FRANCHISE DISCLOSURE DOCUMENT

Sogility Holdings LLC
An Indiana limited liability company
16500 Southpark Drive
Westfield, IN 46074
317-399-7914
https://sogility.net | info@sogility.net

The franchise is the right to own and operate a soccer training facility offering primarily technology-based youth and adult, individual and group athletic training, coaching and personal training, and related products and services under the "Sogility®" name and marks.

The total investment necessary to begin operation of a Sogility Training Facility is estimated to be $286,000 - $816,000 based in part on size and location. This includes $45,000 to $50,000 (which number may be higher depending on the number of franchise locations you open) that must be paid to us prior to opening.

If, in our discretion, we grant you the right to develop multiple units under an Area Development Agreement, the total investment necessary under the Area Development Agreement is estimated to be the above range to operate each facility plus a development fee that will be paid instead of a franchise fee when you begin operating your franchise.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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 Sogility Holdings LLC, 16500 Southpark Dr, Westfield, IN 46074, (317) 399-7914, Attention: Doug Kahlenbeck.

The terms of your franchise agreement will govern your franchise relationship. Do not rely on this Disclosure Document alone to understand your contract. Read all of your contract(s) carefully. Show your contract(s) and this Disclosure Document to an advisor, lawyer, and/or an accountant.

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

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

ISSUANCE DATE: August 14, 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 gives you information about outlet sales, costs, profits or losses to help you determine how much you can earn. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit G. We do not guarantee that you will make any earnings.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or to the franchisor's affiliate. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes our financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Sogility business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchise have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Sogility franchisee?	Item 20 or Exhibit G lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. You should also access and study other information about franchises to be sure you are aware of how they function and other relevant information, such as what risks might be involved in being a franchisee. See the first page for places that can provide you with some materials. Also see the table of contents for other

	topics that are covered by this disclosure document.

What You Need To Know About Franchising *Generally*

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

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

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

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

Competition from Franchisor. Even if the Franchise Agreement grants you a territory, the Franchisor may have the right to compete with you in your territory.

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

When your franchise ends. The Franchise Agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors (which may include the Franchisor and its affiliates).

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement and area development agreement require you to resolve disputes with the Franchisor by arbitration or litigation only within 50 miles of our then-current principal place of business (currently, Westfield, Indiana). Out of state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate or litigate with the Franchisor in Indiana than in your home state.

2. **Spousal Liability.** An individual owner's spouse may be required to sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.

3. **Financial Condition.** The Franchisor's financial condition, as reflected in its financial statements (see Item 21), may call into question the Franchisor's financial ability to provide services and support to you.

4. **Mandatory Minimum Payments.** You may be required to make minimum royalty payments regardless of your sales levels. Your inability to make the payments may result in the termination of your Franchise Agreement and loss of your investment.

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

THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY INDIANA FRANCHISE LAW ONLY

THE STATE OF INDIANA PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

(a) A provision which requires goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute a designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(b) A provision which allows the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(c) A provision which allows for substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(d) A provision which allows the franchisor to 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 or goods supplied by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(e) A provision which requires the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by this chapter or requires any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subdivision does not apply to arbitration before an independent arbitrator.

(f) A provision which allows for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subdivision.

(g) A provision which permits unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subdivision includes any material violation of the franchise agreement.

(h) A provision which permits the franchisor to fail to renew a franchise without good cause or in bad faith. This subdivision shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(i) A provision which requires a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(j) A provision which limits litigation brought for breach of the agreement in any manner whatsoever.

(k) A provision which requires the franchisee to participate in any (i) advertising campaign or contest; (ii) promotional campaign; (iii) promotional materials; or (iv) display decorations or materials at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

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

Any questions regarding this notice should be directed to:

State of Indiana
Office of the Indiana Attorney General
Consumer Protection Division
302 W. Washington Street, 5th Floor
Indianapolis, IN 46204
Telephone Number: (317) 232-6330

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EXHIBITS

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

To simplify the language in this franchise disclosure document (this "Disclosure Document"), we use the terms "Franchisor" or "we" or "us" to refer to Sogility Holdings LLC. "You" means the person or entity that buys the franchise. If you are a corporation, partnership, limited liability company or other entity, certain provisions of the Franchise Agreement (defined below) and related agreements will also apply to your owners.

