

FRANCHISE DISCLOSURE DOCUMENT

SHOOT 360 NATION, LLC

12403 NE 60TH Way, #D-1
Vancouver, Washington 98682
360-433-9841
Franchise@Shoot360.com
www.Shoot 360.com



We are **SHOOT 360 NATION, LLC**, a Washington limited liability company. We offer and support a franchise system of co-branded gyms that include use of our basketball shooting, passing and ball handling training equipment and related software. We offer franchises to own and operate Shoot 360 basketball skills development facilities. This is done under the "**Shoot 360®**" names and logos used in conjunction with your current or future athletic facility operating under your own names "**Powered by Shoot 360®**".

The estimated initial investment required for this franchise ranges from **\$93,500 to \$908,500**. This includes a Software Set-Up Fee of **\$3,500 to \$8,500** which is paid to us. It also includes with the price you pay to approved suppliers to deliver to you a completely furnished and equipped Shoot 360 training facility ready for installation at your site (the "Shoot 360 Package"). The Shoot 360 Package price is typically **\$90,000 to \$900,000**. Refer to Items 5, 6 and 7 of this disclosure document for more information.

This disclosure document summarizes certain provisions of your Master License 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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our President and CEO, Craig Moody, at 12403 NE 60th Way, #D-1, Vancouver, WA 98682, 360-433-9841.

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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

This Franchise Disclosure Document is effective as of **August 24, 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 MASTER LICENSE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE SETTLED BY ARBITRATION IN OREGON. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH US IN OREGON IN YOUR HOME STATE.
2. THE MASTER LICENSE AGREEMENT STATES THAT OREGON 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. YOUR STATE LAW MAY SUPERSEDE THIS PROVISION AND IT MAY NOT BE ENFORCEABLE IN YOUR STATE. PLEASE REFER TO THE STATE LAW ADDENDUM FOR DETAILS.
3. THE PRIMARY LOGO THAT YOU WILL USE IN YOUR BUSINESS IS NOT FEDERALLY REGISTERED. IF THE FRANCHISOR'S RIGHT TO USE THIS LOGO IN YOUR AREA IS CHALLENGED, YOU MAY HAVE TO IDENTIFY YOUR BUSINESS AND ITS PRODUCTS OR SERVICES WITH A LOGO THAT DIFFERS FROM THAT USED BY OTHER FRANCHISEES OR THE FRANCHISOR. THIS CHANGE CAN BE EXPENSIVE AND MAY REDUCE BRAND RECOGNITION OF THE PRODUCTS OR SERVICES YOU OFFER.
4. THE FRANCHISOR IS IN THE EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE SYSTEM WITH A LONGER OPERATING HISTORY.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

This Franchise Disclosure Document is effective as of **August 24, 2019**.

Issuance Date: **August 24, 2019**

1.	<u>Federal Trade Commission:</u>	August 24, 2019
2.	<u>States Requiring Registration</u>	<u>Effective Date (not approved if blank):</u>
	California	
	Florida	
	Hawaii	
	Illinois	
	Indiana	
	Kentucky	
	Maryland	
	Michigan	
	Minnesota	
	Nebraska	
	New York	
	Texas	
	Utah	September 19, 2019 (#11467640-BSOE)
	Virginia	
	Washington	
	Wisconsin	September 19, 2019 (#624165)

TABLE OF CONTENTS

ITEM

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

Exhibits:

- A: Agents for Service of Process and Regulatory Authorities
- B: Financial Statements
- C: Master License Agreement and Schedules
 - Schedule 1 – Franchise Location
 - Schedule 2 –SBA Lending Form
 - Schedule 3 – ACH Form
- D: Abandonment, Relinquishment, Termination Assumed Business Name
- E: State Law Addendum
- F: Warranties and Disclaimers Form
- G: Termination, Renewal, or Incorporation Agreements
- H: Best Practices Manual Table of Contents
- I: Acknowledgments of Receipt of Franchise Disclosure Document by Prospective Franchisee

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

We are *Shoot 360 Nation, LLC*, a Washington limited liability company formed on August 14, 2019. The address and telephone number of our franchise office is 12403 NE 60th Way, #D-1, Vancouver, Washington 98682, 360-433-9841. Information concerning our agents for service of process in various states that require the registration of franchise offering and a list of the relevant state franchise administrators may be found in Exhibit A to this Franchise Disclosure Document.

We have implemented advanced technologies for basketball shooting, passing, and ball handling measurement and development. Our goal is to help individual basketball players reach their maximum potential grounded in repetition and perfect practice standards. To do this, our technology instantly provides metrics about passing, ball handling and shooting performance. This information can be used to build personalized workout programs for each individual player. Players will be able to easily access their performance metrics and workout programs on our mobile application. This purely objective information will help improve their skills quickly and dramatically. Business and training and gaming software, is called “the Shoot 360 System.”

We do business under the name “**Shoot 360**®” and related names and logos (the “Shoot 360 Marks” or the “Service Marks.”) We do not do business under any other names. Our corporate and business office address is 12403 NE 60th Way, #D-1, Vancouver, Washington 98682. Our telephone number is (360) 433-9841. In this document we are called “we” or “us” and “Shoot 360.” We have no parent or predecessor.

Our affiliate is Shoot 360, Inc. It is a Washington corporation that has operated basketball training gyms in the Pacific Northwest, California and Indiana since April 2012. They provide the testing ground for many of our processes and innovations and are the prototype for our franchise system. Our affiliate’s principle address is 12403 NE 60th Way, #D-1, Vancouver, Washington 98682. Its telephone number is (360) 433-9841. We and our affiliate retain the right to own or operate additional Shoot 360 facilities and franchises. It has not conducted business in any other line of business.

We have created a franchise program that includes, the common use and promotion of the Shoot 360 Marks, our innovative basketball training and gaming software and equipment, furnishings, business and operations software, and ongoing assistance.

We produce and sell innovative training and gaming concepts and technology.

In this Franchise Disclosure Document, “you” means the person who buys a Shoot 360 Basketball Training franchise (“Franchise”) and includes your owners, partners, and members when you are a business entity. You select the name you will use to operate your athletic facility. You then are allowed to promote your use of the Shoot 360 System using your facility name(s) co-branded with “Powered by Shoot 360®” and our Service Marks. With approval we may from time to time allow the use of our Shoot 360 name as the name of your facility but this will require additional layout, design, and brand protection concepts and agreement provisions. You are prohibited from including “**Shoot 360**®” or any other of our marks or names as part of your corporate, partnership, business, or other entity name or in any website URL, e-mail address, domain name or website meta-tags.

We license our franchisees to offer and promote the Shoot 360 System under the Service Marks. We grant you the right to establish and operate the Shoot 360 System, using the Shoot

360 Marks, and our training methods and record keeping software, all of which are part of the Shoot 360 System. The Shoot 360 System is an organized system regulated by our training management, training operations, record keeping, player tracking, and operations software. Collectively these are all part of the Shoot 360 System.

We have offered franchises in the United States since August 2019. Our dissolved affiliate Shoot 360 Franchise, LLC, registered for but never offered or sold any franchises in 2017. Neither we nor our affiliates have offered franchises in any other line of business. We retain the right to market and provide services to any and all Shoot 360 trainees. We complement our network of franchised co-branded training facilities with locations owned by our affiliate. We do not own or operate any training facilities as of the date of this Franchise Disclosure Document. We focus activities on supporting and empowering our franchisees and advancing the Shoot 360 System and retain the right to own and operate basketball training gyms including those of the type to be operated by our franchisees. We are not involved in any other business activities. We have not yet but do plan in the future to offer and sell licenses outside of the United States for independent entities to use the Shoot 360 Marks and to operate within the Shoot 360 System in various foreign countries.

You will be obligated to comply with all legal regulations that apply to all businesses generally. These may include:

Federal, state, and city, county, parish, borough, municipality or other local laws.

Federal. Examples of federal laws are wage and hour, occupational health and safety, equal employment opportunity, hazardous materials communication to employees, hazardous waste and environmental, and the Americans with Disabilities Act.

State. State laws may cover the same topics as federal laws. Examples of state laws include environmental, occupational health and safety, fire, health, and building and construction laws.

Local. Local laws may cover the same topics as federal and state laws. Examples of local laws include health and sanitation, building codes, fire codes, and waste disposal.

You must pay special attention to federal and state wage and hour laws with respect to your employees. You must comply with all such laws and pay your employees properly. You should investigate these and other laws applicable to your business with your own independent legal counsel before signing the Master License Agreement and before opening for business. It is your responsibility to identify and comply with any and all laws applicable to your franchise, and we urge you to investigate these laws and regulations before becoming a franchisee. You must comply with all employment laws and regulations in respect to your employees and/or independent contractors.

This Franchise Disclosure Document contains a summary of some material provisions of the Master License Agreement between you and us (the “Master License Agreement”). However, the Master License Agreement itself expresses and governs the actual legal relationship between you and us. We are willing to negotiate the terms of the Master License Agreement with our existing franchisees, existing business locations, our employees and multiple franchise purchasers. The terms of the Master License Agreements between us and our other franchisees may vary significantly from the terms of your Master License Agreement.

2. BUSINESS EXPERIENCE

Craig Moody, President and Chief Executive Officer and LLC Manager:

Craig Moody has been our President and CEO and LLC Manager since our inception in August 2019. He has been CEO and a member of the board of directors of our affiliate Shoot 360, Inc. since its inception in April 2012. Since 2009 he has co-owned and operated Northwest Classic Homes in, Vancouver, Washington.

Kirk Hendricks, Chief Operations Officer, Chief Technical Officer and LLC Manager:

Kirk Hendricks has been our COO, CTO and LLC Manager since our inception in August 2019. He has been COO and a member of the board of directors of our affiliate Shoot 360, Inc. since its inception in April 2012 in Vancouver, Washington.

Joshua Hall

Josh Hall has been our Vice-President of Business Development since our inception in August 2019. He has been the Vice-President of Business Development for our affiliate Shoot 360, Inc. since January 2017. He was an assistant basketball coach at Concordia University in Portland Oregon from 2013 through 2016. He was an assistant basketball coach at Warner Pacific University in Portland Oregon from 2005 through 2012.

Frederick Jones

Fred Jones has been our Vice-President of Business Development (NBA & WNBA) since our inception in August 2019. He has worked in various in-house public relations capacities for the Indiana Pacers NBA professional basketball team in Indianapolis, Indiana since April 1, 2009. Fred has owned and operated The Luxury Sneakers Exchange in Indianapolis since March 1, 2015.

Marcos Montas

Marcos Montas has been our Regional Operations Manager since our inception in August 2019 and for of our affiliate Shoot 360, Inc. since September 2018. For over five years prior to that he was a coach and facility general manager for of our affiliate Shoot 360, Inc. in Vancouver, Washington.

3. LITIGATION

No litigation is required to be disclosed in this Item. (See State Law Addendum for state specific disclosures).

4. BANKRUPTCY

Except as described below, no bankruptcy information is required to be disclosed in this Item.

In a case filed on July 16, 2012, our Vice President of Business Development Joshua Hall was Franchise Fee is discharged in Chapter 7 Bankruptcy on October 18, 2012 by the United States Bankruptcy Court for the District of Oregon, Case #12-35504.

5. INITIAL FEE

Depending upon the number of training units you obtain, the Software Set-Up Fee is **\$3,500 to \$8,500** as follows:

This fee is determined by the amount of training units you purchase and install at your facility. The minimum is \$3,500 and covers the first three training units with each additional training unit adding \$1,000 to the software set-up fee with a maximum of \$8,500.

The Software Set-Up Fee is paid at the time you sign the Master License Agreement.

Occasionally, we may permit existing franchisees to obtain additional Master License Agreements with reduced or no initial fees as an award to a limited number of existing franchisees who have excelled in the Shoot 360 system. For example, at a franchise convention we may make such an award to the franchise with the highest volume, highest comparative sales increase, or similar achievements. We may offer franchises without any initial franchise fees to our shareholders and corporate officers and to other individuals identified in Item 2, above.

Software Set-Up Fee is not refundable in whole or in part under any circumstances other than those listed above.

In part, the Software Set-Up Fee is paid in consideration of our sales and training expenses, administrative overhead, manufacturing and supply costs, equipment acquisition and installation costs, return on investment, and start-up costs related to the execution of the Master License Agreement and the opening of your Franchise and for our lost or deferred opportunity to sell franchises in your franchise market area to others.

Once you have determined the number of Shoot 360 training units and additional equipment & furnishings for your franchise and you have signed the Master License Agreement, you will purchase the Shoot 360 training units, equipment, and furnishings from approved suppliers. Typically, the approved suppliers require you to pay 50% of the entire purchase price down, 25% 90 days before shipping date, 15% at the time of shipping, and the remaining 10% within 2 days of completion of delivery and installation.

There are no other fees or payments made to us for goods or services prior to the opening of your Franchise.

6. OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Monthly Training Unit Fee	Per Unit	Monthly	See the Tier 1 and Tier 2 SaaS Price Lists, below. ¹
Additional Training	\$75 per hour plus pre-approved travel and per diem expenses.	As needed	After the initial training, we will provide training on an as-needed basis at mutually agreeable time and places.

* This table shows all other applicable fees, including all recurring and isolated fees, at their current rates. Except where otherwise specified, we or our affiliates impose all the fees in this table, you pay them to us or our affiliates, and we (or our affiliates) do not refund them. These fees are uniform to all franchisees.

¹ Monthly Training Unit Fee:



Shoot 360 MVP SaaS Price List (Tier 1)									
# of Training Units (Minimum 2)	2	3	4	5	6	7	8	9	10
Monthly Licensing Fee per Training Unit *	\$ 1,500	\$ 1,450	\$ 1,400	\$ 1,350	\$ 1,250	\$ 1,200	\$ 1,150	\$ 1,100	\$ 1,050
Total Licensing Fees for All Training Units	\$ 3,000	\$ 4,350	\$ 5,600	\$ 6,750	\$ 7,500	\$ 8,400	\$ 9,200	\$ 9,900	\$ 10,500
Purchase Price per Training Unit **	\$ 42,500	\$ 41,000	\$ 41,000	\$ 40,000	\$ 40,000	\$ 39,000	\$ 39,000	\$ 38,000	\$ 38,000
Total Purchase Price of Training Units**	\$ 85,000	\$ 123,000	\$ 164,000	\$ 200,000	\$ 240,000	\$ 273,000	\$ 312,000	\$ 342,000	\$ 380,000
* Training Unit is One Complete Shooting Cage Set-up and One Complete Ball Handling/Passing Station Set-up									
** Add approximately 2K per training unit for freight and travel expenses									
Included & Optional Features									
	Included	Included	Included	Included	Included	Included	Included	Included	Included
Facility Design Consultation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equipment Installation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Training	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Point of Sale System	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Billing Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Scheduling Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Profile Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Management Dashboard & Report Server	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Member Login Portal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mobile App	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Premium Training & Gaming Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Premium Machine Firmware	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Tech Support	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Software Updates	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Standard Manufacturer Equipment Warranty	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lead Generation	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional
Advertising Platform	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional



Shoot 360 MVP SaaS Price List (tier 2)										
# of Training Units (Minimum 2)	2	3	4	5	6	7	8	9	10	
Monthly Licensing Fee per Training Unit *	\$ 1,350	\$ 1,300	\$ 1,250	\$ 1,200	\$ 1,150	\$ 1,100	\$ 1,050	\$ 1,000	\$ 950	
Total Licensing Fees for All Training Units	\$ 2,700	\$ 3,900	\$ 5,000	\$ 6,000	\$ 6,900	\$ 7,700	\$ 8,400	\$ 9,000	\$ 9,500	
Purchase Price per Training Unit **	\$ 42,500	\$ 41,000	\$ 41,000	\$ 40,000	\$ 40,000	\$ 39,000	\$ 39,000	\$ 38,000	\$ 38,000	
Total Purchase Price of Training Units**	\$ 85,000	\$ 123,000	\$ 164,000	\$ 200,000	\$ 240,000	\$ 273,000	\$ 312,000	\$ 342,000	\$ 380,000	
* Training Unit is One Complete Shooting Cage Set-up and One Complete Ball Handling/Passing Station Set-up										
** Add approximately 2K per training unit for freight and travel expenses										
Included & Optional Features										
	Included	Included	Included	Included	Included	Included	Included	Included	Included	
Facility Design Consultation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Equipment Installation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Training	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Point of Sale System	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Billing Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Scheduling Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Profile Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Management Dashboard & Report Server	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Member Login Portal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Mobile App	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Premium Training & Gaming Software	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Premium Machine Firmware	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Tech Support	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Software Updates	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Standard Manufacturer Equipment Warranty	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Lead Generation	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	
Advertising Platform	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	Optional	

7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

<u>Type of expenditure</u>	<u>Amount</u>	<u>Method of payment</u>	<u>When due</u>	<u>To whom payment is to be made</u>
Software Set-Up Fee	\$3,500 - \$8,500	Lump Sum	Upon Execution of the Master License Agreement	Us
Shoot 360 Package ^(A)	\$90,000 to \$900,000	As Incurred	Four payments with first payment of 50% upon your execution of the Master License Agreement, the second 90 days	Approved Suppliers

<u>Type of expenditure</u>	<u>Amount</u>	<u>Method of payment</u>	<u>When due</u>	<u>To whom payment is to be made</u>
			before shipping, at shipping , the balance upon your delivery and installation at your Gym	
TOTAL	\$93,500 to \$908,500			

You should anticipate the typical initial and ongoing expenditures in connection with the establishment and ongoing operation of your co-branded athletic training facility.

- A. You obtain from our authorized suppliers a complete and equipped basketball training facility, ready to install at your location (the "Shoot 360 Package"). The price for the Shoot 360 Package is determined by the design and layout of the facility and costs associated with building out the facility. It is typically \$90,000,000 to \$900,000. This price is called the "Shoot 360 Package Price." It includes the following components:

Training Unit (including assembly and installation)	\$90,000 to \$900,000
Furniture and Fixtures (including modular floor installation)	\$ 0 to \$500,000
Gym Equipment Package (including assembly and installation)	\$300,000 to \$410,000
Branding and Signage Package	\$ 0 to \$85,000
POS/Back Office Computer & Technology System	\$3,500 to \$ 8,500

You pay **50%** of your Shoot 360 Package Price when you order the Shoot 360 Package, **25%** is paid 90 days before the shipping date, **15%** is paid at shipping and **10%** plus all additions are paid upon complete installation of the Shoot 360 Package at your Gym. Except as provided below, it is generally not refundable.

Generally, the Shoot 360 Package Price is not refunded by our approved suppliers in whole or in part under any circumstances other than those listed above.

- B. You are solely responsible to obtain and pay for a location for the franchise. The cost of purchasing or leasing premises for the franchise varies with the location and size of the premises.
- C. You should have in force insurance policies prior to commencing business, acquired at your sole expense.

