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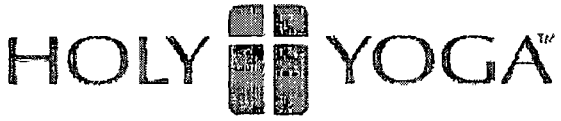
FRANCHISE DISCLOSURE DOCUMENT



Holy Yoga, Inc
an Arizona non-profit corporation
14052 South 24th Way
Phoenix, Arizona 85048
Phone (602) 321-1819
E-Mail info@holyYoga net
Website www holyYoga net

Holy Yoga, Inc offers franchises for the operation of a Christian faith-based Yoga practice that incorporates scripture and ministry throughout the class

The total investment necessary to begin operation of a Holy Yoga franchise ranges from $2,741 97 to $9,091 97 This includes $2,092 97 to $3,192 97 that must be paid to us

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 this document**

You may wish to receive your Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact the franchisor at 14052 South 24th Way, Phoenix, Arizona 85048 or by phone at (602) 321-1819

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 s Guide to Buying a Franchise*," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission (the "FTC") 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 September 9, 2016

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in EXHIBIT "A" for information about the franchisor, or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE SETTLED BY MEDIATION OR LITIGATION IN ARIZONA OUT-OF-STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST MORE TO MEDIATE OR LITIGATE WITH US IN ARIZONA THAN IN YOUR HOME STATE

2 THE FRANCHISE AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 THE FRANCHISOR HAS ONLY JUST BEGUN TO OFFER FRANCHISES THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER TO MAKE THIS INVESTMENT

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date _____, 2017

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ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we," "us" and "the Company" mean Holy Yoga, Inc - the franchisor "You" means the person who buys a Holy Yoga franchise - the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company

Corporate Information

Holy Yoga, Inc is an Arizona non-profit corporation that was incorporated on January 31, 2011 Our principal business address is 14052 South 24th Way, Phoenix, Arizona 85048 and our telephone number is (602) 321-1819 Our agent for service of process is Commissioner of Business Oversight, Department of Business Oversight, 320 West 4th Street, Suite 750, Los Angeles, California 90013 We do not do business under any names other than "Holy Yoga, Inc "

Business History

Holy Yoga was founded in 2005 by Brooke Boon We were formed in 2011 for purposes of conducting a certification program for Holy Yoga instructors In order to develop uniformity in the message delivery by Holy Yoga instructors and to assist these instructors by making available certain technology, marketing techniques and other business development tools, we developed and began offering franchises in May of 2016 We do not offer franchises in any other line of business We are not engaged in any business other than the offering of Holy Yoga franchises and administering the Holy Yoga instructor certification program We have not operated a business similar to the Holy Yoga business being offered under this franchise However, our Chief Executive Officer, Brooke Boon, has conducted a Holy Yoga practice similar to the business being offered under this franchise since 2005

Parents, Affiliates and Predecessors

Our parent company is Holy Yoga Living, LLC and its principal business address is the same as ours We do not have any predecessors and we do not have any affiliates that offer franchises in this or any other line of business We do not have any affiliates that provide any goods or services to our franchisees

Description of Franchised Business

If you acquire a Holy Yoga franchise (referred to in this Disclosure Document as your "Business" or your "Ministry"), you will establish and operate a Christian faith-based Yoga practice that incorporates scripture and ministry throughout the class Holy Yoga classes are generally held at local churches or other community facilities that are rented or utilized on a part time basis However, franchisees may, if they choose to do so, operate from a dedicated retail space We have worked collaboratively with a technology company to develop a "virtual studio platform" to assist our franchisees with certain business development and administrative functions involved with operating the Business The platform is a comprehensive business management resource that includes a local website, Holy Yoga app, marketing tools and strategies and business forms Holy Yoga students utilize the website for a variety of purposes, such as signing up for classes, electronically signing waiver forms and donating money for Holy Yoga missions The platform can also link with Square for credit card payment processing

We will grant you a license to use certain logos, service marks and trademarks, including the service mark "Holy Yoga" (collectively, the "Marks") in the operation of your Ministry You will sign a franchise agreement (the "Franchise Agreement") and operate your Ministry in accordance with the terms of the Franchise Agreement The form of Franchise Agreement is attached to this Disclosure Document as EXHIBIT "B"

We have developed a proprietary system (the "System") for the operation of a Holy Yoga ministry Distinctive

characteristics of the System include trade secrets, virtual studio platform, confidential operations manuals and operating system The operational aspects of a Holy Yoga franchise are contained within our confidential Operating Manual (the "Manual") You will operate your Holy Yoga franchise as an independent business using the Marks and the System

Market and Competition

The target market for Holy Yoga students includes women between the ages of 18 and 55 who are interested in a faith-based wellness program A Holy Yoga franchisee competes primarily with other yoga studios, some of which operate through franchises

Laws and Regulations

You must comply with all federal and state licensing and other regulatory requirements relating to the operation of your Business In certain states, health clubs are subject to special laws and regulations and some of these laws may apply to your Ministry, particularly if you choose to operate from a dedicated retail facility Among other things, these laws and regulations may impose requirements relating to the consumer contracts that your members will sign The federal Truth in Lending Act may also require you to provide certain disclosures in these consumer contracts to the extent that you offer financing Some jurisdictions have passed laws that require businesses to pay employees a higher minimum wage than is required under federal law These laws may disproportionately affect franchises, although we do not expect our franchisees to hire employees There may be other local, state and/or federal laws or regulations pertaining to your Business with which you must comply We strongly suggest that you investigate these laws before buying this franchise

ITEM 2 BUSINESS EXPERIENCE

Brooke Boon – Founder and Chief Executive Officer

Brooke Boon is our Founder and has served as Chief Executive Officer since April of 2006 in Moorhead, Minnesota

Jonnie Goodmanson – Chief Operating Officer

Jonnie Goodmanson has served as our Chief Operating Officer since October of 2007 in Minneapolis, Minnesota From December of 2014 to the present, she was a Massage Therapist for Balance Life Wellness in Waconia, Minnesota From December of 2012 to May of 2014, she was a Massage Therapist for Bella on the Bar in Excelsior, Minnesota

Sara Kosobud – Chief Financial Officer, Treasurer and Director of Finance

Sara Kosobud has served as Chief Financial Officer since June of 2015 She has also served as our Treasurer on the Board of Directors since January of 2011 and our Director of Finance since January of 2007

Katie Pearson – Executive Leadership Director

Katie Pearson has been our Executive Leadership Director since June of 2015 in Phoenix, Arizona From October of 2013 to May of 2015, she was our Director of Leadership Development in Seattle, Washington From October of 2012 to September of 2013, she was a Core Team Member for Holy Yoga in Seattle, Washington

Allison La Bianca – Director of International Missions

Allison La Bianca has been our Director of International Missions since March of 2015 in Pasadena, California From July of 2013 to August of 2014 and from August 2014 to March of 2015, she was a Nanny for Anders Music Inc in Calabasas, California From July of 2011 to December of 2012, she was a Teacher for New Hope Uganda in Kobwin, Uganda Between January 2013 and July of 2013 she was unemployed after returning from her trip to Uganda

Christina Mroz – Director of Administration

Christina Mroz has been our Director of Administration since January of 2008 in Moorhead, Minnesota From January of 2009 to December of 2015, she was the Owner of Complete Motions LLC in Kellogg, Minnesota

Brooke Tofray – Director of Community Development

Brooke Tofray has been our Director of Community Development since June of 2015 in Eden Prairie Minnesota From August of 2015 to the present, she has worked as a Consultant for Beauty Counter in Eden Prairie, Minnesota From October of 2004 to April of 2015, she was a Co-Director of High School Ministry and Director and College Ministry for Christ Presbyterian Church in Edina, Minnesota

Jill Fisk – Director of Soul Care

Jill Fisk has been our Director of Soul Care since January of 2012 From May of 2012 to the present, she was a Holy Yoga Instructor and Spiritual Director for Divell Holy Yoga & Spiritual Direction in St Louis, Missouri From May of 2011 to May of 2012 she was a stay-at-home mom

Alisa Keeton – Board Member

Alisa Keeton has been a Board Member since March 2010 From January of 2011 to the present, she has served as Chief Executive Officer for Revelation Wellness in Phoenix, Arizona

Heather Pitcher – Board Member

Heather Pitcher has been a Board Member since March 2010 From March of 2016 to the present, she has been Director, Strategic Category Management for Cardinal Health in Dublin, Ohio From March of 1985 to October of 2015, she was Director, Software License Management for Hewlett Packard in Pontiac, Michigan Between October of 2015 and March of 2016 she was relocating from Minnesota to Ohio

Joseph Suozzo – Board Member

Joseph Suozzo has been a Board Member since March 2010 From November of 2004 to the present, he has been a Senior Pastor for Immanuel Bible Church in Howell, New Jersey

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item California law requires additional disclosures related to the information contained in Item 3 These additional disclosures appear in the California Addendum that is attached to this Disclosure Document as EXHIBIT "I"

ITEM 4 BANKRUPTCY

In Re John A Kosobud and Sara M Kosobud, Case No 2 09-bk-24968-RJH

On October 5, 2009, John Kosobud and Sara Kosobud (as joint debtor) filed for bankruptcy in the US Bankruptcy Court for the District of Arizona under Chapter 7 of the U S Bankruptcy Code Sara Kosobud is our Chief Financial Officer, Treasurer and Director of Finance The debtor s principal place of business is 1543 35th Ave S, Moorhead, Minnesota 56560 The debtor was granted a discharge on January 19, 2010

Except for the bankruptcy listed above, no bankruptcy information is required to be disclosed in this Item

ITEM 5 INITIAL FEES

You will pay us an annual license fee of $197 97 The first installment is due at the time you graduate from Holy Yoga certification training (or the date you sign the Franchise Agreement if you obtained your certification prior to applying for the franchise) The annual license fee is uniformly imposed and non-refundable

As a condition to becoming a franchisee, you must successfully complete the Holy Yoga certification training program You will pay us a certification training fee prior to attending the program The amount of the fee is (i) $2,995 if you have never been a certified Yoga instructor, or (ii) $1,895 if you are, or have previously been, a certified Yoga instructor The certification training fee is uniformly imposed and non-refundable

ITEM 6 OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Annual License Fee [1]	$197 97	Annually	None
Optional Advanced Certification Fee[1]	Varies	As incurred	You may, but need not attend advanced certification training programs The fee will vary depending on the program you select
Technology Fee [1]	Varies (currently none)	10 days after invoice	See Note 2
Marketing Materials and Inventory [1]	Varies depending on item purchased	10 days after invoice	We will provide you with our current price list at the time you sign the Franchise Agreement
Indemnification [1]	Will vary with circumstances	10 days after invoice	You must indemnify and reimburse us for any damages losses or expenses we incur as a result of the operation of your Business or your breach of the Franchise Agreement
Attorneys' Fees and Costs	Will vary with circumstances	Upon demand	You must reimburse us for all attorneys' fees and other costs we incur relating to your breach of any term of the Franchise Agreement or any other agreement with us

NOTES

(1) All fees are imposed by and are payable to us We do not impose any ongoing fees other than those listed in the table above For example, we do not impose royalty fees, renewal fees or transfer fees, which are commonly imposed under franchise agreements We do not require that you participate in a marketing cooperative or spend any minimum amount of money on local marketing

(2) You are required to utilize the virtual studio platform that was jointly developed by us and our designated supplier, Jettison Agency You will pay Jettison Agency a $99 one-time initial fee for setting up your platform and an ongoing monthly fee that is currently $45 per month for continued use of the virtual studio platform After each 12-month-period, Jettison Agency reserves the right to increase the fee by no more than 10% You pay these fees directly to Jettison In the future, we reserve the right to enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology We also reserve the right to create proprietary software that must be used by Holy Yoga franchisees, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees We can change the software and technology that must be used by our franchisees from time to time

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	**AMOUNT** [1]	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Annual License Fee	$197 97	Lump sum	Graduation of Certification Training	Us
Instructor Certification Training Fee	$1,895 or $2 995	Lump sum	Prior to attending certification training	Us
Food Lodging & Travel (1 person while training) [2]	$0 to $500	As incurred	During training	Airlines
Computer System [3]	$0 to $1,500	Lump sum	Before opening	Suppliers
Virtual Studio Platform [4]	$99	Lump sum	Before opening	Jettison Agency
Marketing Materials [5]	$50 to $100	Lump sum	Before opening	Printing company
Business License	$100 to $500	As incurred	Before opening	Government agency
Professional Fees	$0 to $1,500	Lump sum	Before opening	Lawyers & accountants
Insurance (from our preferred vendor)	$100 to $200	Lump sum	Before opening	Insurance companies
Additional Funds (3 month period after opening) [6]	$300 to $1 500	As incurred	As incurred	Suppliers and Jettison
Total Estimated Initial Investment [7]	$2,741 97 to $9,091 97			

NOTES

(1) We do not offer direct or indirect financing for any of these items None of the fees payable to us are refundable We are unaware of any fees payable to third party suppliers that are refundable

(2) The certification training includes an online immersion program together with a 6 day retreat The certification training fee includes the cost of lodging, meals and ground transportation but does not include airfare to travel to Arizona

(3) In order to access our virtual studio platform and other marketing tools, you must have a computer, iPad, smart phone or comparable device We do not have any standards or specifications for these items The low estimate assumes you already own a computer, iPad, smart phone or comparable device

