year of business. The above figures were based upon information reported to us by our franchisee. The above figures have not been audited by us. You should conduct an independent investigation of the costs and expenses you will incur in operating your Franchised Business.

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

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Club Z!, Inc. does not make any financial performance representation. We also do not authorize our employees or representatives to make any 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 Mark Lucas, CEO, CLUB Z!, Inc., 15310 Amberly Drive, Suite 175, Tampa, Florida 33647; Telephone; 813-931-5516, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEM OUTLET SUMMARY
For Years 2021 to 2023

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of The Year	Net Change
Franchised	2021	376	362	-14
	2022	362	368	+6
	2023	368	348	-20
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	376	362	-14
	2022	362	368	+6
	2023	368	348	-20

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
For years 2021 to 2023

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Alabama	2021	0
	2022	0
	2023	0
Alaska	2021	0
	2022	0
	2023	0
Arizona	2021	0
	2022	0
	2023	0
Arkansas	2021	0
	2022	0
	2023	0
California	2021	0
	2022	2
	2023	2

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Colorado	2021	0
	2022	1
	2023	0
Connecticut	2021	0
	2022	0
	2023	0
Delaware	2021	0
	2022	0
	2023	0
Florida	2021	0
	2022	0
	2023	2
Georgia	2021	1
	2022	0
	2023	0
Hawaii	2021	0
	2022	0
	2023	0
Idaho	2021	0
	2022	0
	2023	0
Illinois	2021	0
	2022	0
	2023	0
Indiana	2021	0
	2022	0
	2023	2
Iowa	2021	0
	2022	0
	2023	0
Kansas	2021	0
	2022	0
	2023	0
Kentucky	2021	2
	2022	0
	2023	0
Louisiana	2021	0
	2022	0
	2023	0
Maine	2021	0
	2022	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
	2023	0
Maryland	2021	0
	2022	2
	2023	0
Massachusetts	2021	0
	2022	0
	2023	0
Michigan	2021	0
	2022	0
	2023	0
Minnesota	2021	0
	2022	0
	2023	0
Missouri	2021	0
	2022	0
	2023	0
Montana	2021	0
	2022	0
	2023	0
Nebraska	2021	0
	2022	0
	2023	0
Nevada	2021	0
	2022	0
	2023	4
New Hampshire	2021	0
	2022	0
	2023	0
New Jersey	2021	0
	2022	0
	2023	0
New Mexico	2021	0
	2022	0
	2023	0
New York	2021	0
	2022	1
	2023	0
North Carolina	2021	0
	2022	0
	2023	1

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Ohio	2021	0
	2022	0
	2023	0
Oklahoma	2021	0
	2022	0
	2023	0
Oregon	2021	0
	2022	0
	2023	0
Pennsylvania	2021	0
	2022	0
	2023	0
South Carolina	2021	0
	2022	0
	2023	0
South Dakota	2021	0
	2022	0
	2023	0
Tennessee	2021	0
	2022	0
	2023	0
Texas	2021	3
	2022	3
	2023	0
Utah	2021	0
	2022	0
	2023	0
Vermont	2021	0
	2022	0
	2023	0
Virginia	2021	0
	2022	0
	2023	0
Washington	2021	0
	2022	0
	2023	0
West Virginia	2021	0
	2022	0
	2023	0
Wisconsin	2021	0
	2022	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
	2023	0
District of Columbia	2021	0
	2022	0
	2023	0
U.S. Totals	2021	6
	2022	9
	2023	11

Table No. 3

**STATUS OF FRANCHISED OUTLETS
For Years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
Alabama	2021	3	0	0	0	1	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Alaska	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Arizona	2021	4	0	0	0	0	0	4
	2022	4	1	0	0	1	0	4
	2023	4	2	0	0	0	0	6
Arkansas	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
California*	2021	58	2	0	0	5	0	55
	2022	55	4	0	0	6	0	53
	2023	53	0	0	0	6	0	47
Colorado*	2021	8	0	0	0	3	0	5
	2022	5	3	0	0	2	0	6
	2023	6	1	0	0	1	0	6
Connecticut*	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	1	0	3
Delaware	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
Florida*	2021	44	2	0	0	4	0	42
	2022	42	1	0	0	2	0	41
	2023	41	6	0	0	1	0	46
Georgia*	2021	16	2	0	0	1	0	17
	2022	17	2	0	0	4	0	15
	2023	15	1	0	0	3	0	13
Hawaii*	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	1	0	1
	2023	1	0	0	0	0	0	1
Idaho*	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Illinois*	2021	21	1	0	0	1	0	21
	2022	21	0	0	0	1	0	20
	2023	20	0	0	0	2	0	18
Indiana*	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
Iowa	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Kansas*	2021	3	0	0	0	1	0	2
	2022	2	1	0	0	1	0	2
	2023	2	0	0	0	0	0	2
Kentucky	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	1	0	0	0	0	4
Louisiana	2021	2	1	0	1	0	0	2
	2022	2	0	0	0	1	0	1
	2023	1	0	0	0	0	0	1
Maine	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Maryland	2021	7	0	0	1	1	0	5
	2022	5	2	0	0	2	0	5
	2023	5	2	0	0	1	0	6
Massachusetts*	2021	18	0	0	0	1	0	17
	2022	17	1	0	0	0	0	18

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
	2023	18	0	0	0	3	0	15
Michigan	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Minnesota*	2021	5	0	0	0	1	0	4
	2022	4	0	0	0	1	0	3
	2023	3	1	0	0	0	0	4
Mississippi	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Missouri	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
Montana	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Nebraska*	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Nevada*	2021	4	2	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
New Hampshire	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New Jersey	2021	10	1	0	0	2	0	9
	2022	9	0	0	0	1	0	8
	2023	8	0	0	0	2	0	6
New Mexico	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New York	2021	12	0	0	0	0	1	11
	2022	11	0	0	0	0	0	11
	2023	11	0	0	0	3	0	8
North Carolina*	2021	9	1	0	0	2	0	8
	2022	8	6	0	0	0	0	14
	2023	14	0	0	0	2	0	12
Ohio*	2021	9	0	0	0	2	0	7

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
	2022	7	0	0	0	0	0	7
	2023	7	1	0	0	0	0	8
Oklahoma	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Oregon	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Pennsylvania	2021	8	1	0	0	0	0	9
	2022	9	0	0	0	1	0	8
	2023	8	1	0	0	2	0	7
South Carolina*	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	1	0	3
South Dakota	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Tennessee*	2021	5	1	0	0	1	0	5
	2022	5	1	0	0	0	0	6
	2023	6	0	0	0	1	0	5
Texas*	2021	43	2	0	0	4	0	41
	2022	41	4	0	0	3	0	42
	2023	42	1	0	0	4	0	39
Utah*	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Vermont	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Virginia*	2021	12	1	0	0	0	0	13
	2022	13	3	0	0	2	0	14
	2023	14	0	0	0	3	0	11
Washington	2021	6	2	0	0	0	0	8
	2022	8	1	0	0	1	0	8
	2023	8	0	0	0	2	0	6
West Virginia	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at the End of the Year
Wisconsin	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
District of Columbia	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
U.S. Total	2021	359	20	0	2	30	1	346
	2022	346	36	0	0	30	0	352
	2023	352	18	0	0	38	0	332

Table No. 4

**STATUS OF COMPANY-OWNED OUTLETS
For Years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
All	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

We do not operate any Company-Owned outlets, however our affiliate ML Capital, Inc. operates the CLUB Z!® franchises noted in Table 3.

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2023

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Arizona	0	3	0
Arkansas	0	0	0
California	0	4	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Canada	0	0	0
Colorado	0	2	0
Connecticut	0	2	0
Delaware	0	0	0
Florida	0	3	0
Georgia	0	3	0
Hawaii	0	0	0
Illinois	0	2	0
Indiana	0	0	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	1	0
Louisiana	0	1	0
Maine	0	1	0
Maryland	0	2	0
Massachusetts	0	2	0
Michigan	0	1	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	0	0	0
Nebraska	0	1	0
Nevada	0	2	0
New Hampshire	0	0	0
New Jersey	0	2	0
New Mexico	0	1	0
New York	0	3	0
North Carolina	0	1	0
Ohio	0	2	0
Oklahoma	0	1	0
Oregon	0	0	0
Pennsylvania	0	2	0
Puerto Rico	0	0	0
Rhode Island	0	1	0
South Carolina	0	1	0
Tennessee	0	1	0
Texas	0	3	0
Virginia	0	2	0
Washington	0	1	0
West Virginia	0	1	0
Wisconsin	0	1	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
District of Columbia	0	0	0
TOTALS	0	53	0

The numbers in this item are as of December 31st.

The names of franchisees and the addresses and telephone numbers of their franchises are listed in Exhibit E. The name and last known address and telephone number of every franchisee who has had a unit terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or has not communicated with us within 10 weeks of the disclosure document issuance date is listed in Exhibit F.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with CLUB Z!. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you. During the last three fiscal years, we have not signed confidentiality clauses with current or former franchisees. In addition, our franchise agreements have confidentiality clauses which prevent current and former franchisees from disclosing proprietary, confidential and trade secret information regarding our system.

We have not created, sponsored or endorsed any trademark specific franchisee organization nor have any independent franchisee organizations asked to be included in this Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit “B” are the following financial statements:

Our audited Balance Sheet, Income Statements, Statements of Changes in Stockholders’ Equity, and Statements of Cash Flows for the periods ending December 31, 2023, December 31, 2022, and December 31, 2021. Our fiscal year ends December 31st.

ITEM 22

CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

- (a) Franchise Agreement -- Exhibit C

EXHIBIT A TO THE DISCLOSURE DOCUMENT

LIST OF STATE AGENCIES/AGENTS

FOR SERVICE OF PROCESS

Our registered agent in the State of Florida is:

Mark W. Lucas
15310 Amberly Drive
Suite 175
Tampa, Florida 33647

STATE	AGENCY	PROCESS, IF DIFFERENT
California Toll-free (866) 275-2677 Email: Ask.DFPI@dfpi.ca.gov www.dfpi.ca.gov	Department of Financial Protection and Innovation Los Angeles 320 West 4th Street, Suite 750 Los Angeles, CA 90013 Sacramento 2101 Arena Blvd. Sacramento, CA 95834 San Diego 1455 Frazee Road, Suite 315 San Diego, CA 92108 San Francisco 1 Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner of Financial Protection and Innovation Los Angeles 320 West 4th Street, Suite 750 Los Angeles, CA 90013 Sacramento 2101 Arena Blvd. Sacramento, CA 95834 San Diego 1455 Frazee Road, Suite 315 San Diego, CA 92108 San Francisco 1 Sansome Street, Suite 600 San Francisco, CA 94104
Hawaii	Commission of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813	Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62706	
Indiana	Franchise Section Indiana Securities Division Secretary of State, Room E-111 302 W. Washington Street Indianapolis, IN 46204	Administrative Office of the Secretary of State 201 State House Indianapolis, IN 46204
Maryland	Office of Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2021	Maryland Securities Commissioner 200 St. Paul Place Baltimore MD 21202-2021
Michigan	Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 G. Mennen Williams Building 525 West. Ottawa Lansing, MI 48933	
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	

STATE	AGENCY	PROCESS, IF DIFFERENT
	85 7 th Place East, Suite 280 St. Paul, MN 55101-2198	
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St., 21 st Fl. New York, NY 10005 212-416-8222	Secretary of State State of New York One Commerce Plaza 99 Washington Avenue Albany, NY 12231-0001
North Dakota	Office of Securities Commissioner 600 East Boulevard Avenue State Capital 14 th Floor Bismarck, ND 58505-0510	North Dakota Securities Department 600 East Boulevard Avenue State Capital 14th Floor Dept 414 Bismarck, ND 58505-0510
Oregon	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310	
Rhode Island	Division of Securities Department of Business Regulations Bldg. 69, 1st Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, RI 02920	
South Dakota	Department of Labor and Regulation Division of Securities 124 S Euclid, Ste 104 Pierre, SD 57501	
Virginia	Ronald W. Thomas, Administrator State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219	Clerk of the State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219
Washington	Washington State Department of Financial Institutions Securities Division P.O. Box 12000 Olympia, WA 98504-1200 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd. SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Securities and Franchise Registration Division of Securities 4th Floor 345 W. Washington Avenue Madison, WI 53703	

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

OF

CLUB Z!, INC.



CDM Financials, LLC

Certified Public Accountants, Business Advisors

Independent Auditor's Report

***Board of Directors of
ClubZ!, Inc.***

Opinion

We have audited the financial statements of ClubZ!, Inc., which comprise the balance sheets as of December 31, 2023, 2022 and 2021, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ClubZ!, Inc. as of December 31, 2023, 2022 and 2021, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ClubZ!, Inc. 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 ClubZ!, Inc.'s ability to continue as a going concern for one year from the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with

GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, *there is a substantial likelihood that*, individually or in the aggregate, they *would* influence the *judgment made by a reasonable user based on the* financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ClubZ!, Inc.'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 ClubZ!, Inc.'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.

CDM Financials, LLC

CDM Financials, LLC
Fairburn, GA
March 23, 2024

CDM Financials, LLC | P.O. Box 1028 | Fairburn, GA 30213 | email: info@cdmfinancials.com | www.cdmfinancials.com

CLUB Z!, INC.
BALANCE SHEET
DECEMBER 31, 2023, 2022, and 2021

ASSETS

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 1,163,590	\$ 1,351,390	\$ 1,161,305
Accounts Receivable	830,784	716,917	868,728
Note Receivable - Stockholders	-	-	326,424
Due from Related Parties	48,375	-	104,610
Total Current Assets	<u>2,042,749</u>	<u>2,068,307</u>	<u>2,461,067</u>
Fixed Assets	235,866	238,449	280,831
Total Assets	<u>\$ 2,278,615</u>	<u>\$ 2,306,756</u>	<u>\$ 2,741,898</u>

LIABILITIES AND STOCKHOLDERS EQUITY

Liabilities			
Accounts Payable and Accrued Expense	\$ 4,691	\$ 116,074	\$ 135,025
Other Current Liabilities	104,571	-	53,255
Total Current Liabilities	<u>109,262</u>	<u>116,074</u>	<u>188,280</u>
Stockholders Equity			
Common Stock	5,514	5,514	4,514
Additional Paid in Capital	747,180	747,180	1,125,534
Retained Earnings	1,813,033	1,834,362	1,819,944
	<u>2,565,727</u>	<u>2,587,056</u>	<u>2,949,992</u>
Treasury Stock	(396,374)	(396,374)	(396,374)
Total Stockholders Equity	<u>2,169,353</u>	<u>2,190,682</u>	<u>2,553,618</u>
Total Liabilities and Equity	<u>\$ 2,278,615</u>	<u>\$ 2,306,756</u>	<u>\$ 2,741,898</u>

The accompanying notes are an integral part of these financial statements.

CLUB Z!, INC.
INCOME STATEMENT
For the year ending DECEMBER 31, 2023, 2022, and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenue	\$ 5,593,173	\$ 5,893,369	\$ 4,003,792
Cost of Sales	(10,084)	(17,260)	(16,460)
Gross Profit	<u>\$ 5,583,090</u>	<u>\$ 5,876,109</u>	<u>\$ 3,987,332</u>
Operating Expense			
Salary Expense	3,053,876	3,370,830	2,157,690
Advertising	275,546	351,825	431,185
Administrative	79,758	112,788	104,114
Bank Fees	99,252	98,992	80,599
Computer Expenses	72,562	84,075	48,203
Commissions	273,442	196,548	91,377
Co-Op Payouts	1,182,922	827,941	359,439
Depreciation and Amortization	42,383	42,383	42,383
Employee Benefits	68,459	69,629	56,659
Insurance	17,520	20,949	21,117
Leads	33,841	96,931	34,891
Office Expense	102,385	125,072	94,862
Professional Fees	49,061	52,579	43,645
Rent	53,177	62,294	71,000
Taxes and Licenses	-	19,276	149,820
Telephone	110,181	93,016	52,253
Training	30,308	35,535	39,436
Travel	59,745	102,244	61,519
Bad Debt Expense	-	89,974	-
Total Expenses	<u>\$ 5,604,419</u>	<u>\$ 5,852,881</u>	<u>\$ 3,940,192</u>
Operating Income	\$ (21,329)	\$ 23,228	\$ 47,140
Net Income Before Taxes	(21,329)	23,228	47,140
Federal and State Income Taxes	<u>-</u>	<u>(6,155)</u>	<u>(12,492)</u>
Net Income /(Loss)	<u>\$ (21,329)</u>	<u>\$ 17,073</u>	<u>\$ 34,648</u>

The accompanying notes are an integral part of these financial statements.

