FRANCHISE DISCLOSURE DOCUMENT

Mighty Kicks Franchising LLC
A Virginia Limited Liability Company
~~5555 Calvert Creek Drive~~
9810 Rising Eagle Place
Colorado Springs, CO ~~80924~~80908
(617) 827-1775
luke@mightykicks.net
www.mightykicks.net

The franchisee will operate a Mighty Kicks franchised business offering a Mobile Soccer Program to daycares, preschools, elementary schools, and child learning centers along with an Open Program (open to the community) and Recreational Leagues for children ages 2-8. Recreational League(s) are defined as non-competitive, fun, introductory soccer league with practices and games utilizing volunteer coaches to assist the teams. The total investment necessary to begin operation of a Mighty Kicks franchise is $10,200 – $16,200. This includes $9,700 that must be paid to the franchisor or affiliate.

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 Mighty Kicks Franchising, LLC at ~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908 and (617) 827-1775.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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: February ~~13, 2018~~22, 2019

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 YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN LARIMER COUNTY, COLORADO. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN COLORADO THAN IN YOUR OWN STATE.

2) THE FRANCHISE AGREEMENT STATES THAT VIRGINIA 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 FRANCHISE AGREEMENT STATES THAT FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

(SEE THE STATE SPECIFIC ADDENDA ATTACHED AS EXHIBIT F)

Note: The agreement provisions referred to in the risk factors may be void under some state franchise laws. See the State Specific Addenda, which are attached to this Disclosure Document as Exhibit F.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: ____________________

FRANCHISE DISCLOSURE DOCUMENT

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MIGHTY KICKS FRANCHISING LLC
FRANCHISE DISCLOSURE DOCUMENT

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

To simplify the language of this disclosure document, "MIGHTY KICKS," "we," "us," or "our" means MIGHTY KICKS FRANCHISING LLC, the Franchisor. "Franchisee" or "you" means the person, corporation, partnership or other entity that buys a MIGHTY KICKS franchise. If you are a corporation, partnership or other entity and we require your shareholders, partners, owners, or members to sign a personal guaranty, "Franchisee" and "you" includes each person signing a guaranty.

Our name is Mighty Kicks Franchising LLC, and our principal business address is ~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908. We conduct business under the name "Mighty Kicks Franchising LLC" and under the trademarks and service marks, MIGHTY KICKS, MIGHTY KICKS (graphic), and related marks that we designate ("Marks"). We do not conduct business under any other names or marks. Our agents for service of process and their principal business addresses are disclosed in Exhibit B. We are a Virginia limited liability company that was organized on February 19, 2010. We do not operate businesses of the type being franchised, but our affiliate, Corban Soccer, LLC, ~~does~~did operate such a business until its assets were sold in November 2018. We have no parents or predecessors that must be disclosed.

As of January 1, 2015, Mineral Point Enterprises LLC ("Mineral Point") owns a 7 percent membership interest in Mighty Kicks Franchising LLC. Mineral Point is a Colorado limited liability company with a principal business address at 1318 Ticonderoga Drive, Fort Collins, CO 80525. Luke Vercollone, founder of Mighty Kicks and owner of a 93 percent interest in Mighty Kicks, continues to operate and control Mighty Kicks Franchising LLC. Mineral Point does not offer for sale or sell franchises in any line of business. Mineral Point has not and does not operate a business of the type being franchised at this time.

The name of our affiliate is Corban Soccer, LLC, and its principal business address ~~is~~was 13704 Woodbridge Crossing Way, Midlothian VA, 23112. Corban Soccer, LLC ~~conducts~~conducted business under the name "Little Kicks" and ~~operates~~operated a business of the type being franchised~~.~~ until its assets were sold in November 2018. Corban Soccer, LLC ~~has been offering~~offered soccer programs to preschools and day cares in the Richmond, Virginia area ~~since~~from its inception on June 5, 2008 until its assets were sold in November 2018. Corban Soccer, LLC does not offer for sale or sell franchises in any line of business.

MIGHTY KICKS FRANCHISING LLC was organized on February 19, 2010 to sell MIGHTY KICKS franchises. MIGHTY KICKS offers and sells franchises to qualified soccer clubs, individuals, partnerships, corporations or other entities granting the right to establish and operate one franchise within a defined territory which will be determined by MIGHTY KICKS and will be defined in Exhibit 1 of the Franchise Agreement ("Territory"). We have not offered any other franchises providing the type of business you will operate or in any other lines of business.

MIGHTY KICKS franchises the right to operate businesses that provide Mobile Soccer Programs to daycares, preschools, elementary schools, and child learning centers in a defined territory for children ages 2 to 8 years. In addition, MIGHTY KICKS franchises the right to operate an Open Program (open to the community) in a defined territory for children ages 2-8 years and Recreational Leagues for children ages 2-8. Recreational League(s) are defined as non-competitive, fun, introductory soccer league with practices and games utilizing volunteer coaches to assist the teams. The characteristics of our soccer program include: a license to use the Marks as described in this Franchise Disclosure Document for the operations of the franchise; approved soccer equipment; research techniques; marketing techniques; templates; materials (brochure, poster, flier, business card); the MIGHTY KICKS website; online registration; the MIGHTY KICKS Operations Manual ("Operations Manual"); curriculum; record keeping; and consultation as such resources are changed, improved and further developed by us.

MIGHTY KICKS targets its franchise marketing efforts to professional soccer players, soccer clubs, and others with significant soccer experience who have experience working with young children. Persons with some or all of this experience may be more suitable to operate a MIGHTY KICKS franchise.

To operate the franchised business, you will use our forms, methods, systems, procedures and partners that we authorize. You may not compete with MIGHTY KICKS or Corban Soccer LLC in any way and must use the specialized forms and systems we have authorized. You must offer only the services that we designate under our Marks. You may be required to offer programs that are further developed in the future by us.

You must agree to promote your franchise actively and within a specific geographic Territory identified in the Franchise Agreement through the use of promotional materials we have furnished or approved. The general market for your franchise will consist primarily of elementary schools, preschools, child care centers, children's groups, parents' groups, and parks located in your Territory. You will also draw upon the general public for your customer base. The market for this type of soccer program is continuously developing. MIGHTY KICKS' franchises do not have to be seasonal as soccer can be and is played both indoors and outdoors throughout the year. Your competitors include other businesses offering similar services, including other locally-sponsored children's soccer programs and leagues and other soccer franchise systems. Your ability to compete with these competitors will depend on various factors, including the geographical area of your Territory, general economic conditions, and your particular capabilities.

You are responsible for complying with all applicable federal, state and local laws. Some laws that are specific to the industry in which the franchise operates are child care and education laws. You are responsible for complying with all day care, preschool, and school laws and any other applicable laws in connection with the education or care for children, particularly those that relate to employees and background checks. In addition, you must comply with all federal, state and local laws that apply to all businesses. You should investigate all applicable federal, state and local laws.

ITEM 2. BUSINESS EXPERIENCE

Luke Vercollone

Luke Vercollone is the founder, the President and is and has been the controlling member and manager of MIGHTY KICKS FRANCHISING LLC since its organization on February 19, 2010. Luke ~~is~~was the owner/operator of Corban Soccer, LLC, which ~~operates~~operated under the name "Little Kicks" in Richmond, Virginia. Luke played professional soccer for the Richmond Kickers from February 2008 through September 2014 and ~~has~~ owned and operated Corban Soccer, LLC since its organization on June 5, 2008~~.~~ until he sold its trade name, Little Kicks, and other assets in November 2018 to the Richmond Kickers. Luke ~~currently plays~~play professional soccer in the USL PRO League with the Colorado Springs Switchbacks FC ~~since~~from October 10, 2014 to ~~the present~~his retirement from professional soccer on October 15, 2018.

Jeremy Bulen

Jeremy Bulen is the General Manager for MIGHTY KICKS FRANCHISING LLC and has served in that capacity since November 1, 2012. From January 2008 to 2013, Jeremy worked for the Colorado State University Athletic Department in Fort Collins, Colorado. Jeremy has been the owner/operator of Mighty Kicks Northern Colorado since August, 2012.

ITEM 3. LITIGATION

Except for the Consent Order that Mighty Kicks and Mighty Kicks' President Luke Vercollone entered into with the State of Washington as described below, no litigation is required to be disclosed in this Item.

Based on an investigation by the Washington Department of Financial Institutions Securities Division ("DFI"), DFI alleged that Mighty Kicks and Mighty Kicks' President Luke Vercollone granted a franchise in that state without prior registration, in violation of the Washington Franchise Investment Protection Act. On May 3, 2016, Mighty Kicks, Luke Vercollone and DFI entered into a Consent Order whereby Mighty Kicks and Luke Vercollone, along with their agents and employees, without admitting or denying the findings of fact or conclusions of law, agreed and were ordered not to offer or sell franchises in violation of RCW 19.100.020, the registration section of the Washington Franchise Investment Protection Act. In addition, Mighty Kicks and Luke Vercollone agreed and were ordered to pay the state's investigative costs of $1,250. Mighty Kicks is now registered to offer and sell franchises in the State of Washington.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Our initial franchise fee is $9,700. This fee includes 12-16 hours of initial training; your Territory (as defined in Exhibit 1 of the Franchise Agreement); one MIGHTY KICKS Operations Manual; templates for waivers, registration, newsletter, accounting, etc.; templates for marketing materials, brochures, fliers, posters and business cards; research tools and techniques; use of one page on the MIGHTY KICKS website; your own e-mail account; technical support; access to online registration set up and training; support and assistance from Mighty Kicks Franchising; and the designated rights to the Marks. This fee also includes our expenses of marketing the franchise, processing the application, background checks, attorney fees, registering the franchise in your state if necessary, and other expenses associated with the process of finding and qualifying a new franchisee. Except as provided in this Item 5, the initial franchise fee is uniform to all persons currently acquiring a franchise. The initial franchise fee may not be paid on an installment basis and must be paid in full upon the signing of the Franchise Agreement. The Franchise Agreement is attached to this Disclosure Document as Exhibit C.

We may grant you an option to develop an additional territory at our sole discretion. The initial franchise fee for an additional territory is $6,000. The initial franchise fee may not be paid on an installment basis. You will be required to sign the then-current Franchise Agreement for the additional territory. The initial franchise fee must be paid in full upon the signing of the Franchise Agreement for the additional territory.

You must complete the initial training program satisfactorily before you open your franchise for business. We have the sole discretion to terminate the Franchise Agreement if we determine that you failed to satisfactorily complete the initial training and/or if we determine that you are an unsatisfactory franchisee based on your conduct, performance and/or other circumstances before the opening of your franchised business. If MIGHTY KICKS terminates the Franchise Agreement during your training or any time before the opening of your business, you will be refunded seventy five percent (75%) of your initial franchise fee(s). No other refunds are available under any other circumstances.

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ITEM 6. OTHER FEES

OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Monthly Fee	$225/month starting 5th month after signing.	Due at the start of the 5th month after signing and every month after that.	See note 1.
Transfer Fee	$3000	Before consummation of transfer	See note 2.
Renewal Fee	$1000	Due upon signing of Renewal Agreement	See note 3.
Training and Assistance	No specified amount	As incurred	See note 4.
Late Fees	10% of overdue amount	Payable on demand	Payable on amounts not paid within 5 days after due.

Notes

1. The Monthly Fee covers only one Territory. The Monthly Fee for each Territory is $225 per month starting the 5th month after signing (this comes to $1,800 for the first year and $2,700 for years 2 and following). For example, if a franchisee signs on January 1st, their first monthly royalty payment will be due on May 1st. All fees are generally imposed uniformly on all franchisees who sign our current Franchise Agreement, but we may in unique situations modify certain fees. Certain fees set forth in the current Franchise Agreement have changed from the amounts charged in the past and may change in the future. Franchisees are only responsible for those fees contained in the Franchise Agreement that they execute.

Therefore, existing and future franchisees may have fees imposed on them that are different from those represented in this table. We reserve the right to collect all fees by automatic withdrawal from your bank account. All fees are non-refundable.

2. The Transfer Fee is for the value of the developed business as well as for the training, administrative costs, accounting, counseling fees, legal fees, and other expenses that relate to the transfer of the franchise. The Transfer Fee does not apply to transfers from you to a corporation where you remain the majority shareholder of such corporation or to your heirs, beneficiaries, legal successors or devisees if you become deceased or incapacitated. All fees are payable only to MIGHTY KICKS and are imposed and collected by MIGHTY KICKS. All fees are non-refundable.

3. The Renewal Fee is for the administrative costs, attorney fees, accounting and other expenses related to the renewal of the franchise. The renewal period is every 7 years. All fees are

payable only to MIGHTY KICKS and are imposed and collected by MIGHTY KICKS. All fees are non-refundable.

4. The initial franchise fee covers training for 2 individuals. A fee of $400 per individual will be charged for additional members receiving training and must be paid in full at least two weeks prior to the first day of the initial training. You will pay your own expenses including travel, lodging, and food charges in connection with the initial training. You are responsible for completing 2 days of mandatory training at a location we select. All fees are payable only to MIGHTY KICKS and are imposed and collected by MIGHTY KICKS. All fees are non-refundable.

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ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Initial Franchise Fee	$9,700 (Note 1)	Lump sum	When Franchisee signs Franchise Agreement	Franchisor
Training Fees	$0-$800 (Note 2)	Lump sum	Two weeks before first day of initial training	Franchisor
Travel and Living Expenses	$0-$1500 (Note 3)	As Incurred	During Initial Training	Airlines, Trains, Automobiles, Hotels, and Restaurants
Initial Insurance	$300-$1000 (Note 4)	As Incurred	Before Opening	Insurance Carrier
Office Equipment and Supplies	$0-500	As arranged	As purchased	Suppliers
Prepaid Expenses and Deposits	$0-$500 (Note 5)	As incurred	As incurred	City, county, and state governments; utility companies
Organizational Costs	$0-$500 (Note 6)	As incurred	As incurred	Franchisee determines
Soccer Equipment	$200-$500 (Note 7)	As arranged	Before Opening	Suppliers
Additional Funds (first 3 months)	$0-$1200 (Note 8)	As incurred	As incurred	Franchisee Determines Other expenses that may be incurred.
TOTAL Estimated Initial Investment	$10,200-$16,200 (Note 9)			

Notes

1. See Item 5. We may grant you an option to develop an additional territory at our sole discretion. The initial franchise fee for an additional territory is $6,000 and must be paid in full upon the signing of the then-current Franchise Agreement. We have the sole discretion to terminate the Franchise Agreement if we determine that you failed to satisfactorily complete the initial training and/or we believe you are an unsatisfactory franchisee based on your conduct, performance and/or other circumstances before the opening of your franchised business. If MIGHTY KICKS terminates the Franchise Agreement during your training or any time before the opening of your business, you will be refunded seventy five (75%) of your initial franchise fee(s). No other refunds are available under any other circumstances.

2. The initial franchise fee covers training for 2 individuals. A fee of $400 per individual will be charged for additional members receiving training and must be paid in full at least two weeks prior to the first day of the initial training. All fees are non-refundable.

3. You will pay your own expenses including travel, lodging, and food charges in connection with the initial training. Whether each payment is refundable is determined by each carrier you select. Training may take place within your territory.

4. You must obtain and maintain various types of insurance as set forth in the Franchise Agreement and Operations Manual. We estimate that the initial cost of this insurance will be $1,000 per year, depending on various factors specific to your business. Whether each payment is refundable is determined by each carrier you select.

5. This expense includes security deposits, utility deposits, business licenses, permit costs and other prepaid expenses. Whether each payment is refundable is determined by each provider you select and/or each governmental entity to which you must apply.

6. Organizational costs include legal and accounting fees, incorporation costs, and other miscellaneous expenses incurred before opening. Whether each payment is refundable is determined by each service provider you select and/or each governmental entity to which you must apply.

7. You must obtain and maintain your own soccer equipment to use in the operations of your franchise. The necessary equipment and its specifications are detailed in our Operations Manual. Whether each payment is refundable is determined by each supplier you use.

8. This estimate is based on our affiliate's past experience and may vary depending on a variety of factors, including location of Territory and your preferences. Whether each payment is refundable is determined by each provider, vendor, and/or supplier you select.

9. We have compiled the estimates based on our past experience. This table estimates your initial start-up expenses. These projections may not reflect the level of investment actually required of MIGHTY KICKS' future franchisees. The actual investment may vary considerably from

these estimates depending upon many factors, including location of the Territory, costs, inflation, geographical area and the capabilities of any particular management and service team. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer direct or indirect financing to franchisees for any items (see Item 10).

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate the franchised business according to our standards, guidelines, specifications, and operational rules as set forth in the Operations Manual. The Operations Manual may be modified from time to time. We will notify you of these modifications. Apart from the requirements listed in this Item 8, there are currently no other goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, or real estate for the franchised business that you must buy or lease from us or anyone else.

You will need to obtain access to a computer, Microsoft Word, Microsoft Office, and the Internet in order to complete record keeping, manage and access the registration database, and send and respond to e-mail as we require. We and our affiliate do not supply these items. We do not require you to use any specific provider or supplier to obtain or maintain these items, and we do not derive any revenue from these required purchases.

You will be given a page on our website that you can control (subject to our approval) while keeping the template the same. The website we provide you is the only website you may use for the franchised business.

You will need access to a vehicle in good working order and appearance (subject to our approval). We and our affiliate do not supply vehicles. We do not require you to use any specific manufacturer or dealer to obtain or maintain these vehicles, and we do not derive any revenue from these required purchases. We also do not require you to use any specific vehicle make or model in your franchised business.

You may use and purchase the approved soccer equipment set forth in the Operations Manual from any supplier. We and our affiliate do not supply these items. We do not require you to use any specific supplier to obtain or maintain these items, and we do not derive any revenue from these required purchases.

You only need access to a vehicle, a computer, Microsoft Word, Microsoft Office, and the Internet, but we do not require you to purchase or lease those items. The only purchase we require you to make in establishing and operating the franchised business is the purchase of the approved soccer equipment. Our estimated proportion of all required purchases and leases by the franchisee as set forth in this Item 8 to all purchases and leases by the franchisee of goods and services in establishing and operating the franchised business is 100%.

You may only use the MIGHTY KICKS Marks on advertisements and promotional materials in relation to the franchised business. We reserve the right to designate the content, themes, materials, and placement of all advertisements or promotional materials used by you. You may not use any advertising or promotional materials that we disapprove. You must submit all advertising and promotional materials to us for approval at least 7 business days before publication unless specifically waived in writing by us as to each particular advertisement or marketing campaign.

While not required to do so by the Franchise Agreement, we may from time to time negotiate favorable purchasing arrangements with suppliers of soccer equipment, marketing material and other items that you will use in your business. You are not required to purchase goods or services from such suppliers. We do not and have not received any revenue or other consideration from suppliers based upon a franchisee's purchases. Further, other than any benefit you derive from purchasing from a supplier with whom we may negotiate favorable purchasing arrangements, we do not provide any benefit to you based on your purchases of particular products or services or for the use of particular suppliers. At this time, no purchasing or distribution cooperatives exist.