We require no other payments. We do not finance any of these initial expenses. However, we anticipate that you will be able to obtain financing for some or all of the Shoot 360 Package and for most of the costs related to obtaining and setting up your franchise location.

Except as provided in Item 5 above, fees paid to us are not refundable. Amounts paid to any third parties may be refundable, depending upon the contracts between them and you.

This table estimates your initial start-up expenses. These figures represent our estimates based upon our experience and the experience of our affiliate. We do not guarantee that you will not have additional and different expenses than those we have identified in this table. Your actual costs will depend upon many factors, including, how well you follow our directions and suggestions, your business skill and experience, local economic conditions, demographics of your community, local competition, and your sales levels during the initial period.

You must pay all taxes required by local, state or federal laws related to the services furnished or used in connection with the operation of your franchise. You must obtain all permits, certificates or licenses necessary to open the Franchise and for the full and proper conduct of the Franchise.

We do not finance any of these initial expenses. The availability and terms of financing will depend on various factors including the availability of financing generally, your credit worthiness, security available to you, lending institution policies concerning the type of businesses you operate, and other comparable elements.

You should review these estimates with your business advisors before you decide to purchase the franchise or to make any expenditure.

8. RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

We will lend to you access to our on-line Shoot 360 Best Practices Manual (the “Best Practices Manual”) and after you have paid to us the Software Set-Up Fee. We may amend the Best Practices Manual. The Best Practices Manual is confidential and our exclusive property. The Best Practices Manual contains the Shoot 360 System and related specifications, standards, basketball training and operating procedures.

Any equipment, products, inventory, or other items that bear the Shoot 360 logo or have the words “Shoot 360” in them must be bought from us or an approved supplier.

All specifications that we require of you and lists of suggested and approved suppliers will be included in the Best Practices Manual. We will upon request provide them to approved suppliers and suppliers seeking approval. We will use our best judgment to set and modify specifications to maintain the integrity and quality of our franchise system.

We and our affiliate and other approved suppliers are currently the only approved suppliers for equipment, products, and any other items that bear the Shoot 360 Marks. Our officers Craig Moody and Kirk Hendricks have an ownership interest in our affiliate.

Approved suppliers are currently the only source for equipment, products, inventory, and most other items that are part of the Shoot 360 Package.

We and our affiliate may derive revenue from providing products and services to you. This revenue results from the difference in the amount we pay for such products and services and the amount we charge you for them. As of the date of this Disclosure Document and in fiscal year 2019, we and our affiliate received revenues of **\$0** from the sale of products to our franchisees, which was approximately **0%** of our and our affiliate’s total revenues. We estimate that approximately 20 to 50 percent of our affiliate’s total revenues will be from products and services purchased by our franchisees. We estimate that purchases from us, our affiliate, or approved suppliers will be from 30 to 50 percent of the total purchases you make to establish

your franchise, averaging about \$90,000 to \$900,000 to us. We estimate that purchases from us, our affiliate, approved suppliers will be from 30 to 70 percent of the total purchases you make to operate your franchise.

We attempt to negotiate purchase arrangements with suppliers for the benefit of all of our franchisees. We provide material benefits to a franchisee based on that franchisee's use of designated or approved sources.

We have established basketball training and gaming software, management, billing, point of sale, , scheduling and player practice management systems based upon our technology and software. You are required to use our technology and software unless we specify or otherwise approve in writing. (Master License Agreement, Section 6.1)

There are currently no other obligations for you to purchase or lease according to specifications or from approved suppliers. Except as explained above, we have no required specifications, designated suppliers or approved suppliers for goods, services, or real estate related to your franchise business. Except as explained above, we will not derive revenue from your purchases or leases.

We currently provide material benefits to franchisees based on use of designated or approved sources including the right to renew your franchise rights and to obtain additional franchises.

We do not now have, though we may in the future provide purchasing and distribution cooperatives related to our franchise system. Through these cooperatives, our franchisees could receive discounts on products, equipment, and services. In the future, we hope to create and augment the effectiveness of cooperatives for the purchase of materials and the provision of advertising, for the benefit of the Shoot 360 franchise system.

You are required to obtain and keep in force by advance payment of premium appropriate liability insurance. You must provide us a current annual copy of your insurance certificates and binders naming Shoot 360 Nation, LLC as an additional named insured (except for property damage, workers compensation, and employer liability). The insurance will include, at a minimum, the following:

Comprehensive general liability insurance, including products liability, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **\$1,000,000** per occurrence and **\$2,000,000** aggregate, including umbrella coverage.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in this Agreement. The policy or policies will insure against our vicarious liability for actual and, unless prohibited by applicable law, punitive damages assessed against you.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom. Current insurance requirements are updated and maintained in the Best Practices Manual.

The insurance will insure us, you, and our respective subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of the Franchise. Your policies of insurance will contain a separate endorsement naming us as an additional named insured.

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.

<u>OBLIGATION</u>	<u>SECTION IN AGREEMENT</u>	<u>DISCLOSURE DOCUMENT ITEM</u>
a. Site selection and acquisition or lease	Section 1	Items 11 & 12
b. Pre-opening purchases and leases	Exhibit 1: Equipment Sales Agreement	Items 7, 8 & 11
c. Site development and other pre-opening requirements	Terms and Conditions: Section 1	Items 7, 11 & 12
d. Initial and ongoing training	Terms and Conditions: Section 4(b)(vi)	Items 6, 7 & 11
e. Opening	Terms and Conditions: Section 1	Item 11
f. Fees	Section 1	Items 5, 6 & 7
g. Compliance with standards & policies/ Best Practices Manual	Terms and Conditions: Section 6	Items 8, 11 & 16
h. Trademarks and proprietary information	Terms and Conditions: Section 6	Items 13 & 14
i. Restrictions on products and services offered	Terms and Conditions: Section 6	Items 8, 12, 13, 16 & 17
j. Warranty and player service requirements	Terms and Conditions: Section 6	Item 11
k. Territorial development and sales quotas	Terms and Conditions: Section 12	Item 12
l. Ongoing product & service purchases	Section 1 and Terms and Conditions: Section 6	Items 7 & 8
m. Maintenance, appearance and remodeling requirements	Terms and Conditions: Section 6	Item 11
n. Insurance	Terms and Conditions: Section 6	Item 7
o. Advertising	Terms and Conditions: Section 6	Items 11 & 13
p. Indemnification	Terms and Conditions: Section 7	Item 6, 13 & 14
q. Owner's participation/ management/ staffing	Not Applicable	Items 11 12 and 15
r. Records and reports	Not Applicable	Items 6 & 11

<u>OBLIGATION</u>	<u>SECTION IN AGREEMENT</u>	<u>DISCLOSURE DOCUMENT ITEM</u>
s. Inspections and audits	Not Applicable	Items 6 & 11
t. Transfer	Terms and Conditions: Section 21	Item 17
u. Renewal	Not Applicable	Item 17
v. Post-termination obligations	Terms and Conditions: Sections 7	Item 17
w. Non-competition covenants	Terms and Conditions: Sections 5, 7, and 12	Item 17
x. Dispute resolution	Terms and Conditions: Sections 11 and 13	Item 17

10. FINANCING

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

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

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

Before You Open Your Franchise:

We will designate the location for franchise in your Master License Agreement (the "Gym"). We bear no liability for any consequences of any franchise site you chose. We do not guarantee success for any location you select. We will not be liable for any consequences of your choice of any franchise site. Any site recommendation or approval we make is not a representation that any particular site is available or legally appropriate for use as a franchise site. It is your responsibility to investigate all applicable zoning, licensing, leasing and other requirements for any proposed site and you must ensure that the site you select complies with these requirements.

We also will:

1. Provide and install the Shoot 360 Package. (Master License Agreement, Basketball Training Equipment Sales Agreement).
2. Provide an initial training course for you and your franchise managers as more fully described in this Item, below. (Master License Agreement, Terms and Conditions Section 4(b)(vi))
3. Provide a Best Practices Manual with mandatory and suggested specifications, processing and standards, basketball training programs, requirements, maintenance standards. (Master License Agreement, Terms and Conditions Section 6). The Table of Contents of the Best Practices Manual is attached as Exhibit I.

Franchise Location:

The location for your business operations is selected by you. We do not guarantee success for your Franchise operations. Any recommendation or approval we make is not a representation that any particular location will be productive, profitable or legally appropriate for your Franchise. It is your responsibility to investigate all applicable zoning, licensing, leasing and other requirements for any proposed sites for your business operations.

Time to Open:

The typical length of time between the signing of the Master License Agreement or first payment of consideration for the Franchise and the opening of the Franchise for business is about **90 to 180** days.

After Opening and During the Operation of Your Franchise:

After you open your Franchise for business, we will:

1. Periodically update the Best Practices Manual and will specify changes and improvements in our technology and training and gaming software. (Master License Agreement, Section 6).
2. Provide other assistance or services although we are not bound by the Master License Agreement or any related agreement to do so. These may include, among other things, advertising materials, literature, additional assistance in training,, promotional materials, bulletins on new technologies and products, merchandise, and new sales and marketing developments and techniques.

Best Practices Manual:

The Best Practices Manual is confidential and remains our property. It contains mandatory and suggested specifications and operating procedures. We may modify the Best Practices Manual, but the modifications will not alter your basic status and rights under the Master License Agreement. The revisions may include advancements and developments in technology, software, supplies, products, equipment, sales, marketing, operational techniques, and other items and procedures used for the operation of the franchise. The Table of Contents of the Best Practices Manual is attached as Exhibit I. There are approximately **300** total printed pages in the current version of the Best Practices Manual. The manual itself is provided on-line in secured digital format.

Initial Training:

We will provide a two-part training course for you and your franchise managers. This training usually will last up to 24 hours for the first phase at our corporate training facilities in Vancouver, Washington or at other locations we will designate (initial franchise establishment processes and equipment and software operations) and up to 16 hours for the second phase onsite at your Gym (training management, , and ongoing operations). You must complete this mandatory course before you open your franchise for business.

Our trainers use the Best Practices Manual for instructional material. The training will consist of:

TRAINING PROGRAM

<u>Subject</u>	<u>Hours of Classroom Training</u>	<u>Hours of On-The-Job Training</u>	<u>Location</u>
Equipment Training	6 Hours	6 Hours	Our corporate training facilities in Vancouver, WA or other locations we designate
Leadership Training	6 Hours	6 Hours	Our corporate training facilities in Vancouver, WA or other locations we designate
Go-Live Training	8 Hours	8 Hours	Franchisee location

* The Training Schedule may be amended.

Currently, our training instructor is Marcos Montas. He has been our Regional Operations Manager since June of 2018. His experience related to the training includes:

He has been a facility general manager since 2016.

He has been our Regional Operations Manager since June of 2018

He may use Shoot 360 franchisees and other members of the Shoot 360 corporate staff to provide information for areas over which they are responsible.

The training program consists of the described training materials, training programs, and professional consultation. Training will cover the Shoot 360 System and related programs, basketball training facility management, and relationships with trainees. The training program is included in the Software Set-Up Fee. The training program must be completed by all franchisees unless, at our reasonable discretion, based upon a franchisee's experience, it is deemed unnecessary. You will pay the transportation, board and lodging expenses you and your employees incur related to this training. (Master License Agreement, Section 4.1).

Training is scheduled and held on an "as needed" basis depending on the number of franchisees requesting training in a particular time frame and the franchisor's training personnel's availability. The training session must be completed before the scheduled date of the opening of the franchise.

You are responsible for all expenses you and your employees incur to attend the initial training, including transportation, meals, accommodations and entertainment.

If you desire to have more than two individuals receive initial training, these additional individuals will be accommodated at our convenience.

We may at any time during initial training inform you that an individual attending training on your behalf is not suitable due to criminal activities, disruptive behavior, poor attendance or other reasons. Upon that notice, our obligations to train that individual will be deemed to have been discharged.

Although not required by agreement, we may, at our discretion or upon your request, provide other supervision, assistance, and services before the opening of your business; such as literature, advertising materials, displays, flyers, additional training assistance and a selection of inventory and supplies.

Attendance at Conventions:

We may periodically hold national and regional conventions that include programs on sales and marketing techniques, performance specifications, advertising programs, training suggestions, and committee elections, among other things. Your attendance at each convention is strongly encouraged. You will bear all expenses of attending, including travel, lodging, meals and entertainment.

Supplemental Training:

After the initial training, we will provide training on an as-needed basis at mutually agreeable time and places for the price of \$75 per hour plus pre-approved travel and per diem expenses.

Computer Systems:

The Best Practice Manual describes the hardware, software, and upgrading requirements of the system recommended to purchase, lease, or otherwise acquire, at your expense apart from the computer systems that are provided in the Shoot 360 Package. Our computer systems include our proprietary player and training management and operating systems that are available on line at our Internet web site and linked computer terminals. The hardware and software is used for communications, basketball training and gaming, operations, customer/player transactions, records, and player profiles accessible through our mobile application. All of your computer hardware and software should be compatible with the recommended requirements, standards and specifications we set now and in the future. Included as part of your franchise licensing fee, we will perform necessary updates to our computer software to keep it current to our standards.

The Shoot 360 systems provide comprehensive player gaming, training and analysis, management, and processing systems. This software solution provides trainees, franchisees and our management team with enhanced information and management systems. We continue to upgrade and enhance our gaming, training, analysis, payment and operating systems that provide efficient internet access to Shoot 360 trainees, to our franchisees, to interested third parties such as parents, coaches, and school officials.

We have independent access to your computer systems. We may require independent access to and use of the information and data on your computer systems. There are no contractual limits on such access and use.

Currently, in addition to the hardware and software provided by Shoot 360, you are required to have:

Hardware

- Commercial Grade – Source Panel Electricity Surge Protectors and Filters
- High speed internet access such as DSL, Cable, Fiber Optics or other commercially available technology

Computer hardware and software will be used to integrate trainee accounts by using the Shoot 360 System software and procedures we provide and establish. You will communicate with us and with other franchisees and trainees within The Shoot 360 System using our established communication guidelines and forms. (Master License Agreement, Section 6.8).

We may at our discretion change our standards and requirements at any time to provide effective technology for the entire system. We will have full ability to poll your data, system, and related information by means of direct access whether in person or by telephone/modem or on the internet. We will have access to all of your data and there will be no contractual limitation on our right to access your information or data.

We take a number of measures to ensure the security of our hardware and software systems and all player information. We may continue to enhance our systems for data management and protection, intrusion detection and prevention, our network architecture, and to expand our disaster recovery processing capacity. We perform full database and software deployment back-ups daily. We may continue to improve the speed and reliability of our information systems and transaction tools for all users by continually updating hardware and enhancing our software with new, internally developed programs and functionalities.

E-Problem Disclaimer: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date related problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps so that E-Problems will not materially affect our business. We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, trainees, and governmental agencies on which you rely have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems including firewalls, password protection, and anti-virus systems, and to provide backup systems.

Advertising:

Summary of Advertising Fund Contributions and Expenses for FY2019

Expenses:	Corporate overhead	\$0	0%
	Production of commercials and market research	\$0	0%
	Market level advertising	\$0	100%
Total expenses:		\$0	100%
Advertising fund contributions:		\$0	100%
Excess of expenses over contributions:		\$0	0%

We may receive payment for providing advertising goods or services to our franchisees.

We are not required to spend any amount on advertising, including advertising in the area or territory where a franchisee is located.

12. TERRITORY

The location for your franchised basketball training facility (the “Gym”) is identified in the Master License Agreement. So long as the Master License Agreement is in force, and you are not in default in any material provision, we will not establish or allow others to establish a Shoot 360 basketball training facility within a designated area (typically ten driving miles - this may be significantly smaller in densely populated urban areas) surrounding your Gym (the “Franchise Territory”) using current zip code, political or geographical boundaries. The exact conformation will depend upon your approval and our market analysis, market penetration plans and franchise placement strategies and prior franchise commitments. We will use reliable governmental, chamber of commerce and business statistical information to determine both the population and boundaries.

Our affiliate owns and operates training facilities of the type we are franchising. They will sign Master License Agreements with us although the precise terms of those agreements may differ from yours. We have not but may in the future own and operate company-owned training facilities (as disclosed in Item 20). We may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

We or our affiliate may place Shoot 360 systems in schools, colleges and professional teams’ practice facilities regardless of the distance to your or other Shoot 360 locations.

We may place Shoot 360 equipment in entertainment venues that do not include the entire Shoot 360 System package and is primarily intended for entertainment regardless of the distance to your or other Shoot 360 locations.

We or our affiliate may place temporary promotional Shoot 360 establishments in airport and mall food courts, stadiums, office complexes, schools and colleges, and similar limited access environments regardless of the driving distance to your or other Shoot 360 locations. We reserve the right to offer our technologies, products, logo merchandise, and other present or future Shoot 360 merchandise through distribution methods other than those specifically reserved to you in the Master License Agreement such as the Internet, other forms of media now or in the future developed, wholesale, and mail order channels (“alternative distribution channels”). We may use alternative distribution channels at any location, regardless of proximity to your or any other Shoot 360 franchise location. We may, but are not obligated to, use some of the revenue we receive from these products to promote sales for all Shoot 360 franchise operations.

We or our affiliate may establish company-owned or franchised operations using our methods of operation, trade names, or service marks. We have not established, but may in the future establish, other franchises or company-owned outlets selling similar products or services under a different method of operation, trade name or service mark; for example for baseball or golf training. These new systems may use Shoot 360 service marks or newly created service marks appropriate to the relevant purposes and player bases. Neither we nor our affiliates are contractually restricted from doing so. We and our affiliate reserve the right to use alternative distribution channels to make sales within your Franchise Territory of products or services under trademarks or service marks different from the ones you will use under the Master License Agreement, but we and our affiliates have not yet made any sales of this type. You may not use

alternative distribution channels to make sales outside or inside your Franchise Territory except as otherwise allowed by us in the Best Practices Manual.

You will not receive an exclusive territory. You may face competition from other franchisees, from facilities that we or our affiliate own, or from other channels of distribution or competitive brands that we control. However, as stated above, we will not place or authorize anyone else to place a Shoot 360 basketball training facility within your Franchise Territory as outlined in your Master License Agreement.

All issues that relate to more than one franchisee and joint programs and promotional efforts will be addressed and resolved by the Shoot 360 franchisees in the involved local areas, subject to our right to give reasonable direction and oversight.

You do not receive the option, right, right of first refusal, or similar opportunity to acquire additional franchises or to grant sub-franchises. You may not establish or operate any other Shoot 360 operation or office location without executing a separate Master License Agreement for that operation.

You have no right to relocate your Franchise for any reason. If you desire to relocate or open another Franchise in an available location, you must receive our prior written permission.

13. TRADEMARKS

We give you the right to operate your Franchise under the name “Powered by **Shoot 360®**” or in some circumstances with prior written approval the name “**Shoot 360®**” and to display these and related names, logos, service marks and trademarks (the “Shoot 360 Marks” or the “Service Marks”) on checks, letterhead, envelopes, signs and other forms we approve in advance. The Shoot 360 Marks include all other trade names, trademarks, service marks, and logos we now own or may in the future develop for the Shoot 360 System.