4

CLUB Z!, INC.
STATEMENT OF OWNERS EQUITY
For the Years Ending December 31, 2023, 2022, and 2021

Ending Owners' Equity, December 31, 2021	<u>\$ 2,553,618</u>
Current Year Net Income	17,073
Distributions	<u>(380,009)</u>
Ending Owners' Equity, December 31, 2022	<u>\$ 2,190,682</u>
Current Year Net Loss	(21,329)
Ending Owners' Equity, December 31, 2023	<u>\$ 2,169,353</u>

The accompanying notes are an integral part of these financial statements.

5

CLUB Z!, INC.
STATEMENT OF CASHFLOW
DECEMBER 31, 2023, 2022, and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating Activities			
Net Income	\$ (21,329)	\$ 17,073	\$ 34,648
Depreciation Expense	42,383	42,383	42,383
Change in Current Assets	(113,867)	582,844	(84,154)
Change in Current Liabilities	(6,812)	(72,206)	149,716
Net Cash Provided by			
Operating Activities	<u>(99,625)</u>	<u>570,094</u>	<u>142,593</u>
Investing Activities			
Change in Fixed Assets	(39,800)	-	(7,870)
Note Receivable - Stockholder	(48,375)	-	-
Net Cash Used for Investing Activities	<u>(88,175)</u>	<u>-</u>	<u>(7,870)</u>
Financing Activities			
Repayment of Note Payable	-	-	(266,807)
Contribution/ (Distribution)	-	(380,009)	77,358
Net Cash Provided by (Used for)			
Financing Activities	<u>-</u>	<u>(380,009)</u>	<u>(189,449)</u>
Net Change in Cash	(187,800)	190,085	(54,726)
Cash at Beginning of Period	1,351,390	1,161,305	1,216,031
Cash at End of Period	<u>\$1,163,590</u>	<u>\$1,351,390</u>	<u>\$1,161,305</u>

The accompanying notes are an integral part of these financial statements.

CLUB Z!, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023, 2022, and 2021

Note 1 - Nature of Business

Club Z!, Inc. (the Company) was incorporated in June 1995. Club Z!, Inc.'s principle business is offering franchises under the trade name Club Z! In Home Tutoring for in home and academic tutoring. Club Z!, Inc. matches certified teachers and professionals with students to provide high quality, one-on-one instruction and support.

Mark Lucas, Founder and CEO, has been with the company since its inception. Mr. Lucas has been involved in the education industry for the past twenty-five years. Before that, Mr. Lucas owned and operated a financial consulting and marketing company based in Tampa, Florida.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The Company maintains its accounting records on the accrual basis of accounting, in conformity with generally accepted accounting principles.

Cash and Equivalents

For the purposes of the statements of cash flows, the Company considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents. At December 31, 2023, 2022 and 2021, the Company had no such equivalents.

Inventory

Inventory is stated at actual cost under the FIFO (First In, First Out) method of accounting. The inventory primarily consists of copyrighted publications, educational toys, educational workbooks, training aids, and apparel sold to Club Z! franchisees.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

Note 3- Property and Equipment

Property and equipment is recorded at cost, net of accumulated depreciation. At December 31, 2023, property and equipment consisted of the following:

Furniture and Equipment	\$535,242
Computer and Software	353,740
Less: Accumulated Depreciation	(653,116)
Property and Equipment, net	<u>\$235,866</u>

Depreciation expense for the year ending December 31, 2023 was \$42,383.

CLUB Z!, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023, 2022, and 2021

Note 4 - Advertising

The Company accounts for advertising expense in accordance with SOP 93-7 'Reporting of Advertising Cost'. Accordingly, advertising that does not provide a future benefit should be expensed as incurred. Advertising expenses for December 31, 2023, 2022 and 2021 was \$275,546, \$351,825, and \$431,185 respectively.

Note 5 - Revenue Recognition

The Company adopted ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASU 606") which creates a single framework for recognizing revenue from contracts with customers that fall within its scope. In adopting ASC 606 the full retrospective method was used to determine revenue under the current standard. Completion of the implementation analysis resulted in no adjustment to the beginning retained earnings balance.

Initial franchise fees are used to cover the necessary training and orientation. Franchise sales are only recognized when the Company satisfies all its performance obligations to its franchisees. Accordingly, for the year ending December 31, 2023 and for the periods prior to adoption of ASC 606, the company had no unearned income to report.

Note 6 - Related Party Transactions

The principal shareholder for Club Z!, Inc. is Mark Lucas, owning 3,532,000 shares of the common stock or 70.63% of the total 5,000,700 shares outstanding.

Note 7 - Provision for Income Taxes

The Company has elected C Corporation status under the Internal Revenue Service code. For the year ending December 31, 2023, the Company has reported a net loss of \$21,329, accordingly, no provision for income taxes has been included on these financial statements.

Note 8 - Concentration of Credit Risk

The amount reported on the balance sheet as cash includes amounts held at a banking institution that carries a balance that exceeds the FDIC insurance limit of \$250,000. Thus, the reported cash balance is not fully insured.

Note 9 - Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were available to be issued, and no such events have occurred.

EXHIBIT C TO THE DISCLOSURE DOCUMENT

**FORM OF
FRANCHISE AGREEMENT**

1.	GRANT OF AREA DIRECTOR FRANCHISE, INITIAL PAYMENTS, AND PROTECTED TERRITORY	2
2.	PAYMENT FOR FRANCHISE.....	3
3.	SHIPMENTS.	3
4.	INITIAL AND ONGOING TRAINING,	3
5.	ONGOING FEES.	4
6.	YOUR OBLIGATIONS.....	5
7.	OPERATION AND SYSTEM STANDARDS	7
8.	COVENANTS.....	8
9.	AGREEMENT TERM AND RENEWAL.....	8
10.	REPORTS.....	8
11.	DEFAULTS AND TERMINATION.....	8
12.	TRANSACTIONS AFTER TERMINATION, TRANSFER, OR EXPIRATION.....	10
13.	TRANSFERS.....	11
14.	ACCOUNTING AND RECORDS.....	12
15.	DEATH OR INCAPACITY OF AREA DIRECTOR,	12
16.	MARKS.....	12
17.	ARBITRATION.....	13
18.	RELATIONSHIP TO PARTIES.....	13
19.	GENERAL PROVISIONS.....	14
20.	NOTICES.....	16
21.	AMENDMENT	17

EXHIBITS and Rider

EXHIBIT A - TERRITORY AND FRANCHISE FEE AND ROYALTY/SUPPORT FEE SCHEDULE

EXHIBIT B - FRANCHISE PACKAGE

RIDER A - UNPROTECTED TERRITORY RIDER TO AREA DIRECTOR FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

This Area Director Franchise Agreement (this “**Agreement**”) is entered into as of the ____ day of _____, 20__ between:

Club Z!, INC.
15310 Amberly Drive
Suite 175
Tampa, Florida 33647

(“**We**,” “**Us**,” “**Our**,” or “**Club Z!**”)

and

AREA DIRECTOR FRANCHISEE:

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

(“**You**,” “**Your**,” “**Area Director**” or “**Franchisee**”)

1. GRANT OF AREA DIRECTOR FRANCHISE, INITIAL PAYMENT, AND TERRITORY.

(a) Subject to the terms and conditions of this Agreement, we grant you a license and appoint you as an authorized Area Director to offer Club Z!® tutoring services and related merchandise as well as new products and services as they become available to us. Upon the execution of this Agreement, you agree to pay us the initial Franchise Fee set forth on Exhibit “A” for the purchase of the Area Director Franchise (“Franchise” or “Franchised Business”) which includes the Franchise Package described in Exhibit “B”.

(b) The Franchise is granted for a specific protected territory ("Territory") as set forth in Exhibit “A”. We shall not, during the term of this Agreement, so long as you are not in default hereunder or under any other agreement ancillary hereto, operate ourselves or grant to any other person a Club Z! franchise within the Territory nor shall we modify the Territory without your prior written permission unless you are in default of the terms of this Agreement. You are not permitted to perform services at any location or home that is situated outside of your Territory without our written permission. Permission will not be unreasonably withheld. If we grant you permission, you must enter into a written agreement with us which addresses specific terms, and pay us the applicable Royalty/Support Fee for service conducted outside of your protected territory, as set forth on Rider “A”. If you service a client outside of your protected Territory, without our written permission, you agree to forfeit all of your gross sales for that client to us or our designee.

(c) Other than your right to operate your Club Z!® Business within your Territory, we do not grant you any territorial or other rights whatsoever. We may establish other Club Z!® businesses (franchised or owned by us) anywhere outside of your Territory.

(d) **Rights We Retain:** Nevertheless, we retain the right, on behalf of ourselves or through affiliates, in our discretion, and without granting any rights to you, to:

(i) solicit prospective franchisees and grant franchises or other rights to operate Club Z!® businesses through national or regional advertising, trade shows or conventions or through e-commerce or similar means (franchises will not be granted to operate within your Territory);

(ii) solicit prospective franchisees for, and own and operate, businesses and Club Z!® businesses of any other kind or nature, anywhere;

(iii) conduct services through any government program ("Program"). If we grant you permission to participate in a Program, which will not be unreasonably withheld, you must enter into a written agreement with us which addresses specific terms, policies and procedures related to participation and pay us the then current Program royalty fee; and

(iv) conduct or assign any Club Z!® business within your Territory that you refuse to perform, you are unable to perform or while you are in default of your Franchise Agreement.

2. PAYMENT FOR FRANCHISE.

You will pay the Initial Franchise Fee by: (i) check; (ii) wire transfer; or (iii) Mastercard or Visa credit card. It is due on signing and is not refundable. Payments by check must be made payable to Club Z!, Inc.

3. SHIPMENTS.

We will endeavor to deliver the Franchise Package, as set forth in Exhibit "B", in a timely manner, within a maximum of thirty (30) business days.

4. INITIAL AND ONGOING TRAINING.

Within thirty (30) days of your signing this Agreement, we will train you and up to two (2) additional people at our corporate location for approximately two (2) days with our approved trainer ("the Initial Training"). Any person attending training is required to execute our then current confidentiality agreement if they are not a party to this Agreement. We may extend the Initial Training for you if you fail to successfully complete the program but you must attend and successfully complete the Initial Training within one hundred and eighty (180) days of the date of this Agreement. Club Z!® training is included in your Franchise Fee, but you must pay travel and living expenses. We also make available our live one-on-one on-line training for you if you are unable to attend our classroom training. We offer unlimited phone support available during normal business hours. We will hold conferences,

either telephonically or electronically, to discuss sales techniques, bookkeeping, performance standards, advertising programs and other topics we feel may be appropriate. These conferences set forth important information, including but not limited to, changes in System Standards which are mandatory to remain in compliance with this Agreement. From time to time we may host in-person conferences and you will be required to pay the then current participation fee, not to exceed Two Hundred Ninety Five Dollars (\$295) per person; however, your attendance is optional.

5. ONGOING FEES.

(a) **Royalty/Support Fee.** You agree to pay us a Royalty/Support Fee as shown on Exhibit “A,” which is based on Gross Sales for the month. Gross Sales shall mean the gross receipts of every kind and nature for sales of all products and services made in, upon, from or through operation of the Franchised Business, and income of every other kind and nature related to the Franchised Business, whether for products, services, exchange, credit, cash, or check regardless whether such sale is conducted in compliance with or in violation of the terms of this Agreement. Gross Sales shall not include the amount of refunds, tax collections, or allowances or discounts to customers. The Royalty/Support Fee including monthly minimum royalty fee shall begin two (2) months after your completion of training and shall continue through the term of this Agreement. Royalty/Support Fees are due on or before the tenth (10th) day of the next calendar month, based on the preceding month’s Gross Sales. You agree to provide authorization for your credit card to be automatically charged by us for your monthly Royalty/Support Fee minimum, should you fail to submit payment by the tenth (10th) of the month. If your amount due exceeds your minimum, you will be required to submit the balance due immediately. If payment is not received by the due date outlined above, and/or the credit card you provided is declined and not replaced within forty-eight (48) hours of notice, you will be subject to a late fee of One Hundred Dollars (\$100.00) immediately plus 1.67%, or the maximum rate permitted by state law if less, of the amount due for each day after the due date. All fees and payments due under this Agreement must be paid in US Dollars.

(b) **Advertising Fund.** You agree to pay to us an advertising contribution equal to two percent (2%) of your Gross Sales or Fifty Dollars (\$50.00) a month, whichever is greater. The advertising contribution will go into a separate account and be used for regional or national advertising programs for the benefit of Club Z![®] businesses as we see fit. We receive reimbursement from the Fund for our advertising related administrative costs, indirect expenses and subsidizing costs. Your advertising contribution shall begin thirty (30) days after completion of training and shall continue through the term of this Agreement. Advertising fees are due on or before the tenth (10th) day of the next calendar month, based on the preceding month’s receipts. You agree to provide authorization for your credit card to be automatically charged by us for your monthly advertising fund minimum, should you fail to submit payment by the tenth (10th) of the month. If your amount due exceeds your minimum, you will be required to submit the balance due immediately. If payment is not received by the due date outlined above, and/or the credit card you provided is declined and not replaced within forty-eight (48) hours of notice, you will be subject to a late fee of One Hundred Dollars (\$100.00) immediately plus 1.67%, or the maximum rate permitted by state law if less, of the amount due for each day after the due date.

(c) **Local Advertising**

- i) **Initial Four (4) Month Launch Advertising.** Beginning the first (1st) day of the month following the date you sign this Agreement, during your first four

(4) months of business, One Thousand Five Hundred Dollars (\$1,500.00) must be paid directly to us each month for initial launch advertising and marketing services which we will execute on your behalf for your territory. You agree to provide authorization for your credit card to be automatically charged by us on the first (1st) day of each month during this four (4) month period.

- ii) ***Recommended Ongoing Local Advertising.*** We recommend you spend a minimum of One Thousand Dollars (\$1,000.00) every month on approved local paid advertising within your Territory.

(d) ***Club Z! Business Package.*** Beginning thirty (30) days from the date of this Agreement, during your first twenty-four (24) months of business, Two Hundred Fifty Dollars (\$250.00) must be paid directly to us each month for services which we will execute on your behalf, including call center services/appointment setting services, cold calling potential business partners on your behalf, live chat services, and a customized Website (your “Sitelet”). The monthly CLUB Z! Business Package expenditure paid directly to us will increase to Three Hundred Dollars (\$300.00) per month at the beginning of your third (3rd) year of business. You agree to provide authorization for your credit card to be automatically charged by us on the first (1st) day of each month for the Club Z! Business Package.

(e) ***Software Fees, Business Telephone Number, Web Hosting and Email Account.*** We will provide and you will utilize our proprietary management and scheduling software and a local business telephone number. We will also provide you with web hosting and an Email Account. You will be charged Seventy-Five Dollars (\$75.00) per month for these services and shall be paid on the first (1st) day of each month by automatic debit to your credit card. Upon your request, we will provide additional email accounts for an annual fee of One Hundred Twenty Dollars (\$120) per account. You agree to provide authorization for your credit card to be automatically charged by us on the first (1st) day of each month for the services. We reserve the right to require you to use different software to operate your Franchised Business, which may change over time. We will provide you with at least ninety (90) days’ notice of any change to your required software.

6. YOUR OBLIGATIONS.

(a) You may not open the Club Z!® Business for business until your pre-opening training has been completed to our satisfaction and you submit proof of insurance in the amounts stated in subsection (h) below.