Franchisor, Predecessors, Parent and Affiliates

We were formed as a limited liability company in the State of Indiana on November 1, 2021. Our principal business address is 16500 Southpark Drive, Westfield, Indiana 46074, (317) 399-7914. We do business under our corporate name and as "Sogility". We do not do business under any other name. We were formed to own Sogility Training Facilities and related business activities and to offer, sell and service franchises for Sogility Training Facilities. We currently own and operate a Sogility Training Facility in Westfield, Indiana and plan to operate additional corporate-owned Sogility Training Facilities. We have not granted franchises for any other concept.

We were previously wholly-owned by Further DCKC Holdings LLC, an Indiana limited liability company formed on May 2, 2008. We now have additional individual owners.

Our affiliate, Sogility Westfield LLC, is an Indiana limited liability company formed on November 1, 2021 ("Westfield"). Westfield shares our principal business address and our phone number. We use the services of certain individuals and employees associated or employed with Westfield to perform our obligations under our Franchise Agreements. Westfield currently operates a Sogility Training Facility and has not operated any other business nor has it ever granted franchises for this or any other concept.

Our affiliate, Sogility Management, LLC, is an Indiana limited liability company formed on December 30, 2022 ("Management"). Management shares our principal business address and our phone number. We use the services of certain individuals and employees associated or employed with Management to perform our obligations under our Franchise Agreements. Management provides facility management services but does not operate a Sogility Training Facility, nor has it ever granted franchises for this or any other concept.

Except as set forth herein, we have no predecessors that are required to be disclosed in this Item.

Our Agents for Service of Process

We disclose our agents for service of process in Exhibit A.

Prior Experience

In 2018, we opened our initial Sogility Training Facility in a location with approximately 8,000 square feet. Since that time, we have refined our business model to allow for high efficiency footprints in locations ranging from 6,000 to 20,000 square feet, which function substantially the same as our current Westfield facility. In 2023, we began offering franchises and other business rlationships, such as joint ventures, for Sogility Training Facilities based on this model.

The Franchises We Offer

We offer and grant franchises to operate Sogility Training Facilities. Sogility Training Facilities are soccer training facilities offering primarily technology-based youth and adult, individual and group athletic training, coaching and personal training, and related goods and services. Sogility Training Facilities operate under the name "*Sogility*®" and other trademarks, service marks, logos, and commercial symbols we periodically authorize (the "Marks"). Sogility Training Facilities operate using business formats, operating and marketing methods, procedures, designs, layouts, standards and specifications (including available authorized products and services), all of which we designate and which we and our affiliates may own, improve, further develop, or otherwise modify or license relevant intellectual property from others (including affiliates) (together, the "Franchise System"). We call the Sogility Training Facility that you will operate "your Business".

To develop and operate a Sogility Training Facility, you must meet our standards for franchise owners and must enter into our standard form of Franchise Agreement (the "Franchise Agreement"), the current version of which is attached to this Disclosure Document as Exhibit B. Under the Franchise Agreement, you will receive the right to use the Marks and the Franchise System to operate your Business at a site selected by you and approved by us (the "Premises").

We may, in our discretion, offer to you the right to enter into an Area Development Agreement (the "Area Development Agreement"), under which you would agree to acquire, develop and operate a specified number of franchises according to a specified schedule (the "Development Schedule") within a specifically described geographic territory (the "Development Area"). Entering into a Franchise Agreement does not mean you will be offered the right to enter into an Area Development Agreement. If we make an Area Development Agreement available to you, the form of the agreement you would sign is attached as Exhibit C to this disclosure document. For every franchise you develop under an Area Development Agreement, you must sign our then current form Franchise Agreement, which may be different than the form we were using when you signed the Area Development Agreement.