(4) You will license our proprietary virtual studio platform You will pay our designated supplier an initial license fee of $99 plus a monthly fee of $45 per month

(5) We will provide you with a marketing plan Our electronic platform includes brochures, introductory letters and other marketing materials that you may print for your use The estimated cost in the table above includes your cost to print these materials

(6) This estimates your expenses during the first 3 months of operation, including monthly fees paid to Jettison, travel costs, temporary rental space for classes, printing costs, music licensing fees, and other miscellaneous expenses and required working capital In most cases, we do not anticipate that franchisees will be required to pay for the space where classes are conducted The additional funds estimate above does not include any salary or other compensation payable to you

(7) These figures are estimates based on the past experience of our principals in operating a Holy Yoga business You may have additional expenses starting your Business Your costs will depend on a variety of factors The estimated initial investment assumes that you will conduct classes from local churches and other local community facilities and that you do not establish a dedicated retail space If you choose to establish a dedicated retail space, your costs will be higher We strongly recommend that you have independent estimates on your anticipated cost to develop, open and operate your Ministry

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source Restricted Purchases and Leases - Generally

We require that you purchase or lease certain "source restricted" goods and services for the development and ongoing operation of your Business By "source restricted," we mean that the good or service must meet our specifications and/or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate) Our specifications and list of approved and designated suppliers are contained in the Manual We will notify you within 30 days of any changes to our specifications or list of approved or designated suppliers We may notify you of these changes in various ways, including written or electronic correspondence, verbal or telephonic notification, amendments or updates to the Manual, bulletins, or other means of communication

Supplier Criteria

Our criteria for evaluating a supplier include standards for quality, delivery, performance, design, appearance and price of the product or service as well as the dependability, reputation and financial viability of the supplier Upon your request, we will provide you with any objective specifications pertaining to our evaluation of a supplier, although certain important subjective criteria (e g , product appearance, design, functionality, etc) are important to our evaluation but cannot be described in writing

If you want to purchase or lease a source restricted item from a non-approved supplier, you must send us a written request for approval and submit any additional information that we request We may require that you send us samples from the supplier for testing We may also require that we be allowed to inspect the supplier's facilities We will notify you of our approval or disapproval within 30 days after we receive your request for approval plus all additional information and samples that we require We may, at our option, re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier fails to meet any of our then-current criteria

Current Source Restricted Items

As described below in more detail, we currently require that you purchase or lease the following source

restricted goods and services virtual studio platform, marketing materials, insurance policies, and website development services We estimate that nearly 75% of the total purchases and leases that will be required to establish and operate your Business will consist of source restricted goods or services

Virtual Studio Platform

You must license and utilize our proprietary virtual studio platform You will license this platform from our designated supplier, Jettison Agency

Marketing Materials

All of your marketing materials must comply with our standards and requirements We must approve all of your marketing materials before you use them You do not need our approval to use any of the marketing materials that we make available through the virtual studio platform

Insurance Policies

You must obtain the insurance coverage that we require from time to time (whether in the Franchise Agreement or in the Manuals) You must purchase these policies from an insurance carriers that is rated A or better by Alfred M Best & Company, Inc The required coverage currently includes comprehensive general liability insurance in the minimum amount of $1,000,000 per occurrence and $2,000,000 in the aggregate The required coverage and policies are subject to change All insurance policies must be endorsed to (i) name us (and our members, officers, directors, and employees) as additional insureds, (ii) contain a waiver by the insurance carrier of all subrogation rights against us, and (iii) provide that we receive 10 days' prior written notice of the termination, expiration, cancellation or modification of the policy We will provide you with the name of our recommended insurance provider with whom we have negotiated special rates

Website

You must purchase and use the website developed by our designated supplier, Jettison Agency You may not utilize any other website relating to your Ministry

Purchase Agreements

We have negotiated special rates with our recommended insurance provider We may in the future try to establish additional relationships with suppliers to enable our franchisees to purchase certain items at discounted prices If we succeed, you will be able to purchase these items at the discounted prices that we negotiate (less any rebates or other consideration paid to us) Alternatively, we reserve the right to purchase the items in bulk and resell them to you at our cost plus a reasonable markup (your total cost to purchase the items from us will not exceed your total cost to purchase the items directly from the supplier without the benefit of our group purchasing power) There are no purchasing cooperatives, although we reserve the right to establish one or more purchasing cooperatives in the future You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing that we negotiate

Franchisor Revenues from Source Restricted Purchases

Although we are not currently an approved or designated supplier for any source restricted items, we reserve the right to designate ourselves or an affiliate as an approved or designated supplier in the future, in which case we and our affiliates may generate revenues from these purchases There are no approved or designated suppliers in which any of our officers owns an interest No persons affiliated with us are currently approved suppliers At this time, we do not receive any rebates, payments or other material benefits from suppliers based on franchisee purchases Because we have not sold any franchises, neither we nor our affiliates have received any revenues

from franchisee purchases from us or other designated or approved suppliers

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTIONS IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
a Site selection and acquisition/lease	Section 2	Item 7 & Item 11
b Pre opening purchases/leases	Section 9 4 & 11 1	Item 7, Item 8 & Item 11
c Site development and other pre-opening requirements	Section 6	Item 6 Item 7 & Item 11
d Initial and ongoing training	Section 4	Item 6 & Item 11
e Opening	Section 6	Item 11
f Fees	Section 9 6 & 10	0 & Item 6
g Compliance with standards and policies/Operating Manuals	Section 5 1, 8 1, 9 & 13 1	Item 11
h Trademarks and proprietary information	Section 13	Item 13 & Item 14
i Restrictions on products/services offered	Section 9 3	Item 16
j Warranty and client service requirements	Not Applicable	Not Applicable
k Territorial development and sales quotas	Not Applicable	Item 12
l Ongoing product/service purchases	Section 9 4	Item 8
m Maintenance appearance and remodeling requirements	Not Applicable	Item 11
n Insurance	Section 11 1	Item 7 & Item 8
o Advertising	Section 8	Item 6, Item 7 & Item 11
p Indemnification	Section 14	Item 6
q Owner s participation/ management/staffing	Section 7	Item 11 & Item 15
r Records/reports	Section 11 2 & 11 3	Not Applicable
s Inspections/audits	Section 12	Item 6 & Item 11
t Transfer	Section 15	Item 17
u Renewal	Section 3	Item 17
v Post termination obligations	Section 17	Item 17
w Non-competition covenants	Not Applicable	Item 17
x Dispute resolution	Section 18	Item 17

ITEM 10 FINANCING

We do not offer direct or indirect financing We do not guarantee any of your notes, leases or obligations

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

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

Before you open your Business, we will

1 License you the Marks necessary to begin operating your Business (Section 2)

2 Provide you with access to the Manual, which includes our policies and procedures The Manual contains a total of 170 pages A copy of the Table of Contents to the Manual is attached to this Disclosure Document as EXHIBIT "C" (Section 5 1 & 9 2)

3 Provide you with access to our proprietary virtual studio platform See Section below entitled "Computer System" for additional information (Section 5 2)

4 Provide an initial training program See Section below entitled 'Training Program" for additional information (Section 4)

5 Provide you with a local website to promote your Ministry See Section below entitled "Computer System" for additional information (Section 5 3)

During the operation of your Business, we will

1 Conduct only Holy Yoga instructor certification programs, including advanced certifications See Section below entitled "Training Program" for additional information (Section 4)

2 Maintain the Holy Yoga corporate website that will include certain information that we designate regarding your Ministry We may modify the content of and/or discontinue this website at any time (Section 5 3 & 8 1(c))

Training Program (Section 4)

Overview

We will provide an initial training program for each franchise owner who will be actively involved in the operation of the Ministry These individuals must successfully complete the initial training program to our satisfaction before you open your Ministry

The initial training program consists of the following components (1) Holy Yoga instructor certification training, and (2) franchise management training The franchise owner must successfully complete the Holy Yoga instructor certification training as a condition to acquiring the franchise

The Holy Yoga instructor certification training varies depending on whether you are (or have been) a certified Yoga instructor Individuals who have not been a certified Yoga instructor must complete the 225 hour instructor certification training program Individuals who have already been a certified Yoga instructor must complete the 95 hour instructor certification training program Each program consists of 2 modules (1) an at-home online immersion program consisting of webinars and phone conferences, and (2) a 6-day retreat where you will participate in practical and advanced application through large group class and workshop experiences and small group discussions The immersion program is 9 weeks for individuals who have not been certified Yoga instructors and 6 weeks for individuals have been certified Yoga instructors The certification training is offered 4 times per year The retreat currently takes place near Flagstaff, Arizona although we also intend to

offer the retreat in Minnesota on occasion The online immersion program is conducted remotely from your home

The franchise management training includes training on marketing, utilization of the virtual studio platform, utilization of the Marks and other basic business functions (such as setting up an entity, setting up a FaceBook group, taking Instagram photos, etc) This training is conducted remotely via 3 training videos (1 video per week) Each video is approximately 45 minutes long The franchise management training is available on an "as needed" basis

Training Topics

The Holy Yoga certification training program consists of the following

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Pose Technique	80	0	Remotely Conducted
Teaching Methodology	18	0	Remotely Conducted
Anatomy	12	0	Remotely Conducted
Philosophy and Ethics	36	0	Remotely Conducted
Journal/Prayer/Meditation	35	0	Remotely Conducted
Pose Breakdowns, Ethics and Spirituality	44	0	Arizona (retreat location)
Total	225	0	

The initial franchise management training program consists of the following

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Basic Technology Training	5	0	Remotely Conducted
The Bridge From Training to Teaching	6	0	Remotely Conducted
Marketing Bootcamp	2	0	Remotely Conducted
Total	13	0	

Training Materials

The training materials for the instructor certification program will consist of a comprehensive training manual (including asana photos and descriptions, practice hours log, journaling pages and critique log), instructions DVDs of all Holy Yoga postures, 2 Holy Yoga practice DVDs – Level 1 and Level 2 and online instructor You will not be charged an additional fee for any of the training materials (beyond the certification training program fee)

Instructors

Brooke Boon is in charge of our training program Our current instructors include Brooke Boone, Jonnie Goodmanson, Katie Pearson, Jill Fisk and Brooke Toftoy

Brooke Boon is the founder of Holy Yoga and has served as our Chief Executive Officer since 2006 She has 16 years of experience in the field, including 10 years of experience with Holy Yoga She is the creator of the Holy Yoga instructor training programs and facilities the education and certification of hundreds of Holy Yoga instructors annually worldwide She is the author of *Holy Yoga Exercise For the Christian Body and Soul* and co-author of *Hatha Yoga Illustrated*

Jonnie Goodmanson has served as our Chief Operating Officer and Director of Instructor Training since 2006 She has 22 years of experience in the field, including 10 years of experience with Holy Yoga She has extensive experience and expertise with yoga and anatomy, including working as a full time instructor at the Arizona School of Massage Therapy (specializing in anatomy) She teaches 2 classes per week in Minneapolis and has a degree in church ministry

Katie Pearson has served as our Director of Leadership Development since 2011 She has 30 years of experience in the field, including 5 years of experience with Holy Yoga Katie has been a Personal Trainer and Group Exercise Instructor through ACE, as well as an Experienced Registered Yoga Teacher (E-RYT) through Yoga Alliance, and Master Holy Yoga Instructor (M-HYI) through Holy Yoga She has owned her own yoga studio, been featured in numerous yoga DVDs and written nationally-recognized programs and publications Katie worked as a Master Trainer for YogaFit for 10 years before joining Holy Yoga

Jill Fisk has served as our Director of Soul Care since 2011 She has 20 years of experience in the field, including 5 years of experience with Holy Yoga Jill is a Master Holy Yoga Instructor and has been teaching Holy Yoga classes in St Louis, Missouri since July 2011 She is a member of Evangelical Spiritual Directors Association and meets with directees in person, Skype, and FaceTime

Brooke Toftoy has served as our Director of Community Development since 2010 She has 15 years of experience in the field, including 6 years of experience with Holy Yoga In 2009 she went through Holy Yoga Instructor Training, and started teaching in 2010, and continues to teach weekly She has continued to grow through Blooma's prenatal training, Holy Yoga's T3 Leadership Training, Holy Yoga Therapy Program, & Holy Yoga Masters Brooke spent 10 years working in full time ministry with high school and young adults at the church

Ongoing Training

You are required to maintain your Holy Yoga certification throughout the duration of the franchise There are no fees imposed (beyond the annual license fee) to retain your certification, although every 3 years you must submit proof of your compliance with certain continuing education requirements You also have the option to attend advanced Holy Yoga certification training programs, but they are not required We are not required to provide you with any additional training

Training Fees and Costs

You will pay us an instructor certification training fee of $2,995 (if you have never been a certified Yoga instructor) or $1,895 (if you are or have been a certified Yoga instructor) The certification training fee includes accommodations, meals and ground transportation for the retreat but you are responsible or airfare We do not charge you any additional fee for franchise management training or for any periodic training programs that we provide If you choose to attend an optional advanced Holy Yoga certification training program, you must pay us our then current fee (which varies depending on the program selected)

Computer System (Section 9 4, 9 5 & 9 6)