Our founder Craig Moody obtained registration of the following mark on the Principal Register of the United States Patent and Trademark Office which was renewed on May 21, 2019:

Service Mark:	Shoot 360
Registration Number:	4223199
Registration Date:	October 9, 2012
Renewal Date:	May 21, 2019

He is in the process of assigning that registration to us. It is for “training services in the field of basketball” and disclaims the exclusive right to used “shoot” apart from the mark.

We have applied to register the following service mark logo on the Principle Register of the United States Patent and Trademark Office:



Service Mark:	Shoot 360 Logo
Application Number:	88591872
Application Date:	August 25, 2019

We do not have a federal registration for this logo. Therefore, it does not have many legal benefits and rights as a federally registered trademark. If your right to use the logo is challenged, you may have to change to an alternative logo or trademark, which may increase your expenses.

We have no state service mark registrations for these or any other marks. We claim common law rights to the Shoot 360 Marks and logos and any other marks used by us and our affiliates in interstate commerce in the United States. This claim is based upon our widespread use of the names in interstate commerce.

There are presently no currently effective material determinations of the United States Patent and Trademark Office, trademark trial and appeal board, the trademark administrator of any state or any court, nor any pending infringement, opposition or cancellation proceeding nor any pending material litigation involving the Shoot 360 Marks or other commercial symbols which are relevant to their use in your state or in any other state.

There are currently no superior prior rights or infringing uses actually known to us that could materially affect your use of the Shoot 360 Marks in the United States. To use the Shoot 360 Marks, you must follow our corporate identity standards. You are prohibited from including “**Shoot 360®**” or any other of our marks or names in your business or other entity name or in any website URL, e-mail address, domain name or website meta-tags. You may not alter any of our names or marks, indicia or trade dress as to form, color, size, proportion, or in any other way. The name you select to operate your Franchise must be approved by us in writing and in advance. You must always indicate that you are operating an independently owned franchise by using an identification tag line such as “an independent franchisee of Shoot 360 Nation, LLC” on all advertising materials, signs, business cards, financial and contractual documents and business letterhead.

We know of no agreements currently in effect that significantly limit our right to use or license the use of the Shoot 360 Marks listed in this section in a manner material to the Franchise.

We will, but are not obligated by the Master License Agreement or otherwise to, take reasonable efforts to protect your rights to use the Shoot 360 Marks. If any infringement of, or challenge to, your use of the Shoot 360 Marks should occur, you are obligated to immediately provide us with written notice. We will then have the sole discretion to take such action as we deem appropriate, but we are not obligated by the Master License Agreement or otherwise to take any action or to indemnify you. You agree to indemnify us for any expenses or damages relating to your Franchise business activities, which includes any improper or unauthorized use of any Shoot 360 Marks.

You must follow our rules when you use our Service Marks. You may not use the Service Marks in a manner not authorized in writing by us. You can only use the Shoot 360 Marks as authorized in the Master License Agreement or as we otherwise authorize in writing. Among other restrictions, you may not use the Shoot 360 Marks:

1. As part of your corporate, partnership or other entity name

2. With modifying words or designs.
3. On any papers, vehicles, clothing, etc. except as we authorize.
4. In connection with the sale or rendering of any unauthorized products or services.
5. In any way that is unethical or may be injurious to our franchise system or to the goodwill associated with the Shoot 360 Marks.
6. Without using the designation ®, TM, SM or other trademark registration notice.

The Shoot 360 Marks are our sole and exclusive property. We have the right to control any administrative proceedings or litigation involving the Shoot 360 Marks. You will immediately notify us of any apparent infringement of, or challenge to your use of, any of our service marks, or any claim by any person of any rights in any of our service marks. You must not communicate with any person other than us and our legal counsel in connection with any such infringement, challenge or claim. We have the sole discretion to take such action as we may deem appropriate to protect the Service Marks and to exclusively control any litigation, USPTO proceeding, or other proceeding arising out any such infringement, challenge, claim, or action. You must execute such comments, render such assistance, and do such acts and things that may in the opinion of our counsel be necessary or advisable to protect and maintain our interests in connection with any such litigation or proceeding, to otherwise protect and maintain our interests in our Service Marks.

Any goodwill associated with the Shoot 360 Marks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our and our affiliate's benefit, except as otherwise provided by applicable law.

You may not use or give others permission to use the Shoot 360 Marks, or any colorable imitation of them, combined with any other words or phrases.

Pursuant to the Master License Agreement we may change or modify any part of the Shoot 360 Marks at our sole discretion. You will accept, use and protect, for the purposes of the Franchise, all changes and modifications as if they were a part of the Shoot 360 Marks at the time the Master License Agreement is signed. You will bear all costs and expenses that may be reasonably necessary as a result of these changes or modifications. Under no circumstances will we be liable to you for any damages, costs, losses, or detriments related to any of these changes or modifications.

14. PATENTS, COPYRIGHT & PROPRIETARY INFORMATION

We claim copyrights in the Best Practices Manual, printed advertising and promotional materials, training materials, and similar items used in operating a Shoot 360 franchise. We have not registered these copyrights with the United States Registrar of Copyrights. We intend to affix a statutory notice of copyright to the Best Practices Manual, to most of our advertising products, and to our forms, and service products, and training materials, and to all modifications and additions to them. There are no determinations, agreements, infringements or obligations currently affecting these notices or copyrights. You have no rights to the copyrighted material. You are granted the right and are required to use the copyrighted items only with your operation of the franchise during the term of your Master License Agreement.

The Best Practices Manual is described in Item 11. Although we have not filed applications for copyright registration, all copyrighted materials are our property. Item 11 describes limits on use of the copyrighted materials and other proprietary information by you and your employees. You must contact us immediately if you learn of any unauthorized use of our proprietary information.

You must also agree to not contest our rights to and interest in our copyrights and other proprietary information.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of our copyrighted materials. There are no agreements currently in effect which significantly limit our right to use or authorize our franchisees to use the copyrighted materials. Furthermore, we do not actually know of any infringing uses which could materially affect a franchisee's use of the copyrighted materials in any state. We need not protect or defend copyrights or confidential information, or indemnify you for expenses or damages in a proceeding involving any licensed copyright, although we intend to do so when this action is in our best interests or the best interests of the Shoot 360 System.

Except as described below and as provided in the Master License Agreement, you have no rights to any of our copyrighted material. You are granted the right and are required to use the copyrighted items in your franchise business operations.

Our right to use and license the copyrighted items is not materially limited by any agreement or known infringing use. The Best Practices Manual and other materials contain our confidential information. This information includes The Shoot 360 System, a description of the Shoot 360 System, site selection criteria, training materials, as well as other programs, systems and guidelines for franchisees. You cannot use our confidential information in an unauthorized manner and must take reasonable steps to prevent its disclosure to others. However, these restrictions do not apply to information which you can demonstrate came to your attention before disclosure by us, or which is or has become a part of the public domain through publication or communication by others.

We have exclusive rights to the commercial use of several patents owned by Pillar Vision, Inc that serve to help protect our technology from being copied.

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

We recommend, but do not require, that you, or one of your owners if you are a corporation or partnership or if you own more than one franchise, or a qualified approved and trained general manager participate fully in the actual day-to-day operation of the franchise. Managers you employ to help you to operate the Franchise should successfully complete the mandatory training program described in Item 11. They are not required to have an equity ownership interest in the business. The managers and all of your owners must agree to be bound by the confidentiality and non-compete provisions of the Master License Agreement.

Each of your owners/partners must assume and agree to discharge all of your obligations under your Master License Agreement.

You are encouraged to participate in any franchisee meetings, seminars, conferences, and supplemental training that we might from time to time sponsor. We generally suggest that you participate directly and even full time manage your franchise operations. You must ensure that your business managers comply fully with all applicable terms of the Master License Agreement including maintaining all confidential information, not competing with us and safeguarding all relevant documents, manuals, etc.

16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those training programs, technology, products, goods, and services that we approve in writing. You must offer all products, goods and services that we designate as required by our franchisees. We reserve the right, without limitation, to change, modify, delete, and add to the authorized programs, products, goods and services. You are not permitted to sell any products (e.g., balls, nets, clothing, etc.) at wholesale.

You must assist trainees assigned to other Shoot 360 franchisees per the guidelines outlined in the Best Practices Manual.

17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Master License Agreement and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

<u>Provision</u>	<u>Section in Master License Agreement</u>	<u>Summary</u>
a. Length of the Franchise Term	Section 1	60 months
b. Renewal or Extension of Term	Terms and Conditions Section 3(a)	Automatic extension for additional consecutive periods of time equal to the initial 60 month term, unless either party notifies the other at least 90 days prior to the end of the then scheduled expiration of the term that it does not desire for the term to be extended.
c. Requirements for You to Renew or Extend	None	Automatic extension for additional consecutive periods of time equal to the initial 60 month term, unless either party notifies the other at least 90 days prior to the end of the then scheduled expiration of the term that it does not desire for the term to be extended.
d. Termination by You	Terms and Conditions Section 3(b)	You can terminate if we default.
e. Termination by Us Without Cause	None	Not Applicable
f. Termination by Us With Cause	Terms and Conditions Section 3(b)	We can terminate if you default.
g. "Cause" Defined – Curable	Terms and Conditions	Material breach of the Master

<u>Provision</u>	<u>Section in Master License Agreement</u>	<u>Summary</u>
Defaults	Section 3(b)	License Agreement, including without limitation, the failure to pay any amounts due; or the insolvency, or the institution of proceedings by or against a party under any federal or state bankruptcy or insolvency law; an assignment for the benefit of all or substantially all creditors; or the cessation of operations or doing business for any reason.
h. "Cause" Defined – Non-curable Defaults	None	Not Applicable
i. Your Obligations on Termination/Non-renewal.	Terms and Conditions Section 3(b)	De-identification, return of manuals, payment of sums owed, confidentiality.
j. Assignment of Contract by Us	None	There are no restrictions on our right to transfer.
k. "Transfer" by You - Definition	Terms and Conditions Section 21	Restrictions apply if you sell, transfer, assign, encumber, give, lease, or sublease (collectively called "transfer") the whole or any part of: the Master License Agreement, substantial assets of the franchise, or ownership or control of you.
l. Our Approval of Transfer by You	Terms and Conditions Section 21	We may approve or disapprove all transfers.
m. Conditions for Our Approval of Transfer	Terms and Conditions Section 21	Our prior written consent of will not be unreasonably withheld, delayed or conditioned.
n. Our Right of First Refusal to Acquire Your Business	None	Not Applicable
o. Our Option to Purchase Your Business	None	Not Applicable
p. Your Death or Disability	None	Not Applicable
q. Non-Competition Covenants During the Term of the Franchise	None	Not Applicable
r. Non-Competition Covenants After the Franchise is Terminated or Expires	None	Not Applicable

<u>Provision</u>	<u>Section in Master License Agreement</u>	<u>Summary</u>
s. Modification of the Agreement	Terms and Conditions Section 6	Modifications to the Master License Agreement require the signed written agreement of the parties. We may modify the Best Practices Manual.
t. Integration/Merger Clause	Terms and Conditions Section 19	Subject to state law, only the terms of the Master License Agreement and Best Practices Manual are binding. Any other promises may not be enforceable. However, nothing in the Master License Agreement is intended to disclaim the representations we make in this disclosure document.
u. Dispute Resolution by Arbitration or Mediation	Terms and Conditions Section 11	All disputes are required to be arbitrated in Multnomah County, Oregon .
v. Choice of Forum	Terms and Conditions Section 11	Subject to applicable state law, arbitration must be in the county where our corporate headquarters is located (currently Multnomah County, Oregon) except in those states whose franchise laws require exclusive application of state choice of forum rules. See Master License Agreement and State Law Addendum.
w. Choice of Law	Terms and Conditions Section 11	Subject to applicable state law, Oregon law applies except to the extent governed by the United States Trademark Act and except in those states whose franchise laws require exclusive application of state choice of law rules. See the State Law Addendum.

Some states have statutes which may supersede the Master License Agreement in your relationship with us including the areas of termination and renewal of your Franchise, venue for disputes and governing law.

These and other states may have court decisions, which may supersede the Master License Agreement in Franchisee's relationship with Franchiser, including the areas of termination and renewal of the Franchise, venue for disputes and governing law.

The provision of the Master License Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

See the state addenda to the Master License Agreement and disclosure document for special state disclosures.

18. PUBLIC FIGURES

No public figure is involved in the management or control of us or of our franchise system. No public figure has invested in us. Except as described below for the Pro Training Club, no public figure has or will contribute or perform any services for us or for our franchisees.

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 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 our management by contacting our executive officer Craig Moody, 12403 NE 60TH WAY, #D-1, Vancouver, Washington 98682 (360-433-9841); the Federal Trade Commission; and the appropriate state regulatory agencies.

20. OUTLETS AND FRANCHISEE INFORMATION

SYSTEM WIDE OUTLET SUMMARY FOR FISCAL YEARS ENDING JULY 31, 2017, 2018, AND 2019

Outlet Type	Fiscal Year End	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2017	0	0	0
	2018	0	0	0
	2019	0	0	0
Company-Owned*	2017	4	4	0
	2018	4	4	0

Outlet Type	Fiscal Year End	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2019	4	5	+1
Total Outlets	2017	4	4	0
	2018	4	4	0
	2019	4	5	+1

*Including basketball training facilities owned by our affiliate.
At this time we do not own or operate any training facilities.

**TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR FISCAL YEARS ENDING JULY 31, 2017, 2018, AND 2019**

State	Year	Number of Transfers
California	2017	0
	2018	0
	2019	0
Indiana	2017	0
	2018	0
	2019	0
Texas	2017	0
	2018	0
	2019	0
Oregon	2017	0
	2018	0
	2019	0
Total	2017	0
	2018	0
	2019	0

**STATUS OF FRANCHISED OUTLETS
FOR FISCAL YEARS ENDING JULY 31, 2017, 2018, AND 2019***

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
California	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Colorado	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Connecticut	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Florida	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Georgia	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Hawaii	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Idaho	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Illinois	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Indiana	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Kansas	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Kentucky	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Louisiana	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Maine	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Massachusetts	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Michigan	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Minnesota	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Missouri	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Nebraska	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Nevada	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
New Jersey	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
New Mexico	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
New York	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
North Carolina	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
	2019	0	0	0	0	0	0	0
Ohio	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Oklahoma	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Oregon	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Pennsylvania	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Puerto Rico	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Tennessee	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Texas	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Utah	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Virginia	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Washington	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Totals	2017	0	0	0	0	0	0	0

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0

* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

**STATUS OF AFFILIATE OWNED OUTLETS*
AS OF JULY 31, 2017, 2018, AND 2019**

State	Fiscal Year End	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
California	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	1	0	0	0	2
Indiana	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
Oregon	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
Washington	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
Total	2017	4	0	0	0	0	4
	2018	4	0	0	0	0	4
	2019	4	1	0	0	0	5

*Including basketball training facilities owned by our affiliate. At this time we do not own or operate any training facilities.

**PROJECTED NEW FRANCHISE OUTLETS*
THROUGH JULY 31, 2020**

<u>State</u>	<u>Master License Agreements Signed but Business Not Yet Opened as of July 31, 2019</u>	<u>Projected New Franchised Businesses Through July 31, 2020</u>	<u>Projected New Company-Owned Operations Through July 31, 2020</u>
California	0	1	1
North Carolina	0	0	0
Indiana	0	1	0
Texas	0	1	0
Oregon	0	1	0

<u>State</u>	<u>Master License Agreements Signed but Business Not Yet Opened as of July 31, 2019</u>	<u>Projected New Franchised Businesses Through July 31, 2020</u>	<u>Projected New Company-Owned Operations Through July 31, 2020</u>
Washington	0	1	0
TOTALS	0	5	1

* NOTE: These are projections of the number of new franchises we expect will open in the next fiscal year. It is, however, only a projection. The chart shows those states which we consider priority states; however, we do not plan to sell franchises in all of those states in the upcoming year. We continue to look for new franchisees throughout the United States and will open locations in any state in which we find qualified purchasers. Therefore, the actual number of new franchisees in any state that open in the next fiscal year could vary from the number described above.

The following is a complete listing of all of the basketball training facilities owned and operated by our affiliate and the addresses and telephone numbers of all of their operations as of July 31, 2019:

Beaverton	5657 Arctic Drive, Beaverton, OR 97005	503-718-7445	Apr. 2012
Vancouver	12001 NE 60 th Way, Vancouver, WA 98682	360-896-5000	Jun. 2013
Torrance	2076 Artesia Blvd., Torrance, CA 90504	424-292-3157	Aug. 2016
Indianapolis	8090 Georgetown Rd, Indianapolis, IN 46268	317-389-5652	June 2017
Oceanside	2335 Vista Way, Oceanside, CA 92054	442-266-8216	May 2019

The following is a list of the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone numbers) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Master License Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system:

VOLUNTARILY LEFT THE SYTEM: None

FRANCHISEE TRANSFERS TO NEW OWNERS (OTHER THAN US): None

REACQUIRED BY FRANCHISOR: None.

TERMINATED BY FRANCHISOR: None.

During the last three fiscal years, we have not signed confidentiality clauses with any of our current or former franchisees, which restrict such franchisees from communicating with prospective franchisees concerning their experience in the franchise system. However, we sign agreements with current and former franchisees that include confidentiality clauses that protect our intellectual property and our proprietary information. The confidentiality clauses in these agreements may also relate to specific negotiated Master License Agreement terms and conditions.

The following is a list, to the extent known by us, of the names, addresses, telephone numbers, email address and Web address of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed: **None.**

The following is a list of any independent franchisee organizations that have asked to be included in this disclosure document: **None.**

21. FINANCIAL STATEMENTS

Attached as Exhibit B is our audited balance sheet as of our inception on August 24, 2019.

Our fiscal year-end is July 31, 2020.

We have not been in business for three years or more, and therefore cannot include all the historical financial statements otherwise required.

22. CONTRACTS

Attached are copies of the following Master License Agreement and all other related agreements you may have to sign when you purchase your franchise:

- C: Master License Agreement and Schedules
Schedule 1 – Franchise Location
Schedule 2 –SBA Lending Form
 - D: State Law Addendum
 - E: Application Form and Warranties and Disclaimers Form
 - F. Sample Transfer, Termination, Renewal, or Incorporation Agreements
-

23. RECEIPT

Attached to this disclosure document are duplicate Acknowledgments of Receipt. They evidence your receipt of this Franchise Disclosure Document – sign each copy;- one is to be retained by you, the other by us.