None of our officers owns an interest in any supplier of any products or services listed in this Item 8.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

FRANCHISEE'S OBLIGATIONS

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Section 4	Items 11 and 12
b. Pre-opening purchases/leases	Section 10	Item 8
c. Site development and other pre-opening requirements	Sections 8, 9, 10, 12, 14(a), 15, 16, 17 and 19	Items 5, 6, 7, 8, 11, and 12
d. Initial and ongoing training	Sections 9 and 15	Items 6, 7 and 11
e. Opening	Section 16	Item 11
f. Fees	Sections 3(h), 5, 9, 14, 15, 21(c) and 25(a)	Items 5, 6, 7, and 11
g. Compliance with standards and policies/Operations Manual	Definitions Section and Sections 8, 10, 18 and 23	Items 8 and 11
h. Trademarks and proprietary information	Definitions Section and Sections 7, 8, 13, 20, 22 and 23	Items 13 and 14
I. Restrictions on products/services offered	Section 10	Items 8, 11, 12, 15 and 16

j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quotas	Not Applicable	Not Applicable
l. Ongoing product/service purchases	Section 10	Items 8 and 11
m. Maintenance, appearance and remodeling requirements	Not Applicable	Not Applicable
n. Insurance	Section 19	Item 7
o. Advertising	Section 21	Item 11
p. Indemnification	Section 31	Item 9
q. Owner's participation/ management/staffing	Sections 6 and 15	Item 15
r. Records and reports	Sections 18 and 23	Items 6 and 11
s. Inspections and audits	Sections 18 and 23	Items 6 and 11
t. Transfer	Sections 24 and 25	Items 6 and 17
u. Renewal	Section 3	Items 6 and 17
v. Post-termination obligations	Sections 22 and 29	Item 17
w. Non-competition covenants	Section 22	Item 17
x. Dispute resolution	Section 35	Item 17

ITEM 10. FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

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

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

A. <u>Our Obligations Before the Opening of the Franchised Business</u>

Pursuant to federal and state law, background checks must be conducted on any individual who works in, or offers services to, day care centers and preschools. We, therefore, shall conduct background checks on you, upon your consent, before the signing of the Franchise Agreement at our expense (Section 12 of Franchise Agreement), and you must conduct background checks on your employees (Section 17 of Franchise Agreement).

We will loan to you during the term of the franchise one numbered copy of a confidential Operations Manual containing reasonable, mandatory, and suggested specifications, standards, operating procedures and rules periodically established by us for MIGHTY KICKS franchises and information relative to your obligations and the operation of your Franchised Business, including specifications regarding the guidelines for researching, identifying target schools, contacting and selling the program to those sites, marketing the program to parents and children, managing the enrollment and reenrollment processes, and organizing your enrollment and attendance records. This Operations Manual will also detail the teaching procedures and proprietary curriculum. (Section 8 of Franchise Agreement) The Table of Contents of the most recent Operations Manual is attached as Exhibit D. As of the date of this FDD, the Operations Manual is 160 pages long not inclusive of attachments and it has the following number of pages devoted the following topics at this time: Cover (1 page), Confidentiality Agreement (1/2 page), Limitations and Policies of Operations Manual (1/2 page), Table of Contents (5 pages); Introduction (7 pages); Independent Contractor (1 page); Start With The Why (1 page); Strategy (6 pages); Strategy Part II (4 pages); Goal Setting (5 pages); Requirements and Responsibilities of the Franchisee (4 pages); Safety Standards (1 page); Forming Your Mighty Kicks Business (3 pages); Marketing, Promoting the Mighty Kicks Program to the Schools (19 pages); More Marketing Strategies (10 pages); The Schools (2 pages); The Participants (3 pages); The Parents (1 page); The Directors (5 pages); Promoting the Mighty Kicks Program to the Parents and Students (9 pages); The Programs and Pricing (21 pages); The Mighty Kicks Curriculum (8 pages); Mighty Kicks Instructors (8 pages); Registration (4 pages); Record Keeping (1 page); Mighty Kicks Website (1/2 page); Mighty Kicks Open Program (1/2 page); Parent/Child Interactive Classes (1 page); Mighty Kicks Elementary School Program (1 page); Taxes (6 pages); Benefiting Your Soccer Club (1 page); Competition (3 pages); Managing a Growing Business (9 pages); Succeeding as a Franchisee (3 pages); The Entrepreneur Mindset (2 pages); Dale Carnegie's Leadership and Friendship Principals (2 pages); Top 50 Qualities of a Great Salesman (1 page).

We do not provide you directly or indirectly with the equipment or supplies necessary for the franchised business. We do provide written specifications for the equipment and supplies in our Operations Manual, but we do not provide you with names of "approved" suppliers. We do not deliver or install any of the equipment or supplies. (Section 10 of Franchise Agreement).

We will provide you with record keeping and accounting templates in Microsoft Excel format, enrollment forms and materials, and liability waivers that you will use in the franchised business. We may periodically change these forms in the future. (Section 10 of Franchise Agreement)

At a time to be determined by us after your signing of the Franchise Agreement, we will provide you with initial training in the management and operation of the franchised business as further detailed in this Item 11. (Sections 9 and 15 of Franchise Agreement).

We will review all promotion materials and advertising to be used by you. You must obtain our approval before using any advertising or promotional materials. (Section 21 of Franchise Agreement).

Although we are not required by agreement, we may provide other supervision, assistance or services before the opening of the franchised business at our sole discretion.

You must open the franchised business within 6 months of signing the Franchise Agreement. (Section 16 of Franchise Agreement). There are typically about 30-60 days between the earlier of the signing of the franchise agreement or the first payment of consideration for the franchise and the opening of the franchisee's business. The factors that affect the timing of your opening may include ability to obtain financing, weather conditions and seasonal and market readiness. Your failure to open and operate the Franchised Business within 6 months may result in the termination of the Franchise Agreement by us. (Section 16 of Franchise Agreement).

B. Our Obligations During the Operation of the Franchised Business

We will provide you assistance in all matters relating to the Franchised Business. Our advice and consultation includes addressing issues such as marketing, selling, business, or operational problems and analysis of your services, sales, marketing, and financial data. This consulting support is available via telephone or email. (Section 11 of Franchise Agreement).

We will be available at reasonable times to answer all of your questions regarding the program. We may periodically advise you and/or provide additional training in person at our sole discretion and your expense. (Sections 9, 11 and 15 of Franchise Agreement).

We may develop new products, services or methods such as soccer training or coaching sessions, new games, program themes and/or other materials. We will provide you with information about such developments. We will state whether you must implement these developments in your franchise. (Sections 8, 11 and 23 of Franchise Agreement).

At our discretion, we may provide you with newsletters regarding current industry trends and marketing updates. (Section 11 of Franchise Agreement).

You currently are not required to purchase or use an electronic cash register.

A uniform system of accounting and record keeping including standardized reporting forms and templates will be provided to you. These forms and templates are our proprietary property and may be periodically changed at our discretion. (Section 10 of Franchise Agreement).

You currently are not required to purchase a computer, although you must have access to a computer, the Internet, Microsoft Office and Microsoft Word to use the templates and forms we provide to you and you must be able to keep those materials confidential. The cost of purchasing or leasing the computer system is estimated to be $300 to $500. We do not have any obligation to provide ongoing maintenance, repairs, upgrades, or updates for that computer system nor does our affiliate. We may require you to upgrade or update your computer system during the term of the franchise. There are no contractual limitations on the frequency and cost of your obligation to upgrade or update your computer system. The annual cost of any optional or required maintenance, updating, upgrading, or support contracts on your computer system is estimated to be between $0 and $150. We do not have independent access to the information that will be generated or stored in your computer system, but you agree to provide us financials statements at least once a year and we may, at any time during business hours and upon forty-eight (48) hours' notice, examine, copy and/or audit the books, records, financial statements, tax returns and all other records of your MIGHTY KICKS business (Section 18 of Franchise Agreement).

At reasonable times designated by us and with reasonable notice provided to you, we may inspect all original books and records that we deem necessary. (Sections 18 and 23 of Franchise Agreement).

C. Advertising and Promotion

You may develop advertising materials for your own use at your own expense. We must approve all of your promotional materials and advertising in advance and in writing. (Section 21 of Franchise Agreement). We will provide you with your own page on our website with online registration capabilities, templates of marketing materials (templates of posters, fliers, photos, testimonials, referrals, brochures and business cards) and other marketing templates (newsletters, waivers, registrations, etc.). (Sections 10 and 21 of Franchise Agreement). You are responsible for the expenses for advertising and promoting your franchise.

There is no advertising fund in which you must participate at this time. We have the right, but not the obligation, to create an advertising fund called the "Cooperative Advertising Program" for the benefit of MIGHTY KICKS franchisees. We will not establish any other advertising funds. If we decide to form a Cooperative Advertising Program of franchisees, we and all of our franchisees will contribute equally and we would notify you at least thirty (30) days before implementing or changing the Cooperative Advertising Program requirements. We act as the administrator under written governing documents for the Cooperative Advertising Program, which will be available to franchisees upon request. (Section 21 of Franchise Agreement).

Monthly accounting of the funds in the Cooperative Advertising Program would be made available to franchisees upon request. An accounting of the operation of the Cooperative Advertising Program would be prepared annually and would be available upon request. We retain the right to have the Program audited at the expense of the Program. (Section 21 of Franchise Agreement).

These funds in the Cooperative Advertising Program will not be used for the solicitation of future franchisees. If established, we intend the Cooperative Advertising Program to be of perpetual duration, but we have the right to terminate the Cooperative Advertising Program at any time. We, however, cannot terminate the Cooperative Advertising Program until all contributions to that program have been spent for advertising and promotional purposes or returned to the franchisees on a pro rata basis. (Section 21 of Franchise Agreement).

There is no advertising council composed of franchisees that advises us on advertising policies at this time.

There are no local or regional advertising cooperatives at this time.

D. Location and Opening

The selection of your Territory is at our sole discretion. Your territory will be determined by population, number of schools, current or potential competition and seasonal weather changes. We will work together with you in the determination of your Territory by obtaining the necessary demographic information, including the number and location of the schools in your proposed area. (Section 4 of Franchise Agreement).

Neither we nor any of our employees have specific expertise in selecting territories. We do not make any representations that the franchised business will be profitable or successful by being granted a specific territory. Our selection of the territory is intended only to indicate that the territory meets our minimum criteria based upon our general business experience.

E. Training Program

You must successfully complete, to our satisfaction within ninety days after your signing of the Franchise Agreement, training in the management and operation of the Franchised Business. This training will take place at a location chosen by us and will last approximately 2 days (12-16 hours). There is no fixed ongoing training scheduled at this time. The initial training is available at a time that is convenient to both you and us and is scheduled in cooperation with you. Reasonable blackout periods may apply, particularly around Thanksgiving and Christmas. (Sections 9 and 15 of Franchise Agreement).

Your training materials for up to two people are included in the Initial Franchise Fee. Any additional employees or persons to be trained will be charged $400. This charge is subject to change. You must pay all of your living expenses and travel, lodging, and sustenance. You are responsible for your own transportation to and from training. (Sections 9 and 15 of Franchise Agreement).

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The subjects covered in the Initial Franchise Training are described below:

TRAINING PROGRAM

COLUMN 1 SUBJECT	COLUMN 2 HOURS OF CLASSROOM TRAINING	COLUMN 3 HOURS OF ON-THE-JOB TRAINNG	COLUMN 4 LOCATION
Market research and identification	1	1	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)
Operations Manual	2.5	0	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)
Contacting and Selling Demonstration, Presentation and role play	1	7	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)
Website and Online Registration Management	1	0	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)
Record Keeping	0.5	0	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)
Curriculum Review, Practice, and On-Site Demonstration	1	1	Our headquarters in Colorado Springs, CO or at another location of our choice (Note 1)

Notes

1. Our headquarters is currently a residential home.

There will be website and online registration training provided by Luke Vercollone (President) or Jeremy Bulen (Mighty Kicks General Manager) who will provide curriculum training. The initial training will also include teaching of the Operations Manual, researching tactics, marketing, selling of the program, and management of employees/contractors. In the event that we franchise to a soccer club, we will additionally provide training on how to utilize this program for the good of the club (about 1.5 hours of training on this topic). If you request special training, and we agree, a reasonable charge may be added. It is at our sole discretion as to whether or not your designees have successfully completed the Initial Franchise Training or any additional training program(s). (Sections 9 and 15 of Franchise Agreement)

Luke Vercollone is the founder, the President and is and has been the controlling member and manager of MIGHTY KICKS FRANCHISING LLC since its organization on February 19, 2010. Luke ~~is~~was the owner/operator of Corban Soccer, LLC, which ~~operates~~operated under the name "Little Kicks," in Richmond, Virginia. Luke ~~currently plays~~recently retired from playing professional soccer in the USL PRO League with the Colorado Springs Switchbacks FC (October 10, 2014 to ~~present~~October 15, 2018). Luke played soccer for the Richmond Kickers from February 2008 through September 2014, and ~~has~~ owned and operated Corban Soccer, LLC since its organization on June 5, 2008 until November 2018 when he sold its assets to the Richmond Kickers. Prior to playing for the Richmond Kickers, Luke played for the Charleston Battery from March 1, 2006 to November 1, 2007 in Charleston, South Carolina and for the New England Revolution (Major League Soccer) from February 1, 2004 to December 1, 2005 in Foxborough, Massachusetts.

Luke has ~~18~~19 years of youth coaching experience, including his NSCAA Advanced Regional Diploma and USSF (United States Soccer Federation) National B License. As the director of the youth soccer program (for ages 3-8) at "World Cup Soccer Camp" in Pembroke, Massachusetts each July and August from 1996-2003 and growing up with 9 younger siblings, Luke has ample experience in working with young children. Luke graduated from Seton Hall University in 2004 with his BA in Sports Management. He has been running programs similar to MIGHTY KICKS since 2006.

Jeremy Bulen has been the General Manager for MIGHTY KICKS FRANCHISING LLC since November 1, 2012. Jeremy grew up playing soccer in Texas at the youth, club, Olympic Development and collegiate levels. A graduate of Nova Southeastern University with a degree in Sports Management, he has worked in collegiate athletics for the past ~~six~~seven years, most recently at Colorado State University. He has been a youth coach since college, including time with the Fort Collins Soccer Club "Arsenal." Jeremy moved to Fort Collins in 2008. Jeremy has been the owner/operator of Mighty Kicks Northern Colorado since August, 2012.

Further training programs or refresher courses may be required and offered at our sole discretion and at your expense.

ITEM 12. TERRITORY

Before signing the Franchise Agreement, we will determine the specific location of the territory for you to operate your franchised business which will be defined in Exhibit 1 of the Franchise Agreement. The size of the territory may vary because it will be determined based on population, number of schools, and current or potential competition. Territories are described by jurisdictional boundaries (e.g. cities or counties) and each territory has a minimum population of 500,000 and at least 150 childcare centers for pre-school aged children. We will work together with you to establish your Territory by obtaining the necessary demographic information, including the number and location of the schools in your proposed area. (Section 4 of Franchise Agreement) We do not permit relocation of your Territory.

Your granted Territory is exclusively yours. We will not operate or franchise another MIGHTY KICKS business or similar soccer instructional business in your Territory. We will not establish or operate or authorize a third person to establish or operate a MIGHTY KICKS business in your Territory, but we retain all rights with respect to the Marks and Program. We can establish or operate and can grant others the right to establish and operate MIGHTY KICKS businesses outside your Territory. We can establish or operate and can grant others the right to establish and operate other businesses outside your Territory offering the same or similar products using the Marks or other trade names, trademarks and service marks without offering you any right to it, and we can engage in any other activities that have not been expressly forbidden by the Franchise Agreement.

You are prohibited from soliciting or accepting customers outside of your Territory. All other franchisees are prohibited from soliciting or accepting customers outside of their Territories. Nothing in the Franchise Agreement specifically restricts us from soliciting or accepting customers in your Territory. Nothing in the Franchise Agreement requires us to pay for soliciting or accepting orders from inside your Territory.

Continuation of your territorial rights does not depend on you achieving a certain sales volume unless you fail to diligently market and sell the soccer program in relation to the Operations Manual which will be solely determined by MIGHTY KICKS.

You will be able to expand your Territory (see Item 5) and purchase additional territories at our sole discretion. We will not unreasonably withhold our approval for you to expand into an additional territory to offer the Program. However, you have no contractual right to an additional territory. We may change our expansion policies periodically with the evolution of our business. You must follow our then current policies. If we approve an additional territory, you must sign our then current franchise agreement. Other than the ability to expand your territory and purchase additional territories, there are no other circumstances that permit us to modify your territorial rights during the term of your Franchise Agreement.

ITEM 13. TRADEMARKS

We grant you the non-exclusive right to open and operate the franchised business under the Marks, namely MIGHTY KICKS and MIGHTY KICKS graphic logo. We registered the standard character mark MIGHTY KICKS on the United States Patent and Trademark Office principal register on May 29, 2012, as number 4,150,704.

We must provide you with written permission to use the Marks in any proprietary related manner (such as website, corporate name, sales of products or services, etc.). You must notify us immediately when you learn about a possible infringement of or challenge to our Marks. We are not required by the Franchise Agreement to pursue any litigation or other proceeding that arises out of any infringement, challenge or claim relating to any Mark. We have the right to control any such litigation or proceeding exclusively. We reserve the right to decide on the efforts made to respond to infringements of our Marks and the integrity of the Program, and we will take reasonable measures to respond. The Franchise Agreement does not require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you, or if the proceeding is resolved unfavorably to you. If we change the Marks, you must update all displays of the changed mark in your business immediately at your expense.

There is a possibility that prior rights to these Marks may exist in a particular state. You must acknowledge and represent to us that you have investigated the area in which you propose to operate the franchised business and have found no use by an unauthorized person, company or business of the Marks, or any similar trade name, or other commercial identification. As of the date of this FDD, we do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where the franchised business will be located.

As of the date of this FDD, there are no currently effective material determinations of the United States Patent and Trademark Office or the Trademark Trial and Appeal Board regarding the trademark listed in this Item 13. There are no state trademark administrator or court or any pending infringement, opposition, or cancellation proceedings regarding the trademark listed in this Item 13. There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark. There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed in this Item 13 in a manner material to the franchise.

Mark	Serial/Registration Number	Date Filed/Registered	Affidavits of use and (while applicable) incontestability filed?
MIGHTY KICKS	4,150,704	05-19-2010 / 05-29-2012	N/A

Our affiliate, Corban Soccer, LLC, ~~operates~~operated a business that ~~sells~~sold services similar to those you will offer~~.~~ until its assets were sold in November 2018. Corban Soccer, LLC ~~operates~~operated its business under a different trademark, the "Little Kicks" trademark. Corban Soccer, LLC will not solicit or accept orders within your Territory. Corban Soccer, LLC's principal business address ~~is~~was 13704 Woodbridge Crossing Way, Midlothian VA, 23112.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

MIGHTY KICKS does not currently have any material patents or pending patents. We own certain copyrights in our Operations Manual, marketing materials, newsletters, illustrations, DVDs and other copyrightable items that are part of the franchise system. Although we claim copyrights in these and similar items, we have not registered these copyrights with the United States Registrar of Copyrights and need not do so to protect them. You may use these items only as we specify while operating the franchised business and you must stop using them if we direct you to do so.

To our knowledge, there currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding the copyrighted materials. No agreement limits our right to use or allow franchisees to use the copyrighted materials. We do not know of any infringing uses, which could materially affect your using the copyrighted materials in any state. We need not protect or defend our copyrights, although we reserve the right to do so if we believe it is in our program's best interests. You must notify us of any copyright infringements of which you are aware. We may control all proceedings involving copyrights. We may develop additional copyrightable materials about the Program in the future that you may use in accordance with the Franchise Agreement.

We have developed certain Trade Secrets and other Confidential Information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a MIGHTY KICKS Business. We will provide our Trade Secrets and other Confidential Information to you during training, in the Operations Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the Trade Secrets and other Confidential Information for the purpose of operating your franchised business. You will not acquire any interest in the Trade Secrets or Confidential Information other than the right to use them in the operation of the franchised business. If you use or duplicate the Trade Secrets or Confidential Information in any other business, we may terminate the Franchise Agreement according to the termination provisions in the Franchise Agreement. You may only divulge the Trade Secrets and other Confidential Information to employees who must have access to it in order to operate your franchise. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to Trade Secrets or other Confidential Information, including your owners (and members of their immediate families and households), officers, directors, partners, members, if you are a LLC, limited liability company or other business entity, and your managers, executives, employees, and staff maybe required to sign nondisclosure and non-competition agreements the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement as Exhibit 3. We will be a third-party beneficiary to these agreements and we will have the independent right to enforce their restrictive covenants.