You will need a computer, iPad, smart phone, or similar device We do not have any minimum standards or specifications for the equipment you choose to use You will use your device to access our virtual studio platform and communicate with us electronically You must license the virtual studio platform from our designated supplier, Jettison Agency The platform is a comprehensive business management resource that includes a local website, Holy Yoga app, marketing tools and strategies and business forms Holy Yoga students utilize the website for a variety of purposes, such as signing up for classes, electronically signing waiver forms and donating money for Holy Yoga missions The platform can also link with Square for credit card payment processing We will have independent unlimited access to student information entered into the virtual studio platform but we will not have independent access to any information entered into your computer, iPad, smart phone or similar device The form of Technology Services Agreement you must sign with Jettison is attached to this Disclosure Document as EXHIBIT "H"

We estimate the cost of your computer, iPad, smart phone or similar device will range from $300 to $1,500 You will pay Jettison an initial license fee of $99 and an ongoing monthly fee of $45 per month In exchange for the monthly fee, Jettison will provide all ongoing maintenance, repairs, updates and updates for the virtual studio platform Except as stated in this paragraph (i) neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system, and (ii) we are not aware of any optional or required maintenance, updating, upgrading or support contracts relating to your computer system

You must maintain your equipment in good working order at your cost During the term of your franchise, we will not require that you upgrade or update your computer, iPad, smart phone or other technology unless the device becomes obsolete or is otherwise incapable of accessing the virtual studio platform We reserve the right to change the software or technology that you must use or add new software or technology at any time We may charge you for any software or technology that we license or sublicense to you If we sublicense the software from a third party, we will collect from you all amounts that we must pay the licensor based upon your use If we license you software that we develop or own, we may charge commercially reasonable initial and ongoing licensing and support fees

We do not deliver or install any of the equipment or other items that you are required to purchase

Marketing (Section 8 1 & 8 2)

You are not required to contribute to a marketing fund or participate in an advertising cooperative We do not require that you spend any money on local marketing of your business We do not intend to establish a franchise advisory council to provide input and recommendations on advertising and marketing policies

We will provide you with marketing and promotional ideas during our training program We will also provide you with a marketing plan for your Ministry through our virtual studio platform You may download brochures, introductory letters and other marketing materials from the platform and use them to promote your Ministry You will be responsible for the cost of printing these materials

You will also have an opportunity to create advertising for your own use, provided we approve it in advance You may not use any advertising materials that have not been approved by us You must submit to us any advertising materials that you prepare or modify and we will have 15 business days to review and either approve or reject the materials Our failure to disapprove any advertising materials within the 15 business day period will constitute our approval of the materials

You are permitted to market your Business through approved social media channels in accordance with our social media policy At all times you must comply with any social media policy that we develop

We will provide you with a local website that will be linked to our main corporate website Your website will list certain information about your Ministry (such as contact information, class schedule, instructor bio, etc) At this time, we do not allow our franchisees to maintain their own websites or market their businesses on the Internet (except through the website we provide and through approved social media channels)

Opening Requirements (Section 6)

You may not open your Business before (i) successful completion of the initial training program, (ii) you purchase all required insurance, and (iii) you obtain all required licenses, permits and other governmental approvals We anticipate that a typical franchisee will begin operating his or her Holy Yoga ministry within less than 1 month after signing the Franchise Agreement Some of the factors that may affect this time are completion of training, obtaining insurance, and complying with local laws and regulations If you choose to operate from a dedicated retail space, it may take you longer to open We do not require that you begin operating your Ministry within any minimum period of time after you complete training or sign the Franchise Agreement

ITEM 12 TERRITORY

Location of Your Business

The franchise offered under this Disclosure Document is a home-based business We anticipate that Holy Yoga franchisees will offer classes at local churches or other community facilities You may operate your Business from any location that you choose within your designated state There are no restrictions on your ability to relocate your Business within your designated state

You may, at your option, choose to operate from a dedicated retail space You do not need our approval of the location or lease of the premises and we have no standards or specifications for the retail space We do not assist you in finding or developing retail space for a Holy Yoga studio

No Exclusive Territory

You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control There are no restrictions on our ability to sell competitive or identical goods or services through alternative channels of distribution, whether under the Marks or under any other trademark We are not required to pay you any compensation if we sell any competitive or identical goods or services to students located in your area

Restrictions on Your Sales and Marketing Activities

You are permitted to sell to any student of your choosing, regardless of where the student resides There are no restrictions or limitations on your right to solicit students through alternative channels of distribution, such as over the Internet or through telemarketing However, we reserve the right to restrict your ability to solicit students through alternative channels of distribution in our commercially reasonable discretion Any such restriction would be specified in the Manual There are no other restrictions on your right to solicit students, whether from inside or outside of your designated state

Additional Territories

You are not granted any options, rights of first refusal or similar rights to acquire additional territories or franchises

Competitive Businesses Under Different Marks

Currently, neither we nor any affiliate of ours intends to operate or franchise another business under a different trademark that sells products or services similar to the products or services offered by Holy Yoga franchisees However, we reserve the right to do so in the future

ITEM 13 TRADEMARKS

Our parent company, Holy Yoga Living, LLC, registered the following trademarks on the United States Patent and Trademark Office principal register

MARK	REGISTRATION NUMBER	REGISTRATION DATE (RENEWAL DATE)
HOLY YOGA	4,935,173	April 12, 2016
HOLY YOGA	4,935,102	April 12, 2016
HOLY YOGA	4,935,100	April 12, 2016

All required affidavits for the registered Marks have been filed

On May 20, 2016, we entered into a License Agreement (the "License Agreement") with Holy Yoga Living, LLC Under the terms of the License Agreement, Holy Yoga Living, LLC granted us the right to use the Marks in the Holy Yoga System and to sublicense the Marks to our franchisees The term of the License Agreement automatically renews annually, unless it is terminated in accordance with its terms Holy Yoga Living, LLC is permitted to terminate the License Agreement only if we declare bankruptcy or become insolvent, if we and Holy Yoga Living, LLC mutually agree to terminate the License Agreement or if we breach Holy Yoga Living, LLC's the quality control standards and fail to cure the breach within a 60 day cure period If the License Agreement is terminated, the agreement states that all sublicenses granted by us to our franchisees will continue in full force and effect until the expiration or termination of the applicable franchise agreement Except as discussed above, no agreements limit our right to use or sublicense the use of the Marks

We grant you the right to operate a franchise under the name "Holy Yoga" and logo shown on the cover page of this Disclosure Document By trademark, we mean trade names, trademarks, service marks, and logotypes used to identify your Holy Yoga franchise or the products or services sold at your Business We may change the trademarks you may use from time to time (including by discontinuing use of the Marks listed in this Item 13) If this happens, we will reimburse you for your tangible costs of compliance (e g , changing brochures, business cards, etc) We have no other liability to you for changing the Marks

You must follow our rules when using the Marks You cannot use our name or mark as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent You may not use the Holy Yoga name relating to the sale of any product or service that is not previously authorized by us in writing

You must notify us immediately when you learn about an infringing or challenging use of the Marks We will take the action we think appropriate, but we are not required to take any action if we do not feel it is warranted We may require your assistance, but you are not permitted to control any proceeding or litigation relating to our Marks You must not contest our or Holy Yoga Living, LLC's right to the Marks

Except as disclosed above, we are not required under the Franchise Agreement to (i) protect your right to use the Marks or protect you against claims of infringement or unfair competition arising out of your use of the Marks, or (ii) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our marks or if the proceeding is resolved in a manner that

is unfavorable to you

There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court, no pending infringements, oppositions or cancellations, and no pending material litigation involving any of the Marks We do not know of any infringing uses that could materially affect your use of the Marks However, we are aware of a potentially infringing user of our Marks that owns the URL's www holyyoga com and holyyoga org We intend to issue them a request to cease use of these domain names, and if they fail to comply, we intend to issue a cease and desist letter

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise Although we have not filed an application for copyright registration for the Manual, our website or our marketing materials, we do claim a copyright to these items During the term of your Franchise Agreement, we will allow you to use our proprietary information relating to the development, marketing and operation of a Holy Yoga practice, including, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System and the Manual All ideas, improvements, inventions, marketing materials, and other concepts you develop relating to the operation of your Business will be owned by us

You are required to maintain the confidentiality of all of our proprietary information and use it only in strict accordance with the terms of the Franchise Agreement and the Manual You must promptly tell us when you learn about unauthorized use of our proprietary information We are not obligated to act, but will respond to this information as we deem appropriate You are not permitted to control any proceeding or litigation alleging the unauthorized use of any of our proprietary information We have no obligation to indemnify you for any expenses or damages arising from any proceeding or litigation involving our proprietary information There are no infringements that are known by us at this time

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

You (the franchise owner) must be directly involved in the day-to-day management and supervision of your Ministry We do not require that you operate the Ministry on a full-time basis Each franchise owner who will be actively involved in the operation of the Ministry must successfully complete the initial training program and remain a certified Holy Yoga instructor for the duration of the franchise (any passive owner need not attend training)

We do not expect or recommend that our franchisees hire employees or managers since the franchise was developed as an "owner/operator" model, meaning the franchise owner is also the sole person operating the Ministry However, you may choose to hire employees in your discretion You do not need our approval of your employees and we do not have any minimum standards or other requirements for your employees However, you may not share any of our confidential information with your employees without our prior written consent

We do not require that the franchise owner sign a personal guaranty However, the franchise owner must sign the Franchise Agreement and agree to its terms, even if you form an entity to be the "franchisee " By signing the Franchise Agreement, the franchise owner agree to be personally bound by all of its provisions

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer the goods and services that we authorize from time to time We do not require that you offer all of the goods and services that we authorize You may not sell any goods or services that we have not authorized as part of your Ministry We have the unrestricted right to change the goods and/or services that

franchisees are authorized to offer at any time in our discretion To the extent permitted by applicable law, we may set maximum or minimum prices on the goods and services you offer

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN FRANCHISE AGREEMENT**	**SUMMARY**
a Length of the franchise term	Section 3	Term is equal to 5 years
b Renewal or extension of the term	Section 3	If you meet our conditions for renewal, you can enter into an unlimited number of successor franchise agreements Each renewal term will be 5 years
c Requirements for you to renew or extend	Section 3	You must not be in default, give us timely notice, sign our then-current form of franchise agreement and related documents, and sign a general release If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract
d Termination by you	Section 16 1	You can terminate upon each anniversary of the effective date of your Franchise Agreement, with or without cause In addition, you can terminate if we fail to cure a material default within the cure period
e Termination by us without cause	Not Applicable	We can only terminate with cause
f Termination by us with cause	Section 16 2	We can terminate if you default
g "Cause ' defined - curable defaults	Section 16 2	You have 30 days to cure any default (other than defaults described below under "non curable defaults ')
h Cause ' defined non-curable defaults	Section 16 2	The following defaults cannot be cured conviction of certain types of crimes, failure to comply with material law commission of act that may adversely affect reputation of System or Marks, health or safety hazards, unauthorized transfers, unauthorized use of our intellectual property
i Your obligations on termination/non-renewal	Section 17	Obligations include cease use of intellectual property, return of Manuals and all branded materials, cancellation of fictitious names, maintain confidentiality of confidential information, and payment of amounts due
j Assignment of contract by us	Section 15 1	No restriction on our right to assign
k "Transfer" by you – definition	Section 15 2 & Attachment A (definition of "Transfer")	Includes transfer of contract or assets, or ownership change

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN FRANCHISE AGREEMENT**	**SUMMARY**
l Our approval of transfer by you	Section 15 2 15 3 & Attachment A (definition of Permitted Transfer ')	You may transfer to a newly-formed entity owned by you without our approval We have the right to approve all other transfers but will not unreasonably withhold approval
m Conditions for our approval of transfer	Section 15 2	Transferee must meet our qualifications (including being a certified Holy Yoga instructor or having commenced the certification training program) obtain all required licenses and permits and sign a new franchise agreement for the remainder of the term (or at our option take assignment of existing franchise agreement) You must be in compliance with Franchise Agreement and sign a general release
n Our right of first refusal to acquire your business	Not Applicable	Not Applicable
o Our option to purchase your business	Not Applicable	Not Applicable
p Your death or disability	Section 15 4	Within 1 year, franchise must be assigned by estate to an assignee in compliance with conditions for other transfers
q Non-competition covenants during the term of the franchise	Section 13 4	You must comply with confidentiality covenants regarding the use and disclosure of our confidential information
r Non competition covenants after the franchise is terminated or expires	Section 13 4	You must comply with confidentiality covenants regarding the use and disclosure of our confidential information
s Modification of the agreement	Section 20 3 & 20 8	Requires writing signed by both parties (except for unilateral changes to Manual) Other modifications primarily to comply with various state laws
t Integration/merger clause	Section 20 8	Only the terms of the Franchise Agreement and attachments to Franchise Agreement are binding (subject to state law) Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document
u Dispute resolution by arbitration or mediation	Section 18	All disputes must be mediated before litigation except for certain disputes involving our intellectual property (except as otherwise disclosed in EXHIBIT 'I" to this Disclosure Document)
v Choice of forum	Section 18	All mediation and litigation must take place in county where we maintain our principal place of business (currently Maricopa County Arizona) at time dispute arises (except as otherwise disclosed in EXHIBIT 'I" to this Disclosure Document)
w Choice of law	Section 20 1	Arizona law (except as otherwise disclosed in EXHIBIT "I" to this Disclosure Document)