EXHIBIT A

**NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES
AND REGISTERED AGENTS IN STATES**

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	California Commissioner of Business Oversight: Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4052 (916) 445-7205 San Francisco: 71 Stevenson Street, Suite 2100San Francisco, CA 94105-2908 (415) 972-8559 Toll-free 866-ask-corp (275-2677)	Corporations Commissioner Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013-1105 (213) 576-7505
CONNECTICUT	Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 (860) 240-8233 or (860) 240-8232	Banking Commissioner 260 Constitution Plaza Hartford, CT 06103 (860) 240-8233 or (860) 240-8232
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (850) 922-2770
HAWAII	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Illinois Attorney General	Chief, Franchise Bureau

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
	Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General 100 W. Randolph Street Chicago, IL 60601 (312) 814-3892
INDIANA	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328	Deputy Commissioner Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance 1200 N Street Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
		(402) 471-3445
NEW YORK	Secretary of State of the State of New York 41 State Street Albany, NY 12231	Assistant Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Department Fifth Floor 500 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities Suite 232 Providence, RI 02903 (401) 222-3048	Associate Director and Superintendent of Securities Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
SOUTH DAKOTA	Director of South Dakota Division of Securities 445 E. Capitol Ave. Pierre, SD 57501 (605) 773-4823	Franchise Administrator Division of Securities 445 E. Capitol Ave. Pierre, SD 57501 (605) 773-4823
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769
UTAH	[Not Applicable]	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South

STATE	REGISTERED AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
		P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street Richmond, VA 23219 (804) 371-9672	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051
WASHINGTON	Director of Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Administrator Dept. of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P.O. Box 1768 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street, NW Washington, D.C. 20580 (202) 326-3128

EXHIBIT B

AUDITED FINANCIAL STATEMENTS



A. ANDREW GLANIODIS

CERTIFIED PUBLIC ACCOUNTANT

SHOOT 360 NATION, LLC

AUGUST 21, 2019

FINANCIAL STATEMENTS

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

SHOOT 360 NATION, LLC

Table of Contents

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT.....	1
BALANCE SHEET.....	2
STATEMENT OF OPERATIONS.....	3
STATEMENT OF CHANGES IN EQUITY.....	4
STATEMENT OF CASH FLOWS.....	5
NOTES TO FINANCIAL STATEMENTS.....	6 - 7



A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

August 23, 2019

INDEPENDENT AUDITORS' REPORT

Board of Directors and Members of
Shoot 360 Nation, LLC:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying balance sheet of Shoot 360 Nation, LLC (a limited liability company) as of August 22, 2019 and the related statements of operations, changes in owner's equity and cash flows for the period August 14, 2019 through August 21, 2019. These financial statements are the responsibility of the Company's management.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit includes 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 risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company's internal control. Accordingly, I express no such opinion.

-1-

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

An audit also includes evaluating 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. examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shoot 360 Nation, LLC as of August 21, 2019 and the related statements of operations, changes in owner's equity and cash flows for the period then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in dark ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the letters "CPA" written in a slightly more formal, blocky style at the end.

A. Andrew Gianiodis

Certified Public Accountant

279 Niagara Falls Blvd. Amherst, New York 14226 716 – 510-6068

Shoot 360 Nation, LLC

Balance Sheet August 21, 2019

ASSETS

Current Assets	
Cash	\$ 100,000
Due from affiliates	-
Total Current Assets	<u>100,000</u>
Other Assets	-
TOTAL ASSETS	<u>\$ 100,000</u>

LIABILITIES & EQUITY

Current Liabilities	
Accounts Payable	\$ -
Total Current Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
Equity	
Member Equity	<u>100,000</u>
Total Equity	<u>100,000</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 100,000</u>

See accompanying notes

- 2 -

Shoot 360 Nation, LLC
Statement of Operations
Period August 14, 2019 through August 21, 2019

Revenues	
Franchise fees	\$ -
Other revenue	-
Total revenue	<u>-</u>
Expenses	
Advertising	-
Bank charges	-
Licenses	-
Miscellaneous	-
Office	-
Professional fees	-
Travel and meals	-
Total expenses	<u>-</u>
Operating Income	-
Income taxes	-
Interest income	-
Net Income	<u>\$ -</u>

See accompanying notes

- 3 -

Shoot 360 Nation, LLC

Statement of Changes in Equity
Period August 14, 2019 through August 21, 2019

	Total Equity
Equity at August 14, 2019	\$ -
Capital Infusion	100,000
Net Income	<u>-</u>
Equity August 21, 2019	<u>\$ 100,000</u>

See accompanying notes

- 4 -

Shoot 360 Nation, LLC
Statement of Cash Flows
Period August 14, 2019 through August 21, 2019

Cash flows from operating activities:	
Net Income	\$ -
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation & amortization	-
Changes in assets and liabilities	
Current assets	-
Current liabilities	-
Net cash provided by operating activities	-
Cash flows from investing activities:	
Proceeds from Debt	-
Net cash provided by investing activities	-
Cash flows from financing activities:	
Capital infusion	100,000
Owner draws	-
Net cash provided by investing activities	100,000
Net change in cash	100,000
Cash - beginning of period	-
Cash - end of period	\$ 100,000
Supplemental Disclosures	
Interest Paid	-
Income Taxes Paid	-

See accompanying notes
- 5 -

SHOOT 360 NATION, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of Washington for the purpose of offering franchise opportunities to entrepreneurs who want to own their own Shoot 360 basketball training facility, as a franchise.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

REVENUE RECOGNITION

Initial franchise fees will be recorded as income when the company provides substantially all the initial services agreed upon in the franchise agreement or when the franchise has commenced operations, whichever comes first. If the fee is received over a period of time and the Company has no reasonable basis for estimating the collectability of the fee, the Company will use the installment method of recognition of the initial fee as revenue.

Monthly royalty fees will be recognized when paid by the franchisee.

COMPANY INCOME TAXES

The Company is an LLC; as such, the Company will not be responsible for income taxes on the company level. Instead, its taxable income will be included on the owner's personal tax returns.

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at August 21, 2019, as defined in FASB 107, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

SHOOT 360 NATION, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 3 COMMITMENTS AND CONTINGENCIES

The Company does not carry general liability or worker's compensation coverage, nor is it self-insured.

NOTE 4 FRANCHISE AGREEMENT

The terms of the Company's franchise agreement will be as follows:

- A. The Company will grant the right to use the Company name, trademark and system in the franchisee's franchise development business.
- B. The franchisee is obligated to pay a non-refundable initial franchise fee.
- C. The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

NOTE 5 SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 23, 2019, the date that the financial statements were available to be issued.

EXHIBIT C



MASTER LICENSE AGREEMENT

SHOOT 360 NATION, LLC

12403 NE 60th Way, #D-1
Vancouver, Washington 98682

360-433-9841



**Shoot 360 Nation, LLC
Software as a Service Agreement**

Shoot360: Shoot 360 Nation, LLC, a Washington Corporation
12403 NE 60th Way, Building D1
Vancouver, Washington 98682

Customer: _____

Phone: _____ Email: _____

Date: _____

Total Set-Up Fee for ____ Training Units: _____

Items of Equipment: **See Equipment Sales Agreement Exhibit 1**

Number of Units: _____ Monthly Fee Per Training Unit: \$_____

Term: **60 months**

This Software as a Service Agreement ("Agreement") is effective as of the date set forth above and is by and between Shoot 360 and Customer. Shoot 360 and Customer are sometimes called the "Parties," or, individually, a "Party".

Background

Shoot 360 has developed proprietary software (the "Software") that assists in monitoring and reporting on the usage of certain high-tech basketball training equipment, including Shoot 360's shooting system that uses the patented Pillar Vision software and Shoot 360's ball handling and passing (each "Equipment"), and provides point-of-sale, scheduling, billing, user profiling, gaming, training systems, and mobile application. Customer has either acquired or intends to acquire Equipment and have it installed in Customer's facility (the "Gym") to be used by Customers or members of Customer (each, a "User"). Customer desires for Shoot 360 to develop, maintain and make available the Software as a Service for use in connection with the Equipment.

Shoot 360 has certain rights to, have registered in various jurisdictions, and intend to continue to develop names, trademarks, service marks, logos, commercial symbols and styles. These include, but are not limited to, "**Shoot 360**" and the Shoot 360 logos which are collectively and individually referred to as the "Service Marks." Shoot 360 owns valuable goodwill and has valuable expertise, confidential information, methods, procedures, techniques, uniform standards, best practices manuals, controls and guidelines, systems, reporting systems,

merchandise, and materials. These are connected with the operation, promotion, and advertising of basketball skills training facilities that include advanced technologies for basketball shooting, passing, and ball handling measurement and development. Collectively, this is called “the **Shoot 360 System**.” The Shoot 360 System includes processes, training and tracking protocols, training management guidelines, and training equipment as may be amended by us from time to time. These are incorporated within the Shoot 360 Best Practices Manual. The Shoot 360 System describes the terms and conditions applicable to use of the Service Marks in all basketball training activities, related business and promotional activities, sales processes, services, and products.

Shoot 360 offers franchises to qualified persons to own and operate co-branded Shoot 360 basketball training facilities. Customer wants to use the Shoot 360 System in its athletic training facility and use the Service Marks.

Customer realizes that entering into this Agreement will obligate it to operate in accordance and conformity with any standards, specifications and procedures as set forth in the Best Practices Manual that Shoot 360 will loan to Customer. In addition, there are requirements and standards that Customer will be required to meet to remain a Customer.

Agreement

In consideration of the premises and the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree that Shoot 360 will provide the Software as a Service and will allow Customer to use the Shoot 360 System and the Service Marks on the attached *terms and conditions*.

This grant is solely for the operation by Customer of a Shoot 360 basketball skills training facility at the location identified in the attached Schedule 1 (the “Gym”). You will have the right to:

Participate as a Franchise and use the Shoot 360 System (as set forth in the Best Practices Manual) and to indicate to the public that your independent business is part of the Shoot 360 System;

Operate one Shoot 360 co-branded basketball training facility at the Gym; and

Receive assistance from us in the implementation and operation of the Franchise.

Shoot360: Shoot360, Inc. By: _____ Craig Moody Title: CEO / Founder	Customer Name: _____ By: _____ _____ Title: _____
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Terms and Conditions

These terms and conditions are binding on Shoot360 and the Customer identified on the cover page. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them on the cover page.

1. Services. Shoot360 will, using the Software, make available to Customer the following (collectively, the “Service”):

(a) Access and usage of the following systems:

- (i) Point of Sale System;
- (ii) Scheduling;
- (iii) Billing;
- (iv) User profile system;
- (v) Gaming/Competition;
- (vi) Training; and
- (vii) Mobile application

(b) Customer and Users will have access to a branded website or application hosted by Shoot 360; and

(c) The website or application will be branded as a Customer website or application and will include the phrase “Powered by Shoot 360®.”

2. Fees. The Set-Up Fee will be paid within five days following the execution of this Agreement. For each Shoot 360 Training Unit at a gym facility Customer will pay Shoot 360 the Fee set forth on the cover page. All amounts will be paid monthly in advance on the first day of each month by ACH withdrawal without demand or notice. Any amounts not timely paid will be subject to a five percent late fee and interest at the rate of twelve percent per annum. Shoot 360 may increase the Fee annually up to CPI during the Term each year and may increase fees at the expiration of the Initial Term and any Renewal Term (as both are defined below) upon 30 days’ written notice sent prior to the expiration of such Term even if the Term is automatically renewed; provided that the Fee in any year may not be less than the Fee in the previous year even if CPI is negative.

3. Duration and Termination.

(a) Unless earlier terminated as set forth in Section 3(b) of this Agreement, the term of this Agreement shall be for the initial Term set forth on the cover page (the “Initial Term”) and will automatically extend for an additional consecutive period of time equal to the Initial Term (each, a “Renewal Term”), unless either Party notifies the other Party, at least 90 days prior to the end of the then scheduled expiration of the Initial Term or Renewal Term, that it does not desire for the term to be extended.

(b) Each of the following shall be an event of default (each, a “Default”):

(i) Material breach of this Agreement, including without limitation, the failure to pay any amounts due hereunder; or

(ii) The insolvency, or the institution of proceedings by or against a Party under any federal or state bankruptcy or insolvency law; an assignment for the benefit of all or substantially all creditors; or the cessation of operations or doing business for any reason.

In the event of a Default, the non-defaulting Party shall provide 30 days' written notice to the defaulting Party specifying the nature of the Default. If such notice is given and the Default is not cured by the defaulting Party within such period (or, if the Default cannot be reasonably cured within such period, and if the defaulting Party has failed, within such period, to commence and continue diligent efforts to cure such Default), the non-defaulting Party may elect to either seek to specifically enforce performance hereof or to terminate this Agreement. A Party's failure to demand cure of or terminate this Agreement as a result of a prior Default shall not be deemed a waiver by the Party of the right to demand cure of or terminate as a result of a subsequent Default. The rights set forth above are cumulative and in addition to those otherwise provided by law.

(c) Upon termination of this Agreement for any reason:

(i) each Party will immediately pay all Fees and any other amounts owed under this Agreement up through the date of termination; and

(ii) each Party shall immediately return to the other (or, at the Disclosing Party's option, confirm to such Party's reasonable satisfaction in writing the destruction thereof) all Confidential Information, including (without limitation) all data, files, programs, software, information, materials, books and records belonging to the other Party (including all copies thereof other than one archival copy).

4. Representations and Warranties.

(a) Each Party represents and warrants to the other the following:

(i) This Agreement has been duly and validly executed and delivered and constitutes the valid and binding obligation of such Party, enforceable against such party in accordance with its terms.

(ii) The execution, delivery and performance of this Agreement by such Party does not, and will not (A) violate any provision of such Party's charter, by-laws or operating agreement or (B) violate or constitute a breach of, or default under, any law, rule, regulation, judgment, decree, ruling or order of any court, government or governmental agency to which such party is subject, or violate any agreement or instrument of such Party, or to which such party is subject or by which such Party is otherwise bound.

(iii) Such Party has all material licenses, franchises, permits, certificates of public convenience, orders and other authorizations of all federal, state and local governments and governmental authorities necessary for the lawful conduct of its business in each jurisdiction in which it conducts its business; all such licenses, franchises, permits, certificates of public convenience, orders and other authorizations, are valid and in good standing and are not subject to any suspension, modification or revocation or proceedings related thereto.

(b) Shoot 360 further represents and warrants the following:

(i) Shoot 360 warrants to Customer that the Services will be provided in good faith, with due care, in a good and workmanlike manner that is consistent with industry standards, and in accordance with its then current specifications, which specifications may be modified by Shoot360 from time to time without notice; provided that the functionality of the Services will not be materially diminished by any such modification. All upgrades and modifications shall be provided to the Customer without charge.

(ii) The Services and the use thereof do not and shall not infringe any third party patents, copyrights, trademarks, trade names, service marks, or other intellectual property rights.

(iii) The Services shall be performed in a manner that is, and Shoot360 shall at all times be, in compliance with all applicable federal, state, and local laws, rules, regulations, and orders that relate to the provision of the Services.

(iv) Shoot 360 will use commercially reasonable efforts to keep the Services free from viruses or other computer code that is intended to harm or to provide unauthorized access to end users' systems.

(v) Shoot 360 will use commercially reasonable efforts to cause the Services to remain available during Customer's regular business hours. Shoot 360 shall provide maintenance for the Services for the purpose of correcting material errors or defects in the Services and pursuant to any applicable regularly scheduled maintenance as subsequently modified by Shoot 360 from time to time. Shoot 360 will use commercially reasonable efforts to perform maintenance outside of normal business hours (10 a.m. to 9 p.m. local time) if such maintenance would cause the Services to be inaccessible. Customer shall promptly report all errors or defects to Shoot 360. Shoot 360 shall work diligently to correct such errors or defects that significantly impact business operations as quickly as reasonably possible. For any other errors or defects, Shoot 360 shall work diligently to correct such errors within a reasonable time frame to minimize any impact or inconvenience to customer's business.

(vi) Shoot 360 shall provide to Customer without charge the following training with respect to the Services: (a) up to 24 hours of training at the Shoot 360 facility in Vancouver, Washington (or such other facility agreed upon by the parties) and (b) 16 hours of training at one of Customer's facilities. After the initial training, Shoot 360 will provide training with respect to the Services on an as-needed basis at mutually agreeable time and places for the price of \$75 per hour plus pre-approved travel and per diem expenses.

(c) If Customer determines that any of the reports generated using the Service provided are inaccurate or are not in compliance with this Agreement, Customer's sole remedy will be to request that Shoot 360 perform the work necessary to correct the inaccurate or noncompliant reports that resulted from Shoot 360's breach of warranty. Shoot360's sole liability will be to perform such reports within three (3) days following receipt of notification from Customer.

(d) THE WARRANTIES SET FORTH IN SECTION 4(b) ARE THE EXCLUSIVE WARRANTIES RELATING TO THE SERVICE AND SOFTWARE AND ARE IN LIEU OF ALL OTHER WARRANTIES, ORAL OR WRITTEN, EXPRESS OR IMPLIED. SHOOT 360 MAKES NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, REGARDING ANY ASPECT OF THE SERVICE OR SOFTWARE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SHOOT 360 DOES NOT ASSURE UNINTERRUPTED OPERATION OF THE SERVICE OR

THAT THE SERVICE WILL MEET ANY PARTICULAR REQUIREMENTS OF CUSTOMER OR ITS CUSTOMERS.

(e) IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY, ITS CUSTOMERS, OR ANY OTHER PERSON FOR ANY DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, ARISING OUT OF THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY THIRD PARTY REGARDLESS OF THE BASIS OF THE CLAIM WHETHER IN CONTRACT OR IN TORT. IN NO EVENT SHALL SHOOT 360's LIABILITY FOR DAMAGES EXCEED THE AMOUNT OF FEES RECEIVED BY SHOOT 360 OVER THE THREE-MONTH PERIOD PRECEDING ANY SUCH CLAIM.

(f) Notwithstanding the above, in the event of system or software failure (an "Event"), Customer shall receive a prorata credit of any monthly service fees that have been paid or are owing during such Event.

5. Obligation of Confidentiality and Non-Disclosure.

(a) "Confidential Information" means all information (excluding the information described in Section 5(c) below), whether written or oral, and in any form (including, without limitation, the operation and methods of the Software, sales and marketing plans, pricing information, Customer lists and other Customer information, financial information and employee files or other employee information) relating to either party's business or technology which is disclosed by such party either directly or indirectly to the other party. For the avoidance of doubt, Customer's Confidential Information includes all information regarding its Customers and any data relating to its Customers that is entered into the Software. The existence of this Agreement and its terms are Confidential Information.