All ideas, concepts, techniques, or materials concerning the franchised business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed our sole and exclusive property. We may choose to adopt or disclose these ideas to other franchisees or make them a part of the franchise system. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the franchise system. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

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

You must devote your full efforts into the direct operation and management of the franchised business. Soccer clubs, corporations, or other business entities that are franchisees may designate an individual on whom we may rely for the personal and direct management of the franchised business. Such individual does not have to have an equity interest in the business but must successfully complete our training and sign a Confidentiality and Non-Competition Agreement. You or the designated individual may not engage in other outside activities which will interfere with your ability to participate fully in the business. You must at all times faithfully, honestly, and diligently perform your obligations under the Franchise Agreement. You must run the franchised business efficiently, in a business-like manner, in accordance with the highest commercial and ethical standards and with a high level of quality and service.

You must require all shareholders, partners, and employees to sign a Confidentiality and Non-Competition Agreement before they begin their employment with you which we may request to have a copy. You and your shareholders, members, partners and/or owners must personally guarantee your obligations under the Franchise Agreement and sign a Guaranty and Assumption of Obligations (Sections 1, 22 and 25(c) and Exhibit 4 of Franchise Agreement).

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the franchised business in strict conformity with the methods, standards and specifications in the Operations Manual and as we may require otherwise in writing. You may not deviate from these standards, specifications, and procedures without our written consent.

You must offer services and products we specify periodically, in strict accordance with our standards and specifications. You may not sell any services or products that we have not authorized and you must discontinue offering any services or products that we may, in our sole discretion, disapprove in writing at any time.

We may periodically change required or authorized services or products. There are no limits on our right to do so. If we modify the franchise system, you may be required to add or replace equipment, and you may have to make improvements or modifications as necessary to maintain uniformity with our standards and specifications.

Periodically, we may allow certain products or services that are not otherwise authorized for general use as a part of the franchise system to be offered locally or regionally based upon such factors as we determine, including test marketing, your qualifications, and regional or local differences.

As described in Item 12, your direct marketing activities are restricted to your Territory. We prohibit you from accepting customers outside of your Territory.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

The following table lists important provisions of the franchise agreement. You should read these provisions in the agreement attached to this disclosure document.

ITEM 17 Table:
THE FRANCHISE RELATIONSHIP

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	2	7 years from the date of signing of the Franchise Agreement
b. Renewal or extension of the term	3	Successive 7 year terms
c. Requirements for franchisee to renew or extend	3	To renew at the end of each 7 year term, you must give us 90 days advanced notice; be in compliance with your franchise agreement; sign a new franchise agreement, in a form that may be materially different from the original Franchise Agreement; sign a general release; pay us a Renewal Fee of $1,000
d. Termination by franchisee	28	Within 30 days, if we default under Franchise Agreement, you are in full compliance and we do not cure default within additional 30 days after notice from you or we consent to termination in writing
e. Termination by franchisor without cause	Not Applicable	Our Franchise Agreement does not include this provision
f. Termination by franchisor with cause	16, 26 and 27	Only if you default
g. “Cause” defined – curable defaults	26 and 27	You have 30 days to cure failure to comply with this Agreement

Provision	Section in franchise or other agreement	Summary
h. "Cause" defined – non-curable defaults	16, 26 and 27	Non-curable defaults include abandonment, surrender of or failure to actively operate the Franchised Business, unapproved transfers, conviction of felony, conviction of crime adversely affecting our reputation and Marks, unauthorized use or disclosure of our confidential information, repeated defaults (even if cured), insolvency, assignment for benefit of creditors, failure to open Franchised Business within 6 months, operating the Franchised Business outside the Territory without first receiving our written permission, material misrepresentations
i. Franchisee's obligations on termination/non-renewal	29	Obligations include complete de-identification, paying all amounts due, returning proprietary materials, and changing all references to us or our Program in your telephone numbers and directory listings, if any (also see "r" below)
j. Assignment of contract by franchisor	24	No restrictions, if assignee agrees to meet all of our obligations
k. "Transfer" by franchisee – defined	25	Includes transfer of Franchise Agreement, Franchised Business, or any of its assets or ownership change
l. Franchisor approval of transfer by franchisee	25	We first must approve all transfers but will not unreasonably withhold approval

Provision	Section in franchise or other agreement	Summary
m. Conditions for franchisor approval of transfer	25(e)	New franchisee qualifies, defaults cured, transfer fee paid, application process and training completed, you pay us all amounts due, you send us all required reports, transferee signs our then current franchise agreement, confidentiality and guaranty, we receive material terms of deal, and you sign general release (if state law allows) (also see "r" below)
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Our Franchise Agreement does not include this provision
o. Franchisor's option to purchase franchisee's business	Not Applicable	Our Franchise Agreement does not include this provision
p. Death or disability of franchisee	25(b)	Transfer of Franchised Business to approved party within a reasonable time (which may include qualified heirs and beneficiaries)
q. Non-competition covenants during the term of the franchise	22	No direct ownership interest in or performance of services for any similar soccer education program (as outlined in the Operations Manual) within 20 miles of Territory or of any other MIGHTY KICKS business territory; No hiring or attempting to hire MIGHTY KICKS employees
r. Non-competition covenants after the franchise is terminated or expires	22	Same as "q" above for 2 years (including after assignment)
s. Modification of the agreement	37	No modifications generally unless written and signed by the parties, but we may develop new services, techniques, methods, lessons, games and other materials

Provision	Section in franchise or other agreement	Summary
t. Integration/merger clause	37	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	35	All disputes determined by arbitration in Larimer County, Colorado unless otherwise determined by state law
v. Choice of forum	35	All disputes determined by arbitration in home state of Franchisor (currently Colorado) unless otherwise determined by state law
w. Choice of law	36	Except for federal law, Virginia law applies (subject to state law)

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Luke Vercollone,

~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908, (617) 827-1775, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Item 20 Table No. I
Systemwide Outlet Summary

For Fiscal Years ~~2015-2017~~2016-2018

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2016~~2015~~	~~16*~~22	29**~~22~~	+~~6~~7
	~~2016~~	~~22~~	~~29**~~	~~+7~~
	~~2017~~	~~29**~~	~~34**~~	~~+5~~
~~Company-Owned/ Affiliate-Owned~~	~~2015~~	~~1~~	~~1~~	~~0~~
	~~2016~~	~~1~~	~~1~~	~~0~~
	~~2017~~	~~1~~	~~1~~	~~0~~
~~Total Outlets~~	~~2015~~	~~16*~~	~~22~~	~~+6~~
	~~2016~~	~~22~~	~~29**~~	~~+7~~
	2017	29**	34**	+5
	2018	34**	39**	+5
Company-Owned/ Affiliate-Owned	2016	1	1	0
	2017	1	1	0
	2018	1	0	-1
Total Outlets	2016	23	30**	+7
	2017	30**	35**	+5
	2018	35**	39**	+4

The affiliate-owned business referred to in this table ~~is~~was owned and operated by our affiliate Corban Soccer, LLC in Richmond, Virginia.

~~* One franchisee operated a franchised outlet with a Territory that was located in both Delaware and Maryland. It has been counted as only one outlet under the final total of all outlets at the end of the year. That franchisee voluntarily ceased doing business in January 2015.~~

** The Maryland franchise was originally owned by two people, Frank Dileonardi and Patrick Letts, through their mutually owned business. Mr. Dileonardi and Mr. Letts decided to split the franchise territory in 2014. Currently Mr. Dileonardi and Mr. Letts, through their own businesses, each run part of the franchise territory in Maryland under the original franchise agreement. No additional territory was granted to either person, no new fees were paid to Mighty Kicks in connection with this split, and no new franchise agreements were signed. Mr. Dileonardi and Mr. Letts split in half the amount they pay in royalty fees to Mighty Kicks under the original franchise agreement. While the Mighty Kicks website refers to two Mighty Kicks locations in Maryland, there is currently only one franchise in Maryland.

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Item 20 Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)

For Fiscal Years ~~2015-2017~~2016-2018

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arizona	2016~~2015~~	0
	2017	0
	2018	0
California	2016	0
	2017	0
	2018	0
Colorado	2016	0
	2017	0
~~California~~	~~2015~~2018	0
Delaware	2016	0
	2017	0
~~Colorado~~	~~2015~~2018	0
Florida	2016	0
	2017*	~~0~~1
~~Delaware~~	~~2015~~2018	0
Georgia	2016	0
	2017	0
~~Florida~~	~~2015~~2018	0
Kansas	2016	0
	2017~~*~~	~~1~~0
~~Georgia~~	~~2015~~2018	0
Kentucky	2016	0
	2017	0
~~Kansas~~	~~2015~~2018	0
Maryland	2016	0
	2017	0
~~Kentucky~~	~~2015~~2018	0
Massachusetts	2016	0
	2017	0
~~Maryland~~	~~2015~~2018	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	~~2016~~	~~0~~
	~~2017~~	~~0~~
~~Massachusetts~~	~~2015~~	~~0~~
	~~2016~~	~~0~~
	~~2017~~	~~0~~

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Michigan	2016~~2015~~	0
	2017	0
	2018	0
Missouri	2016	0
	2017	0
	2018	0
New Hampshire	2016	0
	2017	0
~~Missouri~~	~~2015~~2018	0
New Jersey	2016	0
	2017	0
~~New Jersey~~	~~2015~~2018	0
New York	2016	0
	2017	0
~~New York~~	~~2015~~2018	0
North Carolina	2016	0
	2017	0
~~North Carolina~~	~~2015~~2018	0
Ohio	2016	0
	2017	0
~~Ohio~~	~~2015~~2018	0
Oklahoma	2016	0
	2017	0
~~Oklahoma~~	~~2015~~2018	0
Pennsylvania	2016	0
	2017	0
~~Pennsylvania~~	~~2015~~2018	0

Rhode Island	2016	0
	2017	0
~~South Carolina~~	~~2015~~2018	0
South Carolina	2016	0
	2017	0
~~Texas~~	~~2015~~2018	0
	~~2016~~	~~0~~
	~~2017~~	~~0~~
~~Utah~~	~~2015~~	~~0~~
	~~2016~~	~~0~~
	~~2017~~	~~0~~

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Texas	2016	0
	2017	0
	2018	0
Utah	2016	0
	2017	0
	2018	0
Virginia	2016~~2015~~	0
	~~2016~~	~~0~~
	2017	0
~~Washington~~	~~2015~~2018	0
Washington	2016	0
	2017	0
	2018	0
Total* (All States)	2016~~2015~~	0
	~~2016~~	~~0~~
	2017	1
	2018	0

*In January 2017, Mighty Kicks St. Petersburg, FL transferred its ownership to Sam Foresman who is the Mighty Kicks East Bay CA Territory owner.

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Item 20 Table No. 3
Status of Franchised Outlets

For Fiscal Years ~~2015-2017~~2016-2018

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations -Other Reasons	Column 9 Outlets at End of the Year
Arizona	2016~~2015~~	0	0	0	0	0	0	0
	2017~~2016~~	0	~~0~~1	0	0	0	0	~~0~~+1
	~~2017~~2018	~~0~~1	~~1~~0	0	0	0	0	+1
California	2016~~2015~~	2	0	0	0	0	0	+2
	2017~~2016~~	2	~~0~~2	0	0	0	0	+~~2~~4
	2018~~2017~~	~~2~~4	~~2~~1	0	0	0	0	+~~4~~5
Colorado	2016~~2015~~	1	~~0~~1	0	0	0	0	+~~1~~2
	2017~~2016~~	~~1~~2	~~1~~0	0	0	0	0	+2
	2018~~2017~~	2	0	0	0	0	0	+2
Delaware*	2016~~2015~~	~~1*~~0	0	0	0	0	~~1*~~0	0
	2017~~2016~~	0	0	0	0	0	0	0
	2018~~2017~~	0	0	0	0	0	0	0
Florida	2016~~2015~~	~~1~~3	~~2~~0	0	0	0	0	+3
	2017~~2016~~	3	0	0	0	0	0	+3
	2018~~2017~~	3	~~0~~1	0	0	0	0	+~~3~~4
Georgia	2016~~2015~~	~~1~~2	~~1~~0	0	0	0	0	+2
	2017~~2016~~	2	~~0~~1	0	0	0	0	+~~2~~3

	2018~~2017~~	~~2~~3	~~1~~0	0	0	0	0	+3
Kansas	2016~~2015~~	0	0	0	0	0	0	0
	2017~~2016~~	0	0	0	0	0	0	0
	2018~~2017~~	0	0	0	0	0	0	0
Kentucky	2016~~2015~~	0	~~0~~1	0	0	0	0	~~0~~+1
	2017~~2016~~	~~0~~1	1	0	0	0	0	+~~1~~2
	2018~~2017~~	~~1~~2	~~1~~0	0	0	0	0	+2
Maryland*	2016~~2015~~	~~2*~~1	0	0	0	0	~~1*~~0	+1*
	2017~~2016~~	1	0	0	0	0	0	+1***
	2018~~2017~~	1	0	0	0	0	0	+1***
Massachusetts	2015	0	~~0~~2	0	0	0	0	~~0~~+2
	2016	~~0~~2	~~2~~0	0	0	0	~~0~~1	+~~2~~1
	2018~~2017~~	~~2~~1	0	0	0	0	~~1~~0	+1
Michigan	~~2015~~2016	1	0	0	0	0	0	+1
	2017~~2016~~	1	~~0~~1	0	0	0	0	+~~1~~2
	2018~~2017~~	~~1~~2	~~1~~0	0	0	0	0	+2
Column 1 State	**Column 2 Year**	**Column 3 Outlets at Start of Year**	**Column 4 Outlets Opened**	**Column 5 Terminations**	**Column 6 Non-Renewals**	**Column 7 Reacquired By Franchisor**	**Column 8 Ceased Operations -Other Reasons**	**Column 9 Outlets at End of the Year**
Missouri	~~2015~~2016	~~0~~1	~~1~~0	0	0	0	0	+1
	2017~~2016~~	1	~~0~~1	0	0	0	0	+~~1~~2
	2018~~2017~~	~~1~~2	~~1~~0	0	0	0	0	+2
New ~~Jersey~~Hampshire	~~2015~~2016	~~1~~0	0	0	0	0	0	~~+1~~0
	2017	0	0	0	0	0	0	0

	2018	0	1	0	0	0	0	+1
New Jersey	2016	1	0	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
	2018	1	0	0	0	0	0	+1
New York	2016	0	1	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
~~New York~~	~~2015~~2018	~~0~~1	0	0	0	0	0	~~0~~+1
North Carolina	2016	~~0~~1	~~1~~0	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
~~North Carolina~~	~~2015~~2018	~~0~~1	~~1~~0	0	0	0	0	+1
Ohio	2016	1	0	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
~~Ohio~~	~~2015~~2018	~~0~~1	~~1~~0	0	0	0	0	+1
Oklahoma	2016	~~1~~0	0	0	0	0	0	~~+1~~0
	2017	~~1~~0	0	0	0	0	0	~~+1~~0
~~Oklahoma~~	~~2015~~2018	0	0	0	0	0	0	0
Pennsylvania	2016	~~0~~2	0	0	0	0	0	~~0~~+2
	2017	~~0~~2	0	0	0	0	0	~~0~~+2
~~Pennsylvania~~	~~2015~~2018	2	~~0~~1	0	0	0	0	+~~2~~3
Rhode Island	2016	~~2~~0	0	0	0	0	0	~~+2~~0
	2017	~~2~~0	0	0	0	0	0	~~+2~~0
~~South Carolina~~	~~2015~~2018	~~1~~0	~~0~~1	0	0	0	0	+1
South Carolina	2016	1	0	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
~~Texas~~	~~2015~~2018	~~2~~1	0	0	0	0	0	+~~2~~1
Texas	2016	2	1	0	0	0	0	+3
	2017	3	0	0	0	0	0	+3
~~Utah~~	~~2015~~2018	~~1~~3	0	0	0	0	0	+~~1~~3
Utah	2016	1	0	0	0	0	0	+1
	2017	1	0	0	0	0	0	+1
~~Virginia~~	~~2015~~2018	1	0	0	0	0	0	+1
Virginia	2016	1	1	0	0	0	0	+2
	2017	2	1	0	0	0	2	+1
~~Washington~~	~~2015~~2018	~~0~~1	~~1~~0	0	0	0	0	+1

	~~2016~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~+1~~
	~~2017~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~+1~~

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations -Other Reasons	Column 9 Outlets at End of the Year
Washington~~Total~~ ~~(All States)~~	~~2015~~2016	~~+16*~~1	~~7~~0	0	0	0	~~1*~~0	+~~22~~1
	2017	1	0	0	0	0	0	+1
	2018	1	0	0	0	0	0	+1
Total (All States)	2016	22	7	0	0	0	0	+29***
	2017	29***	8	0	0	0	3	+34***
	2018	+34*	5	0	0	0	0	+39*

~~* One franchisee operated a franchised outlet with a Territory that was located in both Delaware and Maryland. That franchisee is listed in the table above under both Delaware and Maryland even though it operated only one franchised outlet. It has been counted as only one outlet under the final total of all outlets at the end of the year. That franchisee voluntarily ceased doing business in January 2015.~~

**
*The Maryland franchise was originally owned by two people, Frank Dileonardi and Patrick Letts, through their mutually owned business. Mr. Dileonardi and Mr. Letts decided to split the franchise territory in 2014. Currently Mr. Dileonardi and Mr. Letts, through their own businesses, each run part of the franchise territory in Maryland under the original franchise agreement. No additional territory was granted to either person, no new fees were paid to Mighty Kicks in connection with this split, and no new franchise agreements were signed. Mr. Dileonardi and Mr. Letts split in half the amount they pay in royalty fees to Mighty Kicks under the original franchise agreement. While the Mighty Kicks website refers to two Mighty Kicks locations in Maryland, there is currently only one franchise in Maryland.

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Item 20 Table No. 4
Status of Company-Owned/Affiliate-Owned Outlets

For Fiscal Years ~~2015-~~2016-2018~~2017~~

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
Virginia	~~2015~~2016	1	0	0	0	0	1
	2017~~2016~~	1	0	0	0	0	1
	~~2017~~2018	1	0	0	0	0	~~1~~0*
Totals	~~2015~~2016	1	0	0	0	0	1
	2017~~2016~~	1	0	0	0	0	1
	~~2017~~2018	1	0	0	0	0	~~1~~0*

*The business referred to in this table ~~is~~was owned and operated by our affiliate Corban Soccer, LLC in Richmond, Virginia. The business was not sold to a franchisee nor was it closed. Instead, the assets of Corban Soccer, LLC, including the trade name "Little Kicks," were sold to a third party, Richmond Kickers Youth Soccer Club, Inc., in November 2018. That third party continues to operate the business under the name "Little Kicks."