California law requires additional disclosures related to the information contained in this Item 17 These additional disclosures appear in EXHIBIT "I" to this Disclosure Document

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchise

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the Federal Trade Commission the appropriate state regulatory agencies, and our management by contacting our Chief Executive Officer, Brooke Boon, at 14052 South 24th Way, Phoenix, Arizona 85048 or by phone at (602) 321-1819

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2013 TO 2015

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2013	0	0	0
	2014	0	0	0
	2015	0	0	0
Company-Owned	2013	0	0	0
	2014	0	0	0
	2015	0	0	0
Total Outlets	2013	0	0	0
	2014	0	0	0
	2015	0	0	0

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2013 TO 2015

State	Year	Number of Transfers
Total	2013	0
	2014	0
	2015	0

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2013 TO 2015								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Termin-ations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Totals	2013	0	0	0	0	0	0	0
	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2013 TO 2015							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired From Franchisee**	**Outlets Closed**	**Outlets Sold to Franchisee**	**Outlets at End of Year**
Totals	2013	0	0	0	0	0	0
	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2015			
State	**Franchise Agreements Signed But Outlet Not Opened**	**Projected New Franchised Outlets in the Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
Arizona	0	1	0
California	0	1	0
Colorado	0	1	0
Connecticut	0	1	0
Florida	0	1	0
Idaho	0	1	0
Illinois	0	1	0
Indiana	0	1	0
Iowa	0	1	0
Michigan	0	1	0
Minnesota	0	1	0
Missouri	0	1	0
Montana	0	1	0
North Carolina	0	1	0
New Jersey	0	1	0
New Mexico	0	1	0
New York	0	1	0
Oklahoma	0	1	0
Pennsylvania	0	1	0
South Carolina	0	1	0
Tennessee	0	1	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2015			
State	**Franchise Agreements Signed But Outlet Not Opened**	**Projected New Franchised Outlets in the Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
Texas	0	1	0
Virginia	0	1	0
Washington	0	1	0
Wisconsin	0	1	0
Total	0	25	0

Notes to Tables

1 Our fiscal year ends on December 31st All references to years in these tables refer to December 31 of that year The outlets listed in Table 1 through Table 4 only refer to outlets that are open on the relevant date

2 The transfers listed in Table 2 only refer to outlets that were transferred after opening No franchisees transferred their franchise agreements for unopened outlets in 2013, 2014 or 2015

3 The transactions listed in Table 3 only refer to franchisees that left the system after opening their outlet No franchisees left the system prior to opening their outlets in 2013, 2014 or 2015

4 The outlets listed in the 2nd column in Table 5 ("Franchise Agreements Signed But Outlet Not Opened") include all franchise agreements that were signed for unopened outlets as of December 31, 2015 The outlets listed in the 3rd column in Table 5 ("Projected New Franchised Outlets in the Next Fiscal Year") include all outlets that we expect to open during the current fiscal year, including any outlets listed in the 2nd column that we expect to open this fiscal year

5 The outlets listed above only include outlets that operate using our virtual studio platform and other franchise tools They do not include individuals who are certified Holy Yoga instructors who do not operate using our tools, systems and support

A list of all current Holy Yoga franchisees is attached to this Disclosure Document as EXHIBIT "D" (Part A), including their names and the addresses and telephone numbers of their outlets as of December 31, 2015 In addition, EXHIBIT "D" (Part B) lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system**

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experience as a franchisee in our franchise system There are no (i) trademark-specific franchisee organizations associated with the franchise system being offered that we have created sponsored or endorsed or (ii) independent franchisee organizations that have asked to be included in this Disclosure Document

ITEM 21 FINANCIAL STATEMENTS

Audited financial statements of Holy Yoga Inc for the fiscal years ended December 31, 2014 and December 31, 2015 are attached to this Disclosure Document as EXHIBIT "E" In addition, an unaudited balance sheet and

unaudited profit and loss statement as of November 30 2016 are attached to this Disclosure Document as EXHIBIT "E" THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM

ITEM 22 CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state

Exhibits to Disclosure Document

EXHIBIT "B"	Franchise Agreement
EXHIBIT "F"	Franchisee Disclosure Questionnaire
EXHIBIT "G"	General Release
EXHIBIT "H"	Technical Services Agreement
EXHIBIT "I"	State Addendum

ITEM 23 RECEIPT

EXHIBIT "J" to this Disclosure Document are detachable receipts You are to sign both, keep one copy and return the other copy to us

EXHIBIT "A"

TO DISCLOSURE DOCUMENT

STATE AGENCIES AND ADMINISTRATORS

CALIFORNIA
Commissioner of Business Oversight
Department of Business Oversight
320 West 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722
Agents for Service of Process
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

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

MICHIGAN
Franchise Administrator
Consumer Protection Division
670 Law Building
Lansing, MI 48913
(517) 373-7117

MINNESOTA
Department of Commerce
Commissioner of Commerce
85 Seventh Place East, #500
St Paul, MN 55101-3165
(651) 296-4026

NEW YORK
New York Attorney General
Investor Protection & Securities Bureau
Franchise Section
120 Broadway, 23rd Floor
New York, NY 10271
(212) 416-8236

NORTH DAKOTA
North Dakota Securities Department
State Capitol, Fifth Floor, Dept 414
600 East Boulevard Avenue
Bismarck, North Dakota 58505-0510
(701) 328-4712

RHODE ISLAND
Department of Franchise Regulation
1511 Pontiac Avenue
John O Pastore Complex
Bldg 69-1
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA
Department of Labor and Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1st Floor (service of process)
9th Floor (administrator)
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

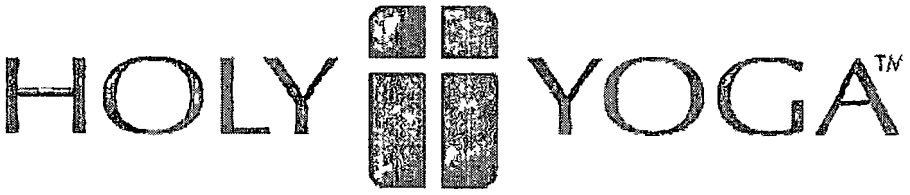
WISCONSIN
Department of Financial Institutions
Division of Securities
201 W Washington Avenue, Suite 500
Madison, WI 53703
(608) 261-9555

EXHIBIT "B"

TO DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

[See Attached]



HOLY YOGA FRANCHISE AGREEMENT

FRANCHISEE _____
STATE _____
DATE _____

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ATTACHMENTS

ATTACHMENT "A" Definitions

HOLY YOGA FRANCHISE AGREEMENT

This Holy Yoga Franchise Agreement (this "Agreement") is entered into as of _____, 201__ (the "Effective Date") between Holy Yoga, Inc, an Arizona non-profit corporation ("we" or "us") and _____, a(n) _____ ("you ')

1 **DEFINITIONS** Capitalized terms used in this Agreement are defined either in the body of this Agreement or in ATTACHMENT "A" For capitalized terms that are defined in the body of this Agreement, ATTACHMENT "A" lists the Sections of this Agreement in which such terms are defined

2 **GRANT OF FRANCHISE** We hereby grant you a license to own and operate a Holy Yoga franchise (your "Business" or your "Ministry") using our Intellectual Property You may operate your Ministry from any location(s) within the state in which you reside as of the Effective Date As a Holy Yoga franchisee, you will operate a Christian faith-based Yoga practice that incorporates scripture and ministry throughout the class We do not grant you an exclusive or protected territory and we may offer, or franchise others to offer, Holy Yoga classes from any location within any geographic area We reserve all rights not expressly granted to you

3 **TERM AND RENEWAL** The term of this Agreement will begin on the Effective Date and expire five (5) years thereafter (the "Term") You may enter into an unlimited number of successor franchise agreements (each, a "Successor Agreement") as long as you meet the conditions for renewal specified below The Successor Agreement shall be the current form of franchise agreement that we use in granting Holy Yoga franchises as of the expiration of the Term or renewal term, as applicable The terms and conditions of the Successor Agreement may vary materially and substantially from the terms and conditions of this Agreement Each renewal term will be five (5) years In order to enter into a Successor Agreement, you and the Owners (as applicable) must (i) notify us in writing of your desire to enter into a Successor Agreement at least 60 days before the expiration of the Term or renewal term, as applicable, (ii) not be in default under this Agreement at the time you send the renewal notice or the time you sign the Successor Agreement, (iii) sign the Successor Agreement and all ancillary documents that we require franchisees to sign, and (iv) sign a General Release

4 **TRAINING** Each owner who will be actively involved with the supervision and management of your Ministry must attend and successfully complete our initial training program before you open your Ministry Prior to executing this Agreement, each such owner must have successfully completed the Holy Yoga certification training program Each such owner must maintain his or her Holy Yoga certification throughout the Term We do not charge you for any training offered pursuant to this agreement You must pay our affiliate, Holy Yoga, Inc, its then current certification training fees for any certification training that you attend Each owner must also attend and successfully complete franchise management training before you open your Ministry

5 **OTHER FRANCHISOR ASSISTANCE**

5 1 **Manual** During the Term, we will provide you with access to our confidential Operating Manual (the "Manual") The Manual will help you establish and operate your Ministry The information in the Manual is confidential and proprietary and may not be disclosed to third parties without our prior approval

5 2 **Virtual Studio Platform** During the Term, we will provide you with access to our proprietary virtual studio platform You will contract with our designated supplier to acquire the initial and ongoing license to utilize the platform You agree to pay the initial and ongoing fees imposed by our designated supplier relating to the platform

5 3 **Website** We will provide you with a local website, which is part of the virtual studio platform, that will be linked to our main corporate website Your website will include localized information about your Ministry, such as contact information, class schedule, instructor background, etc We will provide you with content that will be accessible to your students through your local website We will own the website and domain

name at all times We will also list certain information on our corporate website regarding your Ministry

6 **OPENING** You must notify us of the initial date that you begin offering Holy Yoga classes You are not required to begin conducting your Business within any specific time frame However, you may not offer Holy Yoga classes prior to (i) successful completion of the initial training program by your instructors, (ii) purchasing all required insurance, and (iii) obtaining all required licenses, permits and other governmental approvals

7 **MANAGEMENT** At least one (1) franchise owner must at all times be actively involved in the operation of the Ministry This owner must also serve as an instructor By signing the Agreement, each owner agrees to be personally bound by all of its terms, even if the franchisee is an entity If you are an Entity, you agree to provide us with a list of all of your owners Upon our request, you must provide us with a resolution of the Entity authorizing the execution of this Agreement, a copy of the Entity's organizational documents and a current Certificate of Good Standing (or the functional equivalent thereof) You represent that the Entity is duly formed and validly existing under the laws of the state of its formation or incorporation

8 ADVERTISING & MARKETING

8 1 Your Marketing Activities

(a) Generally Although you are encouraged to engage in local advertising, you are not required to spend any minimum amount on local advertising to promote your Business All advertisements and promotions that you create or use must be completely factual and conform to the highest standards of ethical advertising and comply with all federal, state and local laws You must ensure that your advertisements and promotional materials do not infringe upon the intellectual property rights of others

(b) Approval of Advertising Before you use them, we must approve all advertising and promotional materials that we did not prepare or previously approve (including materials that we prepared or approved and you modify) We will be deemed to have approved the materials if we fail to issue our disapproval within 15 business days after receipt You may not use any advertising or promotional materials that we have disapproved (including materials that we previously approved and later disapprove)

(c) Internet and Websites You may market your Business through approved social media channels in accordance with our social media policy At this time, we do not allow our franchisees to maintain their own websites (other than the localized website that we provide) or market Holy Yoga on the Internet (other than through approved social media outlets) Accordingly, you may not maintain a website conduct e-commerce, or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with your Business except as we approve in writing

8 2 Marketing Assistance From Us We will provide you with a marketing plan for your Business The marketing plan, together with approved brochures, letters and other marketing materials, will be accessible through your virtual studio platform We may create and make available to you advertising and other marketing materials for your purchase We may make these materials available over the Internet (in which case you must arrange for printing the materials and paying all printing costs) Alternatively, we may enter into relationships with third party suppliers who will create the advertising or marketing materials for your purchase However, at this time we anticipate that all recommended marketing materials will be available through the virtual studio platform

9 OPERATING STANDARDS

9 1 Generally You agree to operate your Ministry (i) in a manner that will promote the goodwill of the Marks, and (ii) in full compliance with our standards and other terms of this Agreement and the Manual

9 2 Operating Manual You agree to establish and operate your Business in accordance with the

Manual The Manual may contain, among other things (i) a description of the authorized goods and services that you may offer at your Ministry, (ii) mandatory and suggested specifications, operating procedures, and quality standards for products, services and procedures that we prescribe from time to time for Holy Yoga franchisees, (iii) mandatory reporting and insurance requirements, and (iv) a written list of goods and services (or specifications for goods and services) you must purchase for the development and operation of your Ministry and a list of any designated or approved suppliers for these goods or services We can modify the Manual at any time The modifications will become binding 30 days after we send you notice of the modification All mandatory provisions contained in the Manual (whether they are included now or in the future) become part of this Agreement as if fully set forth herein

9 3 Authorized Goods and Services You may only offer the goods and services that we authorize from time to time in our commercially reasonable discretion You may not offer any other goods or services in connection with your Ministry or in relation to our Marks without our prior written permission In order to protect the goodwill associated with our Marks, you may not provide any teachings or communications to your students that are inconsistent with our principals or statements of faith