(b) In the performance of this Agreement or in contemplation of the execution of this Agreement, each Party (the "Receiving Party") and its employees, permitted contractors and agents may have access to proprietary, private or confidential information and data controlled or owned by the other Party (the "Disclosing Party"). The Receiving Party will use reasonable efforts, which efforts will be at least equal to the efforts the Receiving Party uses to protect its own confidential information, to keep, and to have its employees, permitted contractors and agents keep confidential, any and all Confidential Information, and, except as set forth in this Agreement, will not copy or publish or disclose it to others, or authorize its employees, contractors, agents or anyone else to copy, publish, or disclose it to others, without the Disclosing Party's prior written approval, will use such information only as expressly provided for in this Agreement, and will return such information and data to the Disclosing Party at its request. Furthermore, nothing contained in this Section will restrict the Receiving Party with respect to Confidential Information that is required to be disclosed by a court or other governmental authority; provided, however, that prior to any such disclosure, the receiving party shall (i) assert the confidential nature of the Confidential Information to the court or other governmental authority; (ii) immediately notify the Disclosing Party in writing of the order or request to disclose; and (iii) cooperate fully with the Disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of the compelled disclosure and protecting its confidentiality.

(c) Confidential Information shall not include: (i) information that is or becomes publicly available other than by a breach of this Agreement by the Receiving Party; (ii) information that is disclosed to the Receiving Party by an independent, unaffiliated third party who the Receiving Party reasonably believes was entitled to disclose such information; (iii)

information that is known to the Receiving Party prior to the date of this Agreement, or that the Receiving Party develops independently without use of the Confidential Information; and (iv) information that the Disclosing Party discloses to any independent, unaffiliated person or entity without confidentiality restrictions.

(d) Notwithstanding the above Section 5(a), either Party may disclose the existence and terms of this Agreement to its attorneys, accountants, bankers and other professionals who have a duty of confidentiality.

6. Trademarks: Grant of License and Use.

(a) Customer grants to Shoot 360 a non-exclusive license to use its trademarks (the "Trademarks") for the purpose of providing Services pursuant to this Agreement. Shoot 360 agrees to use the Trademarks solely as allowed in this Agreement and to do so as directed by Customer. Customer agrees to display on the Equipment labels to be provided by Shoot360 on locations on the Equipment requested by Shoot 360 stating "Powered by Shoot 360®." Except as provided above, nothing in this Agreement shall be deemed to imply a license or conveyance of either Party's trademarks to the other Party.

(b) Shoot 360 grants to Customer a non-exclusive license to use the Service Marks. Shoot 360 reserves the right to establish, or license anyone else to establish, businesses using the Service Marks and the Shoot 360 System at any location. The licenses granted to Customer are non-exclusive and that Shoot 360 and its affiliates will have and will retain the right to operate businesses using the Shoot 360 System and provide products and services using the Shoot 360 System throughout the United States and internationally, regardless of where customers or the applicable Shoot 360 operations are located or where transactions are taking place. Shoot 360 retains the right to market and provide products and services to any and all Shoot 360 customers and trainees. Shoot 360 retains the right to own, operate, license or franchise the Shoot 360 System throughout the United States and internationally. This includes the right to create additional training systems related to other sports and activities, such as baseball, golf, or Olympic sports, related names and service marks that are focused on these other sports and activities.

Shoot 360 reserves the right to market, solicit sales, and sell, lease, rent or otherwise dispose of Shoot 360 products and services to any person or customer, including, national accounts, commercial accounts, coaches, schools and colleges, Customers, end users and any other person or any other customer, regardless of where located. Customer acknowledges that Shoot 360 has made no representation concerning exclusivity in any geographic territory or for any customer segment.

- A. Ethical Advertising. Customer will use the Service Marks as required by the Best Practices Manual and will insure that all advertisements and promotions are completely factual and conform to the highest ethical advertising standards and Shoot 360 identity standards. Customer will refrain from any communications, advertising, or promotions, which may be injurious to the goodwill associated with the Service Marks and the Shoot 360 System. If Customer violates these important requirements Shoot 360 may terminate the right to use the Service Marks.
- B. Advertising. Customer may use our approved Shoot 360 Marks and approved advertisements that use our Marks at its sole cost and expense including promotional materials and advertising for use in newspaper, radio, and television advertising, specialty and novelty items, signs, containers and clothing.

- C. Optional Promotional Materials. Shoot 360 may provide standard promotional and operational materials, including application forms, player training and transaction materials, brochures, and other materials for use by Customer and others. Shoot 360 may charge for orders of promotional and operational materials in excess of pre-approved amounts. Customer must use the most current form of all materials, advertisements, and Player forms Shoot 360 has approved.
- D. Approval of Advertising through Website and E-Commerce. Any Web Site and social media will be deemed “advertising” under this Agreement and will be subject to (among other things) Shoot 360 approval. In connection to Web Sites and social media:

Customer will use the Service Marks following Shoot 360’s requirements and subject to approval.

In addition to any other applicable requirements, Customer will comply with standards and specifications for web sites and social media as prescribed by Shoot 360 from time to time in the Best Practices Manual or otherwise in writing. Currently, these standards and specifications include, among other things:

Customer will use its formal legal name co-branded with “an independent Customer of Shoot 360 Nation, LLC” or “Powered by Shoot 360®” or similar designations on your signs, correspondence, web pages and social media. You may not identify your business with a geographic location, other than one we may have assigned you.

- E. Trademark and Copyright Notices. Customer will use the Service Marks in strict conformity to the Best Practices Manual and will include in any advertisement, or promotional materials that use the Service Marks, appropriate trademark notices as may be required by the Best Practices Manual.
- F. Local Advertising Materials. Customer will advertise the Franchise in a dignified manner to enhance the Shoot 360 franchise system's reputation for quality and integrity. At any time and from time to time, Shoot 360 we may require Customer to submit advertising copy and promotional materials used in its local advertising programs. If, after review of any material, Shoot 360, in good faith, believes that it is not in keeping with the Shoot 260 franchise system's reputation of quality and integrity, or degrades or debases the good will or reputation of the franchise system, Shoot 360 will promptly notify Customer. Customer will immediately cease using any such material.
- G. Standards to Be Maintained. Customer will follow the Shoot 360 System and will operate in a clean, orderly, and respectable manner and will comply with all applicable ordinances, regulations, bylaws, laws, and statutes. Customer will not permit unlawful activities on the Gym and will not sell, exchange, offer, hold, show, rent, or permit to be sold, exchanged, offered, held, shown, or rented any material or service known or reasonably suspected to have been obtained in violation of law or to be otherwise illegal.

Customer will secure and maintain in force all required licenses, permits and certificates relating to the operation of the Gym and will operate in full compliance with all applicable ordinances and regulations, including without limitation, all government laws and regulations relating to occupational hazards and health, EEOC laws, Americans with Disabilities Act, copyright laws protecting owners of artistic works, consumer protection, trade regulations, workers compensation, unemployment insurance and withholding, and payment of federal and state income taxes, social security taxes and sales, use and property taxes.

Any and all goodwill associated with the Service Marks, including any goodwill that might be deemed to have arisen through Customer's activities, will accrue directly and exclusively to the benefit of Shoot 360, except as otherwise provided by applicable law.

Customer will not use the Service Marks on products or services that come from any source other than Shoot 360 or sources Shoot 360 approves in writing except for products and services pursuant to the Best Practices Manual and the Shoot 360 System.

Shoot 360 may change or modify any part of the Service Marks, Best Practices Manual, or Shoot 360 System from time to time. Customer will accept, use, and protect, for the purposes of this Agreement, all changes and modifications as if they were a part of the Service Marks, Best Practices Manual, and Shoot 360 System at the time this Agreement is executed.

7. Indemnification.

(a) Each Party (the "Indemnifying Party") agrees to indemnify, defend and hold harmless the other Party, its officers, directors, agents and employees (collectively for purposes of this Section, the "Indemnified Party") from and against any and all damages, losses, claims or liabilities, including, without limitation, personal or bodily injury or death ("Claim(s)"), and any costs and expenses in connection therewith, including attorneys' fees and expenses to the extent arising out of: (i) any Default of such Party under this Agreement; (ii) any claim that any materials, software, or services provided by the Indemnifying Party infringes upon the patent, trademark, copyright, design rights or other proprietary rights of a third party (each, an "Infringement Claim") or (iii) the negligent or intentional wrongful acts of the Indemnifying Party, and/or its employees and agents.

(b) The Party seeking indemnification will promptly notify the Indemnifying Party of any Claim(s), but the omission to give such notice will not relieve the Indemnifying Party of any liability which it may otherwise have to the extent it is not prejudiced as a result of the omission. The Indemnified Party will have the right, at its expense, to retain counsel to participate in the defense of any suit.

(c) In respect of any threatened or pending Claim in which the Indemnifying Party is jointly liable with the Indemnified Party (or would be if joined in such action, suit or proceeding), each Party will share in the amount paid or payable (including attorneys' fees and expenses) as a result of such losses, claims, damages, or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the fault of the Indemnifying Party on the one hand and the Indemnified Party on the other. The relative fault of each Party will be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each Party agrees that it would not be just and equitable if

contributions pursuant to this Subsection 7(c) were determined on a pro rata or other method of allocation that does not take into account the foregoing equitable considerations.

8. Relation of Parties. Shoot 360's relationship with Customer under this Agreement will be that of an independent contractor, and nothing in this Agreement shall create or imply an agency relationship between Customer and Shoot 360, nor will this Agreement be deemed to constitute a joint venture or partnership between the Parties.

9. Software Protection. Shoot 360 retains all right, title, and interest in and to the Service, including without limitation all software used to provide the Service, and this Agreement does not grant Customer any ownership with regard to the intellectual property rights in or to the Service or any of its components.

10. Notices. Any notice or demand required or permitted to be given under the terms of this Agreement will be deemed to have been duly given or made if given by any of the following methods:

(a) Deposited in the United States mail, in a sealed envelope, postage prepaid, by registered or certified mail, return receipt requested, or hand-delivered, respectively addressed as first set forth above; or

(b) sent to the above address for "next business day delivery" via an established national overnight delivery service with charges prepaid.

Notices will be effective on the third business day after posting if sent by mail, on the next business day after posting if sent by express courier, and on the day of receipt if manually delivered within regular business hours. Either Party may, by notice given in accordance with this Section, designate a new address for notices, requests, demands and other communications to such Party.

11. Arbitration. Except as otherwise provided in Section, any dispute, controversy, or claim arising out of the subject matter of this Agreement will be settled by binding arbitration before a single arbitrator in Multnomah County, Oregon pursuant to the rules and auspices of the Arbitration Services of Portland, Inc. The resolution of any dispute, controversy, or claim as determined by the arbitrator will be binding on the Parties. Judgment on the award of the arbitrator may be entered by any party in any court having jurisdiction. A party may seek from a court an order to compel arbitration, or any other interim relief or provisional remedies pending an arbitrator's resolution of any dispute, controversy, or claim. Any such action, suit, or proceeding — or any action, suit, or proceeding to confirm, vacate, modify, or correct the award of the arbitrator.

12. Non-Exclusive. Customer's rights to use receive Services under this Agreement are nonexclusive. Shoot 360 agrees that it shall not enter into a license agreement or sell Equipment to any person or entity within ____ miles from the Gym.

13. Attorney's Fees. If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Agreement, or otherwise in connection with the subject matter of this Agreement, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

14. Governing Law. This Agreement shall be governed by the laws of the State of Oregon, without regards to the principles of conflicts of laws thereof.
15. Waiver. The failure of either Party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure will not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other Party.
16. Survival of Obligations. Any obligations and duties which by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.
17. Amendments, Changes and Modifications. This Agreement may be amended, changed and modified only in a writing executed by both of the Parties.
18. Severability. If any clause, provision or section of this Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken under this Agreement is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity or inoperability will not affect the remainder thereof or any other clause, provision or section or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Agreement.
19. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealing between the Parties on the subject matter hereof.
20. Counterparts and Facsimiles. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. A facsimile signature shall be deemed an original signature.
21. Non-assignability. Neither this Agreement nor any rights or obligations of Customer hereunder shall be assignable or transferable by Customer, in whole or in part, by operation of law or otherwise, without the prior written consent of Shoot 360, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, this Agreement may be assigned upon notice to Shoot 360, but without Customer's consent to any entity that purchases all, or substantially all, of Customer's assets. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assigns.
22. Force Majeure. Neither Party shall be liable for failure or delay in the performance of any of its obligations hereunder if such delay or failure to perform is caused by circumstances beyond its reasonable control.

End of Terms and Conditions.

EXHIBIT 1



Shoot 360 Nation, LLC

Basketball Training Equipment Sales Agreement

Shoot 360: Shoot 360 Nation, LLC, a Washington limited liability company ("Shoot 360")
12403 NE 60th Way, Building D-1
Vancouver, Washington 98682

Customer: _____

Phone: _____ Email: _____

Date: _____

Equipment: See **Exhibit A**

Sales Price: \$_____

Installation and Training Fees: See **Exhibit A**

This Basketball Training Sales Agreement ("Agreement") is effective as of the date set forth above and is by and between Shoot 360 Nation, LLC and Customer. Shoot 360 Nation, LLC and Customer are sometimes called the "Parties," or, individually, a "Party".

Background

Concurrent with the execution of this Agreement, Shoot 360 and Customer have entered into a Software as a Service Agreement with respect to monitoring and reporting on the usage of certain high-tech basketball training equipment identified on the attached **Exhibit A** (the "Equipment"). Shoot 360 desires to sell and Customer desires to purchase the Equipment on the terms and conditions attached hereto.

Agreement

In consideration of the premises and the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree that Shoot 360 sell and Customer desires to purchase the Equipment on the terms and conditions attached hereto.

Shoot 360:

Shoot 360 Nation, LLC

By: _____
Craig Moody, CEO

Customer:

Name of Customer

By: _____

Title: _____

Terms and Conditions

These terms and conditions are binding on Shoot 360 and the Customer identified on the cover page. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them on the cover page.

1. Payment. The Sales Price of the Equipment is as set forth on the cover page upon delivery of the Equipment. Along with the Sales Price Customer also agree to pay Shoot 360 all applicable sales (or similar) tax. A charge of 1-1/4% per month (or the rate otherwise permitted by law, whichever is lower) on the unpaid balance for any late payment will be due.
2. Shoot 360 shall deliver and Customer shall accept delivery of the Equipment at the address of Customer set forth on the cover page unless a different address is provided in writing. All shipping, installation and transit insurance costs shall be borne by the Customer. Equipment shall be shipped FOB point of shipment.
3. **WARRANTY. FOR EQUIPMENT MANUFACTURED BY SHOOT 360, SHOOT 360 WARRANTS THAT THE EQUIPMENT WILL BE MANUFACTURED IN ACCORDANCE WITH ITS THEN CURRENT SPECIFICATIONS. ANY CLAIMS ON THIS WARRANTY MUST BE MADE WITHIN ONE YEAR OF DELIVERY OF THE EQUIPMENT. WITH RESPECT TO EQUIPMENT MANUFACTURED BY OTHERS, SHOOT 360 HEREBY ASSIGNS TO CUSTOMER ALL WARRANTIES IT RECEIVES, BUT MAKES NO INDEPENDENT WARRANTY. SHOOT 360 MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AS TO THE DESIGN, OPERATION, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN, THE EQUIPMENT AND ALL WARRANTIES INCLUDING WARRANTIES OF, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE EQUIPMENT ARE HEREBY EXCLUDED. CUSTOMER AGREES THAT SHOOT 360 WILL IN NO EVENT BE LIABLE FOR DAMAGES ARISING IN STRICT LIABILITY OR FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, HOWEVER ARISING. SHOOT 360'S LIABILITY SHALL UNDER NO CIRCUMSTANCES EXCEED THE PURCHASE PRICE OF SUCH ITEM OF EQUIPMENT SET FORTH IN THIS AGREEMENT.**
4. Title. Title to the Equipment will be free and clear of all liens, claims and encumbrances of any kind and shall vest in Customer upon payment by Customer to Shoot 360 of the full Sales Price, including any taxes. Shoot 360 shall retain and Customer hereby grants to Shoot 360 a purchase money security interest in the Equipment as security for payment in full to Shoot 360 of such Sales Price and taxes. Customer hereby authorizes Shoot360 to file Uniform Commercial Code financing statements to perfect Shoot 360's security interest in the Equipment.
5. Indemnification. Each Party (the "Indemnifying Party") agrees to indemnify, defend and hold harmless the other Party, its officers, directors, agents and employees (collectively for purposes of this Section, the "Indemnified Party") from and against any and all damages, losses, claims or liabilities, including, without limitation, personal or bodily injury or death ("Claim(s)"), and any costs and expenses in connection therewith, including attorneys' fees and expenses to the extent arising out of: (i) any default of such Party under this Agreement; (ii) any claim that any materials, software, or services provided by the Indemnifying Party infringes upon the patent, trademark, copyright,

design rights or other proprietary rights of a third party (each, an “Infringement Claim”) or (iii) the negligent or intentional wrongful acts of the Indemnifying Party, and/or its employees and agents.

The Party seeking indemnification will promptly notify the Indemnifying Party of any Claim(s), but the omission to give such notice will not relieve the Indemnifying Party of any liability which it may otherwise have to the extent it is not prejudiced as a result of the omission. The Indemnified Party will have the right, at its expense, to retain counsel to participate in the defense of any suit.

In respect of any threatened or pending Claim in which the Indemnifying Party is jointly liable with the Indemnified Party (or would be if joined in such action, suit or proceeding), each Party will share in the amount paid or payable (including attorneys’ fees and expenses) as a result of such losses, claims, damages, or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the fault of the Indemnifying Party on the one hand and the Indemnified Party on the other. The relative fault of each Party will be determined by reference to, among other things, the Parties’ relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each Party agrees that it would not be just and equitable if contributions pursuant to this Subsection 7(c) were determined on a pro rata or other method of allocation that does not take into account the foregoing equitable considerations.

6. Notices. Any notice or demand required or permitted to be given under the terms of this Agreement will be deemed to have been duly given or made if given by any of the following methods:
 - a. Deposited in the United States mail, in a sealed envelope, postage prepaid, by registered or certified mail, return receipt requested, or hand-delivered, respectively addressed as first set forth above; or
 - b. Sent to the above address for “next business day delivery” via an established national overnight delivery service with charges prepaid.

Notices will be effective on the third business day after posting if sent by mail, on the next business day after posting if sent by express courier, and on the day of receipt if manually delivered within regular business hours. Either Party may, by notice given in accordance with this Section, designate a new address for notices, requests, demands and other communications to such Party.

7. Arbitration. Except as otherwise provided in Section, any dispute, controversy, or claim arising out of the subject matter of this Agreement will be settled by binding arbitration before a single arbitrator in Multnomah County, Oregon pursuant to the rules and auspices of the Arbitration Services of Portland, Inc. The resolution of any dispute, controversy, or claim as determined by the arbitrator will be binding on the Parties. Judgment on the award of the arbitrator may be entered by any party in any court having jurisdiction. A party may seek from a court an order to compel arbitration, or any other interim relief or provisional remedies pending an arbitrator’s resolution of any dispute, controversy, or claim. Any such action, suit, or proceeding — or any action, suit, or proceeding to confirm, vacate, modify, or correct the award of the arbitrator.