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Item 20 Table No. 5
Projected Openings as of December 31, ~~2018~~2019

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlets in the Current Fiscal Year
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0
Florida	0	1	0
Georgia	0	0	0
Illinois	0	1	0
Kansas	0	0	0
Kentucky	0	0	0
Maryland	0	1	0
Massachusetts	0	0	0
Michigan	0	1	0
Minnesota	0	0	0
Missouri	0	0	0
New Hampshire	0	1	0
New Jersey	0	0	0
New York	0	0	0
North Carolina	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Pennsylvania	0	0	0
Rhode Island	0	1	0
South Carolina	0	0	0
Tennessee	0	0	0
Texas	0	0	0
Utah	0	0	0
Virginia	0	1	0
Total	0	+7	0

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There are ~~34~~39 current MIGHTY KICKS franchisees, the franchise agreements for which were signed in 2012 through ~~2017~~2018. The names and addresses of the franchisees are as follows:

Column 1 State	Column 2 Territory	Column 3 Name of Franchisee	Column 4 Address of Franchisee	Column 5 Phone # of Franchisee
Arizona	East Valley	Wayne Pirmann	2782 W. William Ln. Queen Creek, AZ 85142	248-701-0562
California	Contra Costa	Sal Acevedo	43356 Wolverine Way Antioch, CA 94531	510-928-3009
	East Bay	Sam Foresman	1815 Northwood Ct. Oakland CA 94611	510-915-1360
	Inland Empire	Chuck Lavrusky	81864 Via San Clemente La Quinta, CA 92253	909-419-9101
	Lower San Joaquin Valley	Lyle Martin	4201 Ryder Ln, Bakersfield, CA 93311	661-549-1019
	Temecula	Nathan Cory	23785 Cloverleaf Way, Murrieta CA 92562	559-289-1321
Colorado	Northern Colorado	Mighty Kicks Northern Colorado LLC, Jeremy Bulen, President	357 Albion Way Unit B4, Fort Collins, CO 80526	970-682-4898
	Colorado Springs	Soccer Haus Management Corporation	4845 List Dr. Colorado Springs CO 80919	781-913-3250

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Column 1 State	Column 2 Territory	Column 3 Name of Franchisee	Column 4 Address of Franchisee	Column 5 Phone # of Franchisee
Florida	Broward	Sarah Lima	19161 NW 12 St Pembroke Pines, FL 33029	954-614-3404
	South Florida	Steve Schraer	3860 Northeast 170th St. Suite 202, North Miami Beach FL 33160	305-331-3874
	Southwest Florida	Robert Wark	9339 Woodhurst Drive, Naples, FL 34120	561-494-4424
	St. Petersburg*	Sam Foresman	1815 Northwood Ct. Oakland CA 94611	510-915-1360

Georgia	Atlanta	Edwin Reina	3495 Buckhead Loop, Suite 18526 Atlanta, GA 31126	678-984-4822
	Atlanta South	Rachael, Erik, Mark and Sharee Wozniak	15 Valley View, Newnan GA 30265	757-667-0089
	Augusta	Andrew Hammer	709 Lakeside Landing Ct Evans, GA 30809	706-399-4080
Kentucky	Bowling Green	Zach Salchi	2430 Claypool Boyce Rd, Alvaton KY 42122	502-545-0148
	Lexington, KY	Nathan Reynolds	4856 Dresden Way Lexington, KY 40514	859-533-0696
Maryland**	Baltimore	Patrick Letts Baltimore Sports Group, LLC	8118 Bradshaw Road, Kingsville, MD 21087	410-302-3613
	Baltimore West	Frank Dileonardi Level 5 Soccer LLC	8400 Greenspring Avenue, Stevenson, MD 21153	443-952-0861
Massachusetts	Northeast Seacost	Bryan Vanderhoof	80 Granite St, Melrose MA 02176	781-913-3250
Michigan	Michigan East	Ron Thatcher	2308 Championship Ct. Davison, MI 48423	810-569-4085
	Michigan West	Wayne Pirmann	442 Eleanor St. NE Grand Rapids, MI 49505	248-701-0562
Column 1 State	**Column 2 Territory**	**Column 3 Name of Franchisee**	**Column 4 Address of Franchisee**	**Column 5 Phone # of Franchisee**
Missouri	Kansas City	Ryan Frewin	5603 NW 86thTerrace APT C98, Kansas City, MO 64154	417-840-1305
	Saint Louis	Steve Malone	1318 Ticonderoga Dr. Fort Collins, CO 80525	970-372-7295
New Hampshire	New Hampshire	Nick Klesh	65 Blanford Place. Bedford NH 03110	603-512-1453
New Jersey	Southern New Jersey Territory	Ron Sandell and Jason Kitch	4 Charlestown Court Medford, NJ 08055	609-975-9850
New York	Lower Manhattan	Michael Nobes	375 South End Avenue, #33G, New York, NY 10280	(646) 406-2625

North Carolina	Piedmont NC	Justin Buckwalter	640 Acorn Oaks Dr. Salisbury NC 28146	704-754-6286
Ohio	Northeast Ohio (NEO)	Jim Linaburg	2614 Woodward Road, Cuyahoga Falls, OH 44221	330-329-2099
Pennsylvania	East Central, PA Territory	Steve Miller	136 Grande Blvd. Sinking Spring, PA 19608	484-320-7436
	Lehigh	Gavin Doyle	619 Chestnut Street Bangor, PA 18013	484-892-9903
	Pittsburg Pennsylvania Territory	Coach Sam LLC President, Sam Bellin	1147 Lindsay Road Carnegie, PA 15106	412-867-6724
Rhode Island	Rhode Island	Jared Fortin	174 Stillwater Rd Smithfield, RI 02917	401-228-5392
South Carolina	Columbia, SC Territory	Jay and Jono Cleary	11 Coronet Drive Columbia SC 29206	803-563-7380
Texas	Dallas – Fort Worth	Michael Canter	4472 Fairway Dr, Carrollton TX 75010	817-501-1153
	Northwest Houston, TX Territory	Owen Lyon and Jeremy Bulen	1481 Sawdust Rd. Apt. 725, The Woodlands, TX 77380	832-510-8225
	North East Houston Territory	Cesar and Jennifer Coronel	15910 Lost Anchor Way Lane, Houston TX 77044	218-624-6867
Column 1 State	**Column 2 Territory**	**Column 3 Name of Franchisee**	**Column 4 Address of Franchisee**	**Column 5 Phone # of Franchisee**
Utah	Salt Lake North, UT	Andrew Giannitrapani	2387 S 950 W, Syracuse UT 84075	801-510-8423
Virginia	Hampton Roads, VA	Ryan Sniegoski	1116 Estevan Ct. Virginia Beach, VA 23454	757-630-3621
Washington	Tacoma, WA	Ken Cabellon	8410 49th Loop SE, Olympia WA 98513	503-481-0868

*In January 2017, Mighty Kicks St. Petersburg, FL transferred its ownership to Sam Foresman who is the Mighty Kicks East Bay CA Territory owner.

** The Maryland franchise was originally owned by two people, Frank Dileonardi and Patrick Letts, through their mutually owned business. Mr. Dileonardi and Mr. Letts decided to split the franchise territory in 2014. Currently Mr. Dileonardi and Mr. Letts, through their own businesses, each run part of the franchise territory in Maryland under the original franchise agreement. No additional territory was granted to either person, no new fees were paid to Mighty Kicks in connection with this split, and no new franchise agreements were signed. Mr. Dileonardi and Mr. Letts split in half the amount they pay in royalty fees to Mighty Kicks under the original franchise agreement. While the Mighty Kicks website refers to two Mighty Kicks locations in Maryland, there is currently only one franchise in Maryland.

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~~As of the date of this disclosure document, there is one (1) MIGHTY KICKS franchise for which franchise agreement was signed in 2018. The information for that franchisee is as follows:~~

~~Column 1 State~~	~~Column 2 Territory~~	~~Column 3 Name of Franchisee~~	~~Column 4 Address of Franchisee~~	~~Column 5 Phone # of Franchisee~~
~~Florida~~	~~Southwest Florida~~	~~Robert Wark~~	~~9339 Woodhurst Drive, Naples, FL 34120~~	~~561-494-4424~~

During ~~the most recently completed fiscal year~~2017, three (3) Mighty Kicks franchisees voluntarily ceased to do business under the franchise agreement. ~~-~~No Mighty Kicks franchisees ceased to do business under the franchise agreement in 2018.

The contact information for those former franchisees are listed as follows:

Column 1 State	Column 2 Territory	Column 3 Name of Franchisee	Column 4 Address of Franchisee	Column 5 Phone # of Franchisee
Massachusetts	Worcester	Ryan Laymon	193 Baldwin St, Leicester MA 01524	315-717-1750
Virginia	Northern VA	Richard Brown	13301 Whinneyford Ct. Bristow, VA 20136	562-310-7160
	Southwest VA	Stuart Angel	418 Jamison Mill Rd. Henry VA 24102	540-420-3615

No other MIGHTY KICKS franchisees have had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or have not communicated with us within 10 weeks of the application date.

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

In the past three fiscal years ending in December ~~2017~~2018, no franchisees have signed confidentiality provisions restricting their ability to speak openly about their experience with MIGHTY KICKS.

Currently there are no trademark specific franchisee associations that we sponsor or that have requested to be included in our Franchise Disclosure Document.

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ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit E are our audited financial statements for fiscal years ~~2015,~~ 2016, 2017, and ~~2017.~~2018.

Our fiscal year end is December 31.

ITEM 22. CONTRACTS

All proposed agreements regarding the franchise offering are attached to this disclosure document in the pages immediately following and include:

1. Franchise Agreement;

2. Nondisclosure and Non-Competition Agreement;

3. Guaranty and Assumption of Obligations; and

4. General Release.

ITEM 23. RECEIPTS

Our copy and your copy of the Franchise Disclosure Document Receipt are located on the last two pages of this disclosure document.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS;
DISCLOSURE DOCUMENT EFFECTIVE DATES FOR EACH STATE

The following is a list of state administrators responsible for registration and review of franchises and the Effective Date of this disclosure document for these states. The Effective Date of this disclosure document for any state that is not included in this list is as shown on the cover of the disclosure document. We may register in one or more of these states.

California
Department of Business Oversight
One Sansome Street, Suite 600
San Francisco, California 94104-4428
1-866-275-2677

Effective Date: ___________________

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103

Effective Date: ___________________

Hawaii
Business Registration Division
Commissioner of Commerce and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Effective Date: ___________________

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Effective Date: ___________________

Indiana
Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Effective Date: ___________________

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Effective Date: ___________________

Michigan
Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48909

Effective Date: ___________________

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

Effective Date: ___________________

New York
Bureau of Investor Protection and Securities
New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Effective Date: ___________________

North Dakota
North Dakota Securities Department
State Capitol – 5th Floor
600 East Boulevard
Bismarck, North Dakota 58505

Effective Date: ___________________

Oregon
Secretary of State, LLC Division
255 Capitol Street Northeast
Salem, Oregon 97310

Effective Date: ___________________

Rhode Island
Division of Securities, Suite 232
233 Richmond Street
Providence, Rhode Island 02903

Effective Date: ___________________

South Dakota
Department of Revenue and Regulation
Division of Securities
445 East Capitol Avenue
Pierre, South Dakota 57501

Effective Date: ___________________

Virginia
State LLC Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219

Effective Date: ___________________

Washington
Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Olympia, Washington 98501

Effective Date: ___________________

Wisconsin
Division of Securities
Department of Financial Institutions
345 West Washington Avenue
Madison, Wisconsin 53703

Effective Date: ___________________

EXHIBIT B TO THE DISCLOSURE DOCUMENT

AGENTS FOR SERVICE OF PROCESS

California:
California Commissioner of Business Oversight
Department of Business Oversight
One Sansome Street, Suite 600
San Francisco, California 94104-4428

Florida:
C T Corporation System
8751 West Broward Boulevard
Plantation, Florida 33324

Hawaii:
Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois:
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

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

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

Michigan:
Department of Attorney General's Office
Consumer Protection Division
670 Law Building
Lansing, Michigan 48913

Nebraska:
CT Corporation System
206 South 13th Street, Suite 1500
Lincoln, Nebraska 68508

New York:
Secretary of State
41 State Street
Albany, New York 12231

North Dakota:
Commissioner of Securities
600 East Blvd., Fifth Floor
Bismarck, North Dakota 58505

Rhode Island:
Director of Business Regulation
Division of Securities
233 Richmond St., Suite 232
Providence, Rhode Island 02903-4232

South Dakota:
Director
Securities Division
445 East Capitol
Pierre, South Dakota 57501-5070

Texas:
C T Corporation System
350 North Saint Paul Street
Dallas, Texas 75201

Virginia:
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

Minnesota:
Commissioner of Commerce
85 Seventh Place East, Suite 500
St. Paul, MN 55101

Washington:
Director
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

Wisconsin:
Administrator
Department of Financial Institutions
Division of Securities
345 West Washington Avenue, 4th Floor
Madison, Wisconsin 53703

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

MIGHTY KICKS FRANCHISING LLC

FRANCHISE AGREEMENT
Exhibit C of the Franchise Disclosure Document

____
FRANCHISEE

____
DATE OF AGREEMENT

MIGHTY KICKS FRANCHISING LLC FRANCHISE AGREEMENT
TABLE OF CONTENTS

Termination/Expiration

Additional Terms

Exhibits

MIGHTY KICKS FRANCHISING LLC
FRANCHISE AGREEMENT

The Franchise Agreement ("Agreement"), made this _____ day of ____________, 20__ (the "Effective Date") by and between MIGHTY KICKS FRANCHISING LLC, a Virginia limited liability corporation having its principal place of business at ~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908 ("Franchisor," "we," or "us") and____________________________________ ("Franchisee" or "you").

Recitals

WHEREAS, we and our Affiliate Corban Soccer, LLC have developed, and are in the process of further developing, a Program identified by the trademark "MIGHTY KICKS" relating to the establishment and operation of businesses in approved territories that offer Soccer Enrichment Programs for children 2-8 years of age at preschools, day cares, elementary schools, other child learning centers, parks and other satellite locations as well as Recreational Leagues referred to as "MIGHTY KICKS Businesses;" and

WHEREAS, in addition to the trademark "MIGHTY KICKS" and certain other Marks, the distinguishing characteristics of the Program include, among other things, uniform standards and procedures for efficient business operations; the Operations Manual; procedures and strategies for marketing, advertising and promotion; customer service and development techniques; templates; use of the MIGHTY KICKS website and online registration; curriculum; other technical assistance; and ongoing research and development; and

WHEREAS, we have expended considerable time, efforts, and money in the creation and development of the Program; and

WHEREAS, we grant to qualified persons who meet our standards and requirements the right to own and operate a single MIGHTY KICKS Business under the Program and using the Marks; and

WHEREAS, you desire to operate a MIGHTY KICKS Business, have applied for a Franchise and such application has been approved by us in reliance upon all of the representations made in your application; and

WHEREAS, you understand and acknowledge the importance of our high and uniform standards of quality, operations and service and the necessity of operating your MIGHTY KICKS Business in strict conformity with our Program.

NOW, THEREFORE, the parties to this Agreement, intending to be legally bound, agree as follows:

Definitions

Whenever used in this Agreement, the following words and terms have the following meanings:

"Affiliate" means any entity that controls, is controlled by, or is under common control with us;

"Agreement" means this agreement entitled "MIGHTY KICKS Franchising LLC Franchise Agreement" and all documents supplemental to this agreement or in amendment or confirmation of this agreement;

"Monthly Fee" has the meaning given to such term in Section 14(b) of this Agreement;

"Confidential Information" means technical and non-technical information not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by us. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of your own; (b) you can demonstrate was rightfully in your possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

"Cooperative Advertising" has the meaning given to such term in Section 21(c) of this Agreement;

"Designated Manager" means the person you designate who has primary responsibility for managing the day-to-day affairs of your MIGHTY KICKS Business, and if you are an individual and not a business entity, the Designated Manager must be you;

"Effective Date" means the date on which you fully execute this Agreement, thereby commencing its effectiveness and term;

"Franchise" means the right granted to you by us to use the Program and the Marks;

"Initial Franchise Fee" has the meaning given to such term in Section 14(a) of this Agreement;

"Franchisee" and "you" means the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement;

"Franchisor," "we," and "us" means MIGHTY KICKS Franchising LLC;

"Incapacity" means your inability to operate or oversee the operation of your MIGHTY KICKS Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

"Internet" means any one (1) or more local or global interactive communications media that is now available, or that may become available, and includes sites and domain names on the World Wide Web;

"Marks" means the trademark "MIGHTY KICKS" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, copyrights, drawings and other commercial symbols as we may designate to be used in connection with MIGHTY KICKS Businesses;

"MIGHTY KICKS business" means a MIGHTY KICKS franchised business to which we have granted the use of our Marks and Program;

"MIGHTY KICKS Business" means the MIGHTY KICKS business to be established and operated by you pursuant to this Agreement;

"MIGHTY KICKS Insider" means: (i) any MIGHTY KICKS business owner, shareholder, member or partner whose signature is on an effective MIGHTY KICKS Franchise Agreement or Guaranty and Assumption of Obligations; (ii) any employee of MIGHTY KICKS FRANCHISING LLC; and (iii) any employee of any MIGHTY KICKS business whose signature is on an effective Nondisclosure and Non-Competition Agreement or other effective confidentiality agreement provided by us. These three categories of persons are the only possible MIGHTY KICKS Insiders. All others are excluded from "MIGHTY KICKS Insider," including but not limited to all close family members of MIGHTY KICKS owners and employees, all MIGHTY KICKS suppliers or subcontractors, and all former MIGHTY KICKS owners and employees.

"Operations Manual" means the MIGHTY KICKS Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by us from time to time that contain or describe the standards, methods, procedures and specifications of the Program, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, us. The Operations Manual is a set of operational rules that apply to your MIGHTY KICKS Business during the term of this Agreement and is made part of this Agreement and incorporated by reference herein;

"Program" means the uniform standards, methods, procedures and specifications developed by us and as may from time to time be added to, changed, modified, withdrawn or otherwise revised by us for the operation of a MIGHTY KICKS business; and

"**Renewal Agreement"** means the version of the MIGHTY KICKS Franchising LLC Franchise Agreement that we will be offering to new franchisees at the time you renew your Franchise. Upon renewal, you are required to sign such an agreement, which may be different from this Agreement other than the Territory rights (set forth in Section 4 of this Agreement), which will remain the same for you for as long as you own and operate the Franchise granted in this Agreement.

"Territory" means the area within which you must restrict your direct marketing and solicitation efforts and from where you may only obtain your customers;

"Trade Secrets" means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in MIGHTY KICKS Businesses that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Scope of License

1. Grant

By this Agreement, we grant to you and you undertake and accept, upon the terms and conditions contained in this Agreement, a revocable, limited license to operate one (1) MIGHTY KICKS Business using the Program and Marks. This Agreement is for one (1) MIGHTY KICKS Business only. You agree to operate your MIGHTY KICKS Business according to this Agreement and the Operations Manual. This Agreement does not grant any exclusive or territorial rights other than those expressly contained in this Agreement. If you are not an individual, your shareholders, members, partners and/or owners must personally guaranty your obligations under this Agreement and must execute the Guaranty and Assumption of Obligations attached as Exhibit 4 to this Agreement.

2. Term

The term of this Agreement is seven (7) years from the Effective Date, unless sooner terminated. You may renew the Franchise according to the provisions of the renewal clause in Section 3 of this Agreement.

3. Renewal

You may renew your Franchise at the expiration of the term of the Franchise (set forth in Section 2 of this Agreement) for additional successive terms of seven (7) years each, provided the conditions noted in this Section 3 have been satisfied. If you wish to renew the Franchise, you shall notify us in writing of your desire to renew at least ninety (90) days prior to the expiration of the term of this Agreement. Within a reasonable time after we receive notice of your desire to renew, we will deliver to you the Renewal Agreement for your consideration.

In order for you to renew your Franchise, you must meet all of the following conditions:

a. You have, during the entire term of this Agreement, substantially complied with all material provisions of this Agreement;

b. You have satisfied all monetary obligations owed by you to us (or our Affiliates) and have timely met these obligations throughout the term of this Agreement;

c. As of the renewal date, you are not in default of any provision of this Agreement or any other agreement between you and us (or our Affiliates);

d. You have given timely written notice of your desire to renew the Franchise;

e. You meet our then-current qualification requirements for new franchisees and have agreed to comply with any then-current training requirements we might have;

f. You sign the Renewal Agreement and your owners, shareholders, members and/or partners (if you are not an individual) sign the then-current Guaranty and Assumption of Obligations. The Renewal Agreement shall supersede this Agreement and may be different from this Agreement other than the Territory rights (set forth in Section 4 of this Agreement), which will remain the same for you for as long as you own and operate the Franchise granted in this Agreement. The then-current Guaranty and Assumption of Obligations may also be different from the Guaranty and Assumption of Obligations attached to this Agreement as Exhibit 4.

g. You sign a general release (in a form the same as or similar to the General Release attached as Exhibit 5 to this Agreement), releasing any and all claims against us, our Affiliates, and our and our Affiliates' officers, directors, managers, shareholders, members, owners, partners, agents and employees, except to the extent prohibited by the laws of the state where your MIGHTY KICKS Business is located; and

h. You pay a Renewal Fee of $1000 upon execution of the Renewal Agreement. The Renewal Fee is payable only to us and is imposed and collected by us. The Renewal Fee is non-refundable.