9 4 Suppliers and Purchasing You agree to purchase or lease all products, supplies equipment, services and other items specified in the Manual from time to time If required by the Manual, you agree to purchase certain goods and services only from suppliers designated or approved by us (which may include, or be limited exclusively to, us or our affiliate) If you want us to approve a supplier that you propose, you must send us a written notice specifying the supplier's name and qualifications and provide any additional information that we request We will approve or reject your request within 30 days after we receive your notice and all additional information (and samples) that we require

9 5 Equipment Maintenance and Changes You agree to maintain all of your equipment in good condition and promptly replace or repair any equipment that is damaged, worn-out or obsolete We may require that you change your equipment, which may require you to make additional investments

9 6 Software and Technology We may change the software or technology that you must use at any time We may also develop proprietary software or technology that must be used by Holy Yoga franchisees If this occurs, you agree to enter into a license agreement with us (or an affiliate of ours) and pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees The terms of the license agreement will govern the terms pursuant to which you may utilize this software or technology We also reserve the right to enter into a master software or technology license agreement with a third party licensor and then sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology All fees referenced in this Section are due 10 days after invoicing or as we otherwise specify

10 FEES You agree to pay us a $197 97 annual license fee The initial installment is due on the date you graduate from Holy Yoga certification training (or upon execution of this Agreement if you obtained your Holy Yoga instructor certification prior to applying for the franchise) and each subsequent installment is due on each anniversary of the Effective Date The annual license fee is non-refundable You agree to pay all other fees, expense reimbursements and other amounts specified in this Agreement in a timely manner as if fully set forth in this Section 10

11 YOUR OTHER RESPONSIBILITIES

11 1 Insurance For your protection and ours, you agree to maintain the following insurance policies (i) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of your Business, containing minimum liability protection of $1,000,000 combined single limit per occurrence, and $2,000,000 in the aggregate, and (ii) any other insurance that we specify in the Manual from time to time You agree to provide us with proof of coverage prior to opening, within 10 days of any renewal of a policy and at any other time on

demand You agree to obtain these insurance policies from insurance carriers that are rated A or better by Alfred M Best & Company, Inc All insurance policies must endorsed to (i) name us (and our members, officers, directors, and employees) as additional insureds, (ii) contain a waiver by the insurance carrier of all subrogation rights against us, and (iii) provide that we receive 10 days prior written notice of the termination, expiration, cancellation or modification of the policy

11 2 **Books and Records** You agree to prepare, and maintain for at least five (5) years after their preparation, complete and accurate books, records, accounts and tax returns pertaining to your Ministry You must send us copies of your books and records within seven (7) days of our request

11.3 **Reports** At this time, we do not require that you prepare or provide us with any periodic reports of your operations However, in the future we may require, in our reasonable discretion, that you submit to us periodic reports of your operational data, such as reports of gross sales, and you agree to comply

11 4 **Legal Compliance** You must secure and maintain in force all required licenses, permits and regulatory approvals for the operation of your Ministry and operate and manage your Ministry in full compliance with all applicable laws, ordinances, rules and regulations

12 **INSPECTION** To ensure compliance with this Agreement, we or our representatives will have the right to evaluate your operations, including watching or participating in your classes and contacting your students We may conduct our evaluation at any time and without prior notice

13 INTELLECTUAL PROPERTY

13 1 **Ownership and Use of Intellectual Property** You acknowledge that (i) we are the sole and exclusive owner of the Intellectual Property and the goodwill associated with the Marks, (ii) your right to use the Intellectual Property is derived solely from this Agreement, and (iii) your right to use the Intellectual Property is limited to a license granted by us to operate your Business during the Term pursuant to, and only in compliance with, this Agreement, the Manual, and all applicable standards, specifications and operating procedures that we prescribe from time to time You may not use any of the Intellectual Property in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized by us Any unauthorized use of the Intellectual Property constitutes an infringement of our rights You agree to comply with all provisions of the Manual governing your use of the Intellectual Property

13 2 **Changes to Intellectual Property** We have the right to modify the Intellectual Property at any time in our sole discretion, including by changing the Marks, the System, the Copyrights or the Know-how If we modify or discontinue use of any of the Intellectual Property, then you must comply with any such instructions from us within 30 days If we require you to change the Marks, our sole obligation will be to reimburse you for your reasonable documented expenses of compliance, including changing signage, brochures, stationary, etc You waive all other claims arising from or relating to any change, modification, substitution or discontinuation of the Intellectual Property Except for the reimbursement obligation listed in this Section, we will not be liable to you for any expenses, losses or damages that you incur (including the loss of any goodwill associated with a Mark) because of any addition, modification, substitution or discontinuation of the Intellectual Property

13 3 **Use of Marks** You agree to use the Marks as the sole identification of your Ministry, provided, however that you must identify yourself as the independent owner of your Ministry in the manner that we prescribe You may not use any Marks in any modified form or as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs or symbols (other than logos licensed to you by this Agreement) You agree to (i) prominently display the Marks on or in connection with any media advertising, promotional materials, posters and displays, receipts, stationery and forms that we designate and in the manner that we prescribe to give notice of trade and service mark registrations and copyrights, and (ii) obtain any fictitious or assumed name registrations required under applicable law You may not use the Marks in signing

any contract, lease, mortgage, check, purchase agreement, negotiable instrument or other legal obligation or in any manner that is likely to confuse or result in liability to us for any indebtedness or obligation of yours

13 4 **Use of Know-how** We will disclose the Know-how to you in the initial training program, the Manual, and in other guidance furnished to you during the Term You agree that you will not acquire any interest in the Know-how other than the right to utilize it in strict accordance with the terms of this Agreement in the development and operation of your Ministry You and the Owners agree (i) neither you nor any Owner will use the Know-how in any business or capacity other than the operation of your Ministry pursuant to this Agreement, (ii) you and the Owners will maintain the confidentiality of the Know-how at all times, (iii) neither you nor any Owner will make unauthorized copies of documents containing any Know-how, (iv) you and the Owners will take all reasonable steps that we require from time to time to prevent unauthorized use or disclosure of the Know-how, and (v) you and the Owners will stop using the Know-how immediately upon the expiration, termination or Transfer of this Agreement, and any Owner who ceases to be an Owner before the expiration, termination or Transfer of this Agreement will stop using the Know-how immediately at the time he or she ceases to be an Owner

13 5 **Improvements** If you conceive of or develop any improvements or additions to the marketing, method of operation or the services or products offered by a Holy Yoga ministry (collectively, "Improvements"), you agree to promptly and fully disclose the Improvements to us without disclosing the Improvements to others You must obtain our approval prior to using any such Improvements Any Improvement that we approve may be used by us and any third parties that we authorize to operate a Holy Yoga franchise, without any obligation to pay you royalties or other fees You must assign to us or our designee, without charge, all rights to any such Improvement, including the right to grant sublicenses In return, we will authorize you to use any Improvements that we or other franchisees develop that we authorize for general use in connection with the operation of a Holy Yoga ministry

13 6 **Notification of Infringements and Claims** You must immediately notify us of any (i) apparent infringement of any of the Intellectual Property, (ii) challenge to your use of any of the Intellectual Property, or (iii) claim by any person of any rights in any of the Intellectual Property You may not communicate with any person other than us and our counsel in connection with any such infringement, challenge or claim We will have sole discretion to take such action as we deem appropriate We have the right to exclusively control any litigation, Patent and Trademark Office proceeding, or other proceeding arising out of any such infringement, challenge or claim You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interest in any such litigation, Patent and Trademark Office proceeding or other proceeding, or to otherwise protect and maintain our interest in the Intellectual Property

14 **INDEMNITY** You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses and Expenses incurred by any of them as a result of or in connection with the marketing, use or operation of your Ministry or your performance and/or breach of any of your obligations under this Agreement The Indemnified Parties shall have the right to (i) retain counsel of their own choosing to represent them with respect to any Claim, and (ii) control the response thereto and the defense thereof, including the right to enter into an agreement to settle such Claim You may participate in such defense at your own expense You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such Claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such Claim, including court costs and reasonable attorneys' fees, within 10 days of the date of each invoice delivered by such Indemnified Party to you enumerating such costs, expenses and attorneys' fees

15 TRANSFERS

15 1 **By Us** This Agreement and the franchise is fully assignable by us (without prior notice to you) and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Agreement, provided that we shall, subsequent to any such assignment, remain liable for the performance of our obligations

under this Agreement up to the effective date of the assignment We may also delegate some or all of our obligations under this Agreement to one or more persons without assigning the Agreement

15 2 **By You** You understand that the rights and duties created by this Agreement are personal to you and that we have granted the franchise in reliance upon your individual or collective character, skill, aptitude, attitude, business ability and financial capacity Therefore, you may not engage in any Transfer other than a Permitted Transfer without our prior written approval Any Transfer (other than a Permitted Transfer) without our approval shall be void and constitute a breach of this Agreement We will not unreasonably withhold our approval of any proposed Transfer, provided that the following conditions are all satisfied (i) the proposed transferee meets all of our then applicable standards and qualifications to operate a Holy Yoga ministry, (ii) you and your Owners are in full compliance with the terms of this Agreement, (iii) the transferee's owners have successfully completed, or made arrangements to attend, the initial training program (iv) the transferee and its owners sign our then-current form of franchise agreement (unless we, in our sole discretion, instruct you to assign this Agreement to the transferee), except that the Term shall be the Term remaining under this Agreement, and (v) you and your Owners sign a General Release for all claims arising before or contemporaneously with the Transfer Our consent to a Transfer shall not constitute a waiver of any claims we may have against the transferor, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of the franchise by the transferee

15 3 **Permitted Transfers** You may engage in a Permitted Transfer without our prior approval, but you must give us at least 10 days prior written notice You and the Owners (and the transferee) agree to sign all documents that we reasonably request to effectuate and document the Permitted Transfer

15 4 **Death or Disability of an Owner** Upon the death or permanent disability of an Owner, the Owner's ownership interest in you or the franchise, as applicable, must be assigned to another Owner or to a third party approved by us within one year Any assignment to a third party will be subject to all of the terms and conditions of Section 15 2 For purposes of this Section, an Owner is deemed to have a "permanent disability" only if the person has a medical or mental problem that prevents the person from substantially complying with his or her obligations under this Agreement or otherwise operating the Ministry in the manner required by this Agreement and the Manual for a continuous period of at least three (3) months

16 TERMINATION

16 1 **By You** You may terminate this Agreement if we materially breach this Agreement and fail to cure the breach within 60 days after you send us a written notice specifying the nature of the breach You may also terminate this Agreement without cause, upon each anniversary of the Effective Date by giving us at least 30 days' prior written notice

16 2 **Termination By Us** We may, in our sole discretion, terminate this Agreement upon five (5) days' written notice, without opportunity to cure, for any of the following reasons, all of which constitute material events of default under this Agreement (i) if a regulatory authority suspends or revokes a license or permit held by you or an Owner that is required to operate your Ministry, even if you or the Owner still maintain appeal rights, (ii) if you or an Owner (a) is convicted of or pleads no contest to a felony, a crime involving moral turpitude or any other material crime or (b) fails to comply with any material federal, state or local law or regulation applicable to your Ministry, (iii) if you or an Owner commits an act that can reasonably be expected to adversely affect the reputation of the System or the goodwill associated with the Marks, (iv) if you manage or operate your Ministry in a manner that presents a health or safety hazard to your students, employees or the public, (v) if you make an unauthorized Transfer, (vi) if you make an unauthorized use of the Intellectual Property, or (vii) if you or an Owner fail to comply with any other provision of this Agreement (including any mandatory provision in the Manual) unless such default is cured, as determined by us in our sole discretion, within such 30-day notice period

17 **POST-TERM OBLIGATIONS** After the termination, expiration or Transfer of this Agreement, you

and the Owners agree to (i) immediately cease to use the Intellectual Property, (ii) pay us all amounts that you owe us, (iii) return all copies of the Manual, or any portions thereof, as well as all signs, sign faces, brochures, advertising and promotional materials, forms, and any other materials bearing or containing any of the Marks, Copyrights or other identification relating to a Holy Yoga business, unless we allow you to transfer such items to an approved transferee, (iv) take such action as may be required to cancel all fictitious or assumed names or equivalent registrations relating to your use of any of the Marks, and (v) provide us with satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Agreement

18 DISPUTE RESOLUTION The parties agree to submit any claim, dispute or disagreement, including any matter pertaining to the validity, enforcement or interpretation of this Agreement or issues relating to the offer and sale of the franchise or the relationship between the parties (a "Dispute") to mediation before a mutually-agreeable mediator prior to litigation, unless the Dispute involves an alleged breach of Section 13 If the Dispute is not successfully resolved by mediation within 30 days after either party makes a demand for mediation or the Dispute involves an alleged breach of Section 13, either party may file a lawsuit in any state or federal court of general jurisdiction All mediation and litigation shall take place in the county in which we maintain our principal place of business at the time the Dispute arises (currently, Maricopa County, Arizona) and we and you irrevocably submit to the jurisdiction of such courts and waive any objection either of us may have to either the jurisdiction or venue of such courts If we or you must enforce this Agreement in a judicial proceeding, the substantially prevailing party will be entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees In addition, if you breach any term of this Agreement or any other agreement with us or an affiliate of ours, you agree to reimburse us for all reasonable legal fees and other expenses we incur relating to such breach, regardless of whether the breach is cured prior to the commencement of any dispute resolution proceedings WE AND YOU IRREVOCABLY WAIVE (i) TRIAL BY JURY, AND (ii) THE RIGHT TO LITIGATE ON A CLASS ACTION BASIS, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THE PARTIES