8. Attorney's Fees. If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Agreement, or otherwise in connection with the subject matter of this Agreement, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
9. Governing Law. This Agreement shall be governed by the laws of the State of Oregon, without regards to the principles of conflicts of laws thereof.
10. Waiver. The failure of either Party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure will not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other Party.
11. Survival Of Obligations. Any obligations and duties which by their nature extend beyond the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.
12. Amendments, Changes and Modifications. This Agreement may be amended, changed and modified only in a writing executed by both of the Parties.
13. Severability. If any clause, provision or section of this Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken under this Agreement is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity or inoperability will not affect the remainder thereof or any other clause, provision or section or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Agreement.
14. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealing between the Parties on the subject matter hereof.
15. Counterparts and Facsimiles. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. A facsimile signature shall be deemed an original signature.
16. Non-assignability. Neither this Agreement nor any rights or obligations of Customer hereunder shall be assignable or transferable by Customer, in whole or in part, by operation of law or otherwise, without the prior written consent of Shoot 360, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, this Agreement may be assigned upon notice to Shoot 360, but without Customer's consent to any entity that purchases all, or substantially all, of Customer's assets. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assigns.

17. Force Majeure. Neither Party shall be liable for failure or delay in the performance of any of its obligations hereunder if such delay or failure to perform is caused by circumstances beyond its reasonable control.

End of Terms and Conditions.

EXHIBIT A
EQUIPMENT AND PRICING

SCHEDULE 1 TO THE MASTER LICENSE AGREEMENT

GYM LOCATION

SCHEDULE 2 TO THE MASTER LICENSE AGREEMENT SBA LOAN ADDENDUM

THIS ADDENDUM ("Addendum") is made and entered into on _____, 201__, by and between _____ ("Franchisor"), located at _____, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Master License Agreement on _____, 201__, (the "Master License Agreement"). Franchisee is applying for a loan ("Loan") from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining the SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Master License Agreement:

CHANGE OF OWNERSHIP

If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

If Franchisor has the option to purchase the business personal assets upon default or termination of the Master License Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

COVENANTS

If the Franchisee owns the real estate where the franchise location is operating, Franchisor may not record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions.

EMPLOYMENT

Franchisor will not directly control (hire, fire or schedule) Franchisee's employees.

This Addendum automatically terminates on the earlier to occur of the following: (i) the Loan is paid in full; or (ii) SBA no longer has any interest in the Loan.

Except as amended by this Addendum, the Master License Agreement remains in full force and effect according to its terms.

FRANCHISOR:

By: _____
Print Name: _____

FRANCHISEE:

By: _____
Print Name: _____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

**SCHEDULE 2 TO THE MASTER LICENSE AGREEMENT
ELECTRONIC DEBIT AUTHORIZATION FORM**

The undersigned (the "Customer") acknowledges that on or about _____, 20__, Customer and Shoot 360 Nation, LLC ("Shoot 360") entered into a "Software as a Service Agreement" (the "Agreement") for the operation of a franchise.

To enable Shoot 360 to receive automatic payments pursuant to the Agreement and Shoot 360's Best Practices Manual, Customer authorizes (the "Authorization") Shoot 360 to withdraw funds from and otherwise initiate debit entries to Customer's checking account, indicated below, and the depository named below (the "Depository"), to debit the same to such account.

Depository Name: _____
Branch: _____
City State and Zip: _____
Transit/ABA#: _____
Bank Account Name: _____
Bank Account Number: _____
Tax ID for Account: _____

This Authorization is to remain in full force and effect until the underlying obligations of the Agreement have been satisfied in full or expressly released in writing by Shoot 360. Customer expressly agrees that this Authorization will apply to any and all depositories and bank accounts which Customer opens during the term of the Agreement and any renewal terms. Without limiting the above, Customer acknowledges and agrees that if Customer closes any bank account, Customer will:

- 1) immediately notify Shoot 360 in writing;
- 2) open or otherwise establish another bank account;
- 3) execute and deliver to Shoot 360 all documents necessary for Shoot 360 to begin and continue making withdrawals from such bank account/depository by ACH debiting or other electronic means.

Customer expressly acknowledges and agrees that this Authorization will be the only written authorization needed from Customer in order to initiate debit entries/ACH debit originations to Customer's bank account(s) established with any depository in the future.

Name of Customer(s): _____

Salon #: _____

Signature: Sample - Not for Execution
Print Name: _____
Title: _____
Date: _____

Notice to Customer

- 1) ATTACH ONE VOIDED CHECK HERE.
- 2) ENSURE TO COMPLETE ALL BLANK SPACES ABOVE.

RETURN **2** ORIGINAL COPIES OF THIS FORM TO SHOOT 360 IMMEDIATELY.

EXHIBIT F

FRANCHISE DISCLOSURE DOCUMENT STATE LAW ADDENDUM

The following modifications and additions are part of **SHOOT 360 NATION, LLC's** Franchise Disclosure Document ("FDD") and Master License Agreement ("FA") as required by relevant state laws.

These states have statutes, which may supersede the Master License Agreement in your relationship with us including the areas of termination and renewal of the Franchise:

ARKANSAS (Stat. Section 70-807)
CALIFORNIA (Bus. & Prof. Code Sections 20000-20043)
CONNECTICUT (Gen. Stat. Section 42-133e et seq.)
DELAWARE (Code, tit. 6, Ch. 25, Sections 2551 et seq.)
HAWAII (Rev. Stat. Section 482-E1)
ILLINOIS (815 ILCS 705/1-44)
INDIANA (Stat. Section 23-2-2.7)
IOWA (Code Sections 523H.1-523H.17)
MICHIGAN (Stat. Section 19.854(27))
MINNESOTA (Stat. Section 80C.14)
MISSISSIPPI (Code Section 75-24-51)
MISSOURI (Stat. Section 407.400)
NEBRASKA (Rev. Stat. Section 87-401)
NEW JERSEY (Stat. Section 56.10-1)
SOUTH DAKOTA (Codified Laws Section 37-5B)
VIRGINIA (Code 13.1-557-574, 13.1-564)
WASHINGTON (Code Section 19.100.180)
WISCONSIN (Stat. section 135.03)

These and other states may have court decisions which may supersede the Master License Agreement in your relationship with us, including the areas of termination and renewal of the Franchise.

California

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 FRANCHISE DISCLOSURE DOCUMENT.

OUR WEBSITE IS www.Shoot360.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

FDD COVER PAGE

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER.

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

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

(2) The Master License Agreement requires binding arbitration. The arbitration will occur at Clark County, Washington with the costs being borne by the party that does not prevail. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Master License Agreement restricting venue to a forum outside the State of California.

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

(4) The Master License Agreement requires application of the laws of the State of Washington. This provision may not be enforceable under California law.

(5) Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form and containing information as the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing Franchise.

FDD Item 3

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

FDD Item 19

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

Negotiated Sales

Copies of any notice of negotiated sale of a Franchise may be reviewed at <http://134.186.208.233/caleasi/pub/exsearch.htm>. Attached are copies of all notices of negotiated sale filed during the 12 months immediately preceding the effective date of the Franchise Disclosure Document.

All negotiated sales in California are subject to the following provisions as outlined in the California Administrative Code, Title 10, Chapter 3, Subchapter 2.6, Section 310.100.2:

1. The initial offer must be registered pursuant to the California Franchise Investment Law.
2. The prospective franchisee because of its business or financial experience could be reasonably assumed to have the capacity to protect its own interest in the transaction. The income and net worth of the prospective franchisee and its spouse may be included in determining the total income and net worth required by this paragraph. The net worth and income test may also be satisfied by a prospective franchisee corporation (or by a 50 percent or more shareholder of such prospective franchisee corporation) or a prospective franchisee partnership (or by a prospective franchisee general partner of such partnership). In making the determination, we may rely on the representations of the prospective franchisee with respect to its net worth and income provided we have no reason to doubt the representations.
3. If a negotiated sale is consummated, Notice of Negotiated Sale of Franchise in the form set forth in the regulations must be filed with the Commissioner within 15 business days after the negotiated sale.

WE CERTIFY AND DECLARE THAT NO NOTICES HAVE BEEN NECESSARY TO BE FILED WITH THE COMMISSIONER AS REQUIRED BY THE NEGOTIATED SALES SECTION OF THE CALIFORNIA ADMINISTRATIVE CODE, TITLE 10, CHAPTER 3, SUBCHAPTER 2.6, SECTION 310.100.2(a).

Georgia

DISCLOSURES REQUIRED BY GEORGIA LAW

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

If, for any reason, any provision set forth in the Master License Agreement (including those related to in-term and post-term covenants against competition and non-disclosure and non-use of confidential information) exceeds any lawful scope or limit as to duration, geographic coverage, specificity, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. Indeed, the parties acknowledge their desire and intent that such provisions be modified by a court or arbitrator to comply with Georgia law if needed. The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement.

Hawaii

Paragraph 4110.01, Section 482E-6(3): Upon termination or refusal to renew the Franchise the franchisee will be compensated for the fair market value, at the time of the termination or expiration of the Franchise, of the franchisee's inventory, supplies, equipment

and furnishings purchased from the franchisor or a supplier designated by the franchisor; provided that personalized materials which have no value to the franchisor need not be compensated for. If the franchisor refuses to renew a Franchise for the purpose of converting the franchisee's business to one owned and operated by the franchisor, the franchisor, in addition to their remedies provided in this paragraph, will compensate the franchisee for the loss of goodwill. The franchisor may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of the franchisee's inventory, supplies, equipment, and furnishings pursuant to this requirement, and may offset from such compensation any moneys due the franchisor.

Idaho

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

Pursuant to the requirements of the Idaho Code, Title 29, Chapter 1, Section 29-110 (Limitations on Right to Sue – Master License Agreement), any stipulation or condition in a Master License Agreement executed by a resident of Idaho or a business entity organized under the laws of Idaho, by which any party is restricted from enforcing its rights under the Master License Agreement by the usual proceedings in the ordinary tribunals in Idaho, or which limits the time within which it may enforce its rights, is void to the extent it purports to waive venue or jurisdiction of the Idaho court system. Venue and jurisdiction will be in Idaho if the franchisee is an Idaho resident or a business entity organized under the laws of Idaho.

Illinois

FDD Items 3 and 6

The Illinois Franchise Disclosure Act prohibits discrimination among franchisees for payments made for Initial Franchise Fees, ongoing franchise fees, and the purchase of goods or services from the franchisor.

FDD Item 17

A franchisee's rights upon termination and non-renewal may be affected by Illinois law. (See Sections 19 and 20 of the Illinois Franchise Disclosure Act)

Releases executed by franchisees must comply with the Illinois Franchise Disclosure Act. Any attempt to waive compliance with Illinois law is void. (See Section 41 of the Illinois Franchise Disclosure Act, and Rule 200.609 of the Rules and Regulations).

The governing law and choice of law clauses contained in the Master License Agreement are subject to the Illinois Franchise Disclosure Act.

Any provision in the Master License Agreement and any ancillary Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois, provided that a Master License Agreement may provide for arbitration in a forum outside of Illinois. (See Section 4 of the Illinois Franchise Disclosure Act, and Rule 200.608 of the Rules and Regulations).

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

Section 4 of the Illinois Franchise Disclosure Act and Rule 200.608 of the Rules and Regulations promulgated there under dictate that "any provision in the Master License Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois, provided that the Master License Agreement may provide for arbitration in a forum outside of Illinois." Section 41 of the Act and Rule 200.609 void any attempt to waive compliance with Illinois law. Any governing law and choice of law clause granting authority to a state other than Illinois effectively negates the Illinois Franchise Disclosure Act. Therefore all provisions of the Franchise Disclosure Document and Master License Agreement are amended to fully comply with and fully apply Illinois law as applicable to franchisees and the Franchises in Illinois.

Indiana

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

In Indiana, the reference to "members of their households or members of their immediate families" under the provisions of covenants not to compete will mean any person who has access to the information, including a spouse or any other person who lives within the household.

Pursuant to the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2.2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2.5:

Any general release of claims against a franchisor is subject to the Indiana Deceptive Franchise Practices Law and the Indiana Franchise Disclosure Law.

The Master License Agreement may not be unilaterally terminated unless there is a material violation of the Master License Agreement and termination is not in bad faith.

Subject to Indiana Code 23-2-2.7-1(9), any post-term non-competitor covenants will have a geographical limitation of the territory granted to the franchisee.

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.

In the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law will prevail.

Franchisee may commence litigation in Indiana for any cause of action under Indiana law.

Any arbitration between Franchisor and Franchisee shall be conducted in Indiana or a site mutually agreed upon.

Pursuant to Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services

rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

Maryland

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

Pursuant to COMAR 02.02.08.16L, the general release will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Section 14-216(c) (25) of the Maryland Franchise Registration and Disclosure Act requires a franchisor to file an irrevocable consent to be sued in Maryland. Notwithstanding anything to the contrary in the Master License Agreement or Franchise Disclosure Document, if the Maryland Franchise Registration and Disclosure Act applies to you, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Act.

This Master License Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

FA Section 10

Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a Franchise. Our Master License Agreement contains disclaimers of the occurrence or acknowledgment of the non-occurrence of acts that could constitute a violation of Maryland laws. These disclaimers, acknowledgments and 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.

Michigan

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are included in these franchise documents, the provisions are void for Michigan franchisees and cannot be enforced against Michigan franchisees. These provisions are:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise investment law. This will not preclude a franchisee, after entering into a Master License Agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the Master License Agreement and to cure the failure after being given written notice and a

reasonable opportunity, which in no event need be more than 30 days, to cure the failure.

- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if:
 - (i) The term of the franchise is less than 5 years, and
 - (ii) The franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise, or the franchisee does not receive at least six months' advance notice of the franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any breach in the Master License Agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision

that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of assets if the franchisee has breached the lawful provisions of the Master License Agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

The fact that there is a notice of this offering on file with the Attorney General does not constitute approval, recommendation or endorsement by the Attorney General. A franchisor whose most recent financial statements are unaudited and show a net worth of less than \$100,000 will, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of the escrow. Any questions regarding this notice should be directed to the Department of the Michigan Attorney General, 6520 Mercantile Way, Suite 3, Lansing, Michigan 48913; (517) 373-3800.

The name and address of the franchisor's agent in Michigan authorized to receive service of process is:

Michigan Department of Commerce
Corporation and Securities Bureau
Office of Franchise and Agent Licensing
525 West Ottawa Street
G. Mennen Williams Building, 6th Floor
PO Box 30213
Lansing, Michigan 48933
(517) 373-7117

Minnesota

Minnesota law prohibits requiring a franchisee to waive his or her rights to a trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, that this part will not bar a voluntary arbitration of any matter if the proceeding is conducted by an independent tribunal under the rules of the American Arbitration Association. (Minn. Rules 2860.4400(J)).

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 3, 4, and 5, which require (except in certain specified cases) that a franchisee be given **90** days' notice of termination (with **60** days to cure) and **180** days' notice for non-renewal of the Master License Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate

or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

FDD Item 13, FA Terms and Conditions 1, 7, 9 and 12

Minnesota Statutes Section 80C.20, Subdivision 1(g) allows the Minnesota Commissioner of the Department of Commerce to issue a cease and dismiss order or issue an order denying, suspending or revoking any registration, amendment or exception on finding any of the following . . . that the method of sale or proposed method of sale of franchises or the operation of the business of the franchisor or any term or condition of the Master License Agreement or any practice of the franchisor is or would be unfair or inequitable to franchisees. Pursuant to this section, the Commissioner requires all franchisors registering in the state of Minnesota to state that the franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logo types or other commercial symbols or indemnify the franchisee from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of the name. We intend to comply with the Minnesota statute and to protect the franchisee's rights and indemnify the franchisee for any losses to the full extent required by relevant state law.

Pursuant to Minnesota Statutes Section 80C.21, this agreement will not in any way abrogate or reduce any rights of the franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts in Minnesota.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release. Any general release provisions in the Master License Agreement are void and unenforceable in the state of Minnesota.

New York

FRANCHISE DISCLOSURE DOCUMENT COVER PAGE

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IMMEDIATELY BELOW OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

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

FDD Item 3

Neither the franchisor, its predecessor, any person listed in Item 2, nor any affiliate offering franchises under the franchisor's principal trademark:

9 - STATE LAW ADDENDUM

1. Has any administrative, criminal or material civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations. There are no pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchises and the size, nature or financial condition of the franchise system or its business operations.
2. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the date of this Franchise Disclosure Document, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.
3. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency or is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities Exchange Act of 1934) suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including without limitation actions affecting a license as a real estate broker or sales agent.

FDD Item 4

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

FDD Item 17

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS FRANCHISE DISCLOSURE DOCUMENT.

Choice of Law

Section 10.8

Washington law applies except to the extent governed by the United States Trademark Act and except in those states whose

Assignment of Contract by Section 7
Us

franchise laws require exclusive application. The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisee by the GBL of the State of New York, Article 33.

There are no restrictions on our right to transfer. However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor's obligations under the Master License Agreement.

Termination by You Section 7

You may terminate the Master License Agreement on any grounds available by law.

North Dakota

FDD Item 17(c), FA Terms and Conditions 1, 7, 9 and 12

The Commissioner has determined that requiring franchisees to sign a general release upon renewal of the Master License Agreement to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law. The general release provision in Section 6.1 of this Agreement is void and unenforceable in the state of North Dakota.

FDD Item 9, FA Terms and Conditions 1, 7, 9 and 12

Under North Dakota law, no modification or change the franchisor makes to the Operations Manual or Shoot 360 System may materially affect the franchisee's status, rights, or obligations under the Master License Agreement.

FDD Item 17(r), FA Terms and Conditions 1, 7, 9 and 12

The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code are unfair, unjust, or inequitable within the intent of the North Dakota Franchise Investment Law (Section 51-19-09). Thus, covenants not to compete are considered unenforceable in the State of North Dakota.

FDD Item 17(i), FA Terms and Conditions 1, 7, 9 and 12

Pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law, a requirement that franchisees consent to liquidated damages or termination penalties in the event of termination of the Master License Agreement is considered void and unenforceable.

FDD Item 17(w), FA Terms and Conditions 1, 7, 9 and 12

Apart from civil liability as set forth in section 51-19-12 N.D.D.C, which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud) the liability of the franchisor

to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents, and is unfair to franchise investors to require them to waive their rights under North Dakota Law. Thus, the North Dakota Franchise Investment Law (Section 51-19-09) requires that this Agreement will be governed by the laws of North Dakota, which laws will prevail.

FDD Item 17(u) and (v), FA Terms and Conditions 1, 7, 9 and 12

Pursuant to the North Dakota Franchise Investment Law (Section 51-19-09), an arbitration or mediation locations which are remote from the site of the franchisee's business are unfair, unjust, or inequitable. Therefore, the site of arbitration or mediation must be agreeable to all parties.