Market and Competition

Your Business will be competing with all businesses that offer group and individual soccer training and development, athletic training, fitness and strength training, coaching, fitness classes, sports and work-out apparel, other Sogility Training Facilities, and related services and products. These include nationally recognized trade names in the sports industry, the physical fitness industry, and other local and regional businesses offering similar services and products. With respect to your sale of products, you will also be competing with other retailers of sports apparel and related products, including those items that bear the Sogility brand. Those retailers include department stores, sporting goods and other specialty stores, warehouse clubs, ecommerce, and national, regional and local retail stores, some of whom might be authorized to sell Sogility-branded products. The market for athletic training services and related products and services is highly competitive.

Regulations

It is your sole and absolute obligation to research all applicable federal, state and local laws and regulations governing the operation of your Sogility Training Facility. You must comply with such laws and with all other laws that apply generally to all businesses. We are not aware of any specific federal regulations governing the athletic and personal training industry that would apply to your Sogility Training Facility (exclusive of those that apply generally to any type of business). However, the state or other locality in which you operate your Sogility Training Facility may have codes, ordinances, statutes, or laws which license or regulate personal trainers, fitness centers, health clubs or businesses such as the one being described in this Disclosure Document, and such regulations could affect the operations of your Sogility Training Facility. These state and local laws may include such things as staffing, posting required statements concerning steroid and other drug use, rules and limitations regarding the preparation or sale of alcohol, food, beverages, or concessions, requiring certain medical equipment in the Sogility Training Facility (such as automated external defibrillators (AEDs)), limiting the supplements that health and fitness clubs and training facilities can sell, requiring bonds if a health or fitness club or training facilities sells memberships valid for more than a specified period of time, requiring owners to deposit into escrow certain amounts collected from members before opening (so-called "presale" memberships), and imposing other restrictions on memberships that health or fitness clubs or training facilities sell. Other regulations may apply to site location and building construction, such as local zoning ordinances which could have an impact on the operation of your Sogility Training Facility. You must know the laws, regulations, and ordinances applicable to your Sogility Training Facility and ensure that you and your employees comply with all such laws and regulations. You are also responsible for obtaining any licenses or permits required for operating your Sogility Training Facility and anyone providing services at your Sogility Training Facility must obtain our then required certification. You should consult with your own professional advisors, such as an attorney and accountant, regarding applicable laws and regulations.

ITEM 2
IDENTITY AND BUSINESS EXPERIENCE OF PERSONS AFFILIATED WITH THE FRANCHISOR

Alex Lee – Chief Executive Officer, Manager, & Co-Owner

Mr. Lee is a previous pharma and tech executive with significant startup experience including a successful exit of $130 million as CFO.

Jimmy Carson – President, Manager, & Co-Owner

Mr. Carson is a USSF National A Licensed soccer coach and former principal with experience coaching at all levels and operating soccer facilities for over eight years.

Doug Kahlenbeck – Chief Financial Officer

Mr. Kahlenbeck has extensive experience as an executive with multiple early stage businesses with a strong operations, finance, and legal acumen.

Sara Gladstein – Co-Owner, Manager & St. Louis franchise location owner

Ms. Gladstein has worked in Business Development, Procurement, and Strategic Partnerships with St. Louis-based CareVet, a veterinary practice management group.

Shari McGrath – Co-Owner & Manager

Ms. McGrath is the spouse of the founder, Chris McGrath (now deceased), and sits on the Board of Managers.