19 YOUR REPRESENTATIONS You hereby represent that (i) you have not received or relied upon any warranty or guarantee as to the potential volume, profits or success of the business contemplated by this Agreement, (ii) you have no knowledge of any representations by us or any of our officers, directors, employees or representatives about the business contemplated by this Agreement that are contrary to the terms of this Agreement or the Franchise Disclosure Document, (iii) you received (1) an exact copy of this Agreement and its attachments at least 7 days prior to the date on which this Agreement is executed, and (2) our Franchise Disclosure Document at the earlier of (a) 14 days before you signed a binding agreement or paid any money to us or our affiliates or (b) at such earlier time in the sales process that you requested a copy, (iv) you are aware of the fact that other present or future franchisees of ours may operate under different forms of agreement and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances, and (v) you have conducted an independent investigation of the business contemplated by this agreement and recognize that it involves business risks, making the success of the venture largely dependent upon your own business abilities, efforts and judgments

20 GENERAL PROVISIONS

20 1 Governing Law Except as governed by the United States Trademark Act of 1946, this Agreement and the franchise relationship shall be governed by the laws of the State of Arizona (without reference to its principles of conflicts of law), but any law of the State of Arizona that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section

20 2 Relationship of the Parties You understand and agree that nothing in this Agreement creates a fiduciary relationship between you and us or is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose During the Term, you must conspicuously identify yourself at your base of operations, and in all dealings with third parties,

as a franchisee of ours and the independent owner of your Business You agree to place such other notices of independent ownership on such forms, stationery, advertising, business cards and other materials as we may require from time to time Neither we nor you are permitted to make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other, or represent that our relationship is other than franchisor and franchisee In addition, neither we nor you will be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized by this Agreement

20 3 Severability and Substitution Each section, subsection, term and provision of this Agreement, and any portion thereof, shall be considered severable

20 4 Waivers The Parties may by written instrument unilaterally waive or reduce any obligation of the other Any waiver granted by us shall be without prejudice to any other rights we may have

20 5 Approvals Whenever this Agreement requires our approval, you must make a timely written request for approval, and the approval must be in writing in order to bind us

20 6 Force Majeure Neither we nor you shall be liable for loss or damage or deemed to be in breach of this Agreement if our or your failure to perform our or your obligations results from any event of force majeure Any delay resulting from an event of force majeure will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable under the circumstances

20 7 Binding Effect This Agreement is binding upon the parties to this Agreement and their respective executors, administrators, heirs, assigns and successors in interest Nothing in this Agreement is intended to confer any rights or remedies upon any person or legal entity not a party to this Agreement, provided, however, that the additional insureds listed in Section 11 1 and the Indemnified Parties are intended third party beneficiaries under this Agreement with respect to Section 11 1 and Section 14, respectively

20 8 Integration THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT, EXCEPT AS PERMITTED BY SECTION 9 2, BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES Any e-mail correspondence or other form of informal electronic communication shall not be deemed to modify this Agreement unless such communication is signed by both parties and specifically states that it is intended to modify this Agreement Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document To the extent that any provision in the California State Addendum is inconsistent with any provision in this Agreement, the provision in the California State Addendum shall control

20 9 Rights of Parties are Cumulative The rights of the parties under this Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Agreement will preclude any other right or remedy available under this Agreement or by law

20 10 Survival All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement (or the Transfer of an ownership interest in the franchise) shall continue in full force and effect subsequent to and notwithstanding its termination, expiration or Transfer

20 11 Counterparts This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document

20 12 Notice All notices given under this Agreement must be in writing, delivered by hand, email (to the last email address provided by the recipient) or first class mail, to the following addresses (which may be changed upon 10 business days prior written notice)

YOU	As set forth below your signature on this Agreement
US	Holy Yoga, Inc

14052 South 24th Way, Phoenix, Arizona 85048

Notice shall be considered given at the time delivered by hand, or one (1) business day after sending by fax, e-mail or comparable electronic system, or three (3) business days after placed in the mail, postage prepaid, by certified mail with a return receipt requested

The parties to this Agreement have executed this Agreement effective as of the Effective Date first above written

FRANCHISOR

Holy Yoga, Inc, an Arizona non-profit corporation

By _____
Name _____
Its _____

YOU (If you are an entity)

_____,
a(n)_____

By _____
Name _____
Its _____

***By signing below, each individual owner of a direct or indirect interest in the franchisee entity agrees to be bound by all of the terms and conditions of the Franchise Agreement.**

_____
Name _____

_____
Name _____

Franchisee's Principal Business Address

_____
_____
_____

YOU (If you are not an entity)

_____
Name _____

_____
Name _____

_____
Name _____

_____
Name _____

ATTACHMENT "A"

TO FRANCHISE AGREEMENT

DEFINITIONS

Agreement is defined in the Introductory Paragraph

Business is defined in Section 2

Claim or *Claims* means any and all claims, actions, demands, assessments, litigation, or other form of regulatory or adjudicatory procedures, claims, demands, assessments, investigations, or formal or informal inquiries

Copyrights means all works and materials for which we or our affiliate has secured common law or registered copyright protection and that we allow Holy Yoga franchisees to use, sell or display in connection with the marketing and/or operation of a Holy Yoga ministry, whether now in existence or created in the future

Dispute is defined in Section 18

Effective Date is defined in the Introductory Paragraph

Entity means a corporation, partnership, limited liability company or other form of association

General Release means our current form of general release of all claims against us and our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, in both their corporate and individual capacities

Improvements is defined in Section 13 5

Indemnified Party or *Indemnified Parties* means us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parent companies, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents

Intellectual Property means our Marks, Copyrights, Know-how, System and Improvements

Know-how means all of our trade secrets and other proprietary information relating to the marketing and/or operation of a Holy Yoga ministry, including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System and the Manual

Losses and Expenses means all compensatory, exemplary, and punitive damages, fines and penalties, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against Claims, settlement amounts, judgments, compensation for damages to our reputation and goodwill, and all other costs, damages, liabilities and expenses associated with any of the foregoing losses and expenses or incurred by an Indemnified Party as a result of a Claim

Manual is defined in Section 5 1

Ministry is defined in Section 2

Marks means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Holy Yoga ministry, including "Holy Yoga" and any other trademarks, service marks or trade names that we designate for use by a Holy Yoga ministry

Owner or *Owners* means any individual who owns a direct or indirect ownership interest in the franchise or the Entity that is the franchisee under this Agreement "Owner" includes both passive and active owners

Permitted Transfer means a Transfer to a newly established Entity for which the Owners collectively own and control 100% of the ownership interests and voting power

Successor Agreement is defined in Section 3

System means our proprietary system for the operation of a Holy Yoga ministry, the distinctive characteristics of which include trade secrets, virtual studio platform, confidential operations manuals and operating system

Term is defined in Section 3

Transfer means any direct or indirect, voluntary or involuntary (including by judicial award, order or decree), assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of the franchise (or any interest therein), the Business (or any portion thereof) or an ownership interest in an Entity that is the franchisee, including by merger or consolidation, by issuance of additional securities representing an ownership interest in the Entity that is the franchisee, or by operation of law, will or a trust upon the death of an Owner (including the laws of intestate succession)

We or us is defined in the Introductory Paragraph

You is defined in the Introductory Paragraph

EXHIBIT "C"

TO DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF OPERATING MANUALS

[See Attached]

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EXHIBIT "D"

TO DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

Part A (Current Franchisees)

State	City	Address	Phone	Owner Name(s)
None				

Part B (Former Franchisees Who Left System During Prior Fiscal Year)

State	City	Current Business Phone or Last Known Home Phone	Owner Name(s)
None			

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

EXHIBIT "F"

TO DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

[See Attached]

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know Holy Yoga Inc ('we or us) and you are preparing to enter into a Franchise Agreement for the operation of a Holy Yoga franchise The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue inaccurate or misleading to be certain that you have been properly represented in this transaction and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee** Please review each of the following questions carefully and provide honest responses to each question If you answer No to any of the questions below please explain your answer on the back of this sheet

Yes__	No__	1	Have you received the Franchise Agreement and each attachment or schedule attached to it?
Yes__	No__	2	Have you received the Franchise Disclosure Document we provided?
Yes__	No__	3	Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
Yes__	No__	4	Did you receive the Franchise Disclosure Document at least 14 calendar days before signing any agreement relating to the franchise or paying any money?
Yes__	No__	5	Did you receive a complete execution copy of the Franchise Agreement at least seven (7) calendar days before you signed it?
Yes__	No__	6	Have you discussed the benefits and risks of developing and operating a Holy Yoga franchise with an existing Holy Yoga franchisee?
Yes__	No__	7	Do you understand the risks of developing and operating a Holy Yoga franchise?
Yes__	No__	8	Do you understand the success or failure of your franchise will depend in large part upon your skills abilities and efforts as well as many factors beyond your control such as competition the economy and other relevant factors?
Yes__	No__	9	Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Holy Yoga franchise that is not contained in the Franchise Disclosure Document or that is contrary to or different from the information contained in the Franchise Disclosure Document?
Yes__	No__	10	Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings the likelihood of success the amount of money you may earn or the total amount of revenue a Holy Yoga franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from the information contained in the Franchise Disclosure Document?
Yes__	No__	11	Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the Holy Yoga business meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM BY SIGNING THIS QUESTIONNAIRE YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS

_____	_____
Signature of Franchise Applicant	Signature of Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated _____	Dated _____

EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER]

EXHIBIT "G"

TO DISCLOSURE DOCUMENT

GENERAL RELEASE

[See Attached]

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (the "Release") is made as of _____ ___, 20___ by _____, a(n) _____ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Holy Yoga, Inc , an Arizona non-profit corporation ("Franchisor," and together with Releasor, the Parties")

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement (the "Agreement") pursuant to which Franchisee was granted the right to operate a Holy Yoga practice,

WHEREAS, Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee, **[enter into a successor franchise agreement]** and Franchisor has consented to such transfer **[agreed to enter into a successor franchise agreement]**, and

WHEREAS, as a condition to Franchisor's consent to the transfer **[Franchisee's ability to enter into a successor franchise agreement]**, Releasor has agreed to execute this Release upon the terms and conditions stated below

NOW, THEREFORE, in consideration of Franchisor's consent to the transfer **[Franchisor entering into a successor franchise agreement]**, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows

1 Representations and Warranties Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims or obligations being terminated and released hereunder [_____] represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release

2 Release Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries or related companies, divisions and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto

3 Nondisparagement Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business or their reputation

4 Miscellaneous

a Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred

b This Release shall be construed and governed by the laws of the State of Arizona

c Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor

d In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees

e All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders and the spouses of such individuals, successors, affiliates, and assigns No other party shall be a third-party beneficiary to this Release

f This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof This Release may not be modified except in a writing signed by all of the Parties This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document

g If one or more of the provisions of this Release shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein

h The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby

[Signature Page Follows]

IN WITNESS WHEREOF Releasor has executed this Release as of the date first written above

FRANCHISEE

_____, a
_____

By _____
Name _____
Its _____

FRANCHISEE'S OWNERS

Date _____ _____
Signature

_____
Typed or Printed Name

STATE OF_____)
) ss
County of_____)

The foregoing instrument was acknowledged before me this ____ day of _____, by _____

_____
Notary Public

My commission expires
_____

EXHIBIT "H"

TO DISCLOSURE DOCUMENT

TECHNICAL SERVICES AGREEMENT

[SEE ATTACHED]

TECHNOLOGY SERVICES AGREEMENT

This Technology Services Agreement ("**Agreement**') is made, entered into and effective as of _____, 2016 (the "**Effective Date**') by and between Jettison Labs LLC a Minnesota limited liability company, with its principal place of business at 211 1st Street North, Suite 240 Minneapolis MN 55401 (**Provider**") and _____ ('**Customer**") Provider and Customer may be referred to hereunder individually as a '**Party** and collectively as the **Parties**

WHEREAS, Provider is in the business of developing website mobile application, and computer software services,

WHEREAS Provider has developed certain website and computer software services for use and access by certified trainers of Holy Yoga, Inc

WHEREAS, Customer desires to engage Provider to provide Customer with use and access to certain website and computer software services,

WHEREAS, the Parties acknowledge and agree that this Agreement is for services only and, as such, the Uniform Commercial Code (UCC) has no applicability to any deliverables created hereunder

NOW, THEREFORE, for and in consideration of the above recitals, mutual covenants and promises herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the terms and conditions contained in this Agreement

1 **DEFINITIONS, INTERPRETATION** Capitalized terms used in this Agreement will have the meanings ascribed to them in the Agreement Terms other than those defined below will be given their plain English meaning and terms of art having specialized meanings in the interactive development industry will be construed in accordance with industry standards

1 1 **Affiliate** ' Affiliate' means any person or entity controlled by, controlling, or under common control of a Party 'Control means the legal beneficial or equitable ownership, directly or indirectly of more than 50% of the aggregate of all voting equity interests in the entity