(b) You may advertise in such a manner as may be agreed upon by both of us. Subject to our written consent, you may use the trademarks in such advertising and in all promotions. You agree that you will make no representations, warranties, or claims which tend to misrepresent or falsify the Club Z! Services or Products.

(c) Except when advertising cooperatively with other Club Z!® area directors, you are not permitted to advertise, market, promote or solicit services anywhere outside of your Territory without written permission from us. You agree that if you become involved in an advertising cooperative that we have no responsibility or liability to you with regard to such cooperative. You may operate your Club Z!® business office from a commercial site within your Territory, however you are not permitted to perform any customer services from your business office or any retail or commercial site without

our written permission, which we can withhold at our sole discretion. You must acquire a virtual address within your protected territory to use for internet and social media advertising and marketing.

(d) You agree that you shall comply in all respects with all laws, rules and regulations of every governmental authority applicable to your Business.

(e) You acknowledge and agree that no fees or compensation for services are required to be paid by us to you under this Agreement.

(f) We reserve the right to modify any one or more of the Club Z! Services or Products including the substitution of modified services or products, and to add new services or products. We will give you as much notice as possible if we or the manufacturer decides to discontinue any Club Z! Service or Product after such decision is made where no other source of comparable items is reasonably available. We are not required to purchase or exchange any of your inventory except in accordance with our defective merchandise policy.

(g) You must inspect the Club Z! Services or Products immediately upon receipt, and promptly notify us in writing of any evident defects. You will be deemed to accept the Club Z! Services and Products if you do not notify us of any defect within ten (10) business days after your receipt. We will pay reasonable return transportation costs if you receive Club Z! Services or Products for which you timely notify us.

(h) You will, upon commencement of the Franchise, purchase and at all times maintain at full force and effect: general liability insurance and professional liability coverage insurance in the amounts of not less than One Million Dollars (\$1,000,000.00) for each, naming us as an additional insured.

(i) You will defend at your own expense and indemnify and hold us harmless from and against all losses, liabilities, damages, claims and causes of action (including attorneys' fees and other costs) arising or alleged to be arising from your failure to abide by any Federal, state, and/or local laws or regulations relating to your Franchised Business including the sale of Club Z! Services or Products, or arising or alleged to be arising from your negligent acts or omissions or the acts or omissions of your representatives, contractors, and agents.

(j) You promise that you will not, in any manner, interfere with, disparage, disturb, disrupt, or jeopardize the Club Z! System or its services or products, your Club Z! Business, our Business, any officers or employees of ours, or any business of our other area directors or customers.

(k) You shall adhere to all Club Z! System Standards, policies and procedures for current franchises. In addition, you shall adhere to any changes in the aforementioned System Standards, policies and procedures as may be updated through "Field Bulletins" from time to time.

(l) We will provide you a customized Club Z! Website for your Franchised Business. By posting or submitting to us information or materials for the CLUB Z!® Internet Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights. You must notify us whenever any information about you or the Franchise Business on the CLUB Z!® Internet Website changes or is not accurate. You shall not establish or operate a web site on the Internet using any domain name containing the words Club Z! .com, .net, .biz, .org or any variation thereof, without our prior written permission. You must also not create,

maintain or operate any blogs, Internet web sites or other online activities advertising, promoting or discussing the services of the CLUB Z!® Business, any competitive business or any tutoring or tutoring-related business, including the sending of bulk e-mail, other than in accordance with our Manuals or as we otherwise specify in writing. You shall, within forty-eight (48) hours of a demand to do so by us, dismantle and/or deactivate any web sites, web pages, blogs, frames and/or links between your web pages and any other web sites or violating domains, or any other items appearing on the Internet or elsewhere in violation of our policies and procedures.

(m) You will receive a virtual telephone number from Club Z! that will serve as your official Club Z! telephone number to be used exclusively for advertising and marketing to the public.

(n) Except to the extent prohibited by the laws of the state where the Franchised Business is located, you agree that you (including your owners) shall not, during the Term of this Agreement or any renewal or extension thereof, become associated in any manner with any business which is the same or similar to the Franchised Business or that is in competition with us or any of our franchisees.

7. OPERATION AND SYSTEM STANDARDS

(a) **Marks.** We own certain trademarks, service marks, trade names and trade symbols, trade dress, indicia of origin, signs, slogans, associated logos, designs, emblems and URLs, domain names, website addresses, email addresses, digital cellular addresses, wireless web addresses and the like and copyrights ("the Marks"), the distinctiveness and value of which you acknowledge.

(b) **Manual.** We will provide you, during the Term (defined hereafter in Section 9), a copy of our manuals (Franchisee Manual and Marketing Plan) (the "**Manuals**"), for use in operating a Club Z!® business. The Manuals contain mandatory and suggested specifications, standards, trade secrets, methods, operating procedures, techniques, directives, the Marks, information and rules ("**System Standards**") that we prescribe from time to time for the operation of a Club Z!® business and information relating to your other obligations under this Agreement and any related agreements. Any required standards exist to protect our interests in the System and Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. You agree to follow all mandatory standards, specifications and operating procedures described in the Manuals. You agree to maintain the Manuals as confidential and maintain the information in the Manuals as secret and confidential. For purposes of this Agreement, all information, knowledge and know-how not known to the public about Club Z! and our products, services, standards, procedures, techniques and other information or material as we may designate as confidential will be deemed confidential and a trade secret of Club Z! ("Confidential Information"). You agree that you shall not use the Manuals and/or any other confidential information, knowledge, and/or know-how disclosed to you by Club Z! in any other business or for any other pursuit or in any manner not specifically authorized or approved in writing by Club Z!. The Manuals may be modified, updated and revised from time to time to reflect changes in System Standards. We may distribute updates and changes electronically. You agree to keep your copy of the Manuals current and in a secure location. In the event of a dispute relating to its contents, the master copy of the Manuals we maintain at our principal office will be controlling. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Manuals.

The provisions of this sub-section 7(b) shall survive any termination, transfer, or expiration of this Agreement.

8. COVENANTS.

You must at all times faithfully, honestly and diligently perform your obligations under this Agreement, continuously exert your best efforts to operate your Club Z!® Business and to promote, enhance and encourage patronage of all Club Z! businesses and not engage in any other business or activity that conflicts with your obligations to operate the Club Z!® Business in compliance with this Agreement. You (or your owners/managers) are obligated to participate personally in the direct operation of the Club Z!® Business. Except to the extent prohibited by the laws of the state where the Franchised Business is located or where the manager lives or works, if you hire a manager, that person cannot have an interest or business relationship with any of Club Z!®'s business competitors. The manager need not have an ownership interest in you. The manager must successfully complete our required training within thirty (30) days of hire and must sign our standard written agreement to maintain confidentiality of our proprietary rights and confidential information prior to the release of any such confidential information.

9. AGREEMENT TERM AND RENEWAL.

The initial term (the "Term") of this Agreement shall be for a period of seven (7) years, commencing on the date of the Agreement. This Agreement is renewable for successive periods of seven (7) years as long as you have complied in all material respects with the provisions of this Agreement during the Initial and any Renewal Term. To renew you must sign the then current franchise agreement used for area director franchisees at that time, sign a general release of any and all claims you may have against us and pay the renewal fee of Two Hundred and Fifty Dollars (\$250.00) that must be paid to us prior to renewal. Also, you (or a manager of yours approved by us) must satisfactorily complete any new training and refresher programs as we may reasonably require, at no additional cost.

10. REPORTS.

The Manuals specify the monthly reports (currently New Student Enrollment Form, Monthly Revenue Report and Monthly Advertising Report) and all payments due to us that you must submit to us by their due dates in order for your Franchise to be in good standing.

11. DEFAULTS AND TERMINATION

(a) Default with No Opportunity to Cure. You shall be deemed to be in default and we may, at our option, terminate this Agreement immediately upon delivery of notice to you and without affording you any opportunity to cure the default if any of the following events occur:

- i) you knowingly maintain false books or records or submit any false statements or reports to us
- ii) you understate by five percent (5%) or more your Gross Sales in any report to us.
- iii) you are convicted of a felony or any crime or offense or any claim of misconduct which results in or is reasonably likely, in our sole opinion, to affect adversely the Club Z!® System or its associated goodwill.
- iv) you misuse our Marks, confidential information and/or Proprietary Rights.

- v) you transfer your Business without our permission.
- vi) you disparage, interfere with or disrupt our business or the business of any area director.
- vii) you abandon or cease to operate your Club Z!® Business for a period of sixty (60) days without our prior written permission.
- viii) you violate any covenant of confidentiality or otherwise disclose, use or copy any manuals, materials or information created or used by us without our prior approval or violate any applicable non-compete, to the extent state law allows.
- ix) you become insolvent or make a general assignment for the benefit of creditors, or, unless otherwise prohibited by law, if you file a petition in bankruptcy, or a petition is filed against and consented to by you or not dismissed within 30 days, or if a receiver is appointed; or if a final judgment in excess of Five Thousand Dollars (\$5,000.00) remains unsatisfied for 60 days unless stayed.
- (x) you fail, for thirty (30) days after notice, to comply with any applicable law or regulation applicable to your Club Z!® Business.

(b) Default with Thirty (30) Day Opportunity to Cure. Except as provided in Section (a) above, you will have thirty (30) days from delivery of a written Notice of Default to remedy the default described in the notice. If any such default is not cured within that time, or such longer period as applicable law may require, we have the option of terminating this Agreement without any further notice to you upon the expiration of the applicable cure period. You shall be in default for any failure to comply substantially with any of the requirements imposed by this Agreement or our Manuals or for any failure to carry out the terms of this Agreement in good faith. Such defaults shall include, but are not limited to:

- (i) your failure to pay promptly any monies owing to us or provide required reports.
- (ii) your offer of any unauthorized products or services.
- (iii) your failure to begin operation of your Club Z!® Business within the time required.
- (iv) you or your designated manager fail to complete to our reasonable satisfaction any of the training required within one hundred eighty (180) days of signing this Agreement.
- (v) your material breach of any representation, promise, warranty, or agreement contained in this Agreement.
- (vi) your failure to comply with the Club Z! System Standards.

(c) Our failure to exercise our right of immediate termination shall not constitute a waiver of such right or any other right that we may have to terminate this Agreement in the future.

(d) Upon the occurrence of any event of default, we may suspend the services and products we provide to you while you are in default.

(e) You may submit a written request to terminate this Agreement at any time after one (1) year from the date of this Agreement, with one hundred eighty (180) days prior written notice, and be relieved of any and all obligations under this Agreement except as provided under Section 12. You must be in good standing and in full compliance with this Agreement at the time you submit your request. If you request to provide less than one hundred eighty (180) day written notice, you will be required to pay an early termination fee at the time you submit your request, equivalent to one hundred eighty (180) days of your minimum Royalty and Advertising Fund Fees. Your request for early termination will be granted upon your full compliance with Section 12 and you sign our general release.

12. TRANSACTIONS AFTER TERMINATION, TRANSFER, OR EXPIRATION.

Upon termination, transfer, or expiration of this Agreement, all rights granted hereunder to you shall forthwith terminate, and you shall immediately cease to operate the Franchised Business under this Agreement and shall not thereafter, directly or indirectly, represent yourself to the public or hold yourself out as a present or former area director or franchisee of Club Z!, with the exception of your accurate disclosure in your résumé. Termination, transfer, or expiration of the Agreement shall not release you from any obligation to pay any sum which may then be owed to us and you must comply with the following provisions:

(a) **Name Cancellation:** You must immediately cancel all fictitious, assumed name or equivalent registrations relating to your use of any of our marks.

(b) **Manuals and Materials:** You must immediately (within seven (7) days) turn over and return to us any and all originals and copies of the Manuals, customer lists, records, files, and any and all Confidential Information in your possession, custody or control or relating to the operation of the Club Z!® Business and any and all supplies and materials containing the Marks.

(c) **Confidential Information:** You, and if you are a business entity, your officers, directors, members or partners agree that upon termination, transfer, or expiration of this Agreement, you will immediately cease to use any of the Confidential Information and will not use it in any business or for any other pursuit.

(d) **Competitive Restrictions:** Except to the extent prohibited by the laws of the state where the Franchised Business is located, You, and if you are a business entity, your officers, directors, members or partners agree that for a period of two (2) years from termination, transfer, or expiration of your Club Z!® Franchise under this Agreement, you will not provide Club Z! Services or Products or similar services or products to any past or current customers of your Franchised Business or that of any other Club Z! business or franchise. The restrictive period shall be for a continuous uninterrupted period commencing upon the effective date of expiration or termination of this Agreement or the date that you begin to comply, whichever is later, and for two (2) years thereafter. If this covenant is found to exceed in duration or scope that permitted by applicable law, the parties expressly agree that this covenant may be modified to reflect a lawful and enforceable duration or scope.

(e) ***Remove advertising and notify advertisers:*** You must immediately remove all advertising that you control and notify all advertising sources that your advertising must be removed and/or canceled immediately. You further agree you will cooperate with us in the removal of all Internet listings that may arise, for up to twelve (12) months thereafter. For advertising that cannot be immediately canceled, you are responsible for any and all costs related to such advertising until such time as it can be canceled or it expires.

The provisions of this Section shall survive the termination, transfer, or expiration of this Agreement.

13. TRANSFERS.

(a) ***Transfer by Us:*** We shall have the right to transfer or assign all or any part of our rights or obligations herein to any person or legal entity provided such person or legal entity agrees to be bound by all of the terms and conditions set forth herein and agrees to assume same. We will make a good faith effort to ascertain that any such assignee possesses the economic resources to fulfill our obligations to our area directors.

(b) ***Transfer by You:*** You may transfer your business at any time, provided you are current with fees and obligations under this Agreement. You may not transfer or sell any interest in you, this Agreement or your Franchised Business without our prior written consent, which shall not be unreasonably withheld provided you meet the following conditions:

- (i) your proposed assignee must complete our franchisee application and meet our standards of qualification then applicable to all new applicants for franchises;
- (ii) the proposed Transfer is at a price and on terms and conditions, as we deem reasonable;
- (iii) your assignee shall assume all your duties, obligations and liabilities to Club Z!;
- (iv) your assignee signs our then current franchise agreement;
- (v) you or your assignee shall agree to pay to us prior to consummation of transfer a Three Thousand Dollars (\$3,000.00) training fee;
- (vi) you or your assignee shall pay to us prior to consummation of transfer a transfer fee of Two Thousand Dollars (\$2,000.00);
- (vii) you must sign a general release releasing us for any and all existing claims you may have against us, our affiliates, and our respective officers, directors, agents and employees; and
- (viii) any attempted transfer in the Franchise shall trigger a right of first refusal by Club Z! to match the terms thereof of any bona fide offer, which right may be exercised for a period of fourteen (14) days after receipt of notice.

(c) ***Exemption of Transfer Fee.*** If you are an individual, you may transfer this Agreement to a business entity that is under your majority control for no additional fee if you have been in good standing throughout the Term of this Agreement.

14. ACCOUNTING AND RECORDS.

You shall maintain during the Term and shall preserve for the time period specified in the Manuals, full, complete, and accurate books, records, and accounts in accordance with the standard accounting system prescribed by us in the Manuals or otherwise in writing. You are required to maintain a separate bank account, used exclusively for your Club Z! Business. Annually, no later than January 15th, you are required to submit to us your business bank account statements for each month of the previous year. Club Z! may, from time to time, request additional copies of your books and records to make sure you are complying with this Agreement. During the term of your Agreement, we and our designated agents will examine and audit your records, accounts, books and data at reasonable times with reasonable notice to you of an audit to ensure that you are complying with the terms of this Agreement.