4. Territory

Before signing this Agreement, we determined the Territory where you shall operate your MIGHTY KICKS Business. The Territory is defined in Exhibit 1 of this Agreement. You shall operate your MIGHTY KICKS Business in your Territory for the term of this Agreement and any Renewal Agreements thereafter in accordance with the terms of the Operations Manual, this Agreement, and any Renewal Agreements thereafter.

We will not establish or operate, or authorize third parties to establish or operate, any MIGHTY KICKS business within your Territory for as long as this Agreement and any Renewal Agreements are in effect. Your Territory will not change for the duration of this Agreement and any Renewal Agreements thereafter.

You will not directly market to, solicit or accept customers whose principal residence (or principal business office if the customer is a business entity) is outside your Territory. You will not operate your MIGHTY KICKS Business outside of your Territory. You have no contractual right to operate your MIGHTY KICKS Business in areas outside of your Territory under this Agreement.

Subject to the terms of this Agreement, we retain all rights and discretion with respect to the Marks and Program, including the right to: establish or operate, and to grant others the right to establish or operate, MIGHTY KICKS businesses in any location outside your Territory; establish or operate, and to grant others the right to establish or operate, other businesses in any location outside your Territory offering the same or similar products utilizing the Marks or other trade names, trademarks and service marks without offering you any right thereto; and engage in any activities not expressly forbidden by this Agreement.

5. Expansion – Additional Territory

We may grant you an option to develop an additional territory at our sole discretion. If you wish to develop an additional territory, you will be subject to the application and screening process that we will be implementing for prospective franchisees at the time you are seeking the additional territory. We will not unreasonably withhold an additional territory from you. If we approve your application for an additional territory and you agree to develop that additional territory, you shall sign the version of the MIGHTY KICKS Franchising LLC Franchise Agreement that we will be offering to new franchisees at the time you agree to develop the additional territory and you shall pay the initial franchise fee for an additional territory. The initial franchise fee for an additional territory is $6,000 and must be paid in full upon the execution of the franchise agreement for the additional territory.

6. Subfranchising/Agents

You shall not sublicense the use of the Program or Marks to any person or entity to perform any part of your rights or obligations licensed under this Agreement, or to grant any person or entity the right to act as your agent to perform any part of your rights or obligations under this Agreement.

You, or your Designated Manager, if you are a business entity, must manage the day-to-day affairs of your MIGHTY KICKS Business. Your MIGHTY KICKS Business must be run efficiently, in a business-like manner, in accordance with the highest commercial and ethical standards and with a high level of quality and service.

Our Obligations

7. Program and Marks

Subject to the terms and conditions of this Agreement, we grant you the right to use the MIGHTY KICKS Program and Marks in your MIGHTY KICKS Business. We may develop the Program and provide you with information about such developments at our expense.

We, at our sole discretion, will determine if we wish to pursue any litigation or other proceeding that arises out of any infringement, challenge, or claim relating to any Mark, and we have the right to control that litigation exclusively. We reserve the right, in our sole discretion, to decide on the efforts made to respond to infringements of our Marks or the integrity of the Program and will undertake what we consider to be reasonable measures to do so.

8. Operations Manual

We will loan you one (1) Operations Manual which will be yours to keep as long as you are a Franchise owner. The Operations Manual specifies the guidelines for identifying, researching, contacting, and presenting to the target schools. It also gives instruction on marketing and selling the Program to those target schools, to their students, and the parents and/or guardians of the students. The Operations Manual will instruct you in the use of the website, online registration, record keeping, managing the business, and teaching the MIGHTY KICKS' curriculum. We may add to, change, modify or otherwise revise the Operations Manual from time to time. The Operations Manual and any additions, changes, modifications or revisions we make are made part of this Agreement by reference and incorporated herein. Any violation of the Operations Manual constitutes a breach of this Agreement. You agree never to copy, disclose or otherwise communicate any part of the Operations Manual to anyone except another "MIGHTY KICKS Insider" as defined in the Definitions Section of this Agreement. You will not use any part of the Operations Manual for any purpose other than the operation of your MIGHTY KICKS Business.

9. Training

We will provide you with two (2) days (approximately twelve (12) to sixteen (16) hours total) of initial training in the management, operations, and Program of MIGHTY KICKS at our headquarters in Colorado Springs, Colorado or at another location of our choice ("Initial Training"). No fixed ongoing Initial Training schedule exists at the time of execution of this Agreement; therefore, the Initial Training shall be scheduled at a time that is mutually agreeable to both parties to this Agreement. Reasonable blackout periods shall apply, particularly around Thanksgiving and Christmas.

The Initial Training and training materials for up to two (2) individuals involved in the management of your MIGHTY KICKS Business is included in the initial franchise fee and shall be provided at no additional charge to you. We shall charge an additional fee of $400 per individual for each individual over two (2) that you send to the Initial Training to cover the cost of the Initial Training and training materials. You shall pay this additional fee in full to us at least two (2) weeks before the first day of the Initial Training. This additional fee is payable only to us, is imposed and collected by us, and is non-refundable.

We may at our sole discretion provide additional training during the course of your Franchise that you shall be required to attend. We may charge a reasonable fee for such additional training. You also may request special training, and it is in our sole discretion as to whether we provide you that special training. Should we provide a special training at your request, we may charge you a reasonable fee for that special training.

You shall be responsible for the payment of all travel, lodging, sustenance and other living expenses incurred in connection with the Initial Training and any other additional or special trainings regardless of the number of individuals you send. Your obligations in connection with the Initial Training and additional and special trainings are set forth in more detail in Section 15 of this Agreement.

It is at our sole discretion as to whether you, your Designated Manager and/or your designees have successfully completed the Initial Training or any additional or special training.

10. Equipment and Supplies

We will provide you with the specifications of necessary equipment for you to begin your MIGHTY KICKS Business. We will provide you with your own page on our website with online registration capabilities, a MIGHTY KICKS e-mail account, accounting templates, designs and art for marketing materials (brochure, poster, flier and business card) and marketing templates (for waivers, newsletters and registrations) that you will use in your MIGHTY KICKS Business. We may change our templates and other forms and formats periodically in the future.

11. Advice, Assistance and Consultation

We will provide you assistance via telephone and/or email at reasonable business hours in all matters relating to your MIGHTY KICKS Business. Our advice, assistance and consultation includes addressing issues, such as marketing, selling, managing, accounting, online registration, analyzing or operational problems. We will provide you with new information in the industry as we learn it. We may periodically provide you with newsletters regarding current industry trends and marketing updates to assist you in the operation and planning of your MIGHTY KICKS Business. We may provide in-person advice, assistance and consultation at our sole discretion and at your expense. We may provide additional and/or special training at our sole discretion as set forth in Sections 9 and 15 of this Agreement.

12. Background Checks

Because you will be working with children, we shall conduct background checks, including criminal history, on you and your Designated Manager, upon your and your Designated Manager's consent, prior to the execution of the Agreement at our expense. Should you or your Designated Manager refuse to consent to a background check, this Agreement shall be automatically terminated and no refund of any fees, including the initial franchise fee, shall be provided.

13. Openness Policy

We will be open and honest with you, your employees, and any other MIGHTY KICKS Insider. As a Franchisee, you may ask us any question about any aspect of MIGHTY KICKS, including our internal policies and our numbers and expect an honest response. We will be open with you even if your question involves important Trade Secrets, trusting your confidentiality as a MIGHTY KICKS Insider. This openness will extend to all business and personal relations involving you and us. The only exceptions to this openness policy would be: (i) during a clear-cut conflict between you and us, when openness is not being reciprocated by you, and unilateral openness on our part would put us at a clear disadvantage in an adversarial situation; or (ii) in a case where openness on our part would be unethical, for example, by causing us to break a promise of confidentiality or violate the privacy of any person.

Your Obligations

14. General Fees

a. Initial Franchise Fee

You will pay us a lump sum of $9,700 at the time of execution of this Agreement as the total initial franchise fee. The initial franchise fee shall be deemed fully earned upon execution of this Agreement. Should we determine at our sole discretion that you or your Designated Manager failed to satisfactorily complete the Initial Training and/or should we determine at our sole discretion that you are an unsatisfactory franchisee based on your conduct, performance and/or other circumstances before the opening of your MIGHTY KICKS Business, the Agreement shall be automatically terminated and seventy-five (75) percent of your initial franchise fee shall be refunded to you. No other refunds are available under any other circumstances. The initial franchise fee may not be paid on an installment basis.

In the event that we grant you an additional territory at our sole discretion, you shall sign the version of the MIGHTY KICKS Franchising LLC Franchise Agreement that we will be offering to new franchisees at the time you agree to develop the additional territory and you shall pay $6,000 to us in full upon the execution of the franchise agreement for the additional territory. The $6,000 is the initial franchise fee for the additional territory. The initial franchise fee for an additional territory shall be deemed fully earned upon execution of the franchise agreement for the additional territory and is nonrefundable, except if we terminate the franchise agreement for the additional territory during your Initial Training or after your Initial Training is complete but before the opening of your additional MIGHTY KICKS Business, you will be refunded seventy-five (75) percent of your initial franchise fee for the additional territory. No other refunds are available under any other circumstances. The initial franchise fee for an additional territory may not be paid on an installment basis.

b. Monthly Fee

You will pay us a fee each month ("Monthly Fee") starting the 5th month after signing this Agreement and continuing throughout the term of this Agreement. The Monthly Fee for the first year of your term is $225 per month starting the 5th month after the execution of this Agreement. The first year you will pay a total of $1,800, which is $225 for 8 months. For the second year of your term and all following years, payment of the Monthly Fee will equal $2,700 per year. For example, if a franchisee signs on January 1st, their first monthly royalty payment will be due on May 1st.

All fees are payable only to MIGHTY KICKS Franchising LLC and are imposed and collected by MIGHTY KICKS Franchising LLC. All fees are non-refundable. We reserve the right to collect all fees by automatic withdrawal from your bank account.

An additional "Monthly Fee" that is the same as the "Monthly Fee" described above will be collected by us monthly for each additional territory that you purchase.

c. Late Fee

Any payments due to us (or our Affiliates) that are not received by us (or our Affiliates) within five (5) days after the date by which they must be paid shall bear a late fee of ten (10) percent of the amount overdue (or the highest rate allowed by the law where you are located, whichever is lower). You shall pay us for all costs incurred by us in the collection of any unpaid and past due Monthly Fees or any other amounts due us, including reasonable accounting and legal fees. Notwithstanding any designation by you, we have the right to apply any payments by you to any of your past due indebtedness for any amount you owe to us.

15. Training

Within ninety (90) days after the execution of this Agreement, you shall attend and successfully complete to our sole satisfaction our Initial Training in the management, operations, and Program of the MIGHTY KICKS business. The Initial Training is described in greater detail in Section 9 of this Agreement. Should we determine at our sole discretion that you or your Designated Manager failed to satisfactorily complete the Initial Training and/or should we determine at our sole discretion that you are an unsatisfactory franchisee based on your conduct, performance and/or other circumstances before the opening of your MIGHTY KICKS Business, the Agreement shall be automatically terminated and seventy-five (75) percent of your initial franchise fee shall be refunded to you.

The initial training and training materials for up to two (2) individuals involved in the management of the MIGHTY KICKS Business is included in the initial franchise fee and shall be provided at no additional charge to you. However, you will pay an additional fee of $400 per individual for each individual over two (2) that you send to the Initial Training to cover the cost of the Initial Training and training materials. You shall pay this additional fee in full to us at least two (2) weeks before the first day of the Initial Training. This additional fee is non-refundable.

We may at our sole discretion provide additional training during the course of your Franchise that you shall be required to attend. We may charge a reasonable fee for such additional training. You also may request special training, and it is in our sole discretion as to whether we provide you that special training. Should we provide a special training at your request, we may charge you a reasonable fee for that special training.

You shall be responsible for the payment of all travel, lodging, sustenance and other living expenses incurred in connection with the Initial Training and any other additional or special trainings regardless of the number of individuals you send.

It is at our sole discretion as to whether you, our Designated Manager and/or your designees have successfully completed the Initial Training or any additional or special training. You must have at least one (1) individual trained by someone who we have determined has satisfactorily completed the Initial Training at each and every soccer class you provide.

16. Opening

You shall open your MIGHTY KICKS Business within six (6) months of the Effective Date of this Agreement. If you do not open your MIGHTY KICKS Business within six (6) months of the Effective Date of this Agreement, this Agreement will automatically terminate, unless further extended by us in writing. If the Agreement is automatically terminated for failure to timely open your MIGHTY KICKS Business, the initial franchise fee shall not be refunded in whole or in part.

17. Background Checks

Because your employees will be working with children, you must conduct background checks, including criminal history, on all employees and others you hire for the operation of your MIGHTY KICKS Business, upon their consent, at your expense. You must comply with and are solely responsible for all federal, state and local laws applying to your MIGHTY KICKS Business.

18. Financial Reporting and Review; Audits

a. Financial Reporting, Tax Payment

You agree, at least once a year, to send us basic financial statements for your MIGHTY KICKS Business for the time period we specify, along with any other operating measures we may request from you.

You shall pay us (or our Affiliates or designees) promptly and when due the amount of all sales taxes, uses taxes, personal property taxes and similar taxes imposed upon, required to be collected, or paid by us on the account of services or goods we furnish to you through sale, lease or otherwise, or on account of our collection of the Initial Franchise Fee, Monthly Fee, or any other payments to us provided in this Agreement.

b. Audits

We may, at any time during business hours and upon forty-eight (48) hours prior notice to you, examine, copy and/or audit the books, records, financial statements, tax returns, and all other records of your MIGHTY KICKS Business. If you operate as an individual, our examination of tax returns shall be limited to a review of Schedule C on your returns or the comparable reporting of business revenue and expenses. You promise to cooperate fully with our representatives that we hire to conduct any inspection or audit. Audit costs include attorneys' and accountants' fees and travel expenses, room and board and applicable per diem charges for our employees payable only if the audit shows an understatement of gross receipts by more than 3% or if you fail to furnish reports, supporting records, or required information.

19. Insurance

You must procure and continuously maintain, at your own expense, adequate insurance coverage for your MIGHTY KICKS Business in an amount of at least $1 million to cover all types of general liability or, if higher, the statutory minimum limit required by law, as well as all other insurance required by law. You must also procure and continuously maintain, at your own expense, adequate insurance to provide coverage under the indemnity provisions set forth in Section 31 of this Agreement. We have the right to reasonably increase the minimum liability protection requirement as and when necessary and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

All insurance must be with accredited companies and include MIGHTY KICKS Franchising LLC and our members, managers, officers, and agents as named insureds. You also must have workers' compensation insurance, automobile insurance and/or any other insurance that the law requires. At our request, you must give us a copy of your insurance policies.

20. Use of Marks

You acknowledge that we own the Marks and the goodwill associated with them; that the Marks form a valuable part of the Program; that the Marks are valid; that you will not contest their validity; and that any goodwill arising out of your use of the Marks will inure to our benefit. To protect the integrity of the Marks, you will conform to all the use restrictions set forth in this Agreement. Any unauthorized use of the Marks by you will be a breach of the Agreement and an infringement of our rights associated with the Marks. You recognize our right to use the Marks and to grant others the right to use the Marks. Your use of the Marks will not entitle you to any title or property interest in them. You promise to correctly use the Marks, and you agree to withdraw any written, printed, electronic and Internet materials that we determine, in our sole discretion, display an incorrect use of our logo. Should the logo change during the course of this Agreement, you agree to change all applications and displays of the logo to its revised form immediately at your expense.

Except to the extent required by law, or if agreed upon in writing, you will operate your MIGHTY KICKS Business only under the name MIGHTY KICKS, without any accompanying words or symbols. You will not use any Mark or portion of any Mark as part of any business entity name, with any prefix, suffix or other modifying words, terms, designs or symbols or in any modified form, without our prior written consent. You will not display or use, without our prior written permission, any of the Marks in any website, homepage, or interactive site you maintain on the Internet, or any other similar propriety or common carrier electronic delivery program. You will comply with reasonable requirements regarding service mark, trademark, or trade name registrations and copyright notices, which we may from time to time prescribe. You will indicate in any records, documents, or relationships with other persons that the operation of your business is separate and distinct from the operation of our business. You will not use any of the Marks in advertising the transfer, sale, or other disposition of your MIGHTY KICKS Business or an ownership interest in you or your MIGHTY KICKS Business without our prior written permission. Recognizing that diligent protection of the Marks is of central importance to the franchise relationship, you agree to notify us immediately of any possible infringement of or challenge to the Marks of which you become aware.

21. Franchise Promotion

You shall continuously promote your MIGHTY KICKS Business. You must submit all advertising to us for our approval at least seven (7) business days before publication unless specifically waived in writing by us as to each particular advertisement or marketing campaign. We will not unreasonably withhold or delay our approval. You may not use any advertising or promotional materials that we disapprove. We will provide you with your own page on our website with online registration capabilities, templates of marketing materials (templates of posters, fliers, photos, testimonials, referrals, brochures and business cards) and other marketing templates (newsletters, waivers, registrations, etc.). You are responsible for the expenses for advertising and promoting your franchise. The submission of advertising materials to us for approval shall not affect your right to determine the prices at which you sell products or provide services.

a. Internet Promotions

You may not establish a presence on, or market using, the Internet in connection with your MIGHTY KICKS Business without our prior written consent. We have established and we maintain an Internet website that provides information about the Program and the services that we and our franchisees provide. We will provide you an interior page on our website containing information about your MIGHTY KICKS Business. You shall prepare all or a portion of the page, at your expense, using a template that we provide. The page shall be subject to our approval prior to posting.

You may be requested to provide content for our Internet marketing and shall be required to follow our intranet and Internet usage rules, policies and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding and other arrangements. We retain the sole right to approve any linking to, or other use of, the MIGHTY KICKS website.

b. Franchise Referrals

When referring the Program to a prospective franchisee, you must adhere to federal and state regulations as well as our promotional guidelines as described in the Operations Manual. You agree to prominently display to customers, at all times, upon our request, materials provided by us at our expense to promote the franchise. We may pay you a reasonable fee at our sole discretion for referring prospective franchisees to us who become our franchisees and open MIGHTY KICKS businesses.

c. Cooperative Advertising Program

We have the right, but not the obligation, to create a Cooperative Advertising Program for the benefit of MIGHTY KICKS franchisees. We have the right to require our franchisees to participate in the Cooperative Advertising Program should one be established and to contribute a reasonable amount of money to the Cooperative Advertising Program. Should we require a monetary contribution to the Cooperative Advertising Program, we and all our franchisees shall contribute an equal amount. We shall notify you at least thirty (30) days before implementing or changing Cooperative Advertising Program requirements.

The Cooperative Advertising Program shall be maintained and administered by us or our designee under the written documents governing the Cooperative Advertising Program as follows:

(1) We shall oversee all marketing programs, with sole control over the creative concepts, materials and media used in such programs, and the placement and allocation thereof. We do not warrant that any particular franchisee shall benefit directly or *pro rata* from expenditures by the Cooperative Advertising Program. We are not required to spend any amount for advertising in your Territory.

(2) Your contributions may be used to meet the costs of, or to reimburse us for our costs of, producing, maintaining, administering and directing consumer advertising (including, without limitation, the cost of preparing and conducting television, radio, Internet, magazine and newspaper advertising campaigns and other public relations activities; developing or hosting an Internet web page or site and similar activities; employing advertising agencies to assist therein; and providing promotional brochures and other marketing materials to franchisees). All Cooperative Advertising Program contributions shall be maintained in a separate account from our monies and shall not be used directly to solicit future franchisees or to defray any of our general operating expenses, except for such reasonable costs and expenses, if any, that we may incur in activities reasonably related to the administration of the Cooperative Advertising Program.

(3) It is anticipated that all Cooperative Advertising Program contributions shall be expended for programs during our fiscal year within which such contributions are made. If excess amounts remain at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the Cooperative Advertising Program, and next out of prior year contributions and then out of current contributions.