Raul Zavaleta – Manager

Mr. Zavaleta is a previous pharma executive and business owner with significant startup experience as well as a significant soccer background and currently serves as the Board's independent Manager.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Franchise Fee: When you sign the Franchise Agreement, you will pay us an initial franchise fee of $50,000, payable in a lump sum (the "Franchise Fee"). We offer a reduced Franchise Fee for those who wish to open and develop multiple Sogility Training Facilities. If you meet the conditions to further open and develop additional Sogility Training Facilities, we will reduce each additional Franchise Fee as follows: (i) $30,000 for your second Sogility Training Facility; (ii) $29,500 for your third Sogility Training Facility; (iii) $29,000 for your fourth Sogility Training Facility; (iv) $27,000 for your fifth Sogility Training Facility; (v) $26,000 for your sixth Sogility Training Facility; (vi) $23,500 for your seventh Sogility Training Facility; and (vii) $20,000 for your eighth Sogility Training Facility and each Sogility Training Facility opened thereafter. For any Sogility Training Facility under 8,000 square feet, the Franchise Fee will be further reduced by 10%. We will fully earn the initial franchise fee when you pay it, and it is not refundable.

Development Fee: If we elect to enter into an Area Development Agreement with you, you will pay us a Development Fee according to the number and size of Sogility Training Facilities you agree to develop. The Development Fee is equal to the following: (i) for two Sogility Training Facilities, $75,500; (ii) for three Sogility Training Facilities, $100,575; (iii) for four Sogility Training Facilities, $125,225; (iv) for five Sogility Training Facilities, $148,175; (v) for six Sogility Training Facilities, $170,275; (vi) for seven Sogility Training Facilities, $190,250; (vii) for eight Sogility Training Facilities, $208,525; (viii) for nine Sogility Training Facilities, $224,675; and (ix) for ten Sogility Training Facilities, $240,825. ***We fully earn the Development Fee when you pay it. The Development Fee must be paid in one lump sum and is not refundable.*** There is no additional Franchise Fee payable in connection with each Sogility Training Facility that you open pursuant to an Area Development Agreement, other than the Development Fee.

Referral Fee: If you were referred to us by another Sogility Training Facility owner and you purchase a franchise from us, we may pay such owner a referral fee.

Veteran Program: We will discount the amount of your Franchise Fees or your Development Fee, as applicable, by 10% of such fees, if you are a veteran of the United States armed forces and provide us the necessary documentation to verify that you are a retired or honorably discharged veteran.

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ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty	Eight percent (8%) of Gross Sales if over $25,000; else $1,000.	Monthly	“Gross Sales” is all revenue generated from operating your Business (whether or not in compliance with the Franchise Agreement), whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions, including any revenue derived from the sublease of any portion of the Premises and sponsorship revenue received by or allocated to your Business, but excluding (1) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority, (2) the amount of any documented refunds, and (3) the amount of any credits and discounts that we approve and that your Business in good faith gives to customers and your employees. Gift certificate, gift card or similar program payments are included in Gross Sales at the time of redemption. Gross Sales also include all insurance proceeds you receive to replace revenue that you lose from the interruption of your Business due to a casualty or similar event.
Marketing Fund	$250, but with the reserved right to increase this to up to 2% of Gross Sales	Monthly	If a Marketing Fund has been established, it will be used to promote the Marks, patronage of Sogility Training Facilities, and the Sogility brand generally. We have broad discretion with respect to how we spend the contributions. We reserve the right to increase your contributions to the Marketing Fund up to 2% of your Gross Sales.
Local Marketing Requirement	Our then-current requirement; currently, $100 per day	Daily	We reserve the right to approve or disapprove any marketing materials used. We may require you to provide us with monthly reports detailing your local advertising expenditures.
Local Advertising Cooperative	Not to exceed 1.5% of Gross Sales without approval of the local advertising cooperative	Monthly	If a local advertising cooperative is formed in your geographic region, your contribution may increase if the members of the local advertising cooperative approve a higher percentage according to the bylaws adopted by the local advertising cooperative. We reserve the right to collect your local advertising cooperative contributions on behalf of the local advertising cooperative. As of the Issue Date of this Disclosure Document, we have not yet formed any cooperatives. In the event we do so, Sogility Training Facilities that we or our affiliates own (except for those that were already under a management agreement with us or an affiliate as of August 1, 2025) and that are located within the area covered by the local advertising cooperative will contribute to the cooperative on the same basis on which you contribute.