15. DEATH OR INCAPACITY OF AREA DIRECTOR.

Upon your death or the determination of your incapacity (if an individual), or dissolution or similar event (if a partnership or corporation), your interest in this Agreement shall pass to your heirs or beneficiaries. In such event, Club Z! may terminate this Agreement upon one hundred and eighty (180) days' notice to your last business address unless such heirs or beneficiaries: (a) designate a person as being responsible for the performance of this Agreement and the Franchise within ninety (90) days after death or determination, and (b) provide adequate assurance, satisfactory to us, that such person's qualifications and abilities are sufficient for the continued operation of the Franchise, the observance of all duties of Area Director under this Agreement and the protection of Club Z!'s valuable trademarks and copyrights. The individual assuming your responsibilities will be required to, at such individual's sole expense, pay the then applicable training fee to Club Z!®.

16. MARKS.

(a) ***Ownership and Goodwill.*** Your right to use the trademark "CLUB Z!"® and any other trademarks, service marks, logos, designs or artwork that we authorize (the "**Marks**") is derived solely from this Agreement. You may only use the Marks in connection with the operation of your Club Z!® Business and only in accordance with this Agreement. Any unauthorized use of the Marks by you constitutes an infringement of our rights in and to the Marks. Your usage of the Marks, and any goodwill established by your use of the Marks, inures to our exclusive benefit. You must not, at any time, contest, or assist anyone else in contesting, the validity or ownership of any of the Marks. All provisions of this Agreement applicable to the Marks applies to any additional trademarks, service marks, logo forms, trade dress and commercial symbols that we authorize for use by, and license to, you in connection with this Agreement.

(b) ***Limitations on Use.*** You must not use any Mark as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form. You must not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized by us in writing. You must display the Marks prominently and in the manner prescribed by us on signs and forms. You must give such notices of trademark and service mark registrations and copyrights as we specify and you must obtain such fictitious or assumed name registrations as may be required under applicable law. You will not employ the Marks in any way that we have determined may result in liability to us for any debts or obligations of yours.

(c) ***Infringements and Claims.*** You must notify us immediately in writing if you become aware of any apparent infringement of, or challenge to, your use of any Mark, or claim by any person of any rights in any of the Marks. You must not communicate with any person other than us and our counsel in connection with any such infringement, challenge or claim. We have sole right to take any action we deem appropriate and the right to exclusively control any litigation, administrative or other proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign any instruments and documents, provide such assistance and take any action that, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or United States Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Marks.

(d) ***Discontinuance of Use.*** If it becomes advisable at any time for us and/or you to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must comply within a reasonable time after our notice to you, and our sole liability and obligation to you in the event of such change will be to reimburse you for your out-of-pocket costs of compliance. We will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Mark.

17. ARBITRATION.

Prior to submitting any claim or dispute to arbitration, you shall give notice thereof to us setting forth in reasonable detail the nature and basis of the claim or dispute. The parties shall then seek to negotiate and resolve the dispute by direct negotiation between you and us over a period of not less than sixty (60) days.

Any controversy or claim arising out of or related to this Agreement, or the breach of this Agreement, shall be settled by arbitration before a single arbitrator to be held in the county in which our principal place of business is located, in accordance with the rules of the American Arbitration Association. The award of the arbitrator shall be final and judgment upon the award rendered may be entered in any court having jurisdiction. Notwithstanding the above, either of us may seek injunctive relief against the other party in any court of proper jurisdiction with respect to any and all preliminary injunctive or restraining procedures pertaining to this Agreement or the breach of this Agreement.

18. RELATIONSHIP TO PARTIES.

This Agreement does not create a fiduciary relationship between the two of us. You are an independent contractor. Nothing in this Agreement is intended to constitute either party as an agent, legal representative, subsidiary, joint venture, partner, employee, affiliate or servant of the other party for any purpose. Nothing in this Agreement authorizes you to make any contract, agreement, warranty or representative on our behalf, nor to incur any debt or other obligation in our name.

You and we agree that any materials, guidance or assistance that we provides with respect to the terms and conditions of employment for your employees, employee hiring, firing and discipline, and similar employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional consideration and use. Those materials, guidance and assistance do not form part of the mandatory System Standards. You will determine to what extent, if any, these materials, guidance or assistance should apply to your employees. You acknowledge that we do not dictate or control labor or employment matters for franchisees and their employees and will not be responsible for the safety and security of your employees or patrons. You are solely responsible for determining the terms and conditions

of employment for all your employees, for all decisions concerning the hiring, firing and discipline of your employees, and for all other aspects of labor relations and employment practices.

All employees or agents hired or engaged by or working for you will be only your employees or agents and will not for any purpose be considered our employees or agents or the owner of the Marks, nor subject to our control, and in particular, we will have no authority to exercise control over the hiring or termination of employees, independent contractors, or others who work for you, their compensation, working hours or conditions, or the day-to-day activities of those people, except to the extent necessary to protect the Marks.

It is understood that you will have sole responsibility for your employees and all acts of your employees, and all employment-related decisions involving wages, benefits, hours of work, scheduling, hiring, firing, discipline, supervision, record keeping, withholding income tax, social security contributions, Medicare contributions, unemployment fund contributions and all other terms and conditions of employment.

You must disclose to each of your employees in writing, in a form approved by us in advance, that you are the sole employer with total control over the terms and conditions of Your employee's employment and that we are not a "joint employer" of your employees and that we do not control your personnel policies. You acknowledge that We do not exercise control over or have the authority to control" your employees' (1) Wages, benefits, and other compensation; (2) Hours of work and scheduling; (3) The assignment of duties to be performed; (4) The supervision of the performance of duties; (5) Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) The tenure of employment, including hiring and discharge; and (7) Working conditions related to their safety and health. You will file Your own tax, regulatory and payroll reports with respect to Your employees or agents and operations, saving and indemnifying Us of and from any liability of any nature whatsoever by virtue of it.

19. GENERAL PROVISIONS

(a) ***Acknowledgment of Risk.*** You acknowledge and agree to the following:

- i) **YOUR SUCCESS IN OWNING AND OPERATING THE FRANCHISE IS SPECULATIVE AND WILL DEPEND ON MANY FACTORS INCLUDING, TO A LARGE EXTENT YOUR BUSINESS ABILITY. Club Z! OFFERS NO BUY-BACKS, MONEY-BACK GUARANTEES OR REFUNDS.**
- ii) **YOU ACKNOWLEDGE THAT IN ALL OF YOUR DEALINGS WITH US, OUR EMPLOYEES AND OTHER REPRESENTATIVES ACT ONLY IN A REPRESENTATIVE CAPACITY AND NOT IN AN INDIVIDUAL CAPACITY. YOU FURTHER ACKNOWLEDGE THAT THIS AGREEMENT, AND ALL BUSINESS DEALINGS BETWEEN YOU AND SUCH INDIVIDUALS AS A RESULT OF THIS AGREEMENT, ARE SOLELY BETWEEN YOU AND Club Z!.**

(b) ***Governing Law.*** This Agreement and our relationship with you are governed by Florida law without regard to its conflict of laws provisions, excluding any law regulating the sale of franchises or governing the relationship between a franchisor and franchisee, unless the jurisdictional

requirements of such laws are met independently without reference to this section. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Territory is located. If, any provision, or portion hereof in any way contravenes the laws of any state or jurisdiction where this Agreement is to be performed which supersedes Florida law, such provision, or portion thereof, shall be deemed to be modified to the extent necessary to conform to such laws, and still be consistent with the parties' intent as evidenced by this Agreement.

(c) ***Jurisdiction and Venue.*** All claims which, as a matter of law or public policy, cannot be submitted to arbitration shall be brought in the federal or state court in the county and state in which our principal office is located. We both (i) irrevocably consent to the jurisdiction of each such court in any proceedings; (ii) waive any objections which either party may have to venue of the proceedings in any such courts; and (iii) agree to service of process by any means permitted under applicable laws or court rules in the State of Florida.

(d) ***Acts Beyond the Parties' Control.*** Neither of us shall be liable for loss or damage or deemed to be in breach of this Agreement if either of us fails to perform our obligations as a result solely from the following causes beyond our reasonable control, specifically: (i) transporting shortages or inadequate supply of equipment, merchandise, supplies, labor, material or energy; (ii) compliance with any applicable law; or (iii) war, strikes, natural disasters or acts of God. Any delay resulting from any of these causes shall extend performance accordingly or excuse performance in whole or in part as may be reasonable, except that these causes shall not excuse payments of amounts owed to us for any reason.

(e) ***Cumulative Remedies:*** The rights and remedies provided in this Agreement are cumulative and neither you nor we will be prohibited from exercising any other right or remedy provided under this Agreement or permitted by law or equity.

(f) ***Collection Costs, Expenses and Attorneys' Fees.*** If a claim for amounts owed by you to us or any of our affiliates is asserted in any legal proceeding or if either you or we are required to enforce this Agreement in a judicial or arbitration proceeding, the party prevailing in such proceeding will be entitled to reimbursement of its costs and expenses, including court costs, expert witness fees, discovery costs and reasonable accounting and attorneys' fees and costs on appeal together with interest charges on all of the foregoing. All such costs and expenses shall be prorated to properly reflect any partial prevailing or losing of the parties to the arbitration, as determined by the arbitrators.

(g) ***Damages.*** In no event shall we be liable to you for punitive or exemplary damages in any action arising out of or relating to this Agreement, or any breach, termination, cancellation or non-renewal thereof. Only claims, controversies or disputes involving you and no claims for or on behalf of any other franchisee, franchisor or supplier may be brought by you hereunder.

(h) ***Jury Trial.*** **THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY. YOU AND WE ACKNOWLEDGE THAT THIS WAIVER OF JURY TRIAL RIGHTS PROVIDES THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND RESOLUTION OF ANY DISPUTE ARISING OUT OF THIS AGREEMENT AND ANY ASPECT OF THE PARTIES'**

RELATIONSHIP. YOU AND WE FURTHER ACKNOWLEDGE THE SUFFICIENCY AND RECEIPT OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.

(i) **Binding Effect.** This Agreement is binding on and will inure to the benefit of our successors and assigns. Except as otherwise provided in this Agreement, this Agreement will also be binding on your successors and assigns, and your heirs, executors and administrators.

(j) **Entire Agreement.** This Agreement, including its introduction, addenda and exhibits, constitutes the entire agreement between you and us. There are no other oral or written understandings or agreements between you and us concerning the subject matter of this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim Franchisor's representations made in the Franchise Disclosure Document.

(k) 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.

20. NOTICES.

Except as otherwise expressly provided herein, any and all notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time they are delivered by hand or by recognized courier service, one (1) business day after transmission by overnight delivery service, or Internet email or other electronic system, or three (3) business days after mailed by certified mail, postage prepaid, return receipt requested. Notices will be addressed as follows:

If to Franchisor: Club Z!, Inc.
15310 Amberly Drive
Suite 175
Tampa, Florida 33647
Attn: Mark Lucas
E-Mail: _____

If to Area Director: _____

Attn: _____
E-Mail: _____

or to such other address or email as such party may designate by ten (10) days advance written notice to the other party.

21. AMENDMENT.

Any modification or change in or to this Agreement must be in writing and signed by each of the parties thereto and this Agreement and any modification or change thereto must be approved in writing by Club Z! before this Agreement or any modification or change can take effect or bind either party.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, as of the day and year first above written.

Club Z!, INC.

Signature: _____

Print Name: _____

Title: _____

AREA DIRECTOR

Signature: _____

Print Name: _____

Title: _____

EXHIBIT “A”

TERRITORY AND FRANCHISE FEE AND ROYALTY/SUPPORT FEE SCHEDULE

We grant you the following Territory upon payment of the Franchise Fee indicated below:

Table 1
Options for territory are only available at time of initial franchise purchase

Indicate Territory Size	Population Up To:	Franchise Fee	Monthly Royalty/Support Fee or Minimum*
	100,000	\$27,250	Greater of 8% -6%** of Gross Sales or \$550
	200,000 (Expanded Territory)	\$39,750	6%*** of Gross Sales or \$550

*This Royalty Schedule identifies the Royalty/Support Fee that will be paid by Area Director to Franchisor by the 10th of each month based on the previous month's Gross Sales.

** Area Director will pay decreasing royalty percentages based on the following:

<u>Monthly Gross Sales</u>	<u>Royalty/Support Fee</u>
\$10,000 or less	8% of Gross Sales;
\$10,001 - \$20,000	7% of Gross Sales between \$10,001 and \$20,000; and
\$20,001 or higher	6% of all Gross Sales over \$20,000.

***Expanded Territory Area Director will pay fixed royalty percentage of 6%.

For two (2) months, starting the month following completion of training, the Royalty/Support fees and the monthly minimum royalty fees are waived. The minimum royalty fee will be collected according to Table 1 above based on Territory Population of your Franchise Business. However, in any month your percentage of monthly gross sales exceeds the monthly minimum royalty, the full monthly Royalty/Support Fee is due.

[signatures on the following page]

CLUB Z!, INC.

Signature: _____

Print Name: _____

Title: _____

AREA DIRECTOR

Signature: _____

Print Name: _____

Title: _____

EXHIBIT "B"

FRANCHISE PACKAGE

Area Director's Franchise Package

BASE PACKAGE \$27,250

Territory:

- 100,000 in population. Territory is geographically defined in your written agreement.
- For an additional \$12,500 (\$39,750 total investment) a territory may be increased to 200,000 in population.
(Options for territory are only available at time of initial franchise purchase.)

Acquiring Tutors:

- Club Z! will provide assistance to the area director with acquiring their initial staff of tutors.

Training: (2 options)

- Option A: Intensive training at our Corporate Headquarters in Tampa, Florida
- Option B: Instructor led computerized on-line training is also available, for an additional fee of \$1,500, for franchisees that wish to begin operations within a quicker time-frame or need more time to complete our training program. *Franchise owners that elect to receive on-line training may also participate in our in-person training program in Tampa at a future time.*

Training Includes:

- Start-up of new business
- Contracts
- Advertising
- Software
- How to obtain tutors and clients
- Start-up marketing plan
- And much more.

Franchise Support:

- Operations Manual (Your Road Map to Success!). This may be provided in electronic format, at our discretion.
- On-Going Training
- 800 - Telephone Support Line
- Access to Advertising Department
- We customize all local ads, flyers, radio spots, etc. for no additional fee.
- Access to Club Z! secure intranet system which contains training, support, advertising, forms, documents and much more
- Franchisee Conference Calls
- Professionally designed PowerPoint Presentations for speaking engagements
- Access to Corporate Sales Support Center
- Marketing Materials: (Tested and Proven)
 - Camera Ready Artwork for:
Logos, Flyers, Tri-folds, Brochures, Newspapers, Magazines, Press Releases
 - Digital Artwork for:
Social Media Campaigns, Paid Internet Search Campaigns, Online Display Advertisements
 - Pre-written Advertorials:

Custom Club Z! Software:

- Our Club Z! proprietary software is an essential Web-based program giving you detailed information on your students, tutors, advertising and monthly revenue.

Curriculum Materials

- Learning Built to Last Study Skills Program
 - Includes.....
 - High School Book & Workbook
 - Middle School Book & Workbook
 - 2 Planners
- Power of Words Writing Program
 - Includes.....
 - High School Book & Workbook
 - Middle School Book & Workbook
- Club Z! Score Booster Platform for SAT and ACT Preparation
 - Includes.....
 - Full-length Student Diagnostic Tests for both the SAT and ACT
 - Full-length Student Practice Exams for both the SAT and ACT
 - Detailed Student Score Reports with Projected Score
 - Digital and Paper-and-Pencil Administration Formats
 - Practice Quizzes
 - Parent and Tutor Access
- Pre-K Readiness Backpack set

Logo Merchandise:

- \$200 voucher for Lands' End toward purchase of Club Z!® Logo Briefcase and Club Z!® Logo Polo Shirts
- 5 Club Z!® Logo Pencils
- 5 Club Z!® Logo Pens

Inventory and Supplies:

- 50 Club Z! Difference Tri-folds
- 25 Curriculum Booklets
- 50 Presentation Folders
- 25 SAT Postcards
- 25 ACT Postcards
- 25 Study Skills Tips Booklet
- ***Club Z! reserves the right to modify or replace items or services contained in this Package with items or services of equal or greater value as determined by Club Z! Inc.***

RIDER A

UNPROTECTED TERRITORY RIDER TO AREA DIRECTOR FRANCHISE AGREEMENT

THIS RIDER TO AREA DIRECTOR FRANCHISE AGREEMENT ("Rider") is made and entered into this _____ day of _____, 20____ ("the Effective Date"), by and between Club Z!, Inc., a Florida corporation, with its principal place of business at 15310 Amberly Drive, Suite 175, Tampa Florida 33647 (hereinafter "Franchisor") and _____ (hereinafter "Area Director").