(4) Although we intend the Cooperative Advertising Program, if established, to be of perpetual duration, we have the right to terminate the Cooperative Advertising Program at any time. The Cooperative Advertising Program shall not be terminated, however, until all Cooperative Advertising Program contributions have been expended for advertising and promotional purposes or returned to you and other franchisees on a *pro rata* basis.

(5) Monthly accounting of the funds placed in the Cooperative Advertising Program will be made available to franchisees upon request. An accounting of the operation of the Cooperative Advertising Program shall be prepared annually and shall be available to you upon request. We retain the right to have the Cooperative Advertising Program audited, at the expense of the Cooperative Advertising Program, by an independent certified public accountant selected by us.

(6) You acknowledge that the Cooperative Advertising Program is not a trust, and we assume no fiduciary duty in administering the Cooperative Advertising Program.

22. Confidentiality and Non-Competition

In consideration of your use of the Marks, your receipt of training in all aspect of the operation of a MIGHTY KICKS business and your use of the Program, you and all of your owners, members, shareholders and/or partners (if you are not an individual) will not, without our prior written consent:

a. At any time during or after the term of this Agreement, use our Confidential Information and/or Trade Secrets as defined in the Definitions Section of this Agreement for any purpose whatsoever, except as subject to the terms and conditions of this or another MIGHTY KICKS Agreement. For the purposes of this Agreement, MIGHTY KICKS Confidential Information includes any proprietary aspects of the operation of MIGHTY KICKS FRANCHISING LLC or a MIGHTY KICKS business, including all coaching techniques, games and stories; all details of MIGHTY KICKS business operation practices, forms, and the Program; all details of the MIGHTY KICKS Operations Manual; all research techniques, lists of schools, and marketing templates; and any other information or matter arising from MIGHTY KICKS related to the operation of a MIGHTY KICKS business, the internal operation of MIGHTY KICKS FRANCHISING LLC, or the training and franchising of the Program to MIGHTY KICKS business owners.

b. At any time during or after the term of this Agreement, disclose Confidential Information or any of its parts to any person or firm who has not executed a MIGHTY KICKS Franchise Agreement and/or a Nondisclosure and Non-Competition Agreement. You recognize that the Program is an innovation that is the result of years of development and that use of any or all of the Confidential Information of this Program by any other persons or firms would give them a substantial competitive advantage enjoyed by MIGHTY KICKS business owners. Therefore, you also will not hire or have in your employment anyone who does not execute a Non-Disclosure and Non-Competition Agreement provided by us.

c. At any time during or after the term of this Agreement, use the Marks in connection with the operation of any business except as permitted by this or another MIGHTY KICKS franchise agreement or otherwise in writing by us.

d. Hire or attempt to hire any employee of MIGHTY KICKS FRANCHISING LLC or any employee, manager, director, owner, shareholder, member or partner of a MIGHTY KICKS business, or assist in such hiring by anyone else, or encourage any employee to terminate his or her employment with MIGHTY KICKS FRANCHISING LLC or a MIGHTY KICKS business. This covenant will apply during the term of this Agreement and for a period of two (2) years after the term of this Agreement beginning on the effective date of any transfer, termination or expiration of this Agreement or on the date on which all persons restricted by this section are in compliance with its terms, whichever is later.

e. Have any direct interest in the ownership or operation of, or perform services as a director, officer, employee, trainer, advisor, or consultant for any business that competes with the Program and that is not authorized by another MIGHTY KICKS franchise agreement. This covenant will apply during the term of this Agreement and for a period of two (2) years after the term of this Agreement beginning on the effective date of any transfer, termination or expiration of this Agreement or on the date on which all persons restricted by this section are in compliance with its terms, whichever is later. Under this Section 22(e) of this Agreement, a business that competes with the Program will be defined as any soccer education program taking place at schools or parks offered to children up to 10 years of age within 20 miles of the Territory.

f. Have any direct interest in the ownership or operation of, or perform services as a director, officer, employee, trainer, advisor, or consultant for any business that competes with the Program and that is not authorized by another MIGHTY KICKS franchise agreement. This covenant will apply during the term of this Agreement and for a period of two (2) years after the term of this Agreement beginning on the effective date of any transfer, termination or expiration of this Agreement or on the date on which all persons restricted by this section are in compliance with its terms, whichever is later. Under this Section 22(f) of this Agreement, a business that competes with the Program will be defined as any soccer education program taking place at schools or parks offered to children up to 10 years of age within 20 miles of any MIGHTY KICKS business territory other than your Territory.

You acknowledge that any failure to comply with the requirements of this Section 22 will cause us irreparable injury, and you agree to pay all court costs and reasonable attorney's fees incurred by us in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 22.

Each of the subsections in this Section 22 of this Agreement may be severed from each of the other subsections in this Section 22 and may be separately and individually enforced. If any of the provisions in this Section 22 of this Agreement are not fully enforceable in any jurisdiction, then the parties agree that MIGHTY KICKS shall have the right to revise the provision so that it contains a commercially reasonable limitation, which is enforceable in that jurisdiction. If a court determines that either the original provision or any subsequently revised provision is not fully enforceable under applicable law, then the parties agree that the court shall have the right to revise it so that it contains a commercially reasonable limitation which is enforceable in that jurisdiction, it being the intention of the parties to enforce to the full extent of the law the post-term restrictions on competitive activity contained in this Agreement.

23. Openness Policy

The parties will share new information in the industry that will help you. You agree to openly share your soccer related ideas with us and to never withhold any innovation that may help us or the Program as a whole. You acknowledge that: you completely understand and accept this foundation of your relationship with MIGHTY KICKS; you are entering into a mutually beneficial, free dialog with all MIGHTY KICKS franchisees; central to this dialog is open and honest generosity in the exchange of new learning; and by executing this Agreement, you agree, along with every other MIGHTY KICKS business owner, that every skill, lesson, game, concept, technique, material and/or idea developed or discovered by you will be available to all MIGHTY KICKS franchises and will become the sole and exclusive property of MIGHTY KICKS FRANCHISING LLC for the benefit of the Program as a whole.

You acknowledge that, to preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that you are properly employing the Marks in the operation of your MIGHTY KICKS Business, we and our designees have the right to enter and inspect your MIGHTY KICKS Business at all reasonable times and, additionally, have the right to observe the manner in which you render services and conduct activities and operations, and to inspect facilities, equipment, accessories, products, supplies, reports, forms and documents and related data to ensure that you are operating your MIGHTY KICKS Business in accordance with the quality control provisions and performance standards established by us. You shall permit us or our agents to remove samples of supplies and other items offered for sale or used in the operation of your MIGHTY KICKS Business, in amounts reasonably necessary for testing by us to determine whether such samples meet our then-current standards. We or our designee have the right to observe you and your employees during the operation of your MIGHTY KICKS Business and to interview and survey (whether in person or by mail) customers and employees and to photograph and videotape you and your employees rendering MIGHTY KICKS services.

Assignment/Transfer

24. Assignment by Us

This Agreement is not personal with respect to us, and we will have the right to transfer or assign all or any part of this Agreement to any person or legal entity so long as the assignee agrees to meet all of our obligations under this Agreement.

25. Assignment; Transfer by You

You may not sell, transfer, assign or encumber this Agreement, your MIGHTY KICKS Business, or any of the assets of your MIGHTY KICKS Business and none of your owners may transfer an ownership interest in you (if you are a corporation or other legal entity), without our prior written consent. Any sale, transfer, assignment, or encumbrance that is completed without our consent will be considered null and void and constitute a material breach of this Agreement.

This Agreement is not transferable prior to the opening of your MIGHTY KICKS Business. After the opening of your MIGHTY KICKS Business, we may, at our sole discretion, consent to the transfer of this Agreement, your MIGHTY KICKS Business, or any of the assets of your MIGHTY KICKS Business and/or an ownership interest in you (if you are a corporation or other legal entity). Our consent to transfer must be in writing to be effective.

You agree that the restrictions on transfer imposed by this Agreement are reasonable and necessary to protect the Program, the Marks, and the reputation of all MIGHTY KICKS business owners. Any assignment or transfer permitted by this Agreement will not be effective until we receive completely executed copies of all transfer documents, receive all required fees, and provide our consent in writing. You will also, upon our request, send us copies of the information you provide to a prospective transferee.

a. Transfer Fee

Provided we approve the transfer or assignment of this Agreement, you must pay a transfer fee in the amount of $3000 prior to the consummation of the transfer (“Transfer Fee”). This Transfer Fee does not apply to transfers from you to a corporation where you remain the majority shareholder of such corporation or to the heirs, beneficiaries, legal successors or devises if you become deceased or incapacitated. The Transfer Fee is payable only to us, is imposed and collected by us, and is non-refundable.

b. Death, Disability or Other Incapacity

In the event of the death, disability or Incapacity of any persons (1) whose signatures are on the Agreement in an individual capacity or (2) who own an equity position in a legal entity (which is the Franchisee) we will not unreasonably withhold our consent to the transfer of that person's interest to his or her heirs or beneficiaries, provided all the conditions of this Agreement for transfer have been met. In the event that such heirs or beneficiaries do not obtain our consent, the estate or guardian will have a reasonable time to locate someone who meets our approval to act as part of your MIGHTY KICKS Business for the benefit of that person's heirs or beneficiaries, according to all the terms and conditions for transfers in this Agreement.

c. Convenience of Ownership

If a proposed transfer is to a corporation, limited liability company, partnership or other form of legal entity you have formed for the convenience of ownership, our consent to such a transfer, in addition to the requirements set forth below, shall be contingent on your owning all the voting stock of the corporation or other forms of ownership interest in the entity. The entity must execute all documents necessary to assume the obligations of this Agreement. We will require that the entity complies with all of the terms and conditions in this Agreement and that it is in good standing under the laws of the state of its formation. We will also require, as a condition of our approval of the transfer, a copy of the entity's organizational documents, operating agreement, or partnership agreement, as well as any stock certificates and other documents representing ownership interest. The transfer of any ownership interest in the entity may be restricted by the terms of this Agreement. We will require that the owners of the entity execute the Guaranty and Assumption of Obligations attached to this Agreement as Exhibit 4 for the obligations of the entity under this Agreement.

d. Divorce, Dissolution and Operation of Law

In the event that the proposed transfer is the result of a divorce, an entity dissolution proceeding, or operation of law, our consent is contingent on all of the requirements listed below in this Section 25.

e. Requirements for our Consent to Transfer

We agree not to unreasonably withhold consent to a proposed sale, transfer, or assignment by you or (if you are a legal entity) one of your owners. However, consent to a proposed transfer may be refused if:

(1) You are in default under this Agreement or any other agreement with us or our Affiliates;

(2) You fail to pay all sums due to us or our Affiliates;

(3) You fail to submit all required reports to us for review;

(4) You cannot satisfy us that the transferee meets the qualifications we require of new MIGHTY KICKS franchisees;

(5) The transferee does not sign our then current Franchise Agreement, Nondisclosure and Non-Competition Agreement or Guaranty and Assumption of Obligations;

(6) We do not receive the full Transfer Fee;

(7) The transferee, at his/her own expense, does not satisfactorily complete the application process and Initial Training required of new MIGHTY KICKS franchisees on our then-current terms.

(8) You do not execute the General Release attached to this Agreement as Exhibit 5 of all claims we may have against one another;

(9) We reasonably conclude that the transferee is not financially qualified to purchase and operate a MIGHTY KICKS business. This will require, at a minimum, our possession of recent financial statements from your MIGHTY KICKS Business itself and a letter outlining the material terms of the sale, including but not limited to financing and sales price, prior to qualifying the transferee; and

(10) In circumstances where the transfer is a corporation, limited liability company, or other legal entity, we may refuse our consent to the proposed transfer if: (i) the transferee or the owners do not sign the Guaranty and Assumption of Obligations for the entity's obligations under this Agreement or otherwise take steps to comply with the policies then in effect for such entities; or (ii) the transferee or its owners or affiliates operate or have an ownership interest in a competitive business.

Qualifying a proposed transferee is fundamentally different from qualifying a new MIGHTY KICKS business owner. In light of our need to analyze the individual circumstances of the proposed transfer, you agree to provide us up-to-date and accurate financial information from your MIGHTY KICKS Business so we can analyze anticipated cash flow for you MIGHTY KICKS Business and estimate whether it will cover the transferee's livelihood and debt service after purchase. From this information, we will evaluate the transaction and decide whether to approve or disapprove the transfer. If, in our opinion, the proposed price and terms of purchase would result in an unsatisfactory return on investment or result in the purchaser's inability to generate sufficient cash flow to support the business, we may disapprove the proposed transfer and/or, without liability to you, counsel with the prospective buyer regarding our opinions. The prospective transferee must meet our financial, business, and other then-current requirements for franchise applicants. We will handle each of these steps as quickly as we can, to not unnecessarily impede the sale.

Termination/Expiration

26. Termination Fee; Refund

You represent that, prior to executing this Agreement, you read the Franchise Disclosure Document and this Agreement and researched the MIGHTY KICKS Program. We have received your written application, met you, contacted your references and conducted a background check on you. Executing this Agreement indicates that, to this point, both parties are enthusiastic with the results of their research. However, if this Agreement is executed and we determine thereafter, in our sole discretion, that you or your Designated Manager is unable to satisfactorily complete the Initial Training and/or we determine, in our sole discretion, that you are an unsatisfactory franchisee based on your conduct, performance and/or other circumstances before the opening of your MIGHTY KICKS Business, this Agreement shall be automatically terminated and seventy-five (75) percent of your initial franchise fee shall be refunded to you. No other refunds are available under any other circumstances.

27. Our Right to Terminate

We may terminate this Agreement at our option, effective upon delivery of written notice of termination to you, if you, your owner or owners, or your MIGHTY KICKS Business:

a. Voluntarily abandons, surrenders, transfers control of or transfers any right or obligations to a third party without our prior written approval, or fails to actively operate the MIGHTY KICKS Business without our written approval;

b. Is convicted of, or pleads no contest to, a felony or is convicted of, or pleads no contest to, any other crime or offense that is likely, in our sole opinion, to adversely affect the reputation of your MIGHTY KICKS Business and the goodwill associated with the MIGHTY KICKS Marks;

c. Makes any unauthorized use or disclosure of our Confidential Information and/or Trade Secrets or utilizes, duplicates or discloses any portion of the Operations Manual in violation of this Agreement;

d. Fails to comply with any other provision of this Agreement or ancillary agreement between you and us, including the payment of all amounts due us when due, and (a) fails to correct such failure within thirty (30) days after written notice of the failure to comply is delivered to or otherwise received by you or (b) if the default cannot reasonably be cured within thirty (30) days, upon your failure to initiate within thirty (30) days substantial and continuing action to cure the default. The written notice of failure to comply will describe the action that must be taken to correct the failure;

e. Fails on two (2) or more separate occasions within any twelve (12) consecutive-month period to comply with a material provision of this Agreement, whether or not such failures to comply are corrected after notice;

f. Becomes insolvent, or a receiver is appointed to take possession of your business or property or any part thereof, or you make a general assignment for the benefit of creditors, or a judgment is obtained against you which remains unsatisfied for a period of more than thirty (30) days after all rights of appeal have expired or been exhausted;

g. Becomes bankrupt or subject to any chapter of the United State Bankruptcy Code;

h. Operates your MIGHTY KICKS Business outside of your Territory without our prior written permission; or

i. Makes any material misrepresentation to us prior to or during the term of this Agreement.

As set forth in Section 16 of this Agreement, this Agreement will automatically terminate without notice, unless further extended by us in writing, if you fail to open your MIGHTY KICKS Business within six (6) months after the Effective Date of this Agreement.

28. <u>Your Right to Terminate</u>

You may terminate this Agreement if:

a. You provide us thirty (30) days written notice prior to your proposed termination, you and your owners are in full compliance with this Agreement, and we consent to such termination in writing; or

b. We materially fail to comply with this Agreement and: (i) we do not correct the failure within thirty (30) days after you deliver written notice of the material failure to us; or (ii) if we cannot correct the failure within thirty (30) days or give you within thirty (30) days after your notice reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Agreement for any other reason or without notice will be deemed a termination without cause.

29. Your Responsibilities after Termination or Expiration

Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to you shall terminate and you shall have the following obligations:

a. You will immediately cease to operate your MIGHTY KICKS Business and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as one of our present or former franchisees;

b. You will immediately cease to use the Trade Secrets, other Confidential Information, the Program and the Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms, Internet websites and material, and any other items that display or are associated with the Marks. You will immediately cease to use or display any portion of the Program and the Marks or any confusingly similar names, marks, signs, symbols, stories, lessons, or games.

c. You will immediately remove or permanently cover any signs, advertisements, Internet websites or other online materials identifiable in any way with the Marks, name or image. If you refuse, we will have the right to do it for you at your expense. If you make changes to any signs or advertising, the change must so fundamentally alter the MIGHTY KICKS sign or advertising that, in our sole opinion, there will be no likelihood of confusion with the Marks and no suggestion of affiliation or former affiliation with the MIGHTY KICKS Program;

d. You will immediately pay us in full for all sums you owe us or our Affiliates, which may include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees, unpaid Monthly Fees and any other amounts due to us or our Affiliates;

e. If the termination is caused by any default by you under Section 27 or otherwise, you agree to pay us actual and consequential damages and all costs and expenses, including reasonable attorneys' fees, incurred by us subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

f. You will immediately return to us the Operations Manual, advertising materials, materials containing Trade Secrets and Confidential Information and other materials we provide as part of the Program within five (5) days after termination and you shall not retain any copies or excerpts from such materials;

g. You will immediately take the necessary steps to remove any and all reference to the Marks, including the MIGHTY KICKS name, from any telephone numbers, phonebook references, and any other source which lists or mentions your MIGHTY KICKS Business in any way within ten (10) days of expiration or termination. You agree to advise us in writing of the steps you have taken to comply with this provision;

h. You will immediately take such action as may be necessary to cancel or assign to us, at our option, any assumed name or equivalent registration filed with state, city or county authorities that contains the name "MIGHTY KICKS" or any other Mark, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement; and

i. You will strictly comply with all other provisions of this Agreement that pertain to post-termination obligations, including, without limitation, those provisions discussing non-competition, confidentiality, and hold harmless clauses.

Additional Terms

30. Relationship Between Parties

This Agreement is purely a contractual relationship between the parties and does not appoint or make you an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of us for any purpose whatsoever. You may not represent or imply to third parties that you are an agent of us, and you are in no way authorized to make any contract, agreement, warranty or representation on behalf of us, or to create any obligation, express or implied, on our behalf. During the term of this Agreement, and any extension or renewal hereof, you shall hold yourself out to the public only as a franchisee and an owner of your MIGHTY KICKS Business operating your MIGHTY KICKS Business pursuant to a franchise from us. You shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on all forms, stationery or other written materials, the content of which we have the right to specify. Under no circumstances shall we be liable for any of your acts, omissions, contracts, debts nor any other of your obligations. We shall in no way be responsible for any injuries to persons or property resulting from the operation of your MIGHTY KICKS Business.

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires you to obtain our written consent or permits you to take any action or refrain from taking any action, we are free to act in our own self-interest without any obligation to act reasonably, to consider the impact on you or to act subject to any other standard of care limiting our right, except as may be provided by statute or regulation.

31. Indemnification

You shall hold harmless and indemnify us, our Affiliates, all holders of a legal or beneficial interest in us and all officers, directors, executives, managers, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, that arises from or is based upon your (a) ownership or operation of your MIGHTY KICKS Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between you and us (or any Affiliate); (d) defamation of us or the Program; (e) acts, errors or omissions committed or incurred in connection with your MIGHTY KICKS Business, including any negligent or intentional acts; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets.

You shall give us immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. We have the right to retain counsel of our own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, our reputation or the goodwill of others, we have the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in our sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If our exercise of our rights under this Section causes any of your insurers to refuse to pay a third party claim, all cause of action and legal remedies you might have against such insurer shall automatically be assigned to us without the need for any further action on either party's part. Under no circumstances shall we be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against you. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by us from you.