Pursuant to the North Dakota Franchise Investment law (section 51-19-09), requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust, or inequitable. Thus, all issues or disagreements relating to this Agreement will be tried, heard and decided within the jurisdiction of courts in the state of North Dakota.

Ohio

The Ohio Business Opportunity Plan Law requires a notice of the purchaser's right to cancel the agreement in at least ten-point boldface type, in the following form and in close proximity to the space reserved in the agreement for the signature of the purchaser:

"You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right."

A completed form, in duplicate, captioned "notice of cancellation," must be attached to the agreement signed by the purchaser and be easily detachable and must contain in ten-point boldface type, the following statement:

"NOTICE OF CANCELLATION"

(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation.

If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to (name of seller), at (address of seller's place of business), or send a fax to (name of seller) at (seller's facsimile number) or an e-mail to (name of seller) at (seller's electronic mail address), not later than midnight of (enter date).

I hereby cancel this transaction.

.....
(Date)

.....
(Purchaser's signature)"

FDD Item 17, FA Section 9

Ohio's Business Opportunity Plan Law, Section 1334.06 provides that in connection with the sale or lease of a business opportunity plan, any provision in an agreement restricting jurisdiction or venue to a forum outside of the state of Ohio, or requiring the application of laws of another state other than the state of Ohio, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the Revised Business Opportunity Plan Law.

The Ohio Business Opportunity Plan Law requires that certain provisions contained in the Master License Agreement be amended to be consistent with Ohio Law:

In the event of a conflict of laws, Ohio law will prevail.
Any claim or action may be brought in the appropriate state or federal court in Ohio.
The statutes of limitations under Ohio Law will apply.

Rhode Island

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a Master License Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act."

South Dakota

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

Under South Dakota law, termination provisions covering breach of the Master License Agreement, failure to meet performance and quality standards and failure to make royalty payments contained in the Franchise Disclosure Document and Master License Agreement must afford a franchisee thirty (30) days' written notice with an opportunity to cure the breach prior to termination.

Terms and Conditions 1, 7, 9 and 12

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this Agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement, and interpretation under the governing law of the State of Washington.

Covenants not to compete upon termination of the Master License Agreement are generally unenforceable in the State of South Dakota. Pursuant to SDCL 37-5B, any acknowledgement provision, disclaimer, or integration clause or a provision having a similar effect in a Master License Agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.

In the event that either party will make demand for arbitration, such arbitration will be conducted in a mutually agreed-upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

Any provision in a Master License Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Virginia

FDD Item 8

In Virginia, notice of approval or disapproval of a proposed supplier will be issued by us within 45 days after the franchisee has delivered all required materials.

FDD Item 1, Receipt Page

The Clerk of the State Corporation Commission, 13300 East Main Street, Richmond Virginia 23219, is our registered agent authorized to receive process in Virginia.

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

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 grounds for default or termination stated in the Master License Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Washington

FDD Item 17, FA Terms and Conditions 1, 7, 9 and 12

The state of Washington has a statute, RCW 19.100.180 which may supersede the Master License 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 Master License 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 franchisee acknowledges receipt of this Addendum.

Wisconsin

FDD Item 17

The applicable laws of Wisconsin may require notice periods greater than those set forth above for termination, cancellation, non-renewal, or the like, and may limit the reasons or causes for termination, cancellation, non-renewal, or the like. To the extent any provisions of the Master License Agreement provide for periods of notice or for termination, cancellation, non-renewal, or the like other than in accordance with the applicable law, such provisions will not be effective, to the extent such are not in accordance with applicable law, and the franchisor will comply with the applicable law.

The Wisconsin Fair Dealership Law (Wisconsin Statutes, 1983-84, Title XIV-A, Chapter 135) supersedes any provision of a Master License Agreement inconsistent with the law.

It is agreed that the applicable provisions of this state law addendum for the state or province of _____, supersedes any inconsistent portion of the Master License Agreement (of this same date) to which this addendum is attached between **SHOOT 360 NATION, LLC** ("We/Us") and _____ (jointly and severally "You"), and of our Franchise Disclosure Document. All terms of the Master License Agreement, including these State Law Addendum provisions for the relevant state, have been agreed to at the time the Master License Agreement was signed. However, this addendum will have effect only if the Master License Agreement or our

relationship with you satisfies all of the jurisdictional requirements of the relevant state's franchise laws, without considering this addendum.

DATED this __ day of _____, 20__.

("We/Us"): **SHOOT 360 NATION, LLC**

("You"): _____

By: _____

Signature: _____

Title: _____

Print Name: _____, an
individual

By: _____

Title: _____

FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

EXHIBIT G

WARRANTIES AND DISCLAIMERS FORM

WARRANTIES AND DISCLAIMERS BY PROSPECTIVE FRANCHISEES
OF SHOOT 360

Shoot 360 Nation, LLC ("we/us"), through the use of this Franchisee Closing Questionnaire, desires to verify certain information about the sales process and to confirm that we and our employees have complied with applicable franchise disclosure laws. We further desire to confirm that you fully understand that the purchase of a Shoot 360 franchise is a business decision involving the evaluation of many risks. Our policy is to verify and confirm that in making your decision you are not relying upon any oral statement, representation, promise or assurance made during the negotiations for the purchase of a Shoot 360 franchise by any of our directors, officers, employees, agents, or representatives (each, a "Representative") that is not specifically reported in our then-current Franchise Disclosure Document, including all of the exhibits attached to it (the "Franchise Disclosure Document").

The purpose of this certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

BACKGROUND AND GENERAL INFORMATION

1. Please state your name and address:

2. Please state the full name of each individual and entity that will be an owner of the Franchise and an owner of an entity that owns the Franchise:

3. What is the location of the Franchise you are purchasing?

4. Franchisee is (check applicable box[es]):

- ☐ An individual
- ☐ A corporation
- ☐ A limited liability company
- ☐ A general partnership
- ☐ A limited partnership

5. If Franchisee is other than or in addition to an individual, indicate the capacity in which the undersigned is authorized to act on behalf of the Franchisee (check applicable box):

- ☐ Officer (insert title): _____
☐ General Partner
☐ Other (please explain): _____

6. Have you received a copy of our most current Disclosure Document?

Yes ☐ No ☐

7. On what date did you receive the Disclosure Document? _____

I. PROPOSED OWNERSHIP INTEREST

The undersigned proposes to become (initial all that apply):

- _____ 1. An individual owner of the Franchise.
_____ 2. A co-owner with _____.
_____ 3. A shareholder holding ____% of the shares of a corporate franchisee. The corporate franchisee will be qualified to do business under the name of _____ in the State of _____.
_____ 4. A partner holding ____% interest in a partnership franchisee. The Partnership will operate under the name of _____ in the State of _____.

II. FRANCHISE LOCATION AND RELATED WARRANTIES

A. Location

_____ You have applied for and am in the process of receiving a Franchise to an Shoot 360 franchise to be located at _____ in the city of _____, State of _____ ("the Site").

B. Warranties

_____ You are am exclusively responsible to locate and secure the franchise Site. We ("Shoot 360 Nation, LLC") have assisted you in Site location and negotiation. You have personally reviewed the Site and have had the opportunity to obtain independent

professional advice and assistance to select and secure the Site. You have sought the assistance of independent legal, real estate, land use planning, zoning, architectural and accounting experts as you have formed your own opinion in selecting the Site. You understand that we do not guarantee the success of your franchise at the Site or at any other location.

C. Disclaimer of Reliance in Site Selection

_____ No Representative of ours has made any representation about the value of the Site, or represented to you what amount of sales or net earnings the Site will or should generate as a Shoot 360 franchise. You have received and read the Shoot 360 Franchise Disclosure Document.

III. LEASE TERMS

A. Warranty

_____ You personally have reviewed the proposed lease or contract of purchase of the Site. You have had the opportunity to consult with independent legal, accounting and real estate experts to help form your own opinion of the acceptability of the lease or purchase contract to the Site.

B. Disclaimer

_____ You have not relied upon us, or our Representatives, or upon any representations or opinions expressed by them in agreeing to or in authorizing execution of the lease or contract to purchase of the Site.

IV. FRANCHISE

A. Warranty

_____ You personally have read the Franchise Disclosure Document and Shoot 360 Master License Agreement. You have had the opportunity to consult with independent legal, accounting and franchise advisory experts before signing the Shoot 360 Master License Agreement.

B. Disclaimer

_____ You disclaim that we or anyone associated with us has made any oral or written statements or representations about the terms or conditions of the Master License Agreement, except those contained in it. No officer, employee or agent of ours has advised you of other terms or conditions effecting or modifying the Master License Agreement.

C. Representations

1. Except as explicitly set forth in the Master License Agreement or a written Addendum to it, no promises, agreements, contracts, commitments, representations, understandings, "side deals" or otherwise have been made to or with me with respect to any matter. This includes, but is not limited to, any representations or promises regarding advertising, marketing, Site location, operational assistance or other services, except as follows (if no exceptions, write "None"):

2. No oral, written or visual claim or representation, promise, agreement, contract, commitment, understanding or otherwise which contradicts or is inconsistent with the Disclosure Document or the Master License Agreement has been made to you, except as follows (if no exceptions, write "None"):

3. Except as contained in your Franchise Disclosure Document – including Item 19, no oral, written, visual or other claim or representation has been made to you by any person or entity, which states or suggests any actual, average, projected or forecasted sales, gross receipts, operating costs, revenues, income, profits, expenses, cash flow, tax effects, earnings, or otherwise, that is not contained in the Franchise Disclosure Document, except as follows (if no exceptions, write "None"):

4. You acknowledge and agree that your decision to purchase a Shoot 360 franchise is in no manner predicated upon any representations, assurances, warranties, guarantees or promises made by a Representative as to the likelihood of success of a Shoot 360 franchise, except as follows (if no exceptions, write "None"):

5. You acknowledge that a Representative has not made any statement, promise or assurance concerning the likelihood of success that you should or might expect to achieve from developing and operating a Shoot 360 franchise. If you believe that one of these statements, promises or assurances has been made, please describe the statement, promise or assurance in the space provided below or write "None".

-
-
6. You acknowledge that a Representative has not made any statement, promise or assurance concerning the advertising, marketing, training, support services or assistance that Shoot 360 will furnish you that is contrary to, or different from, the information contained in the Franchise Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement or promise in the space provided below or write "None".

7. You acknowledge that a Representative has not made any other statement, promise or assurance concerning any other matter related to a Shoot 360 franchise that is contrary to, or different from, the information contained in the Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement, promise or assurance in the space provided below or write "None".

VI. WARRANTIES REGARDING PARTICIPATION

- _____ A. You will faithfully and fully perform all duties required of the Master License Agreement.
- _____ B. You warrant that your purchase of the franchise is for your own account and is not made with a view to or for resale.
- _____ C. You acknowledge that your decision to obtain a Shoot 360 franchise has been based upon the Shoot 360 Franchise Disclosure Document and Master License Agreement and your own investigations, upon which you rely.

ACKNOWLEDGEMENT

By signing below, you acknowledge that you have personal knowledge of the foregoing and following facts and representations and that they are all true, complete, accurate, and correct:

1. You acknowledge that you received the Disclosure Document at least 14 calendar days before you signed a binding agreement with or made a payment to us or our affiliate in connection with the proposed franchise sale, or sooner if required by state law.
2. You acknowledge that you received the Master License Agreement (if applicable) at least 7 calendar days before signing them.
3. You acknowledge that you have personally and carefully reviewed the Disclosure Document, that you understand all of the information in the Disclosure Document and that you have been advised by to have professional advisors of your own, including legal counsel, review the Disclosure Document and consult with you regarding the risks associated with the purchase and operation of a Shoot 360 franchise.
4. You acknowledge that you have made your own independent determination as to whether you have the capital necessary to fund a Shoot 360 franchise.
5. **You recognize and understand that the success or failure of a Shoot 360 franchise is subject to many variables, including, but not limited to, (a) geographic location; (b) competition from other businesses in the market; (c) advertising effectiveness based on market saturation; (d) whether you assume the sales position or hire a sales manager; (e) your product and service pricing; (f) vendor prices on materials, supplies and inventory; (g) salaries and benefits to non-business personnel; (h) business personnel benefits (life and health insurance, etc.); (i) weather conditions; (j) employment conditions in the market; (k) inflation, and (l) lease terms and costs and other business factors. You acknowledge your willingness to undertake these business risks and that it is your responsibility to manage your Shoot 360 franchise. You understand that the success or failure of your Shoot 360 franchise depends primarily upon your efforts and not those of Shoot 360.**

Neither we nor our Representatives have advised you to fill in and complete this Questionnaire except as based upon your personal knowledge and experience. You do so acknowledging that we may rely upon your complete candor, honesty, and truthfulness.

Dated this ____ day of _____, 201__.

An Individual

EXHIBIT H

TRANSFER, TERMINATION, RENEWAL AND INCORPORATION AGREEMENTS

**TRANSFER [TERMINATION], MUTUAL RELEASE,
AND CONFIDENTIALITY AGREEMENT**

This Transfer [Termination], Mutual Release, and Confidentiality Agreement ("Agreement") is made this _____ day of _____, 201____. It is among **SHOOT 360 NATION, LLC**, a Washington limited liability company ("Shoot 360"), _____, an individual, and _____, a _____ corporation (jointly and severally "_____"), and _____, an individual, and _____, a _____ corporation (jointly and severally "_____").

On or about _____, Shoot 360 and _____ entered into a Shoot 360 Master License Agreement (the "Master License Agreement") for the operation of a Shoot 360 franchise at the following location:

_____ desires to cease operations under the Master License Agreement and to transfer _____'s rights in the franchise to _____. _____ desires to acquire _____'s rights in the Master License Agreement and to operate the franchise at the following location:

Shoot 360 desires to consent to the transfer of the Master License Agreement from _____ to _____, as follows, subject to and pursuant to the provisions of the Master License Agreement and agrees to enter into a new franchise contract with _____ for the location set forth above.

[[_____ has suffered serious, unexpected health problems.] The parties have mutually decided to terminate the Master License Agreement.]

_____ desires to release Shoot 360 from any and all claims whatsoever arising out of the offer of, negotiation, execution, delivery, and performance of the Master License Agreement.

[Since _____ is an existing Shoot 360 franchisee, _____ desires to release Shoot 360 from any and all claims whatsoever arising out of the offer of, negotiation, execution, delivery, and performance of _____'s existing Master License Agreements with Shoot 360.]

Now, therefore, in consideration of the mutual covenants set forth below, the parties agree as follows:

1. Termination of Master License Agreement. The Master License Agreement between Shoot 360 and _____, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties are terminated, as between them. The provisions of the Master License Agreement concerning the obligations of _____ upon termination will continue in full force and effect. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.

Shoot 360 enters into this Agreement, in part, in reliance upon the individual or collective character, skill, attitude, business ability and financial capacity of _____.

2. Commitments and Obligations. The parties covenant and agree:

The Master License Agreement is terminated. The parties agree that the provisions of the Master License Agreement concerning the obligations of **Franchisee** upon termination will continue in full force and effect. These obligations are more fully described, below.

2 – Transfer, Termination, Incorporation Agreements

_____ agrees to pay to Shoot 360 \$ _____. This amount includes:

Termination of the Master License Agreement

\$ _____

Past due Royalty payments through _____, 201____

\$ _____

Estimated Royalty payments from _____ to _____

\$ _____

Past due Advertising payments through _____

\$ _____

Estimated Advertising payments from _____ to _____ \$ _____

Shoot 360 out of pocket costs and legal fees related to this Agreement \$ _____

TOTAL \$ _____

Payment will be delivered by _____ to Shoot 360 on or before _____, 200____, in a cashier's check payable to Shoot 360. Upon payment, _____'s debts owed to Shoot 360 will be fully and finally satisfied and resolved.

- a. All obligations of _____ in connection with the Master License Agreement and the franchise are assumed by _____. _____ will remain bound by its covenants in the Master License Agreement that neither it nor its owners, officers, partners, or other persons enumerated in the Master License Agreement will disclose confidential information nor compete with Shoot 360 or Shoot 360's franchisees.
- b. All now ascertained or liquidated debts in connection with the franchise have been paid by _____.
- c. _____ is not in default in any way under the Master License Agreement or any other agreement between it and Shoot 360.
- d. _____ has already completed to Shoot 360's satisfaction the training programs now required of new franchisees. _____ or _____ have submitted to Shoot 360, upon execution of this Agreement, a Transfer Fee in the amount of \$10,000. Shoot 360 acknowledges receipt of this Fee in consideration for Shoot 360's legal, accounting, credit check and investigation expenses incurred as a result of this transfer.
- e. _____ agrees to fully assume and to be bound by the terms, covenants and conditions of the Master License Agreement as if _____ had been named as the original franchisee in the Master License Agreement. _____ will execute all documents Shoot 360 or _____ may reasonably require to complete the transfer and assumption of the Master License Agreement, including but not limited to execution of a new franchise contract in the form currently being used by Shoot 360. The new franchise contract may contain economic and general terms which are materially different from those contained in the Master License Agreement.
- f. _____ has met the standards established by Shoot 360 for quality of character, financial capacity and experience required of a new or renewing Shoot 360 franchisee. _____

3 – Transfer, Termination, Incorporation Agreements

and _____ have provided to Shoot 360 such information as Shoot 360 reasonably requested to evidence that _____ meets these standards.

- g. The lessor or sublessor of the Gym has consented to the assignment or sublease of the Gym to _____, if applicable.
- h. _____ and _____ agree to subordinate to _____'s obligations to Shoot 360 (including, without limitation, the payment of all franchise fees) any obligations of _____ to _____.
- i. _____ will maintain a sufficient inventory and sufficient supplies on hand to provide for normal business operations until _____ assumes control of the businesses and the Gym.
- j. _____ and _____ have entered into this Agreement for the transfer of _____'s rights under the Master License Agreement after their own independent investigation. The transfer of the franchise rights and the amount of consideration for them have been determined by them independently. _____ and _____ acknowledge that they have not relied upon any representation, warranty, promise or other consideration from or by Shoot 360 in entering into this Agreement or in evaluating the advisability of the transfer or the value of the franchises, any of the franchise rights or the franchise locations. Shoot 360 has made no representation or guarantee of revenue or profitable results in the future.

3. Communication of Confidential Information. Neither _____ nor its owners, officers, directors, or other persons enumerated in the Master License Agreement will communicate or divulge to any person or entity the contents of this Agreement, the contents of the Master License Agreement, the substance of the Shoot 360 franchise Best Practices Manuals, or any other nonpublic information related to the operation of the Shoot 360 franchise system. _____ represents and warrants that neither it nor any listed individual has communicated or divulged any such information to anyone prior to the date of this Agreement. _____ will continue to comply with all the confidentiality requirements of the Master License Agreement.

Nothing contained in this Agreement will preclude Shoot 360 or _____ from disclosing the fact of this Agreement or the amount paid by _____ to Shoot 360 or to _____.