WHEREAS, Franchisor and Area Director are parties to an Area Director Franchise Agreement dated _____ (hereinafter "the Franchise Agreement");

WHEREAS, under the Franchise Agreement, Area Director has no rights to operate Area Director's Club Z! Business or to offer Club Z! tutoring services and related merchandise outside of its protected territory as provided in the Franchise Agreement;

WHEREAS, Area Director desires to offer tutoring services within these zip/postal codes:

_____ that are not part of its protected territory and which do not currently belong to any other Club Z! area director, and Franchisor is willing to grant to Area Director non-exclusive rights to provide tutoring services outside of its protected territory under certain terms and conditions;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree to the following:

- 1. NO RIGHTS ACCRUE.** Area Director acknowledges, understands and agrees that, regardless of time, energy and/or resources dedicated to offering and providing tutoring services under this Rider, no rights of any kind accrue to Area Director in or to the zip/postal codes set forth above, or anywhere outside of Area Director's protected territory, as set forth in the Exhibit A of the Franchise Agreement.
- 2. TERM.** Franchisor may terminate this Rider at Franchisor's sole discretion, at any time, via written notice provided by Franchisor to Area Director. Otherwise this Rider shall be in effect until the Franchise Agreement expires or is terminated; whichever occurs first.
- 3. OBLIGATIONS UPON TERMINATION.** Immediately upon receipt of notice of Termination, Area Director must cease to offer or provide services or goods in the identified zip/postal codes. Within thirty (30) days after the effective date of Termination, Area Director will provide to Franchisor all information regarding the identity, contact information, current status and prior service of clients served in unprotected zip/postal codes. Area Director shall receive no compensation for such cessation of service or information delivery.
- 4. ZIP/POSTAL CODE SOLD.** If Franchisor sells an unprotected zip/postal code that is currently being serviced by Area Director to a new or another area director, immediately upon receipt of notice from Franchisor, Area Director must cease to offer or provide services or goods in this zip/postal code to new clients. Within thirty (30) days of receipt of notice from Franchisor, Area Director must fully disclose all

current and past client contacts and service details in that zip/postal code to the newly assigned area director, and Area Director must cease to service all clients from within the newly sold zip/postal code, in accordance with the Club Z! Inc. Policies and Procedures. Area Director shall receive no compensation for such cessation of service or information delivery.

5. **INCORPORATION OF TERMS.** All terms and conditions set forth in the Franchise Agreement shall apply to the subject area of this Rider and are incorporated herein by reference with the exception of those terms and conditions that are in conflict with the terms of this Rider.

6. **ONGOING FEES.**

(a) **Royalty.** The royalty fee owed by Area Director to Franchisor for services performed under this Rider is separate and distinct from the Royalty Fee owed by Area Director to Franchisor under Area Director's Franchise Agreement and does not accrue to satisfy the Monthly Minimums as set forth in the Franchise Agreement. For services provided and products sold outside of the Area Director's protected zip/postal codes, as set forth in the Exhibit A of their Franchise Agreement, Area Director agrees to properly disclose Gross Sales figures in the appropriate section of the required monthly revenue report, provide pre-selected QuickBooks reports (as required by Franchisor), and pay Franchisor a royalty fee of ten percent (10%) on Gross Sales. Gross Sales shall not include sales tax or use tax. Royalty fees are due on or before the tenth (10th) day of the next calendar month, based on the preceding month's Gross Sales. **Failure to execute this Rider, and/or properly disclose and report Gross Sales revenue from outside of Area Director's protected territory, will result in Area Director's forfeiture of 100% of Gross Sales for all services provided and products sold outside of its protected territory.**

(b) **National Advertising Fund.** Area Director agrees to pay Franchisor an advertising fee of two percent (2%) of Gross Sales per month based on services provided and products sold outside of the Area Director's protected zip/postal codes, as set forth in the Exhibit A of their Franchise Agreement. Gross Sales do not include sales tax or use tax. Advertising fees are due on or before the tenth (10th) day of the next calendar month, based on the preceding month's Gross Sales.

7. **AMENDMENT.** Any modification or change in or to this Rider must be in writing and signed by each of the parties thereto and this Rider and any modification or change thereto must be approved in writing by Franchisor before this Rider or any modification or change can take effect or bind either party.

Intending to be bound, Franchisor and Area Director sign and deliver this Rider in two (2) counterparts effective on the Effective Date, regardless of the actual date of signature.

CLUB Z!, INC.

AREA DIRECTOR

By: _____

By: _____

Title: _____

(Print): _____

Date: _____

Title: _____

Date: _____

EXHIBIT D TO THE DISCLOSURE DOCUMENT

OPERATIONS MANUAL

TABLE OF CONTENTS

TABLE OF CONTENTS OF OPERATIONS MANUAL

TOPIC	BEGINNING PAGE	TOTAL PAGES
Cover	1	1
Table of Contents	2	5
The Basics	7	5
Introduction To Running a Home-Based Business	12	16
Club Z! Service Offerings	28	5
How We Make Money	33	12
Tutors	45	45
School Marketing	90	15
Print Marketing	105	9
Miscellaneous Marketing	114	13
Initial Parent Phone Call	127	11
The In-Home Consultation	138	35
Problem Solving	173	3
Learning Built to Last	176	21
SAT/ACT Test Prep	197	14
Learning Disabilities	211	15
Glossary of Terms	226	14
Record Keeping	240	33
Club Z! Inc. Policies and Procedures	273	12
Frequently Asked Questions	285	4
TOTAL PAGES		288

EXHIBIT E TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISE OWNERS

AS OF DECEMBER 31, 2023

**LIST OF FRANCHISED CLUB Z!® BUSINESSES
AS OF DECEMBER 31, 2023**

ALABAMA	
Andy Gilman 2008 Flagstone Drive, Apt 714 Madison, AL 35758 (256) 384-3225	Marlon and Ellen Rhem 106 Octavia Drive Meridianville, AL 35759 (256) 513-6196
ARIZONA	
EMJ Enterprises 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758	Sherri Koven 5450 E Deer Valley Drive, Unit 4225 Phoenix, AZ 85054 (602) 338-9694
S. Niraj Patel 4400 N. Scottsdale Road #9 Scottsdale, AZ 85251 (602) 334-4568	S. Niraj Patel 4400 N. Scottsdale Road #9 Scottsdale, AZ 85251 (602) 334-4568
Christopher Bell 7400 N Oracle Road, Suite 150-440 Tucson, AZ 85740 (520) 589-2771	Parth Patel & Adi Pajazetovic 832 N Rob Hill Place Tucson, AZ 85710 (480) 857-8958
ARKANSAS	
Blake Taylor 2209 Allen Circle Lavaca, AR 72941 (800) 434-2582	Kevin Baker 903 W. Denali Drive Nixa, MO 65714 (479) 250-1291
Kevin Baker 903 W. Denali Drive Nixa, MO 65714 (479) 250-1291	
CALIFORNIA	
Anabella Dao 1968 Lake Ave, Apt 301 Altadena, CA 91001 (626) 382-3767	Zehra and Arshad Rokerya 554 S. Westford Street Anaheim Hills, CA 92807 (714) 660-2595
Zehra and Arshad Rokerya 554 S. Westford Street Anaheim Hills, CA 92807 (714) 660-2595	Jane Dodd 68900 Minerva Rd Cathedral, CA 92234 (760) 325-0448
Neetu Kalra 4060 Horatio Way Fremont, CA 94555 (510) 628-6039	Chad and Gina McAskil 4207 Franklin Avenue Fullerton, CA 92833 (714) 421-4290
Adis Davtyan 6287 Altura Avenue La Crescenta, CA 91214 (619) 988-2226	EMJ Enterprises 2375 Medallion Way Lodi, CA 95242 (847) 368-8867
EMJ Enterprises 2375 Medallion Way Lodi, CA 95242 (847) 368-8867	John Fahey 2375 Medallion Way Lodi, CA 95242 (847) 368-8867

John Fahey 2375 Medallion Way Lodi, CA 95242 (847) 368-8867	Maham Haghighat 1630 Granville Avenue APT #208 Los Angeles, CA 90025 (805) 220-1370
Maham Haghighat 1630 Granville Avenue APT #208 Los Angeles, CA 90025 (805) 220-1370	Maham Haghighat 1630 Granville Avenue APT #208 Los Angeles, CA 90025 (805) 220-1370
Maham Haghighat 1630 Granville Avenue APT #208 Los Angeles, CA 90025 (805) 220-1370	Neena Pandey 2094 Yosemite Drive Milpitas, CA 95035 (408) 457-8833
Neena Pandey 2094 Yosemite Drive Milpitas, CA 95035 (408) 457-8833	Neena Pandey 2094 Yosemite Drive Milpitas, CA 95035 (408) 457-8833
Neena Pandey 2094 Yosemite Drive Milpitas, CA 95035 (408) 457-8833	Navendu Sinha 2097 Lee Way Milpitas, CA 95035 (510) 651-3853
Arnaud & Clara Rager 35 Crestview Drive Orlinda, CA 94563 (800) 434-2582	Arnaud & Clara Rager 35 Crestview Drive Orlinda, CA 94563 (800) 434-2582
Lou Distasi 15 Walking Stick Plymouth, MA 02360 (800) 434-2582	Lou Distasi 15 Walking Stick Plymouth, MA 02360 (800) 434-2582
Progressive Instruction LLC 988 Briarcrest Way Sacramento CA 95831 (916) 714-2770	Progressive Instruction LLC 988 Briarcrest Way Sacramento CA 95831 (916) 714-2770
Breona Wood and Zanetta Wood 1590 Alicia Way Sacramento, CA 95835 (916) 403-7936	Tushar Shah 16350 Cayenne Ridge Road San Diego, CA 92127 (858) 449-4494
Tushar Shah 16350 Cayenne Ridge Road San Diego, CA 92127 (858) 449-4494	Amir Amiri 5007 Grimsby Drive San Jose, CA 95130 (408) 600-2846
Deborah Ku 27732 Paseo Barona San Juan Capistrano, CA 92675 (949) 388-3222	Deborah Ku 27732 Paseo Barona San Juan Capistrano, CA 92675 (949) 388-3222
Deborah Ku 27732 Paseo Barona San Juan Capistrano, CA 92675 (949) 388-3222	Deborah Ku 27732 Paseo Barona San Juan Capistrano, CA 92675 (949) 388-3222
Rajat Bhasin 2902 S Spruce Street Santa Ana, CA 92704 (949) 220-1967	Keli Miava Gaines 1839 Huntington Drive South Pasadena, CA 91030 (424) 214-0709

Patricia & Mike Mancebo 8829 Laughlin Ave Stockton CA 95212 (209) 482-2145	Patricia & Mike Mancebo 8829 Laughlin Ave Stockton CA 95212 (209) 482-2145
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582	Alysia Nelson 43024 Calle Reva Temecula CA 92592 (951) 676-3608
Dwayne Sutton 1368 Isabella Way Vista, CA 92084 (760) 331-7911	Dwayne Sutton 1368 Isabella Way Vista, CA 92084 (760) 331-7911
Latrice Bankhead 307 Bridle Farm Way Winston-Salem, NC 27106 (916) 655-2986	
CANADA	
Dean Thompson 164 Alexandria Ct. Canton MI 48188 (248) 344-2200	Yuriy Bilynets 1344 Everall Road Mississauga, AB L5J 3L5 (905) 822-2777
Shahrzad Lajevardi McCallum Drive 31 Richmond Hill, ON L4C 9X5 (905) 469-1166	Shahrzad Lajevardi McCallum Drive 31 Richmond Hill, ON L4C 9X5 (905) 469-1166
Club Z! In Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582	Glenda Singh 35 Brian Peck Crescent Toronto, ON M4G 0A5 (416) 358-2395
Glenda Singh 35 Brian Peck Crescent Toronto, ON M4G 0A5 (416) 358-2395	Alberto Favila #22 Tiverton Lane Whitby, ON L1P 0B5 (905) 493-3687
COLORADO	
Emily Herr 6612 Cottonwood Grove Drive Colorado Springs, CO 80925 (303) 551-8128	Lindsey Rowe 102 S Tejon St, Suite 100 Colorado Springs, Co 80903 (800) 434-2582
Lindsey Rowe 102 S Tejon St, Suite 100 Colorado Springs, Co 80903 (800) 434-2582	A&B II/ Efrem Martin 2661 Glencoe Street Denver, CO 80207 (303) 399-2582

Alayna Jimenez 359 Snow Pass Livermore, CO 80536 (970) 237-3165	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482
CONNECTICUT	
Principle Home Solutions, LLC 141 Weston Street Hartford, CT 06101 (978) 884-4992	Principle Home Solutions, LLC 141 Weston Street Hartford, CT 06101 (978) 884-4992
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482	
DELAWARE	
Sean and Mary Beth Evans 706 Regency Hill Drive Hockessin, DE 19707 (302) 922-8000	Sean and Mary Beth Evans 706 Regency Hill Drive Hockessin, DE 19707 (302) 922-8000
DISTRICT OF COLUMBIA	
Ronald Joiner 1633 Crittenden Street NE Washington, DC 20017 (202) 269-2718	Ronald Joiner 1633 Crittenden Street NE Washington, DC 20017 (202) 269-2718
FLORIDA	
Lori Hope 3 Escondido Circle, #10 Altamonte Springs, FL 32701 (407) 982-4692	Christina Seamster 5800 NE 7 th Ave Boca Raton, FL 33487 (754) 208-3264
Christina Seamster 5800 NE 7 th Ave Boca Raton, FL 33487 (754) 208-3264	Jamie Clybourn 8791 Boatswain Drive Boynton Beach, FL 33436 (561) 292-5023
Janie Scott 448 Pointer Place Boynton Beach, FL 32789 (407) 628-3100	Gregory Bartolai 3441 NW 22 nd Place Coconut Creek, FL 33066 (786) 623-4229
David Kesler 520 Florida Blvd., P.O. Box 63 Crystal Beach, FL 34681 (813) 501-3388	Janet Brenner 1339 Peppertree Train, Unit A Fort Pierce, FL 34950 (772) 222-6217
Janet Brenner 1339 Peppertree Train, Unit A Fort Pierce, FL 34950 (772) 222-6217	S. Niraj Patel 274 E. Eau Gallie Blvd. #314 Indian Harbour Beach, FL 32937 (321) 338-2999
Marissa Draeger 2724 Big Timber Drive Kissimmee, FL 34758 (407) 982-3126	Tracy Christakos 11161 State Road 70 E Unit 110-992 Lakewood Ranch, FL 34202 (800) 434-2582
Carol Crawford 19203 Seamist Lane Lutz, FL 33558 (813) 949-4499	Carol Crawford 19203 Seamist Lane Lutz, FL 33558 (813) 949-4499