1 2 **Customer** ' Customer" includes Customer, Affiliates of Customer, any parties for whom Customer presents itself as an authorized agent

1 3 **Customer-Generated Content** "Customer Generated Content' means any content or information submitted by Customer, its agents representatives, employees or Affiliates to any HY Website HY App, or HY Resource Center, and may include blog posts, comments, feedback, ideas, social media posts, and/or other submissions

1 4 **Confidential Information** Confidential Information' includes any and all technical and non-technical information including patent, copyright, trade secret, and proprietary information, techniques inventions know-how, processes apparatus, algorithms, software programs, software source documents, and proprietary code related to the current, future and proposed Deliverables and Services, and includes, without limitation, information concerning development design details and specifications, engineering financial information procurement requirements, purchasing, customer lists business forecasts sales and merchandising, marketing plans and information between the Parties Confidential Information does not include information which (a) was rightfully in the Receiving Party's possession or was rightfully known to the Receiving Party without any restrictions of confidentiality prior to its receipt from the Disclosing Party, or (b) is or becomes public knowledge that is otherwise available to the Receiving Party by readily ascertainable and lawful means

1 5 **Defects** Defects' are features or functionalities of a Deliverable that operate inconsistently with the manner or form intended by Provider

1 6 **Deliverables** "Deliverables' includes the HY Website, access to the HY App and access to the HY Resource Center

1 7 **Development Tools** Development Tools' means any tools or software used by Provider to create, debug maintain, or otherwise support, the programs, software, and applications for any Deliverables

1 8 **Disclosing Party** "Disclosing Party ' is the Party to this Agreement that discloses Confidential Information to the Receiving Party

1 9 **Expenses** ' Expenses includes costs related to any sales use, excise, or similar tax on products that become part of the Deliverables, and any third party fees, including but not limited to those resulting from credit card payments Unless expressly stated herein, these Expenses do not require Customer approval

1 10 **Holy Yoga Trainer** ' Holy Yoga Trainer' means a trainer certified by Holy Yoga, Inc to train

1 11 **HY App** "HY App" means a mobile software application for use by Holy Yoga Trainers

1 12 **HY Website** "HY Website" means a website template developed on the WordPress platform for individualized use by Holy Yoga Trainers

1 13 **HY Resource Center** "HY Resource Center" means a membership-based website that provides Holy Yoga Trainers with resources for their yoga classes

1 14 **Know-How** "Know-How" is material of a general abstract character that is used in enhanced, or developed in the course of providing Services and Deliverables "Know-How" includes methodologies delivery strategies approaches, practices generic software tools, routines components, generic code libraries (both open source and proprietary to Provider), generic content, research and background materials, training materials application building blocks templates analytical models project tools development tools, inventions, solutions and descriptions thereof, and ideas

1 15 **Receiving Party** Receiving Party" is the Party to this Agreement to whom Confidential Information is disclosed by Disclosing Party

1 16 **Services** "Services" means all services performed by Provider pursuant to this Agreement

1 17 **Third Party Software** 'Third Party Software' means code and software developed by a third-party Third Party Software includes any software programming or other intellectual property that (a) contains or is derived in any manner (in whole or in part) from any software that is distributed as free software open source software, shareware or similar licensing or distribution models, or (b) is subject to any agreement with terms requiring that such intellectual property be (i) disclosed or distributed in source code or object code form, (ii) licensed for the purpose of making derivative works and/or (iii) freely redistributable by end users to third parties without payment of compensation

2 **SERVICES and DELIVERABLES** Subject to the terms of payment set forth herein, Provider agrees to provide Customer with the Deliverables, plus certain maintenance and technology support services for the Deliverables as may be required from time to time at Provider s discretion

2 1 **Operational Availability** Provider will use its reasonable best efforts to maintain the operational availability of the key components of the Deliverables Customer acknowledges that the performance and availability of the Deliverables may be affected by maintenance Force Majeure Events, attacks on Provider's system or on a third-party's system, issues associated with the Customer s computing devices, local area networks or internet service provider connections or because of acts or omissions of Customer Provider makes no assurances that the Deliverables will be operationally available at all times and the Parties agree that Provider will in no event by liable if the Deliverables are not available for a period of time

2 2 **Support** Provider will as part of the Services and at no additional cost to Customer provide Customer with telephone and email support services during Provider's normal business hours to diagnose problems or performance deficiencies with the Deliverables Support related to Customer training or personalization is not included and may be provided at additional cost at Provider's discretion Provider will use its best efforts to respond to requests for support during normal business hours within twenty-four (24) hours Provider may amend the support services policies in its sole and absolute discretion from time to time

3 **BILLING, PAYMENTS**

3 1 **Price** Customer shall pay Provider an initial set-up fee of $99 00, plus $45 00 for the first 30 days of service for a total of $144 00 plus applicable taxes and fees (the '**First Payment**") Thereafter, Customer shall pay Provider $45 00 per month, plus applicable taxes and fees (the '**Monthly Fee**) which shall be due on the date of the month that corresponds with the date of the First Payment (the **Due Date**) (e g if the First Payment was made on June 18th, the Due Date for the Monthly Fee is the 18th day of each subsequent month) The Parties agree that the Customer's First Payment and Monthly Fees are not refundable Provider reserves the right to modify the Monthly Fee from time to time upon 30 days' prior written notice to Customer Provided, however that Provider will not increase the Monthly Fee by more than 10% in any 12 month period

3 2 **Method of Payment** Customer shall pay the First Payment by credit card via www myholy yoga Each subsequent Monthly Fee shall be automatically charged to the active credit card on file on the Due Date via the Customer's HY Website

3.3 **Billing** Customer may access billing statements via the Customer's HY Website

3 4 **Non-Payment** If the Monthly Fee is not received within twenty (20) days from the monthly Due Date Provider shall suspend Customer s HY Website, remove Customer's administration rights within the HY App and shall restrict Customer's access to the HY Resource Center (' **Suspension** ') Customer may reinstate full access and use of the Deliverables within six (6) months from the Suspension by paying a reinstatement fee of $99 00 plus $45 00 for the first 30 days of reinstated service, for a total of $144 00, plus applicable taxes and fees (the **Reinstatement Fee**), and Customer shall pay the Monthly Fee thereafter

3 5 **Changes to Payment Terms** Billing terms may be adjusted from time to time at the sole discretion of Provider and upon thirty (30) days written notice to Customer Provider also reserves the right to change its billing practices, including but not limited to, the date on which such billing will occur and the types of charges that will be included in such bills

4 OWNERSHIP OF DELIVERABLES

4 1 **Customer's License to Use Deliverables** It is the intent of the Parties that Provider retains the ownership and proprietary rights to all Deliverables Subject to the terms and conditions of this Agreement, Provider grants Customer a non exclusive, revocable, non transferable non-assignable license to use the Deliverables, Know-How, Development Tools, and Third Party Software as delivered to Customer for the term of this Agreement Customer shall not copy the Deliverables or any part therein, including code proprietary information software, or Confidential Information other than Customer s Confidential Information

4 2 **Third Party Software** Customer acknowledges and agrees that certain software developed by Provider may contain Third Party Software and, notwithstanding anything to the contrary in this Agreement, the use and disclosure of Third Party Software is at all times subject to the terms and conditions set forth in their respective licenses Provider makes no representations or warranties of any kind with respect to the Third Party Software

4 3 **Development Tools** Provider is and will remain the owner and/or licensee of all right, title and interest in and to any Development Tools that may be used to develop or maintain the Deliverables Customer acknowledges and agrees that this Agreement does not transfer or grant Customer any rights, title, or interest in and to the Development Tools

4 4 **User-Generated Content** Customer hereby grants to Provider (a) a perpetual, irrevocable, royalty-free, transferable right and license to use, copy, modify, delete in its entirety, adapt, publish translate, create derivative works from, and/or sell and/or distribute any Customer Generated Content and/or incorporate such content into any form medium, or technology throughout the world without compensation, and (b) the rights to publicity to use Customer's name and/or likeness

5 REPRESENTATIONS AND WARRANTIES

5 1 Provider and Customer each represent and warrant that
- a it has the full power and authority to enter into and perform its respective obligations pursuant to this Agreement in full accordance with the terms hereof
- b this Agreement has been duly authorized, executed and delivered by it and constitutes the valid legal and binding agreement of it and is enforceable against such party in accordance with its terms, and
- c entering into and performing its respective obligations pursuant to this Agreement will not result in any breach of or constitute a default under, any other agreement to which it is a party

5 2 Provider represents and warrants that
- a in providing the Services and Deliverables hereunder, it shall comply with all applicable laws, ordinances, rules and regulations, whether federal, state or local and
- b the Services and Deliverables will be provided in accordance with this Agreement, and
- c the Deliverables will be reasonably free of material defects in design, material, and workmanship

5 3 Customer represents and warrants that
- a All Customer-Generated Content will not, nor cause any of the Deliverables or other material, data, information, or Services to (i) infringe upon any intellectual property rights of any person business, or

entity, (ii) violate any law, statute, ordinance, or regulation, governmental or otherwise, (iii) result in product liability, tort, breach of contract, personal injury death or property damage (iv) constitute misappropriation of any intellectual property rights, trade secret or proprietary know-how, or (v) constitute a disclosure of any confidential information owned by a third party, and

b it has full and legal right to disclose transfer, assign, convey, and/or authorization to use such intellectual property rights or information referenced herein

6 WARRANTY DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, PROVIDER AND ITS AGENTS, OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS, ASSIGNS, AND AFFILIATES PROVIDE THE SERVICES AND DELIVERABLES "AS IS, WITH ALL FAULTS," AND MAKE NO REPRESENTATIONS OR WARRANTIES OF KIND, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF TITLE, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE PROVIDER DOES NOT WARRANT THAT ANY SOFTWARE DEVELOPED BY PROVIDER IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS OR WILL OPERATE IN AN UNINTERRUPTED OR ERROR-FREE MANNER, THAT THE FUNCTIONS CONTAINED IN SUCH SOFTWARE WILL FUNCTION WITH OTHER SOFTWARE OR HARDWARE, OR WITHIN A SYSTEM NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY PROVIDER OR ITS AUTHORIZED REPRESENTATIVE WILL CREATE A WARRANTY

7 INDEMNIFICATION

7 1 **Indemnification by Provider** Provider agrees to defend and indemnify Customer and its Affiliates, from and against any and all damages costs and expenses (including reasonable attorneys fees expenses and costs) solely arising out of or relating to

a Any suit filed by any third party arising from or relating in any way to a breach by Provider, its officers, its employees, or its agents, of any warranty or representation contained in this Agreement or

b Any suit filed by a third party, alleging that the Services used in the creation of the Deliverables hereunder, or the Deliverables themselves directly infringe any intellectual property rights of that third party

i The indemnification obligations in this Section will not apply to any suit for which the Service and/or Deliverable (A) is a component of or utilized in a process, work product, or third party deliverable, (B) is created pursuant to designs, ideas, content, materials requirements, or specifications of Customer or Customer-Generated Content, (C) was modified by any party other than Provider, or (D) cannot reasonably be considered to infringe directly contributorily, or by active inducement

ii In connection with its obligations in this Section, Provider, in its sole discretion, may at any time if a Service and/or Deliverable is held to infringe and the use or sale of the Service and/or Deliverable is enjoined replace the Service and/or Deliverable with a non-infringing alternative with performance and pricing that is at least equal to the performance and pricing of the Service and/or Deliverable

iii The total liability of Provider to Customer under this Section will be limited to the amounts paid by Customer to Provider under this Agreement for the period of time in which the allegedly infringing Service and/or Deliverable was in use by Customer

iv This Section states the entire liability of Provider and the sole and exclusive remedy for Customer with respect to any third party claim of infringement or misappropriation of intellectual property rights

7 2 **Indemnification by Customer** Customer agrees to defend and indemnify Provider, its Affiliates agents officers, directors employees, successors and assigns from and against any and all damages, costs, and expenses (including reasonable attorneys' fees, expenses, and costs) solely arising out of or relating to

a Any suit filed by any third party arising from or relating in any way to a breach by Customer, its officers its employees, or its agents, of any warranty or representation contained in this Agreement, or

b Any suit filed by any third party, arising from or relating in any way to Provider having followed or implemented Customer s Customer-Generated Content, designs, information, or specifications in the Service and/or Deliverable provided by Customer, and Provider thereby infringed, breached, or violated an intellectual property right, right of privacy or any common law rights

7 3 **Indemnification Requirements** With respect to any indemnification obligations in this Section, the indemnitee shall

a notify the indemnifying party in writing promptly after the indemnitee becomes aware of the claim for which the indemnification obligation applies

b subject to the terms set forth in Section 7 4, allow the indemnifying party control of the investigation, defense, and settlement of the claim and

c cooperate with the indemnifying party in the defense of the claim (at the reasonable expense of indemnifying party)

For all actions under this Section, the indemnifying party shall defend the indemnitee with counsel that is reasonably acceptable to the indemnitee The indemnitee will be entitled to reimbursement from the indemnifying party following the settlement, completion, or conclusion of any action under this Section