4. _____ to Cease Using Shoot 360 Trade Names, Service Marks, and Logos. Upon completion of the transfer, _____ will immediately cease using Shoot 360's trade names, service marks, logos, and other marks, symbols or materials indicating that _____ is or was related to Shoot 360 in any way, except as otherwise provided in writing. _____ acknowledges that all such names, service marks, logos, and symbols are the exclusive property of Shoot 360 and that _____ has been allowed to use them, only in conjunction with the franchise relationship as outlined in this Agreement. _____ will remain jointly and severally bound to comply with the covenants in the Master License Agreement which expressly or by reasonable implication are intended to apply to _____ after termination of the Master License Agreement, including any applicable non-disclosure requirements. _____ will:

- a. deliver to _____ or Shoot 360 all copies of the Shoot 360 Best Practices Manuals, training tapes and franchise related materials in _____'s custody, control or possession;
- b. take action as required to transfer to _____ all registrations relating to the use of all assumed names;

4 – Transfer, Termination, Incorporation Agreements

- c. notify the telephone company and all listing agencies of the transfer of _____'s rights to use the franchise names and logos and classified and directory listings of the franchise;
- d. cease use of the franchise trademarks, service marks, trade names, copyrights, and other intellectual or intangible property;
- e. refrain from doing business in any way that might tend to give the public the impression that _____ still is or was a franchisee in the Shoot 360 System;
- f. [assign and deliver the Gym over to Shoot 360 or its designee.] [decharacterize the Gym to render it not confusingly similar to other Shoot 360 locations. This will include removal of all Shoot 360 graphics, logos, signs and identifying colors. Franchisee will retain all interest Franchisee has in any lease or sublease for the Gym. Franchisee will make the required modifications and alterations to the Gym. If Franchisee fails or refuses to comply with the requirements of this Agreement, Shoot 360 may enter upon the Gym, without being guilty of trespass or any other tort, to make or cause to be made such changes as may be required at the expense of Franchisee which expense Franchisee agrees to pay upon demand.]
- g. fully comply with all provisions of the Master License Agreement that relate to its expiration or termination.

_____ acknowledges that all copyrights, names, service marks, logos, and symbols related to the Franchise are the exclusive property of Shoot 360 and that _____ has been allowed to use them only with the franchise relationship outlined in the Master License Agreement.

In further consideration for this Agreement, _____ will deliver to Shoot 360 all Shoot 360 signs and sign fronts in _____'s custody, care or possession. Shoot 360 will arrange and pay for removal, shipping and handling of the signs and sign fronts. This will be done as soon as possible and before _____, 201____.

_____ agrees that Shoot 360 may have one or more of its representatives visit and fully inspect the Gym to verify these requirements have been met. These visits and inspections may occur any time after _____, 201____ upon at least 48 hours prior written notice. The notice may be sent by regular mail, facsimile transmission or delivered by express mail to the Gym.

5. Releases. In consideration of the covenants and understandings set forth in this Agreement, _____ does release and discharge Shoot 360 and its owners, partners, directors, officers, employees and agents from all obligations, duties, covenants and responsibilities to be performed under the Master License Agreement.

In consideration of the covenants and understandings set forth in this Agreement, _____ does release and discharge Shoot 360 and its current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of the Master License Agreement and any related agreements between the parties and out of any other action or relationship between the parties arising prior to the date of this Agreement.

_____ represents that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims against Shoot 360, known or unknown, arising directly or indirectly out of the Master License Agreement and the relationship between the parties through the date of this Agreement, including, but not limited to, economic loss.

5 – Transfer, Termination, Incorporation Agreements

In consideration of the covenants and understandings set forth in this Agreement, _____ does release and discharge Shoot 360 and its current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of _____'s existing franchise or license agreement(s) with Shoot 360 and any related agreements between the parties and out of any other action or relationship between the parties arising prior to the date of this Agreement.

_____ represents that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims against Shoot 360, known or unknown, arising directly or indirectly out of _____'s existing franchise or license agreement(s) with Shoot 360 and the relationship between the parties through the date of this Agreement, including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arose under the Master License Agreement, _____'s existing franchise or license agreement(s), or the relationship between the parties before the date of this Agreement, including all the effects and consequences thereof.

This release is intended to waive, release and discharge all claims against Shoot 360, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the releasing parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

This release will not apply to any liability under the [Maryland Franchise Registration and Disclosure Law]. The releasing parties, with the advice of legal counsel, waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

6. Miscellaneous Provisions. This writing constitutes the entire agreement between the parties. It supersedes all prior understandings among the parties with respect to its subject matter. This Agreement may not be modified or amended in a manner adverse to any party except by written agreement signed by that party.

Time is of the essence of this Agreement.

Any party may seek and obtain in any court of competent jurisdiction specific performance and injunctive relief to restrain a violation by the other party of any covenant contained in this Agreement. The prevailing party in any suit or action to enforce this Agreement will be entitled to recover its court costs and reasonable legal fees to be set by the court, including costs and legal fees on appeal.

6 – Transfer, Termination, Incorporation Agreements

If a dispute arises between the parties, the parties agree to participate in at least **6** hours of mediation in accordance with the Mediation Procedures of the US Arbitration & Mediation Service or of any similar organization that specializes in the mediation of commercial business disputes. The parties agree to equally share the costs of mediation.

This Agreement is accepted in the State of Washington and will be governed by the laws of Washington, which laws will prevail, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.) and except in those states whose franchise laws require exclusive application of those laws. This choice of laws will not include and does not extend the scope of application of the Washington franchise or business opportunity laws. Any portion of this Agreement that requires enforcement in any other state, and is enforceable under the laws of that state but not of Washington, will be construed and enforced according to the laws of that state. This choice of laws will not include and does not extend the scope of application of any franchise or business opportunity laws. All issues or disagreements relating to this Agreement, will be mediated, tried, heard, and decided in Clark County, Washington.

This Agreement will benefit and bind the respective heirs, executors, administrators, successors, and assigns of the parties.

This Agreement has been prepared by attorneys representing Shoot 360. _____ and _____ have each had opportunity to have this Agreement reviewed by attorneys of their own choice.

This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement.

SHOOT 360 NATION, LLC ("Shoot 360")

By: _____

Title: _____

_____, an individual, and _____,
a _____ corporation ("_____")

By: _____
_____, an individual

_____.

By: _____

Title: _____

and _____, a _____ corporation
("_____")

By: _____
_____, an individual

_____.

By: _____

Title: _____

RENEWAL [INCORPORATION] AND RELEASE AGREEMENT

This Renewal [Incorporation] and Release Agreement ("Agreement") is made this __ day of _____, 201___. It is between **SHOOT 360 NATION, LLC** ("We/Us") and _____ and _____ (jointly and severally "You").

On or about the following date, you and we entered into a Shoot 360 Nation, LLC Master License Agreement (the "Master License Agreement") for the operation of a **SHOOT 360 Nation** franchise at the following location:

_____.

You desire to renew the franchise on the terms of our current Master License Agreement forms.

[The parties desire to add New Corporation to the Master License Agreement, subject to and pursuant to the provisions of the Master License Agreement.]

You desire to release us from any and all claims whatsoever arising out of the negotiation, execution, delivery, and performance of the Master License Agreement.

Now, therefore, in consideration of the mutual covenants set forth below, the parties agree as follows:

1. Renewal of Master License Agreement.

- A. The Master License Agreement, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties is terminated. The provisions of the Master License Agreement concerning your obligations upon termination and renewal will continue in full force and effect. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.
- B. Contemporaneously with execution of this Agreement, you agree to execute our current Master License Agreement forms. These forms may vary materially from the Master License Agreement. Continuing Services and Royalty Fees, Brand Marketing Fees, Local Advertising Contributions and other fees will be set at the currently prevailing rates and terms. There is no fee for renewal of the franchise. The Gym must remain at the location designated in the Master License Agreement.
- C. You will reimburse us for the following reasonable out-of-pocket costs we incur concerning the renewal:
- D. You will refurbish, remodel, and replace the Gym, fixtures, and equipment to conform to the current Best Practices Manual and Shoot 360 System. This includes:
- E. You or your designated manager will attend and successfully complete the following retraining programs at your expense, including travel, meals, lodging, and our current training fee of \$_____:

[1. Continuation of Master License Agreement.] The Master License Agreement and all other or prior agreements between Shoot 360 and _____, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties shall continue in full force and effect and completely expresses the present understanding between the parties. New Corporation shall be a party to the Master License Agreement and its addenda as though New Corporation had executed the Master License Agreement on the date it was created.

Shoot 360's consent to this Agreement shall not constitute a waiver of any claims it may have against _____.

_____ and New Corporation covenant and agree:

- a. _____ shall remain fully bound by its covenants in the Master License Agreement.
- b. Shoot 360 is not in default in any way under the Master License Agreement or any other agreement between _____ and Shoot 360.
- c. New Corporation agrees to fully assume and to be bound by the terms, covenants and conditions of the Master License Agreement as if New Corporation had been named the original _____ in the Master License Agreement. New Corporation shall execute all documents Shoot 360 or _____ may reasonably require to complete the assumption of the Master License Agreement.
- d. The lessor or sublessor of the Gym has consented to the inclusion of New Corporation as a lessee of the Gym.
- e. _____ and New Corporation shall provide to Shoot 360, upon demand, a current list of all owners, shareholders, directors, officers, partners, and employees of New Corporation, together with a summary of their respective interests in the franchise.
- f. Neither _____ nor New Corporation shall make any public or private offering of its stock or of any other securities without first receiving the written consent of Shoot 360. Consent may not be unreasonably withheld.
- g. _____ continuously will own a majority of the issued and outstanding shares of each class of stock of New Corporation.]

2. Communication of Confidential Information. Neither you nor your owners, officers, directors, or other persons enumerated in the Master License Agreement will communicate or divulge to any person or entity the contents of this Agreement, the contents of the Master License Agreement, the substance of the **SHOOT 360** franchise best practices manuals, or any other nonpublic information related to the operation of the **SHOOT 360** franchise system. You represent and warrant that neither nor any listed individual has communicated or divulged any such information to anyone prior to the date of this Agreement. You will continue to comply with all the confidentiality requirements of the Master License Agreement.

3. Release. You do release and forever discharge us and our current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of the Master License Agreement and any related agreements between the parties and out of any other action or relationship between the parties arising prior to the date of this Agreement.

You represent that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims, known or unknown, arising directly or indirectly out of the Master License Agreement and the relationship between the parties including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arise under the Master License Agreement, including all the effects and consequences thereof.

These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

4. Miscellaneous Provisions. This writing constitutes the entire agreement between the parties. It supersedes all prior understandings among the parties with respect to its subject matter. This Agreement may not be modified or amended in a manner adverse to any party except by written agreement signed by that party.

Time is of the essence of this Agreement.

Any party may seek and obtain in any court of competent jurisdiction specific performance and injunctive relief to restrain a violation by the other party of any covenant contained in this Agreement. The prevailing party in any suit or action to enforce this Agreement will be entitled to recover its court costs and reasonable legal fees to be set by the court, including costs and legal fees on appeal.

If a dispute arises, you and we agree to participate in at least six hours of mediation in accordance with the mediation procedures of the US Arbitration & Mediation Service or of any similar organization that specializes in the mediation of commercial business disputes. You and we agree to equally share the costs of mediation.

This Agreement will be governed by the laws of Washington, which laws will prevail, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.). This choice of laws will not include and does not extend the scope of application of the Washington franchise or business opportunity laws. All issues or disagreements relating to this Agreement, will be mediated, tried, heard, and decided in Vancouver, Washington.

This Agreement has been prepared by attorneys representing Shoot 360. _____ [and New Corporation] have been advised to and have had the opportunity to have this Agreement reviewed by legal counsel and advisors of their choosing and at their choice.

This Agreement will benefit and bind the respective heirs, executors, administrators, successors, and assigns of the parties.

This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement.

SHOOT 360 NATION, LLC ("We/Us") _____ and _____ ("You")

By: _____ By: _____

Title:

_____, an individual

By: _____
_____, an individual

EXHIBIT I

SHOOT 360 NATION, LLC BEST PRACTICES MANUAL

TABLE OF CONTENTS

(This is an online manual – the number of pages is an approximation)

About the Manual (2 pages)

What's New (1 pages)

More Information (1 pages)

Best Practices Manual Confidentiality(1 pages)

Introduction (12 pages)

- Welcome to the Team!
- Our Mission
- Shoot 360 Core Values
- Our Company History
- The Shoot 360 Training Philosophy
- Services Provided to the Franchise
- Franchisee Best Practices
- Paying Other Fees
- Visits from the Home Office

Pre-Opening Procedures (39 pages)

- Pre-Opening Timeline and Checklist
- Establishment of Business Form
- Business Planning
- Competitive Analysis
- Choosing Your Site
 - Site Selection Criteria
 - Market Analysis
 - Selecting the Prime Sites
 - Site Acceptance
 - Lease Considerations
- Setting Up Your Shoot 360 Facility
 - Design Specifications
 - Working with an Architect
 - Developing Working Drawings
 - Selecting a Contractor
 - Monitoring Construction
 - Finish Miscellaneous Projects
 - Final Details Completed
- Shoot 360 University
 - Qualification and Management
- Assessment
 - Leadership Training
 - Go-live Training
- Recommended List of Equipment
- Initial Inventory
- Contracting with Required Utilities and Services
- Obtaining Required Licenses, Certifications and Permits
- Setting Up Bank Accounts
- Procuring Required Insurance
- Conducting a Grand Opening
 - Pre-Sales Activities
 - A VIP Event
- Meeting Your Tax Obligations

People Development (34 pages)

- EEOC Guidelines for Hiring Employees
- Wage and Labor Laws
- Laws Regarding Harassment
- Immigration Reform/Control Act
- Americans with Disabilities Act (ADA)
- Profile of the Ideal Shoot 360 Staff
- Recruiting Employees
- The Interview Process

Conducting the Interview

EEOC Pre-Employment Inquiry

Guidelines

Reference Check Procedures

Background Checks

Job Descriptions

Head Facility Coach (Facility Manager)

Assistant Facility Coach

Head Training Coach

Floor Coach

Player Experience Coach

First Impressions Coach

Customer Care Coach

Employee Orientation

Training Employees

Developing Personnel Policies

Coaching Your Staff

Time Tracking Procedures

Operating Procedures (70 pages)

Suggested Hours of Operation

Daily Procedures

Opening the Facility

Daily Cash Drawer Procedures

Facility Reset

Facility Manager Priorities

Manager Checklist

Shift Tasks

Bank Deposit Procedures

Closing the Facility

Customer Service

Athlete Interaction

Maintaining a Positive Facility

Environment

Answering the Phone

Handling Complaints

Handling Refund Requests

Terminating a Customer

Obtaining Feedback

Front Desk Procedures

Court Scheduling

Scheduling Guidelines

Member Court Reservations

Scheduling Complimentary "New

Shooter" Evaluations

Scheduling Personal Training

Scheduling Clinics

Scheduling Classes

Scheduling Walk-ins

Court Rental Reservations

Memberships

New Memberships

Membership Support

Changes to Membership

Membership Suspensions

Membership Cancellations

Cancellation and Suspension Requests

Billing and Transaction Procedures

Membership Payments

Accepting Payment

Credit Card Security

Cash and Check Handling and Security	Class List
Gift Cards	Team Clinics
Collection Procedures	Shooting Leagues
Recommended Cleaning and Maintenance	King of the Cage
Managing the Shoot 360 Retail Area	Summer Camps
Managing Staff	
Operational and Financial Reporting	Sales and Marketing (27 pages)
The Dashboard	The Shoot 360 Sales Philosophy
Financial Statements	Lead Generation Procedures
Basic Principles of Accounting	Foundational Lead Generation
Training Unit Fee Payment	Second Tier Lead Generation
Electronic Funds Transfer	Third and Fourth Tier Lead Generation
Inventory Management	Lead Follow-up
Safety and Security	Handling Inquiries
Accident Reporting and Investigation	Marketing Tools
Building Safety	Your Marketing Plan
Fire Safety	Guidelines for Using Shoot 360 Marks
Robbery	Signage and Logo Specifications
Burglary	Email and Text Guidelines
	Social Media Best Practices
	Public Relations
Coaching and Education (18 pages)	Additional Resource (20 pages)
The Shoot 360 Experience	Shoot-A-Way Service Manual
Product Knowledge	
Floor Coaching	
Personal Training	
Programs	
Classes	Forms and Documents (50 pages)

EXHIBIT J
ACKNOWLEDGMENT OF RECEIPT
SHOOT 360 NATION, LLC

THIS FRANCHISE DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE MASTER LICENSE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS FRANCHISE DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF **SHOOT 360 NATION, LLC** OFFERS YOU A FRANCHISE, **SHOOT 360 NATION, LLC** MUST PROVIDE THIS FRANCHISE DISCLOSURE DOCUMENT TO YOU 14 CALENDAR DAYS BEFORE YOU SIGN A BINDING AGREEMENT OR MAKE A PAYMENT WITH THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE.

IF **SHOOT 360 NATION, LLC** DOES NOT DELIVER THIS FRANCHISE DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND TO THE STATE AUTHORITIES IDENTIFIED IN EXHIBIT A.

The name, principal business address, and telephone number of each franchise seller offering the franchise follows: **Craig Moody, Frederick Jones, and Joshua Hall**, 12403 NE 60th Way, #D-1, Vancouver, Washington 98682, 360-433-9841.

FDD Date of Issuance: **August 24, 2019**.

Our authorized agents for service of process are identified in Exhibit A of this Franchise Disclosure Document.

I have received a disclosure document dated **August 24, 2019** that included the following Exhibits:

- A: Agents for Service of Process and Regulatory Authorities
- B: Financial Statements
Item 19 Financial Performance Representations
- C: Master License Agreement and Schedules
Schedule 1 – Franchise Location
Schedule 2 – List of Trainees to be Assigned
Schedule 3 – Lease Assignment Form
Schedule 4 – SBA Lending Form
- D: Conditional Assignment
- E: Abandonment, Relinquishment, Termination Assumed Business Name
- F: State Law Addendum
- G: Application Form and Warranties and Disclaimers Form
- H: Termination, Renewal, or Incorporation Agreements
- I: Best Practices Manual Table of Contents

DATED this ____ day of _____, 201__.

Signatures of All Prospective Franchisees:

Individuals: _____

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

Retain this copy for your records

ACKNOWLEDGMENT OF RECEIPT

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SHOOT 360 NATION, LLC

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- I: Best Practices Manual Table of Contents

DATED this ____ day of _____, 201__.

Signatures of All Prospective Franchisees:

Individuals: _____

Name of Corporation/LLC/Partnership: _____

By: _____ Title: _____

Return this copy to Shoot 360 Nation, LLC

ACKNOWLEDGMENT OF RECEIPT