Inventory Replenishment	Will vary based on amount of inventory purchased	As incurred	You will purchase from us or our affiliates replenishment of your resale inventory of Sogility-branded apparel, and such other inventory items as we periodically may require you to purchase from us.
Interest on Late Payment	The lower of 18% per annum or the Maximum rate allowed by law	As incurred	Owed only on amounts not paid by their due dates
Bad Payment Fee	$100 per occurrence	As incurred	Owed only if checks returned or ACH requests declined due to insufficient funds or returned for other reasons.
Non-Compliance Fee	$1,000 for the third infraction, $5,000 for the fourth infraction	As incurred	Payable in the same manner as your Royalty. Please be advised that we do not currently impose a fee for your first or second infractions.
Transfer Fee – Franchise Agreement	$7,500	As incurred	Payable as a condition of our approval of a transfer
Transfer Fee – Area Development Agreement	$15,000	As incurred	Payable as a condition of our approval of a transfer
Transfer Review Fee – Area Development Agreement	Will vary under circumstances	As incurred	For our expenses incurred with a transfer, whether or not such transfer occurs
Renewal Fee	$15,000	Upon renewal	Paid in lieu of an additional franchise fee on renewal of the Franchise Agreement
Inspection and Audit Fee	Estimated to be between $15,000 to $20,000	Within 15 days of receipt of report	Reimbursement of costs of audit or inspection of your records, but only if audit or inspection was triggered by your failure to provide required reports or if we discover underreporting of Gross Sales by more than 3%.
Management Assumption Fee	3% of Gross Sales plus costs and expenses	As incurred	Payable only if we may assume management of your Business due to your death, disability, abandonment or failure to cure defaults of the Franchise Agreement within the specified cure period.
Additional training	Currently $500 per day	As incurred	Payable only if you request and we agree to provide training or assistance beyond the initial training program. Actual costs will be our then-current per diem, which may be more than our current per diem. If we provide the training at your Premises, you will also pay our travel expenses.
Annual Conference Fee	Estimated to be $1,000	At time of registration	This covers the registration fee for attendance at the annual conference, if any, for 2 people.

Remodel Fee	Estimated to be $3,000	As incurred	You must reimburse the expenses we incur for our review of your proposed remodel design and final walk-through of the premises once the remodel is complete.
Relocation Fee	$10,000	As incurred	You are not granted the right to relocate your Business; however, if you request our approval of a relocation, we will charge you a fee for our review and approval of your request. The amount shown is the current fee we expect to charge, but it is subject to change.
Vendor or Equipment Testing Fees	Estimated to be $500 to $2,000	As incurred	If you ask us to approve, and we agree to evaluate, a specific vendor of non-compliant or non-sanctioned equipment, we may require you to reimburse us the costs we incur in evaluating that vendor or equipment.
Insurance	Our actual annual costs in obtaining or reinstating insurance, estimated to be $2,500 to $5,000	As incurred	Payable to us only if you fail to obtain and maintain required insurance, and we, at our option, obtain or reinstate the insurance for you. You reimburse us for the cost of the insurance. We reserve the right to charge a reasonable fee for our services and our out-of-pocket expenses.
Indemnification	Will vary under circumstances	As incurred	Under the Franchise Agreement and Area Development Agreement, payable only if an indemnifiable claim is asserted against us and certain related parties arising out of your Business's operations.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable only if you do not comply with the Franchise Agreement and we are the prevailing party in any relevant litigation or arbitration.
Liquidated Damages	Will vary under circumstances	As incurred	Payable only if we terminate the Franchise Agreement for your default or if you abandon your Business. Amount equals the greater of (i) $72,000.00 or (ii) the net present value of the Royalty, Marketing Fund contributions and Local Advertising Cooperative contributions that would have been due had the Franchise Agreement not been terminated, through the 2 years following termination. Calculations based on Gross Sales of your Business for the 12 months preceding termination (subject also to minimum Royalty requirements), or if your Business has not been in operation for at least 12 months, the average monthly gross sales of all Sogility Training Facilities during our fiscal year immediately preceding termination.