32. Remedies Cumulative; Waivers; Non-Uniformity

All of our and your rights and remedies under this Agreement will be cumulative, and, except as provided by this Agreement, none will exclude any other right or remedy allowed by law or equity. No failure on our part to exercise any power given us under this Agreement or failure on our part to insist your strict compliance with any obligations in this Agreement, and no custom or practice of the parties at variance with the terms of this Agreement, will constitute a waiver of our right to demand exact compliance with the terms of this Agreement. Our acceptance of any payment(s) due shall not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants or conditions of this Agreement.

Waiver by us of any particular default by you shall not be binding unless in writing and executed by us and shall not affect nor impair our right with respect to any subsequent default of the same or of a different nature. Any waiver by us of the breach of any term of this Agreement will not be deemed a waiver of any subsequent breach of the same or different terms and conditions.

Whenever this Agreement requires our prior approval or consent, you will make a timely written request, and such approval will be obtained in writing. You accept the necessity of such variances in special cases, and, although you may request a similar variance if your condition is similar, no variance to one franchisee shall ever imply a variance to any other without our specific agreement in writing. In addition, we may at our sole discretion create differing agreements with any of our franchisees based on the differing needs in each franchisee's business.

33. Severability

If any applicable and binding law of any jurisdiction: (a) requires a greater prior notice than is required under this Agreement of our termination of this Agreement or of our refusal to renew your Franchise; (b) requires us to take some other action not required under this Agreement; or (c) makes any provision of this Agreement invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the comparable provision of this Agreement, and we will have the right, in our sole discretion, to modify the invalid or unenforceable provision to the extent required to make it valid and enforceable. You agree to be bound by the provision as modified.

34. Notices

All notices with regard to this Agreement will be in writing and will be considered given when hand delivered or sent by registered mail, certified mail, or courier showing proof of delivery:

If to you, at:

____
____
____

If to us, at:

MIGHTY KICKS FRANCHISING LLC
~~5555 Calvert Creek Drive~~
9810 Rising Eagle Place
Colorado Springs, CO ~~8092~~80908

Or such other addresses as may be specified by you or us by notice to the other.

35. <u>Conflict and Dispute Resolution</u>

In any circumstance where a dispute has arisen between us and you, both parties agree that the dispute shall be determined solely and exclusively by arbitration in Larimer County, Colorado in accordance with the Federal Arbitration Act, if applicable, and the Rules of the American Arbitration Association ("AAA") in accordance with the rules relating to the arbitration of disputes arising from franchise and license agreements, if any, or otherwise in accordance with the general rules of commercial arbitration. At the option of you and/or us, the arbitrator shall be selected from a list of retired federal or state judges supplied by the AAA if obtainable; otherwise, the arbitrator shall be selected from a list of other available arbitrators supplied by the AAA. The arbitrator shall issue a written opinion explaining the reasons for his or her decision and award or include in the award the specific performance of this Agreement. Judgment upon the award of the arbitrator will be entered in any court having competent jurisdiction and shall be final, binding, and unappealable. Nothing contained herein shall, however, be construed to limit or to preclude either party from bringing any action in any court of competent jurisdiction for injunctive relief as that party deems to be necessary or appropriate to compel the other party to comply with its obligations hereunder or to protect the Marks or other property rights. This arbitration provision shall be deemed to be self-executing, and in the event that you fail to appear at any properly noticed arbitration proceeding, award may be entered against you.

It is the intent of the parties that any arbitration between us and you is limited to your individual claim(s) and no claim will be arbitrated on a class-wide basis. Throughout the duration of any arbitration proceeding, the parties will continue to fully perform each of their respective obligations as set forth in this Agreement.

a. **Waiver of Jury Trial**

You and we irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either of us against the other, whether or not there are other parties in such action or proceeding.

b. **Waiver of Damages**

You and we hereby waive, to the fullest extent permitted by law, any right to or claim of any punitive or exemplary damages against the other, and agree that in the event of a dispute between us, each shall be limited to the recovery of any actual damages sustained.

36. <u>Governing Law; Construction</u>

Except to the extent govern by the United States Trademark Act of 1946 (the Lanham Act, 15 U.S.C. §§ 1051 et seq.) or other federal law, this Agreement will be deemed to have been made and entered into in the Commonwealth of Virginia and will be construed and interpreted, and our relationship with you and the rights and obligations of the parties governed, in accordance with the laws of Virginia, without regard to its conflicts of laws and principles.

The Recitals at the outset of this Agreement are a material and binding part of the terms, conditions, covenants and agreements of this Agreement. All terms and words used will be construed as if they were written in the proper number and gender as the context may require. It is the intention of the parties that, if any provision of this Agreement is susceptible of two or more constructions, one of which would render it enforceable and the other or others of which would render it unenforceable, the provision will have the meaning that renders it enforceable. If you consist of two (2) or more individuals, they will be jointly and severally liable under this Agreement. Paragraph headings are inserted for convenience only and are not to be construed as a limitation on the scope of the paragraphs to which they refer.

37. Entire Agreement; Misunderstandings Deriving from Poor Business Practice

This Agreement, its exhibits and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between you and us concerning the subject matter hereof, and shall supersede all prior agreements. No other representation, oral or otherwise, has induced you to execute this Agreement, and there are no representations (other than those within our MIGHTY KICKS Franchise Disclosure Document), inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, that are of any force or effect with respect to the matters set forth in or contemplated by this Agreement or otherwise. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties.

A relationship of confidence and trust shall exist between you and us. If we make any promise to you, or ask any promise from you, which is significant and affects our long term relationship and goes beyond the wording of this Agreement, it will be signed, look formal, and be in writing.

Nothing in this Agreement or in any related agreement is intended to disclaim the representations we made in the franchise disclosure document.

38. Acknowledgments

You acknowledge that:

a. There are risks involved in the business contemplated by this Agreement, and its success depends largely on your business ability. No warranty or guarantee by us of the volume, profits, or success of the business contemplated by this Agreement, expressed or implied, has been received or relied upon by you.

b. You know of no representations by us about the business contemplated by this Agreement that are contrary to this Agreement: you have made no misrepresentations to us in order to obtain entry into this Agreement.

c. You have received, read and understood the current MIGHTY KICKS Franchise Disclosure Document at least fourteen (14) calendar-days prior to signing this Agreement. You have read and understood this Agreement, and received it in its final form with all amendments, attachments and ancillary agreements, at least seven (7) calendar-days prior to signing it.

d. Our rights and obligations with respect to our various MIGHTY KICKS business owners could differ materially.

[Signatures on Following Page]

In witness whereof, intending to be legally and morally bound, the parties hereto have duly executed this Franchise Agreement on the date first written above.

MIGHTY KICKS FRANCHISING LLC:

By: ____________________________

____
Name

____
Title

____
Date

Franchisee: ______________________

By: ____________________________

____
Name

____
Title (if any)

____
Date

<u>EXHIBIT 1 TO THE FRANCHISE AGREEMENT</u>

TERRITORY

EXHIBIT 2 TO THE FRANCHISE AGREEMENT

HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE;
OFFICERS, DIRECTORS, MANAGERS AND TRUSTEES

Holders of Legal or Beneficial Interest:

Name:____________________________________
____
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership: __________%

Name:
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership ___________%

Name:____________________________________
____
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership: __________%

Name:
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership ___________%

Name:____________________________________
____
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership: __________%

Name:
Position/Title: ____________________________
Home Address: ____________________________
____
____
Telephone No.:____________________________
E-mail address:____________________________
Percentage of ownership ___________%

<u>Officers and Directors</u>:

Name:______________________________
____
Position/Title: _________________________
Home Address: _________________________
____
____
Telephone No.:________________________
E-mail address:________________________

Name:
Position/Title: _________________________
Home Address: _________________________
____
____
Telephone No.:________________________
E-mail address:________________________

Name:______________________________
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Position/Title: _________________________
Home Address: _________________________
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Telephone No.:________________________
E-mail address:________________________

Name:
Position/Title: _________________________
Home Address: _________________________
____
____
Telephone No.:________________________
E-mail address:________________________

EXHIBIT 3 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" made as of the ____ day of _____________, ~~200~~20____, is by and between _____________________________________, ("Franchisee") (d/b/a a MIGHTY KICKS Business) and ____________________________________ ("Individual").

W I T N E S S E T H:

WHEREAS, Franchisee is a party to that certain MIGHTY KICKS Franchising LLC Franchise Agreement ("Franchise Agreement") by and between Franchisee and MIGHTY KICKS Franchising LLC ("Company"); and

WHEREAS, Franchisee desires Individual to have access to or to review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to said Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such Trade Secrets or other Confidential Information to compete against Company, Franchisee or any other franchisee of Company now or in the future.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Proprietary Information

Individual acknowledges that Franchisee possesses and shall continue to possess Trade Secrets and other Confidential Information belonging to Franchisee or Company that are important to Franchisee's business. For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, lists of actual or potential customers or suppliers) related to or used in MIGHTY KICKS businesses that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. "Confidential Information" means technical and non-technical information not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information. Any information expressly designated by Company as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, entity, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information.

b) Individual's obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Individual's relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to or allow the Company to communicate Individual's obligations under this Agreement to any future employer to the extent deemed necessary by Franchisee for protection of Franchisee's rights hereunder and regardless of whether Individual becomes an investor, partner, joint venturer, broker, distributor or the like in the MIGHTY KICKS Program. Further, Individual is required to communicate Individual's obligations under this Agreement to any future employer.

3. Non-Competition

a) During the period Individual owns any interest in Franchisee or is employed (as an employee or consultant) by Franchisee and for two (2) years thereafter, Individual shall not, directly or indirectly, carry on, be engaged in or take part in, render similar services to, or own or share in the earnings of any Competitive Business anywhere within: (1) twenty (20) miles of Franchisee's Territory described as follows: ____________________________ ____; Or (2) twenty (20) miles of any MIGHTY KICKS business wherever located without the express written consent of Franchisee. "Competitive Business" means any soccer education program taking place at schools or parks offered to children up to 10 years of age; provided, however, that the term "Competitive Business" shall not apply to (i) any business operated under a Franchise Agreement with Company, or (ii) any business operated by a publicly held entity in which Individual owns less than a five percent (5%) legal or beneficial interest.

b) During the period Individual owns any interest in Franchisee or is employed (as an employee or consultant) by Franchisee and for two (2) years thereafter, Individual shall not (i) solicit or otherwise attempt to induce or influence any customer of Franchisee to terminate or modify his, her or its business relationship with Franchisee or the Company; or (ii) solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisee to terminate or modify his, her or its business relationship with Franchisee or to compete against Franchisee or the Company.

4. <u>Miscellaneous</u>

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) If one (1) or more provisions of this Agreement are held to be illegal or unenforceable under applicable law, such illegal or unenforceable portion(s) shall be limited or excluded from this Agreement to the minimum extent required so that this Agreement shall otherwise remain in full force and effect and enforceable in accordance with its terms.

c) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. The Company is a third-party beneficiary of, and has the independent right to enforce, this Agreement.

d) Individual shall reimburse Franchisee for any and all costs and attorney fees incurred by Franchisee in the enforcement of the terms of this Agreement.

e) The failure of either party to insist in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

f) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

g) Individual hereby acknowledges and agrees that Company is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Franchisee.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION.

NO PROMISES OR REPRESENTATIONS OTHER THAN THOSE MADE HEREIN HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

IN WITNESS WHEREOF, Franchisee has caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

WITNESS:

____

Franchisee

By:______________________________

Its:______________________________

Individual

Signature:__________________________

Printed Name:________________________

<u>EXHIBIT 4 TO THE FRANCHISE AGREEMENT</u>

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____ day of ___ , 20____, by ____ ____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date herewith ("Agreement") by MIGHTY KICKS Franchising LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that ____________________________________("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement. Each of the undersigned shall be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or engaging in specific activities, such as those contemplated by Sections 14 and 22 of the Agreement. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (a) its direct and immediate liability under this Guaranty shall be joint and several; (b) it shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (d) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that Franchisor may from time to time grant to Franchisee or to any other person including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

[This Space Left Intentionally Blank]

IN WITNESS WHEREOF, this Guaranty has been entered into the day and year first before written.

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____
____
____
____

TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____
____
____
____

TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____
____
____
____
TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____
____
____
____
TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____
____
____
____

TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

____
Personally and Individually (Signature)

HOME ADDRESS

____
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____
____

TELEPHONE NO.:__________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:______%

<u>EXHIBIT 5 TO THE FRANCHISE AGREEMENT</u>

GENERAL RELEASE

THIS GENERAL RELEASE is made and given on this ____ day of ________________, 20____ by ____, ("RELEASOR") an individual/corporation/ limited liability company/partnership with a principal address of ______ ____, in consideration of:

_______ the execution by Mighty Kicks Franchising LLC ("RELEASEE") of a successor Franchise Agreement or other renewal documents renewing the franchise ("Franchise") granted to RELEASOR by RELEASEE pursuant to that certain Mighty Kicks Franchising LLC Franchise Agreement (the "Franchise Agreement") by and between RELEASOR and RELEASEE; or

_______ RELEASEE'S consent to RELEASOR'S assignment of its rights and duties under the Franchise Agreement; or

_______ RELEASEE'S consent to RELEASOR'S assumption of rights and duties under the Franchise Agreement; or

_______ RELEASEE'S refund of seventy five percent (75%) of the Franchise Fee RELEASOR paid to RELEASEE,

and other good and valuable consideration, and accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE'S officers, directors, shareholders and employees (in their corporate and individual capacities), and RELEASEE'S successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR'S heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

[Signatures on the next page]

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

RELEASOR:____________________________________
(type/print name)
By:____________________________________

Name:_________________________________

Title:__________________________________
(or, if an individual)

Signed:________________________________

Name printed:________________________________

ACKNOWLEDGMENT

State of ________________________)
) ss
County of_________________)

On this ____ day of ______________, 20____ before me personally came ___________________, known to me to be the same person whose name is signed to the foregoing General Release, and acknowledged the execution thereof for the uses and purposes therein set forth, [and who did swear and say that he/she is the _______________________ (title) of ________________________ ________________________________ (company name), and he/she has the authority to execute said General Release].

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

________________________________ (NOTARIAL SEAL)
Notary Public
My Commission expires:

EXHIBIT 6 TO THE FRANCHISE AGREEMENT

STATE ADDENDA

ADDENDUM TO THE FRANCHISE AGREEMENT
MIGHTY KICKS FRANCHISING, LLC

FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, is by and between Mighty Kicks Franchising, LLC and ________________________________ _____________.

1. Section 14 (a) is amended to add:

The Franchisor's collection of all Initial Franchise Fees payable by a California Franchisee will be deferred until Franchisor has fulfilled all of its initial obligations to such Franchisee and such Franchisee has opened for business and is operational.

2. In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§31000-31516 and the California Franchise Relations Act, Cal. Bus. And Prof. Code §§20000-20043, the Franchise Agreement for Mighty Kicks Franchising, LLC is amended as follows:

- The California Franchise Relations Act provides rights to Franchisee concerning termination or non-renewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically Sections 26-29.

- Section 27(g), which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

- Section 22 contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.

- Section 35 requires binding arbitration. The arbitration will occur at the forum indicated in Section 35 (Larimer County, Colorado), with the costs being borne by you. Prospective franchisees are encouraged to consult 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 the Franchise Agreement restricting venue to a forum outside of the State of California.

- Section 35(a) requiring you to consent to a waiver of trial by jury may not be enforceable under California law, and is amended accordingly to the extent require by law.

4. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Mighty Kicks Franchising, LLC:	Franchisee:______________________
By: ________________________________	By: ______________________________
Title:______________________________	Title:____________________________

FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, is by and between Mighty Kicks Franchising LLC and _______________________________________.

In recognition of the requirements of the Illinois Statutes and Rules, the Franchise Agreement for Mighty Kicks Franchising LLC is amended to recognize the following:

- Section 14 (a) is amended to add:

  The Franchisor's collection of all Initial Franchise Fees payable by an Illinois Franchisee will be deferred until Franchisor has satisfied all of its preopening obligations to such Franchisee and such Franchisee has commenced doing business.

- Section 4 of the Illinois Franchise Disclosure Act ("IFDA") states that any provision in a Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.

- Termination and nonrenewal is governed by Illinois law. (IFDA §§705/19 and 705/20.)

- The IFDA will supersede any provisions of the Franchise Agreement in conflict with the IFDA.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Mighty Kicks Franchising LLC:	Franchisee:_____________________________
By: ___________________________________	By: ___________________________________
Title:__________________________________	Title: _________________________________

FOR THE STATE OF MARYLAND

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, is by and between Mighty Kicks Franchising LLC and ______________________________________ ____________________________________.

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement for Mighty Kicks Franchising LLC is amended as follows:

- Sections 3(g) and 25(e)(8) require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise; such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.

- Section 14(a) is amended to add the following: "As imposed by the Maryland Attorney General's Office, all Franchise Fees payable by Maryland Franchisees will be deferred until Franchisor has completed all of its pre-opening obligations and you have opened for business and are operational."

- Section 27(g), which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

- Section 36 requires that the Franchise be governed by the laws of the Commonwealth of Virginia; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.

- Section 35 requires arbitration to be conducted in Larimer County, Colorado; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.

- Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise are not intended to, nor shall they act as a, release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

2. Any portion of the Franchise Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Mighty Kicks Franchising LLC:	Franchisee:____________________
By: ________________________________	By: ________________________
Title:______________________________	Title:________________________

FOR THE STATE OF MINNESOTA

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, is by and between Mighty Kicks Franchising LLC and ____.

In recognition of the requirements of the Minnesota Statutes and Minnesota Rules, the Franchise Agreement for Mighty Kicks Franchising LLC is amended to recognize the following:

- The Franchisor will defer payment of the initial franchise fee and other initial payments owed by Minnesota franchisees to franchisor until the franchisor has completed its preopening obligations under the Franchise Agreement.

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

  Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

  Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Mighty Kicks Franchising LLC:	Franchisee:______________________________
By: _____________________________________	By: _____________________________________
Title:___________________________________	Title: ___________________________________

FOR THE STATE OF NEW YORK

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, is by and between Mighty Kicks Franchising, LLC and _____________________________________ _____________________________________.

1. In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§ 680 through 695, the Franchise Agreement for Mighty Kicks Franchising, LLC is amended as follows:

- Sections 3(g) and 25(e)(8) require Franchisee to sign a general release as a condition of renewal, transfer, or receiving a refund of a portion of the Franchise Fee following termination of the Franchise; such release shall exclude claims arising under the General Business Laws.

- Under Section 24, Franchisor shall not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform Franchisor's obligations under the Franchise Agreement, in Franchisor's good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.

- Section 31 is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products that were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.

- Section 36 requires that the Franchise be governed by the laws of the state Franchisor's principal business is then located, such a requirement will not be considered a waiver of any right conferred upon Franchisee by Article 33 of the General Business Laws.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

[Signatures on Following Page]

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

MIGHTY KICKS FRANCHISING LLC	Franchisee:____________________________
By: ____________________________________	By: ____________________________________
Title:____________________________________	Title: ____________________________________

FOR THE COMMONWEALTH OF VIRGINIA

This Addendum to the Franchise Agreement is agreed to this ___ day of _________, 20___, between MIGHTY KICKS Franchising, LLC and ____ _______________________________ to amend and revise said Franchise Agreement as follows:

- Section 14(a) is amended to add:

  The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to franchisor until the franchisor has completed its preopening obligations under the Franchise Agreement.

- Section 27(g), which terminates the Franchise Agreement upon the bankruptcy of the Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

MIGHTY KICKS FRANCHISING, LLC:	Franchisee:______________________
By: ___________________________________	By: ____________________________
Title:____	Title: ___________________________

FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

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

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

The Franchisor will defer payment of the initial franchise fee owed by Washington franchisees to Franchisor until the Franchisor has fulfilled its preopening obligations and the franchisee is open for business.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this____day of_20____.