Carol Crawford 19203 Seamist Lane Lutz, FL 33558 (813) 949-4499	Carol Crawford 19203 Seamist Lane Lutz, FL 33558 (813) 949-4499
Vanessa Rios 17831 SW 136 Ct. Miami FL 33177 (786) 249-6700	Vanessa Rios 17831 SW 136 Ct. Miami FL 33177 (786) 249-6700
Isis Chaviano 10298 N Miami Avenue Miami Shores, FL 33150 (305) 390-1050	Jonathan and Aiyana Shaw 1816 Southern Oak Loop Minneola, FL 34715 (321) 732-7035
Tim Faber 15122 Laurel Cove Circle Odessa, FL 33556 (813) 363-1504	Jonathan Boyd 1546 Cotton Clover Drive Orange Park, FL 32065 (904) 608-8232
Jonathan Boyd 1546 Cotton Clover Drive Orange Park, FL 32065 (904) 608-8232	Maria Fermin 5229 Oak Terrace Drive Orlando, FL 32839 (407) 233-4422
Lisa Vivo 1825 Tattenham Way Orlando, FL 32837 (407) 543-6476	Lisa Vivo 1825 Tattenham Way Orlando, FL 32837 (407) 543-6476
Sadia Siddiqui 4915 Whalers Way Orlando, FL 32822 (407) 982-7624	S. Niraj Patel 4651 Babcock Street NE #18 Palm Bay, FL 32905 (772) 214-2935
S. Niraj Patel 4651 Babcock Street NE #18 Palm Bay, FL 32905 (772) 214-2935	Jennifer Szad 78 Via Verona Palm Beach Gardens, FL 33418 (561) 333-1980
Jennifer Szad 78 Via Verona Palm Beach Gardens, FL 33418 (561) 333-1980	Ramon Serrano 9195 Collins Ave #310 Surfside, FL 33154 (305) 861-8279
Ramon Serrano 9195 Collins Ave #310 Surfside FL 33154 (305) 861-8279	Ramon Serrano 9195 Collins Ave #310 Surfside FL 33154 (305) 861-8279
Guy & Jennifer Roberts 1251 Tapley Trail Tallahassee, FL 32311 (850) 448-9430	Amen Alayyan 13949 Snapper Fin Lane Tampa, FL 33637 (407) 952-2927
Amen Alayyan 13949 Snapper Fin Lane Tampa, FL 33637 (407) 952-2927	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482

Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482	Jay Murphy 10908 Dunhill View Court Tampa, FL 33626 (813) 279-2444
Janie Scott 448 Point Place Winter Park, FL 32789 (407) 628-3100	Janie Scott 448 Point Place Winter Park, FL 32789 (407) 628-3100
Jay Murphy 10908 Dunhill View Court Tampa, FL 33626 (813) 279-2444	Janie Scott 448 Point Place Winter Park, FL 32789 (407) 628-3100
GEORGIA	
Deepali Kaul 140 Antler Trail Alpharetta, GA 30005 (770) 450-8134	Nimish Sevak 105 Ascalon Court Alpharetta, GA 30005 (678) 214-3510
Camisha Etheredge 356 Oak Lawn Park Dacula, GA 30019 (678) 736-5366	Gabrielle Thomas and Dustin Booker 3492 Bill Arp Road Douglasville, GA 30135 (770) 948-6467
Nadiah Blackman 2646 Staunton Drive Duluth, GA 30097 (770) 863-0987	Darrel Lutz 130 Felton Court Fayetteville, GA 30214 (800) 434-2582
S. Niraj Patel 270 Cobb Parkway, Suite 140 Marietta, GA 30060 (678) 235-9067	S. Niraj Patel 270 Cobb Parkway, Suite 140 Marietta, GA 30060 (678) 235-9067
S. Niraj Patel 270 Cobb Parkway, Suite 140 Marietta, GA 30060 (678) 235-9067	Shari Laroda 4315 Constellation Blvd Snellville, GA 30039 (770) 243-8282
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2482	
HAWAII	
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Ste 110 Tampa, FL 33647 (888) 434-2582	
IDAHO	
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Ste 110 Tampa, FL 33647 (888) 434-2582	

ILLINOIS	
Jennifer Fahey 1940 N. Maple Ln. Arlington Heights, IL 60004 (847) 368-8867	Jennifer Fahey 1940 N. Maple Ln. Arlington Heights, IL 60004 (847) 368-8867
John Fahey 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758	EMJ Enterprises 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758
John Fahey 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758	William Young 1418 S. Fernandez Arlington Heights, IL 60005 (708) 469-4635
Pritesh Bhakta 727 W. Madison St. #2614 Chicago, IL 60661 (312) 818-2113	Bich Strelow 3718 N Southport Ave, Apt 3N Chicago, IL 60613 (773) 915-0030
Bill Balatsos 9245 Robinson Avenue Franklin Park, IL 60131 (847) 440-3440	Shazia Lakhani (Chicago Tutors, Inc.) 3121 Ridgeland Avenue Lisle, IL 60532 (630) 364-4100
Mike Genelin & Khadija Bounou 888 Marion Avenue Highland Park, IL 60035 (847) 510-2966	Shazia Lakhani (Chicago Tutors, Inc.) 3121 Ridgeland Avenue Lisle, IL 60532 (630) 364-4100
Brian Rogus 24918 Blakely Drive Plainfield, IL 60585 (815) 642-5778	Brian Rogus 24918 Blakely Drive Plainfield, IL 60585 (815) 642-5778
Laura Keske 607 Cherry Street Sugar Grove, IL 60554 (630) 277-8117	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	Jason Black 1110 Lorraine Avenue Waukegan, IL 60085 (847) 474-9021
INDIANA	
Atif Baloch and Hina Shaikh 11650 Olio Rd. Suite 1000-183 Fishers, IN 46037 (317) 482-2582	Atif Baloch and Hina Shaikh 11650 Olio Rd. Suite 1000-183 Fishers, IN 46037 (317) 482-2582
Kim Walsh 12355 Calluna Court Fishers, IN 46037 (317) 559-2553	Kim Walsh 12355 Calluna Court Fishers, IN 46037 (317) 559-2553
John Fahey 1777 N. Valley Ln. Indianapolis, IN 46241 (760) 747-1600	Steven Schilling 8703 Oriental Court Indianapolis, IN 46219 (317) 826-2222

Steven Schilling 8703 Oriental Court Indianapolis, IN 46219 (317) 826-2222	Wassink Educators, LLC/ Gerrian DeJong 607 Coventry Way Noblesville, IN 46062 (317) 565-2402
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	
IOWA	
Matthew Carroll 9055 Beaver Meadows Lane Cedar Falls, IA 50613 (319) 359-3152	Ryan and Kimberly Delaney 1804 Goose Lake Circle North Liberty, IA 52317 (319) 261-0765
Marcia Hamby 1901 79 th Street Windsor Heights, IA 50324 (515) 985-2081	
KANSAS	
Heather Warner 9311 W 92nd Terrace Overland Park, KS 66212 (800) 434-2582	Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
KENTUCKY	
Prashanti Chennamsetti 2642 Chandler Drive, Apt 1827 Bowling Green, KY 42104 (800) 434-2582	Natalee Ziebro 1886 Devils Backbone Road Cincinnati, OH 45233 (513) 258-0605
Natalee Ziebro 1886 Devils Backbone Road Cincinnati, OH 45233 (513) 258-0605	Scott and Maria Raque 2827 Alta Vista Court Louisville, KY 40206 (502) 825-0067
LOUISIANA	
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	
MAINE	
Lou Distasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992	
MARYLAND	
Aicha Williams 6211 Haddon Avenue Baltimore, MD 21212 (443) 681-1403	Grace Schall 3757 Spicebush Drive Frederick, MD 21704 (301) 200-1516

Grace Schall 3757 Spicebush Drive Frederick, MD 21704 (301) 200-1516	Erica King 12205 Sir Lancelot Drive Glenn Dale, MD 20769 (301) 364-9513
Chris and Michael Waldhauser 10 Open Bible Way Kingsville, MD 21087 (410) 505-0401	James Schmitt 1711 Alberti Drive Silver Springs, MD 20902 (240) 205-7686
MASSACHUSETTS	
A New Chapter Tutoring, LLC/ Celine Bewsher 247 River Street, Apt 1 Cambridge MA 02139 (603) 223-2522	Lou DiStasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992
Lou DiStasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992	Lou DiStasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992
Lou DiStasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992	Dennis Mullen 10 Highgate Road Chelmsford MA 01824 (978) 250-8988
Dennis Mullen 10 Highgate Road Chelmsford MA 01824 (978) 250-8988	Melanie Little 174 Maple Street Danvers, MA 01923 (978) 317-1755
Sara Haddad and Eliad Cohen 4 Dix Rd Franklin, MA 02038 (800) 434-2582	Dede Mill 125 Holliston Street Medway, MA 02053 (508) 533-1959
Dede Mill 125 Holliston Street Medway, MA 02053 (508) 533-1959	Kimberly Haven 2 Sawmill Drive Northborough, MA 01532 (508) 250-0940
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
S. Niraj Patel 27 Hawthorn Avenue Winthrop, MA 02152 (978) 707-9944	
MICHIGAN	
Aaron Kowalczyk 504 N Center Street Royal Oak, MI 48067 (248) 344-2200	Aaron Kowalczyk 504 N Center Street Royal Oak, MI 48067 (248) 344-2200
Aaron Kowalczyk 504 N Center Street Royal Oak, MI 48067 (248) 344-2200	

MINNESOTA	
John Fahey 1940 N. Maple Ln. Arlington Heights, IL 60004 (847) 368-8867	Saketh Chakilam 12913 Penn Ave S Burnsville, MN 55337 (952) 300-6724
Daniel Campion 340 Trappers Pass Chanhassen, MN 55317 (952) 686-6860	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
MISSOURI	
Kevin and Leisha Baker 903 W. Denali Drive Nixa, MO 65714 (417) 714-4880	Kevin and Leisha Baker 903 W. Denali Drive Nixa, MO 65714 (417) 714-4880
Kevin and Leisha Baker 903 W. Denali Drive Nixa, MO 65714 (417) 714-4880	Jayme Richardson 105 NW Lewis Drive Lees Summit, MO 64081 (816) 965-0090
Jayme Richardson 105 NW Lewis Drive Lees Summit, MO 64081 (816) 965-0090	Julie Sauvage 5497 Creek Pass Drive Saint Charles, MO 63304 (636) 486-2422
Michael and Rachel Flavin 5914 Jameson Avenue St. Louis, MO 63109 (314) 499-6223	
MONTANA	
Matthew Lucas 3822 Winding Way Billings, MT 59106 (866) 448-8867	S. Niraj Patel 1302 N. 24 th Street Billings, MT 59102 (406) 656-6737
NEBRASKA	
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	
NEVADA	
Jeffery & Krista Zemp 2203 Midvale Terrace Henderson, NV 89074 (702) 703-0117	Jeffery & Krista Zemp 2203 Midvale Terrace Henderson, NV 89074 (702) 703-0117
Jeffery & Krista Zemp 2203 Midvale Terrace Henderson, NV 89074 (702) 703-0117	Jacob Bush PO Box 8180 Incline Village, NV 89450 (775) 314-8449
Christina Morin 3094 Paintedhills Ave Las Vegas, NV 89120 (702) 329-9639	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (800) 434-2582

NEW HAMPSHIRE	
Lisa Becotte P.O. Box 6184 Manchester, NH 03108 (603) 882-5829	Lisa Becotte P.O. Box 6184 Manchester, NH 03108 (603) 644-2522
NEW JERSEY	
Meena Sinha 122 Sleepy Hollow Lane Belle Mead, NJ 08502 (908) 431-1920	Sangeetha Sampath 227 Winding Hill Drive Hackettstown, NJ 07840 908-645-0039
Shawn and Erinn Lepper 208 Burrwood Avenue Haddon Township, NJ 08108 (856) 608-8867	Tanmoy Ghoroi 1766 Springfield Avenue, Apt. D New Providence, NJ 07974 (908) 365-1311
Michelle Haynes 191 Barclay Court Piscataway, NJ 08854 (973) 477-6308	Lou Distasi/ Dennis Mullen 1992 Morris Ave, Suite 120 Union, NJ 07083 (609) 240-0011
NEW MEXICO	
Luz Del Said 125 Coreopsis Cove Kyle, TX 78640 (800) 434-2582	Luz Del Said 125 Coreopsis Cove Kyle, TX 78640 (800) 434-2582
NEW YORK	
Jonathan Ching 46-42 Bell Blvd Bayside, NY 11361 (929) 387-4672	Lou DiStasi 8 Warwick Dr. Chelmsford, MA 01824 (978) 884-4992
Michael Coyne 535 Saracino Drive Maybrook, NY 12543 (845) 378-1448	Jennifer Mori 46 Wolden Road Ossining, NY 10562 (914) 236-4650
Michael Goldstein 25 Morris Cove Lane Sag Harbor, NY 11963 (631) 510-7730	Marisa Caprara 2727 Barton Avenue Schenectady, NY 12306 (518) 708-6515
Anne Woo 119 Marshall Avenue Staten Island, NY 10314 (347) 414-9785	Anne Woo 119 Marshall Avenue Staten Island, NY 10314 (347) 414-9785
NORTH CAROLINA	
Kavitha Chenna 379 Grand Highclere Way Apex, NC 27523 (919) 446-4266	S. Niraj Patel 2474 Walnut Street Cary, NC 27519 (919) 280-5233
Beverly Schutzman 2527 Cross Country Rd Charlotte, NC 28270 (704) 370-9530	Jim Shaver 11212 Mallard Creek Dr. Charlotte, NC 28262 (704) 594-9934

Mike Wellens 18830 Riverwind Lane Davidson, NC 28036 (704) 817-4520	Jamere Todd 2132 Autumn Cyprus Ave Gastonia, NC 28054 (704) 285-8419
J.G.S. Inc. Box 1384 Hickory, NC 28267stif (704) 594-9934	J.G.S. Inc. Box 1384 Hickory, NC 28267 (704) 594-9934
Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	Greg and Hannah Kennerley 1516 Hansbrough Court Wilmington, NC 28411 (910) 501-2366
Panayiota Starogiannis 1034 Wood Duck Lane Winston Salem, NC 27106 (336) 721-0782	Panayiota Starogiannis 1034 Wood Duck Lane Winston Salem, NC 27106 (336) 721-0782
OHIO	
Ahmed Cheema 5155 Foxchase Avenue NW Canton, OH 44718 (800) 434-2582	Natalee Ziebro 1886 Devils Backbone Road Cincinnati, OH 45233 (513) 258-0605
Natalee Ziebro 1886 Devils Backbone Road Cincinnati, OH 45233 (513) 258-0605	Jason Knight 1726 Queensbridge Drive Columbus, OH 43235 (614) 502-7221
John Fahey 34194 Aurora Road Solon, OH 44139 (330) 969-2582	John Fahey 34194 Aurora Road Solon, OH 44139 (330) 969-2582
S. Niraj Patel 13792 Trenton Oval Strongsville, OH 44136 (847) 892-1656	Club Z! In-Home Tutoring Services, Inc. * 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
OKLAHOMA	
John Fahey 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758	Michael and Misha Crawford 4209 Hackney Wick Road Norman, OK 73072 (405) 251-9805
OREGON	
Emily Cothorn 32602 Fern Road Philomath, OR 97370 (503) 961-2127	Victoria Canedo 29261 SW Meadows Loop, Unit 274 Wilsonville, OR 97070 (503) 208-7274
PENNSYLVANIA	
John Fahey 1940 N. Maple Ln. Arlington Heights, IL 60004 (847) 368-8867	Timothy Crawford and Carla Worley 97 Louis James Court Upper Chichester, PA 19104 (484) 588-6757
Dennis Mullen 10 Highgate Road Chelmsford MA 01824 (978) 250-8988	Elaine McDermott 2532 Durham Avenue Pittsburgh, PA 15216 (412) 348-8599