All applicable fees are imposed by and payable to us or our affiliates and are non-refundable.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT
FRANCHISE AGREEMENT

TYPE OF EXPENDITURE[1]	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee [1]	$19,000 - $50,000	Lump Sum	50% On Signing and 50% on Opening	Sogility Holdings
Equipment (Financing Available) [2]	$125,000 - $180,000	Lump Sum	50% Deposit As Invoiced and 50% Upon Delivery	Sogility Holdings
Turf Fees [3]	$25,000 - $125,000	As Arranged	As Arranged	Designated and Approved Suppliers
5v5 Field (Install, Turf, Shipping) [4]	$40,000 - $120,000	As Arranged	As Arranged	Designated and Approved Suppliers
Leasehold Improvements [5]	$0 - $50,000	As Arranged	As Invoiced	Suppliers
Athlete Development - Equipment/set up [6]	$10,000 - $25,000	As Arranged	As Arranged	Designated and Approved Suppliers
Furniture/Small Wares [7]	$5,000 - $25,000	As Arranged	As Arranged	Designated and Approved Suppliers
Initial Inventory Supplies and Apparel [8]	$2,000 – $10,000	As Arranged	As Arranged	Designated and Approved Suppliers
Grand Opening and Initial Marketing [9]	$10,000 - $20,000	As Arranged	As Arranged	Suppliers
Exterior Signage [10]	$2,000– $25,000	As Arranged	As Arranged	Approved Suppliers
Interior Branding/Graphics [11]	$2,000 - $10,000	As Incurred	As Incurred	Approved Suppliers
Uniforms, Office Equipment and Supplies [12]	$5,000 - $10,000	As Incurred	As Incurred	Designated and Approved Suppliers
Rent & Utility (3 months) [13]	$0 - $75,000	Monthly	Monthly	Landlord or Utility Company
Insurance [14]	$4,000 - $12,000	As Arranged	As Arranged	Your Insurance Company
Professional Fees, Permits and Licenses [15]	$2,000 - $4,000	As Invoiced	As Incurred	Suppliers
Additional Funds for 3 months [16]	$35,000-$75,000	As Incurred	As Incurred	Approved Suppliers, Employees
TOTAL ESTIMATED INITIAL INVESTMENT[16]	**$286,000 - $816,000**			

NOTES

1. All fees payable to us or our affiliates are not refundable. Whether any of the other payments are refundable will depend on the arrangement between you and the supplier. If, when you sign the Franchise Agreement, you are already a Sogility franchisee under other franchise agreements with us, we will reduce the initial franchise fee as described in detail in Item 5.

2. Our Sogility training facets require specific training equipment, installation, and taxes. Such equipment is typically purchased with a 50% deposit and the remaining 50% is due upon delivery. Such terms may vary and are dependent on the suppliers. There is a minimum set of equipment required for a Sogility Training Facility, but additional equipment may be required depending on the size of the Sogility Training Facility. We have not reflected within this range the cost of shipping which varies and which may be based on several factors such as the location of your facility and its distance from the suppliers.

3. Your facility is expected to have sufficient turf space and quality to allow for Sogility training facets. The cost range is based on approximately 8,000 square feet not including a 5v5 field. If you elect to develop a larger Sogility Training Facility with more square footage, additional turf may be included thereby increasing the total investment range. Shipping and installation estimates are included but may vary depending on the size and location of your facility.

4. Your facility is expected to be approximately 12,000 square feet which would include the turf, shipping, and installation of a 5v5 field. If you elect to develop a larger Sogility Training Facility with more square footage, additional 5v5 fields may be included thereby increasing the total investment range. Shipping and installation estimates are included but may vary depending on the location of your facility.