MIGHTY KICKS FRANCHISING LLC	Franchisee:______________________________
By:______________________________	By: ______________________________
Title:____________________________	Title: ____________________________

EXHIBIT D TO THE DISCLOSURE DOCUMENT

MIGHTY KICKS OPERATIONS MANUAL TABLE OF CONTENTS

THE MIGHTY KICKS OPERATIONS MANUAL

TABLE OF CONTENTS

- The Mighty Kicks Curriculum for Contractors
- 11 Curriculum Booklets for different sessions (considering progressions, abilities and age groups)
- Mighty Kicks Life Skills Booklets
- Story Board Posters for Curriculum Assistance
- 2 Mighty Kicks Training DVDs
- Tax File: Tax Documents; Payroll Demo; Record Keeping Demo; Balance Sheet Demo and Templates
- Promotional Materials File: Poster; Brochure; Flier; Registration Template; Center Certificate; Participant Certificate; Business Cards
- Presentation Documents File: Summer Options; Add Value Presentation; Parent's Testimonials; Curriculum Explained; "Mighty Kicks or Soccer Shots"; "MK or Happy Feet"; "MK or Multi-Sports Program" comparison documents
- T-Shirt Partnership Package
- Invoice Template
- Stickers and Direct Mailing Templates
- Monthly Newsletters Sharing Best Practices
- Sales, Marketing and Inspirational Articles
- Weekly Session Summary Fliers (for 26 Sessions)

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

HARRIS, HARDY & JOHNSTONE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Luke Vercollone, President
5555 Calvert Creek Drive
Colorado Springs, Colorado 80924

RE: Mighty Kicks Franchising, LLC

Mr. Luke Vercollone:

Harris, Hardy & Johnstone, P.C. consents to the use in the Franchise Disclosure Document issued by Mighty Kicks Franchising, LLC ("Franchisor") on February 22, 2019, as it may be amended, of our report dated February 22, 2019, relating to the financial statements of Franchisor for the period ending December 31, 2018.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
February 22, 2019

300 Arboretum Place, Suite 660, Richmond, Virginia 23236 Tel: 804-560-0560 Fax: 804-560-0553 hhjcpa.com

MIGHTY KICKS FRANCHISING, LLC

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2018 AND 2017

CONTENTS

HARRIS, HARDY & JOHNSTONE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members
Mighty Kicks Franchising, LLC
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of Mighty Kicks Franchising, LLC, which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of income and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

300 Arboretum Place, Suite 660, Richmond, Virginia 23236 Tel: 804-560-0560 Fax: 804-560-0553 hhjcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mighty Kicks Franchising, LLC as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
February 22, 2019

MIGHTY KICKS FRANCHISING, LLC

BALANCE SHEETS

DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	$ 512	$ 2,971
Accounts receivable	10,405	10,400
	$ 10,917	$ 13,371
MEMBERS' EQUITY	$ 10,917	$ 13,371

See Independent Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

STATEMENTS OF INCOME AND MEMBERS' EQUITY

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
REVENUE		
Franchise revenue	$ 96,648	$ 136,110
TOTAL REVENUE	96,648	136,110
OPERATING EXPENSES		
Professional fees	17,605	24,209
Online support	8,375	15,548
Advertising	4,489	17,543
Office supplies	3,724	4,079
Training	3,400	7,500
Travel	3,219	12,125
Licenses	2,150	2,665
Supplies	1,752	4,347
Bad debt expense	1,695	2,025
Commissions	1,500	5,595
Other	1,432	3,399
Bank fees	402	442
TOTAL OPERATING EXPENSES	49,743	99,477
NET INCOME	46,905	36,633
MEMBERS' EQUITY		
Beginning of year	13,371	12,238
Capital contributed	33,439	6,500
Member distributions	(82,798)	(42,000)
END OF YEAR	$ 10,917	$ 13,371

See Independent Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 46,905	$ 36,633
Adjustments to reconcile net income to net cash provided by operating activities		
(Increase) decrease in		
Accounts receivable	(5)	1,800
Increase (decrease) in		
Accounts payable	-	(1,900)
NET CASH PROVIDED BY OPERATING ACTIVITIES	46,900	36,533
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributed	33,439	6,500
Member distributions	(82,798)	(42,000)
NET CASH USED IN FINANCING ACTIVITIES	(49,359)	(35,500)
NET INCREASE (DECREASE) IN CASH	(2,459)	1,033
CASH, beginning of year	2,971	1,938
CASH, end of year	$ 512	$ 2,971

See Independent Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Mighty Kicks Franchising, LLC (the "Company") is a Virginia limited liability company that was created on April 6, 2010 for the primary purpose of selling a franchise under the name of Mighty Kicks Franchising, LLC to offer an in-school soccer program to daycares, preschools, elementary schools, and child learning centers for children ages 2 - 10.

The latest Franchise Disclosure Document had an issuance date of February 27, 2018.

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

For purposes of the accompanying statements of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded at the amount the Company expects to collect on balances outstanding at year-end arising from outstanding franchising fees and annual royalties. Management closely monitors outstanding balances and writes off, as of year-end, all balances that it deems to be uncollectible.

The Company provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred in collection of accounts receivable. The estimated losses are based on management's evaluation of outstanding accounts receivable at the end of the year and their prior history of writing off uncollectible accounts. As of December 31, 2018 and 2017, the allowance for doubtful accounts was $0.

Revenue Recognition

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 952, *Franchisors*, all revenue earned from the sale of franchises is recorded when all material services or conditions relating to the sales have been substantially performed or satisfied by the franchisor. The Company considers the revenue earned when the initial training program has been completed.

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Taxes

The Company files its income tax returns on the accrual basis as a partnership for federal and state income tax purposes. As such, the Company will not pay income taxes, as any income or loss will be included in the tax returns of the individual members. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Uncertain Tax Positions

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company to determine if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require disclosure in the accompanying financial statements. The Company's members are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The members believe they are no longer subject to income tax examinations for years prior to 2015.

Advertising

Advertising costs are charged to operations when incurred.

NOTE B - FRANCHISE INFORMATION

The total investment necessary to begin operation of a Mighty Kicks franchise ranges from $10,200 to $16,200. This includes $9,700, or whatever price is ultimately agreed upon, that must be paid to the franchisor. During the years ended December 31, 2018 and 2017, the Company sold five (5) and ten (10) franchises, respectively. A total of forty-four (44) franchises were operating as of December 31, 2018.

NOTE C - FRANCHISE REVENUE

Franchise revenue comprises the following for the years ended December 31, 2018 and 2017:

	2018	2017
Franchising fees	$ 33,450	$ 78,500
Annual royalties	63,198	57,610
Total	$ 96,648	$ 136,110

NOTE D - LINE OF CREDIT

During September 2014, the Company entered into a line of credit agreement with JPMorgan Chase Bank, NA. During the year ended December 31, 2018, the Company terminated the agreement. The maximum principal amount was not to exceed $15,000. Interest was computed at the prime rate plus 5.75%. The note was personally guaranteed by a member of the Company. As of December 31, 2017, there was no outstanding balance on the line of credit.

NOTE E - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 22, 2019, the date the financial statements were available to be issued.

HARRIS, HARDY & JOHNSTONE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Luke Vercollone, President
5555 Calvert Creek Drive
Colorado Springs, Colorado 80924

RE: Mighty Kicks Franchising, LLC

Mr. Luke Vercollone:

Harris, Hardy & Johnstone, P.C. consents to the inclusion of its independent auditor's report dated February 27, 2018 for the financial statements of Mighty Kicks Franchising, LLC as of and for the year ended December 31, 2017 in the franchise disclosure document of Mighty Kicks Franchising, LLC for distribution to prospective franchisees and for filing with the states requiring registration of franchise offers, sales or both.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
February 27, 2018

300 Arboretum Place, Suite 660, Richmond, Virginia 23236 Tel: 804-560-0560 Fax: 804-560-0553 hhjcpa.com

MIGHTY KICKS FRANCHISING, LLC

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

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HARRIS, HARDY & JOHNSTONE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members
Mighty Kicks Franchising, LLC
Midlothian, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Mighty Kicks Franchising, LLC, which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of operations and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

300 Arboretum Place, Suite 660, Richmond, Virginia 23236 Tel: 804-560-0560 Fax: 804-560-0553 hhjcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mighty Kicks Franchising, LLC as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Harris, Hardy & Johnstone, P.C.

Richmond, Virginia
February 27, 2018

MIGHTY KICKS FRANCHISING, LLC

BALANCE SHEETS

DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,971	$ 1,938
Accounts receivable	10,400	12,200
	$ 13,371	$ 14,138
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ -	$ 1,900
MEMBERS' EQUITY	13,371	12,238
	$ 13,371	$ 14,138

See Independent Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
REVENUE		
Franchise revenue	$ 136,110	$ 102,725
TOTAL REVENUE	136,110	102,725
OPERATING EXPENSES		
Professional fees	24,209	24,502
Advertising	17,543	4,542
Online support	15,548	17,995
Travel	12,125	5,900
Training	7,500	-
Commissions	5,595	1,482
Supplies	4,347	3,522
Office supplies	4,079	5,098
Other	3,399	1,837
Licenses	2,665	4,146
Bad debt expense	2,025	2,150
Bank fees	442	175
Interest	-	1,404
TOTAL OPERATING EXPENSES	99,477	72,753
NET INCOME	36,633	29,972
MEMBERS' EQUITY		
Beginning of year	12,238	(6,544)
Capital contributed	6,500	9,500
Member distributions	(42,000)	(20,690)
END OF YEAR	$ 13,371	$ 12,238

See Independent Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 36,633	$ 29,972
Adjustments to reconcile net income to net cash provided by operating activities		
(Increase) decrease in		
Accounts receivable	1,800	(1,500)
Prepaid expenses	-	196
Increase (decrease) in		
Accounts payable	(1,900)	(7,460)
NET CASH PROVIDED BY OPERATING ACTIVITIES	36,533	21,208
CASH FLOWS FROM FINANCING ACTIVITIES		
Line of credit - net	-	(14,974)
Capital contributed	6,500	9,500
Member distributions	(42,000)	(20,690)
NET CASH USED IN FINANCING ACTIVITIES	(35,500)	(26,164)
NET INCREASE (DECREASE) IN CASH	1,033	(4,956)
Cash and cash equivalents, beginning of year	1,938	6,894
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 2,971	$ 1,938

	2017	2016
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ -	$ 1,404

See *Independent* Auditor's Report and Notes to Financial Statements

MIGHTY KICKS FRANCHISING, LLC

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business
Mighty Kicks Franchising, LLC (the "Company") is a Virginia limited liability company that was created on April 6, 2010 for the primary purpose of selling a franchise under the name of Mighty Kicks Franchising, LLC to offer an in-school soccer program to daycares, preschools, elementary schools, and child learning centers for children ages 2 - 10.

The latest Franchise Disclosure Document had an issuance date of February 28, 2017.

Summary of Significant Accounting Policies

Basis of Accounting
The accompanying financial statements have been prepared using the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when incurred.

Revenue Recognition
In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 952, *Franchisors*, all revenue earned from the sale of franchises is recorded when all material services or conditions relating to the sales have been substantially performed or satisfied by the franchisor. The Company considers the revenue earned when the initial training program has been completed.

Cash and Cash Equivalents
For purposes of the accompanying statements of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable
Accounts receivable are recorded at the amount the Company expects to collect on balances outstanding at year-end arising from outstanding franchising fees and annual royalties. Management closely monitors outstanding balances and writes off, as of year-end, all balances that it deems to be uncollectible.

The Company provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred in collection of accounts receivable. The estimated losses are based on management's evaluation of outstanding accounts receivable at the end of the year and their prior history of writing off uncollectible accounts. As of December 31, 2017 and 2016, the allowance for doubtful accounts was $0.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Advertising
Advertising costs are charged to operations when incurred.

NOTE B - INCOME TAX

The Company files its income tax returns on the accrual basis as a partnership for federal and state income tax purposes. As such, the Company will not pay income taxes, as any income or loss will be included in the tax returns of the individual members. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company to determine if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require disclosure in the accompanying financial statements. The Company's members are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The members believe they are no longer subject to income tax examinations for years prior to 2014.

NOTE C - FRANCHISE INFORMATION

The total investment necessary to begin operation of a Mighty Kicks franchise ranges from $10,200 - $16,200. This includes $9,700, or whatever price is ultimately agreed upon, that must be paid to the franchisor. During the years ended December 31, 2017 and 2016, the Company sold ten (10) and seven (7) franchises, respectively. A total of forty (40) franchises were operating as of December 31, 2017.

NOTE D - FRANCHISE REVENUE

Franchise revenue comprises the following for the years ended December 31, 2017 and 2016:

	2017	2016
Franchising fees	$ 78,500	$ 57,200
Annual royalties	57,610	45,525
Total	$ 136,110	$ 102,725

NOTE E - LINE OF CREDIT

During September 2014, the Company entered into a line of credit agreement, with a maximum principal amount not to exceed $15,000, with JPMorgan Chase Bank, NA. Interest is computed at the prime rate plus 5.75%. As of December 31, 2017 and 2016, there was no outstanding balance on the line of credit. The note is personally guaranteed by a member of the Company.

NOTE F - CONVERTIBLE PROMISSORY NOTE PAYABLE

During September 2014, the Company entered into a convertible promissory note payable agreement with Mineral Point Enterprises, LLC, a member of the Company, in the amount of $15,000, with interest at 7%. Effective January 1, 2015, the loan was converted into a 7% ownership interest in the Company.

NOTE G - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 27, 2018, the date the financial statements were available to be issued.

EXHIBIT F TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDUM

FOR THE STATE OF CALIFORNIA

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. 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.

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).

Neither the franchisor, any person or franchise broker in ITEM 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in the association or exchange.

3. The State Cover Page of the Disclosure Document is amended to add the following:

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of trial by jury may not be enforceable under California law, and are amended accordingly to the extent require by law.

4. ITEM 5 of the Disclosure Document is amended to add the following:

- The Franchisor's collection of all Initial Franchise Fees payable by a California franchisee will be deferred until Franchisor has fulfilled all of its initial obligations to such Franchisee and Franchisee has opened for business and is operational.

5. ITEM 17 of the Disclosure Document is amended to add the following:

- The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

- The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.

- The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in ITEM 17 (Larimer County, Colorado), with the costs being borne by you. Prospective franchisees are encouraged to consult 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 the Franchise Agreement restricting venue to a forum outside the State of California.

- The franchise agreement requires application of the laws of the Commonwealth of Virginia. This provision may not be enforceable under California law.

- The following URL address is for the franchisor's website:

www.mightykicks.net

FRANCHISOR'S 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 www.dbo.ca.gov

FOR THE STATE OF ILLINOIS

ITEM 5 of the Disclosure Document is amended to add the following:

- The Franchisor's collection of all Initial Franchise Fees payable by an Illinois Franchisee will be deferred until Franchisor has satisfied all of its preopening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

ITEM 17 of the Disclosure Document is amended to add the following:

- Section 4 of the Illinois Franchise Disclosure Act ("IFDA") states that any provision in a Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.

- Termination and nonrenewal is governed by Illinois law. (IFDA §§705/19 and 705/20.)

The Disclosure Document is further amended to add that the IFDA will supersede any provisions in conflict with the IFDA.

FOR THE STATE OF MARYLAND

1. ITEM 5 of the Disclosure Document is amended to add the following:

   As imposed by the Maryland Attorney General's Office, all Franchise Fees payable by Maryland Franchisees will be deferred until Franchisor has completed all of its pre-opening obligations and you have opened for business and are operational.

2. ITEM 17 of the Disclosure Document is amended to add the following:

   - Under the Maryland Franchise Registrations and Disclosure Law, Md. Code Ann. Bus. Reg. §14-201 et seq., no general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.

   - Any litigation between Franchisee and Franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

   - Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

   - In the event of a conflict of laws if required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.

   - The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

3. Exhibit G to the Disclosure Document is amended as follows:

   - Any portion of the Disclosure Questionnaire which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any of these representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

<u>FOR THE STATE OF MINNESOTA</u>

- The Franchisor will defer payment of the initial franchise fee and other initial payments owed by Minnesota franchisees to franchisor until the franchisor has completed its preopening obligations under the Franchise Agreement.

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

  Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may <u>seek</u> injunctive relief. See Minn. Rules 2860.4400J.

  Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

<u>FOR THE STATE OF NEW YORK</u>

1. All references made herein to a "Disclosure Document" shall be replaced with the term "Offering Prospectus" as used under New York Law.

2. The FDD Cover Page is amended as follows:

- **REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW YORK, NEW YORK 10271-0332. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.**

- **THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE CIRCULAR. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS CIRCULAR.**

3. ITEM 3 is amended by the addition of the following language:

- Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against them alleging a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion; misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations. In addition, neither franchisor nor any person identified in ITEM 2 has any pending actions, other than routine litigation incidental to the business, that are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

- Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been held liable in a civil action by final judgment or been the subject of a material compliant or other legal proceeding involving violation of any franchise law, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

- Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 is subject to any injunctive or restrictive order or decree relating to the franchises, or any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency.

4. ITEM 4 is amended to state that:

- Neither the franchisor, nor its predecessor, officers or general partner of the franchisor has, during the ten (10) year period immediately before the date of the Disclosure Document, has: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; (c) was a principal officer of any company or a general partner in any partnership that either filed as a debtor (or had filed against it) a petition to start action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the Bankruptcy Code during or within one (1) year after the officer or general partner of the franchisor held this position in the company or partnership.

5. ITEM 5 of the Disclosure Document is amended to add the following:

- The franchise fee will be used to defray franchisor's costs in obtaining and screening franchisees, providing training, training materials and assisting in opening the franchised business for business.

6. ITEMS 6 and 11 of the Disclosure Document are amended to add the following:

- The franchisee will not be required to indemnify franchisor for any liability imposed on franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

7. ITEM 17 of the Disclosure Document is amended to add the following:

- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under the New York General Business Law, Article 3, Sections 687.4 and 687.5.

- ITEM 17(d) is amended to provide that you may terminate the Agreement on any grounds available by law.

- ITEM 17(j) is amended to state, that no assignment will be made except to an assignee who, in the good faith judgment of Franchisor, is able to assume our obligations under the Agreement.

- ITEM 17(w) is amended to state that New York Law governs any cause of action that arises under the New York General Business Law, Article 33, Section 680-695.

8. Franchisor represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

FOR THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for MIGHTY KICKS Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the **franchise agreement** does not constitute "reasonable cause," as that term can be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

In addition, Items 5 and 21 of the Franchise Disclosure Document for MIGHTY KICKS Franchising, LLC for use in the Commonwealth of Virginia shall be amended to include the following statement:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to franchisor until the franchisor has completed its preopening obligations under the Franchise Agreement.

FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

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

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

The Franchisor will defer payment of the initial franchise fee owed by Washington franchisees to Franchisor until the Franchisor has fulfilled its preopening obligations and the franchisee is open for business.

The undersigned does hereby acknowledge receipt of this addendum.

ITEM 23: RECEIPTS
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 MIGHTY KICKS offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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

MIGHTY KICKS' sales agent for this offering is ___________________________ located at _______________________________, telephone number ________________.

The MIGHTY KICKS' sales agents are: Luke Vercollone and Jeremy Bulen located at ~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908, telephone number (617) 827-1775

Issuance date: ___________________________________

MIGHTY KICKS Franchising, LLC authorizes the Agent listed in Exhibit B to receive Service of Process for us.

I received a disclosure document dated February ~~13, 2018~~22, 2019 that included the following Exhibits:

A: State Franchise Administrators List
B: Agents for Service of Process
C: Franchise Agreement
D: Operations Manual Table of Contents
E: Financial Statement
F: State Specific Addenda

Date: _______________ Your name (Please print):___________________________

Your signature: ___________________________________

You should return one copy of the signed receipt either by signing, dating, and mailing it to Mighty Kicks at ~~5555 Calvert Creek Drive~~9810 Rising Eagle Place, Colorado Springs, CO ~~80924~~80908. You may keep the second copy for your records.

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