S. Niraj Patel 708 Thornwick Drive Pittsburgh, PA 15243 (724) 728-2520	Ashley McBride 119 State Road West Grove, PA 19390 (610) 268-5363
Amber Gagliola 123 Main Street West Chester, PA 19382 (610) 840-2599	
SOUTH CAROLINA	
Joseph Gallardo 6131 Lowell Lane Columbia, SC 29209 (803) 339-8187	Ashlynn Rasmussen 196 Timberlake Drive Chapin, SC 29036 (803) 590-7001
Club Z! In-Home Tutoring Services, Inc.* 2308 Salt Wind Way Mount Pleasant, SC 94166 (843) 884-9452	
SOUTH KOREA	
Kimberly Yi 3569 Carnoustie Drive Martinez, GA 30907 (800) 434-2582	Kimberly Yi 3569 Carnoustie Drive Martinez, GA 30907 (800) 434-2582
Kimberly Yi 3569 Carnoustie Drive Martinez, GA 30907 (800) 434-2582	
TENNESSEE	
Dawn Sawyer 2018 Mossy Oak Circle Clarksville, TN 37043 (931) 444-7200	Hugh & Deborah Freiden 5629 Shady Glen Memphis, TN 38120 (901) 374-0788
Hugh & Deborah Freiden 5629 Shady Glen Memphis, TN 38120 (901) 374-0788	Victoria Jones 2642 Laurel Creek Drive Signal Mountain, TN 37377 (423) 225-6995
Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	
TEXAS	
Mark & Fern Johnson 9900 Spectrum Drive Austin, TX 78717 (469) 209-6253	Kimberly Blankenship 619 Ramada Trl Amarillo, TX 79108 (806) 352-0199
Sabah Khan 13601 Hymeadow Circle Austin, TX 78729 (512) 288-0734	Kristen Walker and Stacy Formby 4618 Vaughan Street Austin, TX 78723 (512) 265-1092
Tanesha Rich-Boatman 1735 Purple Martin Cv. College Station, TX 77845 (979) 446-7946	PK Patel and Samit Patel 2606 Shelby Avenue, Unit 204 Dallas, TX 75219 (817) 394-4761

Deisy Leija 2202 Oleander Drive Dickinson, TX 77539 (832) 460-5643	Sara and Miko Gantt 9008 Manana Street Fort Worth, TX 76244 (817) 482-5041
Pankaj Gupta 6805 Lebanon Road, Apt 11330 Frisco, TX 75034 (469) 833-3475	S. Niraj Patel 5000 Eldorado Pkwy Frisco, TX 75033 (469) 212-9121
Damo Vedapuri 8922 Weimer Forest Helotes, TX 78023 (210) 263-3833	Damo Vedapuri 8922 Weimer Forest Helotes, TX 78023 (210) 263-3833
Damo Vedapuri 8922 Weimer Forest Helotes, TX 78023 (210) 263-3833	Debra Bartman 3636A West Clay Street Houston, TX 77019 (713) 766-4312
Johnny O'Connor 14438 Cottage Timbers Houston, TX 77044 (281) 201-4818	Sonal Tuljapurkar/ STP Tutoring Services, LLC 7806 Timberline Run Lane Houston, TX 77095 (832) 529-2092
Sonal Tuljapurkar/ STP Tutoring Services, LLC 7806 Timberline Run Lane Houston, TX 77095 (832) 529-2092	Samit Patel 220 San Bernard Drive Irving, TX 75039 (469) 713-3578
Michael Hanna 3306 Misty Blade Ct Katy TX 77494 (281) 201-0833	Michael Hanna 3306 Misty Blade Ct Katy TX 77494 (281) 201-0833
Bradley and Janet Weber 210 Oak Drive South #3144 Lake Jackson, TX 77566 (979) 258-1777	Amber Norman 22403 Desert Willow Drive Magnolia, TX 77355 (281) 369-8082
Amber Norman 22403 Desert Willow Drive Magnolia, TX 77355 (281) 369-8082	Amber Norman 22403 Desert Willow Drive Magnolia, TX 77355 (281) 369-8082
Dawn Tilger 3311 Heritage Drive Melissa, TX 75454 (214) 396-3808	Heather Warner 9311 W 92 nd Terrace Overland Park, KS 66212 (913) 871-5398
Mohsin Mirza 719 N. Elder Grove Dr Pearland, TX 77584 (281) 201-4923	Patricia (Delacruz) Lopez 2113 Westlake Drive Plano, TX 75075 (972) 424-6321
Patricia (Delacruz) Lopez 2113 Westlake Drive Plano, TX 75075 (972) 424-6321	Rick Masselink 3561 Ashmere Loop Round Rock, TX 78681 (512) 337-9096
Rick Masselink 3561 Ashmere Loop Round Rock, TX 78681 (512) 337-9096	Jaye Lange 2715 Aurora Ct. Southlake, TX 76092 (817) 203-0354

Jaye Lange 2715 Aurora Ct. Southlake, TX 76092 (817) 203-0354	Alilis Lopez-Ortega 34 N Spinning Wheel Circle Spring, TX 77382 (800) 434-2582
Jim Silus 627 Shady Brook Drive Stafford, TX 77477 (800) 434-2582	Piumi Abeyrathne 7027 Briar Meadow Drive Sugar Land, TX 77479 (832) 271-5450
Piumi Abeyrathne 7027 Briar Meadow Drive Sugar Land, TX 77479 (832) 271-5450	Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582	
TURKEY	
Selda Oz Meltem Mahallesi 3846 Sk Santral Sitesi A Blok, No: 6A 1c Kapi No: 24 Muratpasa Antalya, Turkey	Selda Oz Meltem Mahallesi 3846 Sk Santral Sitesi A Blok, No: 6A 1c Kapi No: 24 Muratpasa Antalya, Turkey
Selda Oz Meltem Mahallesi 3846 Sk Santral Sitesi A Blok, No: 6A 1c Kapi No: 24 Muratpasa Antalya, Turkey	
UTAH	
Jonathan Bradshaw 40 W 400 South Providence, UT 84332 (435) 754-7647	Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (888) 434-2582
UNITED KINGDOM	
M&S (UK) LLC 23 Cornwallis Road London, UK N9 0JJ (800) 434-2582	M&S (UK) LLC 23 Cornwallis Road London, UK N9 0JJ (800) 434-2582
VIRGINIA	
Ruchi Chaudhary 22890 Courtland Park Drive Ashburn, VA 20148 (703) 454-0280	Sumeet and Shweta Walia 22930 Weybridge Sq. Ashburn, VA 20148 (571) 500-5403
Sumeet and Shweta Walia 22930 Weybridge Sq. Ashburn, VA 20148 (571) 500-5403	Anil Khanna 42457 Hundonmoore Drive Chantilly, VA 20152 (703) 879-7693
Saurabh Anand 10845 Jennifer Marie Place Fairfax Station, VA 22039 (703) 835-9388	Ruba Ayyad 8629 Wales Court Gainesville, VA 20155 (571) 275-6354
Christine Straw 15981 Cove Lane Montclair, VA 22025 (703) 552-4115	Luke and Autumn Berneking 2807 Parham Road, Suite 200-5 Richmond, VA 23294 (804) 763-1566

Luke and Autumn Berneking 2807 Parham Road, Suite 200-5 Richmond, VA 23294 (804) 763-1566	Club Z! In-Home Tutoring Services, Inc.* 15310 Amberly Drive, Suite 185 Tampa, FL 33647 (813) 586-0183
Shawn and Alicia Manning 3316 Newland Court Toano, VA 23168 (757) 344-0136	
WASHINGTON	
Yunwen Tian 18518 96 th Dr NE Unit D Bothell, WA 98037 (425) 429-7268	Adam Rudginsky 3713 Biscay Street NW, Apt. A Olympia, WA 98502 (360) 438-9800
Corey Mularski 11819 N Whitehouse Street Spokane, WA 99218 (509) 816-5128	Tricia Robinson 2715 Oxford Ct Steilacoom, WA 98388 (843) 929-0945
Elizabeth McDougall 2615 North 29 th Street Tacoma, WA 98407 (206) 769-9855	Elizabeth McDougall 2615 North 29 th Street Tacoma, WA 98407 (206) 769-9855
WISCONSIN	
John Fahey 5 E. College Dr. Arlington Heights, IL 60004 (773) 414-3758	Carrie Zemke 7511 335 th Ave Burlington, WI 53105 (262) 342-6170
Jim McPhee & Jeff Picard 1859 Sheryl Lane Stoughton, WI 53589 (608) 218-5604	

* Franchises operated or supported by an Affiliate

EXHIBIT F TO THE DISCLOSURE DOCUMENT

FRANCHISEES WHO HAVE LEFT THE SYSTEM

**LIST OF FRANCHISEES WHO LEFT THE SYSTEM
AS OF DECEMBER 31, 2023**

CALIFORNIA	
Susan Sokat 1019 Hill Meadow Place Danville, CA 94526 (925) 786-7149 Transferred	Susan Sokat 1019 Hill Meadow Place Danville, CA 94526 (925) 786-7149 Transferred
Denise Cooper 1607 Pepperwood Drive El Cajon, CA 92021 (760) 471-5215 Reacquired	Theresa Baschal 7463 St. Lukes Way Sacramento, CA 95823 (209) 941-2248 Reacquired
Ronn Nickloff 1413 Granada Avenue San Diego, CA 92102 (619) 354-7545 Reacquired	Dan Raphael 3138 West Canyon Ave San Diego, CA 92123 (800) 434-2582 Reacquired
Haleh Razzaghi 5612 Lodi Street San Diego, CA 92117 (858) 381-4428 Reacquired	Dai Luong 1605 Garvey Place San Jose, CA 95132 (408) 770-3980 Reacquired
COLORADO	
Emily Herr 6612 Cottonwood Grove Drive Colorado Springs, CO 80925 (303) 551-8128 Reacquired	
CONNECTICUT	
Thomas Mulligan 6 Meridian Ridge Drive Newtown, CT 06470 (860) 932-2053 Reacquired	
FLORIDA	
Priya Mahalanobis 10060 John Adams Way Orlando, FL 32817 (407) 558-3371 Reacquired	Donna Schreier 7091 NW 71 st Parkland, FL 33067 (754) 208-3264 Transferred
Donna Schreier 7091 NW 71 st Parkland, FL 33067 (754) 208-3264 Transferred	
GEORGIA	

Temí Oyetunjí 704 Fulmer Lane Decatur, GA 30030 (678) 888-3575 Reacquired	Dee Lassiter 162 Amicalola Way Jonesboro, GA 30236 (770) 741-0648 Reacquired
Akeelah Townsend 424 Trinkle Court Stockbridge, GA 30281 (678) 608-2454 Reacquired	
ILLINOIS	
Lateef Aziz 267 Stanton Drive Buffalo Grove, IL 60089 (847) 881-0485 Reacquired	Eric Carbrey 707 Newcastle Avenue Westchester, IL 60154 (708) 856-8952 Reacquired
INDIANA	
Megan and Jacob Stroup 7971 S 200 W Fairmount, IN 46928 (317) 559-2553 Transferred	Megan and Jacob Stroup 7971 S 200 W Fairmount, IN 46928 (317) 559-2553 Transferred
MARYLAND	
Marcelina Pascual 7908 Well Waterway Elkridge, MD 21075 (410) 846-6550 Reacquired	
MASSACHUSETTS	
Theodore Ongaro 73 North Street Newton, MA 02459 (781) 218-2282 Reacquired	Daniela Sharma 18 Bridle Ridge Drive North Grafton, MA 01536 (732) 593-7066 Reacquired
Daniela Sharma 18 Bridle Ridge Drive North Grafton, MA 01536 (732) 593-7066 Reacquired	
NEVADA	
Tom Embrogno 868 Loch Katrine Avenue Henderson, NV 89012 (702) 703-0117 Transferred	Tom Embrogno 868 Loch Katrine Avenue Henderson, NV 89012 (702) 703-0117 Transferred
Tom Embrogno 868 Loch Katrine Avenue Henderson, NV 89012 (702) 703-0117	Steven Tafoya & Candace Powell 2700 W Lake Ridge Shores Reno, NV 89519 (775) 314-8449

Transferred	Transferred
NEW JERSEY	
Vincent Florio 465 New York Ave Brick, NJ 08724 (732) 784-7051 Reacquired	Joe and Susan Luchese 501 Butter Rd. Palermo, NJ 08230 (609) 390-5717 Reacquired
NEW YORK	
Michael De Cesare 157-21 Quince Avenue Flushing, NY 11355 (718) 353-3638 Reacquired	Keith Ginsberg 83 Kirkwood Street Long Beach, NY 11561 (516) 238-3028 Reacquired
Sonali Patel and Sonal Vyas 30 Kalda Lane Plainview, NY 11803 (516) 882-6163 Reacquired	
NORTH CAROLINA	
Venu Nagalla 1076 Thoroughbred Drive Iron Station, NC 28080 (704) 285-8419 Transferred	Rodney Taylor 2231 Turtle Point Drive Raleigh, NC 27604 (919) 648-2952 Reacquired
Rodney Taylor 2231 Turtle Point Drive Raleigh, NC 27604 (919) 648-2952 Reacquired	
PENNSYLVANIA	
Pui Yan Wong 3470 Hogeland Lane Huntington Valley, PA 19006 (215) 383-9008 Reacquired	Richard and Frances Zirpoli 9 Tiffany Drive Perkasie, PA 18944 (215) 395-8949 Reacquired
SOUTH CAROLINA	
Akif Aydin 10 Ridgedale Way Simpsonville, SC 29681 (864) 210-9733 Reacquired	
TENNESSEE	
Chris Shanks 1909 Stonehills Place Knoxville, TN 37938 (865) 381-2284 Reacquired	
TEXAS	
Debra Bartman 3636A West Clay Street	Melanie Mushinski 412 Stone Manor Drive

Houston, TX 77019 (713) 766-4312 Reacquired	McGregor, TX 76657 (254) 221-9522 Reacquired
James Idea 24319 Peroni Drive Richmond, TX 77406 (281) 914-4095 Reacquired	Marlon and Tiffany Quibodeaux 2245 Garden Ct San Marcos, TX 78666 (737) 263-0875 Reacquired
VIRGINIA	
Kossi Kpante 11354 Ridgeline Road Fairfax, VA 22030 (703) 865-4720 Reacquired	Kadrina Turner 673 Potomac Station Drive NE, Ste 153 Leesburg, VA 20175 (571) 325-1048 Reacquired
Marko Jankovic 12339 Washington Brice Road Fairfax, VA 22033 (703) 884-0468 Reacquired	
WASHINGTON	
Hsiao-harnng Shiao 1626 Grant Avenue S. A 103 Renton, WA 98055 (206) 594-6165 Reacquired	Jatinder Singh 2129 Maltby Road, Apt #B106 Bothell, WA 98021 (425) 404-2416

EXHIBIT G TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC

ADDENDA / RIDERS

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF CALIFORNIA**

The following paragraphs are added at the end of Item 17 of the Disclosure Document pursuant to regulations promulgated under the California Franchise Investment Law:

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with this Disclosure Document.

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.

Neither the franchisor, nor any person nor franchise broker in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

OUR 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.

California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

Post-Termination Noncompetition Covenants. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

A contract which restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professional Code section 16600.

Interest Rate. The highest interest rate permitted under California law is ten percent (10%) per annum.

Applicable Law. The Franchise Agreement requires application of the laws of the State of Florida with certain exceptions. These provisions may not be enforceable under California law.

Arbitration. The Franchise Agreement requires binding arbitration. The arbitration is to occur at the office of the American Arbitration Association in the county in which our principal place of business is located. The cost of the arbitration will be borne by the non-prevailing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professional 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. This provision may not be enforceable under generally applicable contract defenses such as fraud, duress or unconscionability.

Financial Performance Representation. The financial performance representations 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 (franchised business). Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

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.

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN CALIFORNIA**

This Rider is entered into this _____, 20__ (the “**Effective Date**”), between **CLUB Z!, INC.**, a Florida corporation, with its principal business address at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647 (“**we**,” “**us**,” “**our**” or “**Franchisor**”), and _____, a _____ whose principal business address is _____ (referred to in this Rider as “**you**,” “**your**” or “**Franchisee**”) and amends the Franchise Agreement between the parties dated as of the Effective Date, (the “**Agreement**”).

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.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

CLUB Z!, INC.

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

NOTICE REQUIRED UNDER HAWAIIAN FRANCHISE LAW

THIS FRANCHISE HAS 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 OR 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.

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF ILLINOIS**

Illinois law governs the Franchise Agreement.

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

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

No statement, questionnaire, or 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.

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN ILLINOIS**

This Rider is entered into this _____, 20__ (the “**Effective Date**”), between **CLUB Z!, INC.**, a Florida corporation, with its principal business address at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647 (“**we**,” “**us**,” “**our**” or “**Franchisor**”), and _____, a _____ whose principal business address is _____ (referred to in this Rider as “**you**,” “**your**” or “**Franchisee**”) and amends the Franchise Agreement between the parties dated as of the Effective Date, (the “**Agreement**”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Termination.** The following is added to Section 13 of the Agreement:
Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act, 815 ILCS 705/19, 705/20 (West 2016).