7 4 **Assumption of Defense** If the indemnifying party assumes the defense of a claim under this Section, it shall keep indemnitee reasonably informed of the progress of the defense compromise, or settlement and permit indemnitee to participate in the suit in an advisory capacity If indemnifying party fails to assume the defense of any claim within fifteen (15) calendar days after receipt of notice of the claim, indemnitee will (upon notice to indemnifying party) have the right to undertake, at expense of indemnifying party, the defense, compromise, or settlement of the claim, subject to the limitations set forth in Section 7 1 If indemnitee wishes to assume the defense and control of the claim and indemnifying party is not a party to the claim, indemnitee may, upon notice to indemnifying party elect to control the defense of the suit and defend the suit with counsel of its choice and consult with counsel of indemnifying party as to all significant decisions If indemnitee assumes defense and control, indemnitee and indemnifying party shall share the costs of counsel of indemnitee and any damages assessed in the suit or payments required to be made in any settlement thereof on a [50-50] basis, subject to the cap of Section 7 1(b)(iii) as to the liability of Provider

8 LIMITATION OF LIABILITY **SUBJECT TO THE LIMITATIONS SET FORTH HEREIN, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND REGARDLESS OF WHETHER ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE AND REGARDLESS OF WHAT CAUSE OF ACTION (INCLUDING NEGLIGENCE) OR CLAIM FOR RELIEF IS ASSERTED, IN NO EVENT WILL EITHER PARTY OR ITS AGENTS, OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS, ASSIGNS, OR AFFILIATES BE LIABLE TO THE OTHER PARTY OR ANY OTHER PERSON FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR OTHER SPECIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF DATA, LOST TIME, LOST SAVINGS, LOST CONFIDENTIAL OR OTHER INFORMATION, BUSINESS INTERRUPTION, OR FOR ANY MATTER ARISING FROM OR RELATING TO THIS AGREEMENT EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE WITH THE EXCEPTION OF THE AMOUNT THAT CUSTOMER OWES PROVIDER FOR SERVICES RENDERED, THE AGGREGATE LIABILITY OF EITHER PARTY FOR ANY CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT WILL BE LIMITED TO THE AMOUNT PAID BY CUSTOMER TO PROVIDER FOR THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EVENTS GIVING RISE TO SUCH CLAIM**

9 EXCLUSIVE REMEDIES Any and all claims arising out of or relating to this Agreement shall expire unless filed within one (1) year after the first date or performance or breach, which in whole or part give rise to the claim These remedies will be determined in accordance with Minnesota law, and are exclusive and in lieu of all other remedies available at law or in equity for any act performed in connection with this Agreement or for any breach of this Agreement whether brought under a theory of tort liability contract liability, or any other theory

10 CONFIDENTIALITY

10 1 **Nondisclosure Obligation** Receiving Party agrees (a) to hold Confidential Information in confidence and not disclose

it to any third party, (b) to use its best efforts to protect Confidential Information in accordance with the same degree of care with which it protects its own Confidential Information, (c) not to disclose any Confidential Information to any person, firm or business, except to the extent necessary for internal evaluations in connection with matters authorized under this Agreement, and for any other purpose Disclosing Party may hereafter authorize in writing Receiving Party shall immediately give notice to Disclosing Party of any unauthorized use

or disclosure of Confidential Information Receiving Party agrees to assist Disclosing Party in remedying any such unauthorized use or disclosure of the Confidential Information of Disclosing Party

10 2 **Exclusions from Nondisclosure Obligation** The obligations under Section 10 1 of each of the Parties with respect to

any portion of the Confidential Information of the other party shall not apply to such portion that (a) was in the public domain at or subsequent to the time such portion was communicated to Receiving Party through no fault of Receiving Party, (b) was rightfully in the possession of Receiving Party, free of any obligation of confidence at or subsequent to the time such portion was communicated to Receiving Party by Disclosing Party, (c) was developed by employees or agents of Receiving Party independently of and without reference to any information communicated to Receiving Party by Disclosing Party (d) was communicated by Disclosing Party to an unaffiliated third party free of any obligation of confidence, or (e) is approved (via written authorization) by Disclosing Party for release by Receiving Party A disclosure of the Confidential Information of Disclosing Party either (i) in response to a valid order by a court or other governmental body (ii) as is otherwise required by law, or (iii) as necessary to establish the rights of either party under this Agreement shall not be considered to be a breach of this Agreement by Receiving Party or a waiver of confidentiality for other purposes If Receiving Party is required by law to disclose Confidential Information (pursuant to a subpoena, discovery, warrant, or similar legal process), Receiving Party shall to the extent allowed by law promptly notify Disclosing Party upon receipt of such demand and reasonably cooperate with Disclosing Party (at the expense of Disclosing Party) in any attempt to quash such legal process or to seek a protective order or other appropriate relief requested by Disclosing Party

Notwithstanding the provisions of this Section 10, the Parties expressly agree that Provider may disclose to Holy Yoga, Inc Customer's customer lists business forecasts and aggregate data

10.3 **Ownership and Return of Confidential Information and Other Materials** All Confidential Information of each of

the Parties shall remain the property of Disclosing Party, and no license or other rights to such Confidential Information is granted or implied hereby All materials (including, without limitation, documents, drawings models, designs, lists and all other tangible media of expression) furnished by Disclosing Party to the Receiving Party and which are designated in writing to be the property of Disclosing Party, shall remain the property of Disclosing Party Upon written request of Disclosing Party, Receiving Party shall destroy or return to Disclosing Party all Confidential Information, except that one (1) copy may be retained in its files to be used solely in connection with any dispute that may arise with respect to the Confidential Information

10 4 **Privacy Policy** Provider reserves the right to include a privacy policy applicable to all users of the Hy App, the HY Website, and the HY Resource Center, which may be modified from time to time by Provider in its reasonable discretion, provided, however that any changes to the privacy policy will comply with material applicable laws

11 **TERM** The term of this Agreement will commence on the Effective Date and will remain in force unless terminated as provided in Section 12

12 **TERMINATION**

12 1 **Termination for Cause** Either Party may terminate this Agreement as follows

a In the event of a material breach by the other Party of its obligations under this Agreement, if the Party in breach fails to cure the condition of breach within ten (10) days after receipt of written notice of breach,

b If Customer fails to pay the Monthly Fee more than twenty (20) days after the Due Date

12 2 **Termination for Convenience** Either Party may terminate this Agreement at any time for its convenience, with or without cause, by giving thirty (30) days' prior written notice to the other Party

12 3 **Effect of Termination** Upon any termination of this Agreement Provider will stop providing the Services and/or Deliverables If Customer does not pay the Reinstatement Fee and reinstate the Services and Deliverables within six (6) months from the Suspension and termination of the Agreement as provided herein Provider may remove all Customer data and information associated with Customer's Deliverables, and it shall not be retrievable

13 Survival of Terms In the event of termination of this Agreement for any reason, the provisions and obligations of Sections 3 through 10, and obligation of Customer for payment of the Services and/or Deliverables provided prior to or on the date of termination, will survive any such termination and will be enforceable after termination

14 **FORCE MAJEURE** No party will be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to the other party hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("**Impacted Party**') reasonable control, including, without limitation, the following force majeure events ("**Force Majeure Events**') (a) acts of God (b) flood, fire earthquake or explosion, (c) war, invasion hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest, (d) government order or law (e) actions, embargoes or blockades in effect on or after the date of this Agreement, (f) action by any governmental authority (g) national or regional emergency, (h) strikes, labor stoppages or slowdowns or other industrial disturbances, and (i) shortage of adequate power or transportation facilities A change in economic circumstances will not be considered a Force Majeure Event The Impacted Party shall give prompt notice to the other party, as determined by the scope of the Force Majeure Event, stating the period of time the occurrence is expected to continue The Impacted Party will use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause In the event that the Impacted Party s failure or delay remains uncured for a period of 30 days following written notice given by it under this Section, either party may thereafter terminate this Agreement upon five (5) days written notice

15 **ASSIGNABILITY** This Agreement is binding upon and will inure to the benefit of the Parties, their legal representatives, successors, and assigns Except as otherwise expressly provided in this Agreement neither Party may assign, transfer convey or encumber this Agreement or any rights granted in it, either voluntarily or by operation of law, without the prior written consent of the other Party Any attempt to do so is null and void Notwithstanding the foregoing, any successor in interest by merger, operation of law, or purchase of the entire or substantially all of the business or assets of either party may acquire all interest hereunder, provided such successor is subject to all obligations hereunder

16 **AFFILIATES** The Parties acknowledge and agree that Provider may employ or contract some of its duties under this Agreement to its Affiliates and/or sub-contractors

17 **GOVERNING LAW** This Agreement will only be governed by and construed in accordance with the laws of Minnesota The Parties agree that, in the event of any suit or proceeding arising out of or related to this Agreement, the courts of Minnesota will have exclusive jurisdiction and the Parties shall submit to the jurisdiction of such courts

18 **NO WAIVER.** No failure of either Party to exercise, and no delay in exercising, any right, power or privilege under this Agreement is a waiver of that right, power or privilege Any single or partial exercise of any right under this Agreement does not preclude any other or further exercise of that right or the exercise of any other right Any waiver of any provision of this Agreement is effective only in the specific instance and for the specific purpose for which the waiver is given

19 **RELATIONSHIP OF THE PARTIES** Provider is an independent contractor Nothing in this Agreement will be construed as creating any joint venture, partnership, employment or agency relationship between the Parties

20 **PUBLICITY** Customer expressly consents to Provider reproducing and publicizing its trading name, trademarks, logos and any Services or Deliverables created pursuant to this Agreement on the corporate website of Provider and in company presentations Neither Party consents to the reproduction or publication of information that would otherwise be considered Confidential Information Each Party retains the right to revoke this consent by providing said request to the other Party in writing

21 **APPROVAL** Wherever this Agreement requires either Party s approval consent or satisfaction such approval consent or satisfaction may not be unreasonably or arbitrarily withheld or delayed

22 **HEADINGS** Headings contained in this Agreement are for convenience of reference only and do not form part of this Agreement

23 **SEVERABILITY** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction is ineffective to the extent of such prohibition or unenforceability in that jurisdiction alone The validity enforceability, or legality of the remaining provisions will not be affected

24 **COUNTERPARTS** This Agreement may be executed in any number of counterparts Each counterpart is an original and all of which when taken together constitute one and the same instrument One or more counterparts of this Agreement may be signed via electronic signature and delivered electronically via PDF or other format selected by Provider, these formats have the same effect as an original executed counterpart

25 **ENTIRE AGREEMENT** This Agreement constitutes and expresses the entire agreement and understanding between the Parties superseding any prior communications, understanding commitments, or agreements, oral or written, with respect to the subject matter hereof The Parties are not relying on any representations or warranties other than those expressly provided herein Any changes or modifications to this Agreement must be in writing and signed by an authorized representative of both Parties before taking effect Any handwritten changes on the face of this document will be ignored and have no legal effect unless initialed by both parties

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement as of the Effective Date

PROVIDER

JETTISON LABS, LLC

_____

By Luke Frederick
Its Chief Manager

CUSTOMER

_____

EXHIBIT "I"

TO DISCLOSURE DOCUMENT

STATE ADDENDUM

[See Attached]

California State Addendum to Franchise Agreement and Franchise Disclosure Document

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

2 Neither the franchisor nor any person or franchise broker in Item 2 of the FDD 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

3 California Business and Professions Code 20000 through 20043 provides rights to the franchisee concerning termination or non-renewal of a franchise If the franchise agreement contains a provision that is inconsistent with the law, California law will control

4 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)

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

6 The franchise agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

7 The franchise agreement requires binding arbitration The arbitration will occur at Maricopa County, Arizona with the costs being borne by the losing party

8 Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

9 The franchise agreement requires application of the laws of Arizona This provision may not be enforceable under California law

10 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

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

12 OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at http //www dbo ca gov

FRANCHISOR	**FRANCHISEE**
Holy Yoga, Inc , an Arizona non-profit corporation	
By _____	_____
Name _____	[Signature]
Title _____	_____
	[Print Name]
_____	_____
[Date]	[Date]

EXHIBIT "J"

TO DISCLOSURE DOCUMENT

RECEIPTS

[See Attached]

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language Read this Disclosure Document and all agreements carefully

If Holy Yoga, Inc offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale

If Holy Yoga, 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 DC 20580, and the appropriate state agency listed in EXHIBIT "A" to this Disclosure Document

The franchise seller(s) involved with the sale of this franchise is/are

Brooke Boon, 14052 South 24th Way, Phoenix, Arizona 85048, (602) 321-1819

_____

_____

Issuance Date September 9, 2016

Holy Yoga, Inc 's agent to receive service of process is Commissioner of Business Oversight, Department of Business Oversight, 320 West 4th Street, Suite 750, Los Angeles, California 90013

I received a Franchise Disclosure Document for the State of California that included the following Exhibits

EXHIBIT "A"	State Agencies and Administrators
EXHIBIT "B"	Franchise Agreement
EXHIBIT "C"	Table of Contents of the confidential Operating Manuals
EXHIBIT "D"	List of Franchisees
EXHIBIT "E"	Financial Statements of Holy Yoga, Inc
EXHIBIT "F"	Franchisee Disclosure Questionnaire
EXHIBIT "G"	General Release
EXHIBIT "H"	Technical Services Agreement
EXHIBIT "I"	State Addendum
EXHIBIT "J"	Receipts

_____
Print Name

_____
Date

_____
(Signature) Prospective Franchise Owner

_____

(This Receipt should be executed in duplicate One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner s copy The other Receipt must be signed and returned to Holy Yoga, Inc)

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This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language

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