5. We anticipate that the average franchised Sogility Training Facility will typically be located in commercially zoned retail areas and be between approximately 6,000 and 20,000 square feet, with the prototype location size being approximately 12,000 square feet. The typical size of a Sogility Training Facility must accommodate a minimum of 6 training partitions. Item 7 contemplates a 12,000 square foot premises, in the event that you obtain a smaller or larger location, your costs may decrease or increase as well. In some instances, franchisees may or may not receive tenant improvement allowance from a landlord. The range reflects franchisees' negotiation of tenant improvement allowances from landlords. A landlord's willingness to provide tenant improvement allowance varies and may be based on factors such as condition of premises, the financial being of the tenant and the term of the contemplated lease. To avoid excessive construction costs, we recommend that you pick contractors carefully by obtaining several competitive bids beforehand. In our affiliates' experience, Landlords may require a security deposit or personal guaranty for the premises. The amount above does not include a security deposit.

6. Our athlete development curriculum typically requires certain strength/exercise equipment, installation, and taxes. If you finance the equipment, your payment may be $0.00 prior to opening. If you purchase the required equipment directly from third party suppliers, we estimate that the cost is $10,000 - $25,000. We have not reflected within this range the cost of shipping which varies and which may be based on several factors such as the location of your facility and its distance from the suppliers.

7. Your facility will require general breakroom and office furniture which can be purchased at a variety of retail stores.

8. For Sogility-branded apparel and concessions for resale to members.

9. You must conduct an initial and grand opening marketing campaign that we approve, with a minimum cost between $10,000 and $20,000 as determined by us (See Item 11).

10. The cost of exterior signage, as approved by us, will vary depending on type of materials used and may require input and approval by landlord and city.

11. Your facility will require certain graphics, logos, and branding to be added to walls and other interior surfaces. The cost may vary depending on suppliers and quality/quantity of work.

12. Your facility will need basic office supplies and equipment including two or more computers and monitors, software, TVs, stereo system, printers, and staff clothing. These items may be purchased at a variety of retail stores.

13. Your monthly rent and utility expense may vary from our estimate based on numerous factors such as the location of the Premises, the visibility of the Premises, access to major streets, the age and type of structure in which the Premises are located, any lease arrangements negotiated with your landlord, real estate taxes, common area maintenance charges and the like. In some cases, our affiliates have been able to negotiate a lease without a security deposit or personal guarantee.

14. You must, at your own expense, keep in force insurance policies for your Sogility Training Facility. You will likely have to prepay for a portion of the first year's premiums for insurance. See Item 8 for a detailed description of our current insurance requirements.

15. We recommend that you consult with an attorney, accountant or other advisor prior to purchasing a franchise. You must obtain state and local licenses and business licenses. You may have to post bonds in order to obtain certain governmental permits.

16. Our estimates of the amounts needed to cover your Businesses' expenses for the start-up phase (i.e., 3 months from the date your Business opens for business) include: replenishing your inventory, initial advertising and promotional expenditures, payroll for managers and other employees, uniforms, utilities and other variable costs. These amounts do not include any estimates for debt service on loans that you obtain to finance your Business. The estimated initial investment figures shown above for setting-up and opening each Sogility Training Facility are based primarily on the costs incurred by or projected to be incurred by franchisees.

The initial investment range presented in this table is for the development of a Sogility Training Facility with approximately 12,000 square feet. If you elect to develop a larger Sogility Training Facility with more square footage, the total investment range would increase.

The estimated initial investment figures shown above for setting-up and opening each Sogility Training Facility are based primarily on the costs incurred by or projected to be incurred by franchisees. Neither we nor any of our affiliates offer direct or indirect financing for any part of the initial investment.

You should review all figures in this Item 7 carefully with a business advisor before you decide to purchase the franchise.