3. **Governing Law.** Section 21(b) of the Agreement is amended in its entirety to read as follows:

EXCEPT TO THE EXTENT THIS AGREEMENT OR ANY PARTICULAR DISPUTE IS GOVERNED BY THE U.S. TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. '1051 AND THE SECTIONS FOLLOWING IT) OR OTHER FEDERAL LAW OR THE ILLINOIS FRANCHISE DISCLOSURE LAW, THIS AGREEMENT AND THE FRANCHISE ARE GOVERNED BY FLORIDA LAW. ALL MATTERS RELATING TO ARBITRATION ARE GOVERNED BY THE FEDERAL ARBITRATION ACT. References to any law or regulation also refer to any successor laws or regulations and any impending regulations for any statute, as in effect at the relevant time. References to a governmental agency also refer to any successor regulatory body that succeeds to the function of such agency.

4. **Jurisdiction.** Section 21(c) of the Agreement is amended in its entirety to read as follows:

YOU AND WE CONSENT AND IRREVOCABLY SUBMIT TO THE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED IN HILLSBOROUGH OR PINELLAS COUNTIES, FLORIDA, EXCEPT FOR MATTERS COMING UNDER THE ILLINOIS FRANCHISE DISCLOSURE LAW, AND WAIVE ANY OBJECTION TO THE JURISDICTION AND VENUE OF SUCH COURTS. THE EXCLUSIVE CHOICE OF JURISDICTION DOES NOT PRECLUDE THE BRINGING OF ANY ACTION BY THE PARTIES OR THE ENFORCEMENT BY THE PARTIES IN ANY JUDGMENT OBTAINED IN ANY SUCH JURISDICTION, IN ANY OTHER APPROPRIATE JURISDICTION OR THE RIGHT OF THE PARTIES TO CONFIRM OR ENFORCE ANY ARBITRATION AWARD IN ANY APPROPRIATE JURISDICTION.

5. **Entire Agreement.** Section 21(i) is amended in its entirety to read as follows:

This Agreement, including the introduction, addenda, riders, and exhibits to it, and the Franchise Disclosure Document, constitutes the entire agreement between you and us. There are no other oral or written understandings or agreements between you and us concerning the subject matter of this Agreement. Except as expressly provided otherwise in this Agreement, this Agreement may be modified only by written agreement signed by both you and us.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

CLUB Z!, INC.

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF INDIANA**

The Franchise Agreement requires binding arbitration. The arbitration will occur in a state other than Indiana, with costs being borne by the non-prevailing party. The provision concerning the place where arbitration will occur is deleted from the Indiana Franchise Agreement.

The Franchise Agreement requires application of the laws of another state. This provision is deleted from the Indiana Franchise Agreement.

Item 17 of the Disclosure Document, Sections (u), (v), and (w), is amended to omit any reference to selection of an out-of-Indiana forum or choice of law.

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF MARYLAND**

Risk Notice:

1. You must pay us minimum royalty fees ranging from \$450 to \$550 each month, even if you have no revenue.

THIS ADDENDUM (the “**Addendum**”) amends the Franchise Disclosure Document of CLUB Z!, Inc. for its Franchise.

1. Sections (c) and (m) of Item 17 are amended by adding the following language:

Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment or transfer will not apply to any liability under the Maryland Franchise and Disclosure Law (the “**Maryland Law**”).

2. Item 17 is amended by adding the following language after the table:

- (a) Any claims arising under the Maryland Law must be brought within 3 years after the grant of the franchise.
- (b) You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN MARYLAND**

THIS RIDER (the “**Rider**”) is effective as of _____, 20____ (the “**Agreement Date**”), and amends the Franchise Agreement dated _____, 20____ (the “**Agreement**”), between **CLUB Z!, INC.** (the “**we**,” “**us**,” “**our**” or “**Franchisor**”) with its principal office at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647, and _____ (“**you**,” “**your**” or “**Franchisee**”), whose mailing address is _____.

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Limitation of Claims.** Provided, however, that any claims arising under the Maryland Law must be brought within 3 years after the grant of the franchise to you.

3. **Jurisdiction.** Provided, however, that you may bring a lawsuit against us in Maryland for any claims arising under the Maryland Law.

4. **No Waiver.** Nothing in this Agreement is intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Law.

5. **General Release.** Section 9 of the Franchise Agreement is hereby amended by adding the following sentence: “The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

6. **Effective Date.** This Rider is effective on the Agreement Date regardless of the actual date of signature.

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.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Franchisor:
CLUB Z!, INC.

Franchisee:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF MINNESOTA**

1. The following language is added to Item 13 of the Minnesota Disclosure Document:

Club Z!, Inc. will protect your right to use the Club Z!® Marks and Trade Name or will indemnify you against any loss, costs, or expenses arising out of any claim, suit, or demand regarding your use of the Marks or Trade Name.

2. Item 17, summary column for (f) is amended to add the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of the franchise agreement and that consent to transfer of the franchise will not be unreasonably withheld.

3. Item 17, summary column for (m) is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.

4. Item 17, summary columns for (v) and (w) are amended to add the following:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in this disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN MINNESOTA**

THIS RIDER (the “**Rider**”) is effective as of _____, 20____ (the “**Agreement Date**”), and amends the Franchise Agreement dated _____, 20____ (the “**Agreement**”), between **CLUB Z!, INC.** (the “**we**,” “**us**,” “**our**” or “**Franchisor**”) with its principal office at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647, and _____ (“**you**,” “**your**” or “**Franchisee**”), whose mailing address is _____.

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Marks.** Section 18 of the Agreement under the heading “Marks”, shall be supplemented by the following new subparagraph 18 (e) entitled "Trademark Rights under Minnesota Law":

“Club Z!, Inc. will protect your right to use the Club Z!® Marks and Trade Name or will indemnify you against any loss, costs, or expenses arising out of any claim, suit, or demand regarding your use of the Marks or Trade Name.”

3. **Termination.** Section 13 of the Agreement is amended to add the following:

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c.14, subds. 3, 4, and 5, which require, except in certain specified cases, 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 and that consent to the transfer of the franchise will not be unreasonably withheld.

4. **Jurisdiction.** The following is added to Section 21(c):

Minn. Stat. Sec. 80C.,21 and Minn. Rules 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or franchise agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

FRANCHISOR:
CLUB Z!, INC.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

ADDENDUM TO CLUB Z!, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

The following information is added to the cover page of the Franchise Disclosure Document:

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 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 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

THIS NEW YORK ADDENDUM APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF NEW YORK OR LOCATE THEIR FRANCHISES IN NEW YORK.

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF RHODE ISLAND**

The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:

In spite of the provisions of Item 17v and Item 17w of the Disclosure Document, any litigation or arbitration arising under the Franchise Agreement will take place in Rhode Island or other place mutually agreed to by the franchisee and franchisor. In spite of the provisions of Section 21 of the Franchise Agreement and to the extent required by Section 19-28.1-14 of the Rhode Island Franchise Investment Act, the Franchise Agreement will be governed by the laws of the State of Rhode Island.

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF SOUTH DAKOTA**

Item 17, Renewal, Termination, Transfer and Dispute Resolution is amended as follows:

The Franchise Agreement includes a covenant not to compete after termination of the franchise. Covenants not to compete upon termination or expiration of the franchise agreement are generally unenforceable in the State of South Dakota, except in certain instances provided by law.

The Franchise Agreement provides for arbitration in Florida. Under South Dakota law, arbitration must be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The Franchise Agreement designates Florida law as the governing law, except that the arbitration clause is to be construed under the Federal Arbitration Act. Franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of South Dakota; but contractual and all other matters, will be subject to application, construction, enforcement, and interpretation under the governing law of Florida.

Any provision in a franchise agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue outside South Dakota is void with respect to any cause of action which is governed by the law of South Dakota.

Under South Dakota law, termination provisions covering breach of the franchise agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the disclosure document and franchise agreement must afford a franchisee thirty (30) days written notice with an opportunity to cure the default prior to termination.

**RIDER TO
CLUB Z!, INC.
AREA DIRECTOR FRANCHISE AGREEMENT
FOR USE IN SOUTH DAKOTA**

This Rider is entered into this _____, 20__ (the “**Effective Date**”), between CLUB Z!, INC., A Florida corporation, with its principal business address at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647 (“**we**,” “**us**,” “**our**” or “**Franchisor**”), and _____, a _____ whose principal business address is _____ (referred to in this Rider as “**you**,” “**your**” or “**Franchisee**”) and amends the Franchise Agreement between the parties dated as of the Effective Date, (the “**Agreement**”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
2. **Termination.** The following is added to Section 13:
You will have 30 days written notice with an opportunity to cure prior to termination for the following: breach of the franchise agreement, failure to meeting performance and quality standards and failure to make royalty payments.
3. **Covenants Not to Compete.** Covenants not to compete on termination or expiration of a franchise agreement are generally unenforceable in the state of South Dakota, except in certain instances as provided by law. This statement is given for informational purposes only.
4. **Jurisdiction and Venue.** Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

**FRANCHISOR
CLUB Z!, INC.**

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF WASHINGTON**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN WASHINGTON**

THIS RIDER (the “**Rider**”) is effective as of _____, 20____ (the “**Agreement Date**”), and amends the Franchise Agreement dated _____, 20____ (the “**Agreement**”), between **CLUB Z!, INC.** (the “**we**,” “**us**,” “**our**” or “**Franchisor**”) with its principal office at 15310 Amberly Drive, Suite 175, Tampa, Florida 33647, and _____ (“**you**,” “**your**” or “**Franchisee**”), whose mailing address is _____.

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
2. **Washington Franchise Investment Protection Act.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act (the “**Act**”), Chapter 19.100 RCW, prevail.
3. **Relationship.** Section RCW 19.100.180 of the Act may supersede this Agreement in your relationship with us, including the area of termination and renewal of your franchise. There may also be court decisions which may supersede this Agreement in your relationship with us including the area of termination and renewal of your franchise.
4. **Arbitration.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
5. **Transfer Fees.** Transfer fees may be collected to the extent that they reflect our reasonable estimated or actual costs in effectuating a transfer.
6. **Release.** A release or waiver of rights executed by a franchisee shall 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.
7. **Non-compete Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

8. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

FRANCHISOR:
CLUB Z!, INC.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT FOR
CLUB Z!, INC.
STATE OF WISCONSIN**

Uniform Franchise Disclosure Document for CLUB Z!, INC. for use in the State of Wisconsin shall be amended as follows:

Cover Page:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE WISCONSIN FRANCHISE INVESTMENT LAW. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF WISCONSIN OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE WISCONSIN FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

THIS DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENTS ARE SUBJECT TO THE WISCONSIN FRANCHISE INVESTMENT LAW.

1. Item 17, Renewal, Termination, Transfer and Dispute Resolution, shall be amended by the addition of the following paragraphs at the conclusion of the Item 17 disclosures under the Local Store Franchise headings:

"To the extent that the provisions regarding renewal described in this section are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants You the right, in most circumstances, to 90 days prior written notice of termination and 60 days within which to remedy any claim deficiencies), the renewal provisions will be superseded by the requirements of the Wisconsin Fair Dealership Law and will have no force or effect."

"To the extent that the provisions regarding termination described in this section are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants You the right, in most circumstances, to 90 days prior written notice to termination and 60 days within which to remedy any claim deficiencies), the termination provision will be superseded by the requirements of the Wisconsin Fair Dealership Law and will have no force or effect."

"To the extent that the provisions regarding termination described in the Franchise Agreement regarding repurchase of inventory are inconsistent with the requirements of §135.045 of the Wisconsin Fair Dealership Law, the above-mentioned provisions will be superseded by the Law's requirements, which states that if CLUB Z!, at the option of You, repurchases inventory which was sold by CLUB Z! to You for resale, fair wholesale market value must be paid for all merchandise bearing a name, trade name, label or other mark which identifies CLUB Z!."

"Covenants not to compete during the term of and upon termination or expiration of a Franchise Agreement are enforceable only under certain conditions according to Wisconsin Law."

**RIDER TO
AREA DIRECTOR FRANCHISE AGREEMENT FOR
CLUB Z!, INC.
FOR USE IN WISCONSIN**

In recognition of the Wisconsin Fair Dealership Law, Wisconsin Statutes, §§ 135.01 -135.07, the parties to the attached CLUB Z! Franchise Agreement (the "Agreement") agree as follows:

1. Section 9 of the Agreement, under the heading "AGREEMENT TERM AND RENEWAL", shall be supplemented by the addition of a new final paragraph as follows:

"To the extent that the provisions of Section 9 regarding renewal are inconsistent with the requirements of the Wisconsin Fair Dealership Law (which, among other things, grants You the right, in most circumstances, to 90 days prior written notice to termination and 60 days within which to remedy any claims deficiencies), said renewal provision will be superseded by the requirement of the Wisconsin Fair Dealership Law and will have no force or effect."

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Rider to the Franchise Agreement in duplicate on the day and year first above written.

FRANCHISOR:
CLUB Z!, INC.

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

State Effective Dates

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

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

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Minnesota	Pending
Rhode Island	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

**ITEM 23
RECEIPT**

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If CLUB Z!, Inc offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan, Oregon and Wisconsin require that we give you this Disclosure Document at least 10 business days before the execution of any franchise or other agreement or the payment of any consideration, whichever occurs first.

If CLUB Z!, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

Franchise Seller: Mark Lucas, CEO, Club Z!, Inc., 15310 Amberly Drive, Suite 175, Tampa, Florida 33647; Telephone: 813-931-5516.

Franchise Seller: _____
Name/Principal Business Address/Telephone Number

Date of Issuance: April 1, 2024. See Exhibit A for our registered agents authorized to receive service of process.

I have received a Franchise Disclosure Document dated April 1, 2024. This Disclosure Document included the following Exhibits:

- A. List of State Agencies/Agents for Service of Process
- B. Financial Statements
- C. Franchise Agreement
 - Exhibit A Territory and Franchise Fee
 - Exhibit B Franchise Package
 - Rider A Unprotected Territory Rider
- D. Manual Table of Contents
- E. List of Franchise Owners
- F. List of Franchisees Who Have Left the System
- G. State Specific Addenda / Riders

Prospective Franchisee Signature

Print Name

Date (Please do not leave blank)

KEEP THIS COPY FOR YOUR RECORDS. This Disclosure Document is available in PDF format by electronic transmission upon request.

ITEM 23
RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If CLUB Z!, Inc offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan, Oregon and Wisconsin require that we give you this Disclosure Document at least 10 business days before the execution of any franchise or other agreement or the payment of any consideration, whichever occurs first.

If CLUB Z!, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

Franchise Seller: Mark Lucas, CEO Club Z!, Inc., 15310 Amberly Drive, Suite 175, Tampa, Florida 33647; Telephone: 813-931-5516.

Franchise Seller: _____
Name/Address/Telephone Number

Date of Issuance: April 1, 2024. See Exhibit A for our registered agents authorized to receive service of process.

I have received a Franchise Disclosure Document dated April 1, 2024. This Disclosure Document included the following Exhibits:

- A. List of State Agencies/Agents for Service of Process
- B. Financial Statements
- C. Franchise Agreement
 - Exhibit A Territory and Franchise Fee
 - Exhibit B Franchise Package
 - Rider A Unprotected Territory Rider
- D. Manual Table of Contents
- E. List of Franchise Owners
- F. List of Franchisees Who Have Left the System
- G. State Specific Addenda / Riders

Prospective Franchisee Signature

Print Name

Date (Please do not leave blank)

Please sign this copy of the receipt, date your signature, and return it to Club Z!, Inc., 15310 Amberly Drive, Suite 175, Tampa, Florida 33647 or by electronic transmission (email) to us at corporate@clubztutoring.com. This Disclosure Document is available in PDF format by electronic transmission upon request.