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YOUR ESTIMATED INITIAL INVESTMENT

AREA DEVELOPMENT AGREEMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Development Fee[2] (For 2 – 10 Sogility Training Facilities)	$75,500 - $240,825	Lump Sum	Upon Execution of the Development Agreement	Franchisor
Initial Investment for Your Initial Franchised Business[3]	$286,000 - $808,000	See Chart 7(A) above.		
TOTAL ESTIMATED INITIAL INVESTMENT[2]	**$321,000 - $1,056,825**			

NOTES

1. **Generally.** The estimates set forth in this Chart 7(B) assume that you will be entering into an Area Development Agreement for the right to open and operate between two (2) and ten (10) Franchised Businesses within a Development Area. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee.

2. **Development Fee.** The Development Fee will vary based on the number of Franchised Businesses we grant you the right to develop as described more fully in Item 5 of this Disclosure Document.

3. **Initial Investment for Your Initial Franchised Business.** This figure represents the total estimated initial investment required to open your initial Franchised Business under the Franchise Agreement you must enter into with us contemporaneously with the execution of your Area Development Agreement. This range includes all the estimated fees set forth in Chart 7(A), except for the Initial Franchise Fee, because you will not be required to pay an Initial Franchise Fee under any Franchise Agreement you enter into in connection with your Area Development Agreement.

4. **Total**. This total estimate set forth in Chart 7(B) above encompasses the investment you might incur in connection with signing an Area Development Agreement to open between two (2) and ten (10) Franchised Businesses, as well as the total investment to open and commence operations of your initial Franchised Business within your Development Area. It does not include any of the costs you will incur in opening any additional Franchised Businesses that you will be required to open and operate within the Development Area because these costs will not likely be incurred during the first three (3) months of operating your initial Franchised Business.

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ITEM 8
RESTRICTIONS ON FRANCHISEE'S SOURCES OF PRODUCTS AND SERVICES

Required Purchases

You must offer and sell all, and you are permitted to offer and sell only, those products and services that we have specifically approved in writing. You may not deviate from our approved products and services without prior written approval from us. Currently, you must purchase (i) the apparel inventory; (ii) certain equipment; and (iii) field turf from designated suppliers or other suppliers approved by us in writing.

You must use only those types of equipment, training equipment, field turf, Computer System (as defined below), furniture, fixtures, signs and inventory ("Operating Assets") that we have approved according to our specifications and standards for appearance, function and performance. If you want to purchase or use any item which has not been specifically approved by us in writing, you must first notify us in writing and submit to us sufficient specifications, photographs, drawings and other information or samples for us to determine whether the proposed Operating Assets comply with our specifications and standards, and the supplier meets our approved supplier criteria, which determination will be made and communicated in writing to you within a reasonable time, typically within 30 days after receipt of the information from you or from the proposed supplier.

In order to maintain the quality and uniformity of all services, products, supplies, inventory, and equipment utilized by Sogility Training Facilities, we may issue and revise mandatory and recommended specifications, standards, operating procedures and rules for Sogility Training Facilities and for our approved or designated products, services, and suppliers (the "System Standards"). The appearance of and operating processes used by Sogility Training Facilities may evolve over time, so we reserve the right to change the System Standards to reflect that evolution. You must strictly comply with the mandatory System Standards as we might supplement or amend them from time to time. We may modify the Operations Manual (defined in Item 11) to reflect changes in System Standards.

You must maintain the minimum insurance coverage required by applicable law or required by us for your Sogility Training Facility. You will purchase all insurance policies at your own expense. Our current requirements include: general and professional liability (with limits of at least $1,000,000 per occurrence/$2,000,000 aggregate), business income (with limits of at least $400,000) and contents (with limits of at least $250,000). You are also required to maintain workers' compensation and other coverages as required by applicable state law. You must name us and our designated affiliates and our and their respective principals, officers, directors, managers, owners, employees, agents, representatives and independent contractors as additional insureds for all liability coverage policies. You must also provide us with a certificate of insurance for, as well as 30 days' prior written notice of material changes to or cancellation of, all insurance policies. We reserve the right to change types and amounts of coverage.

We develop the specifications and standards, but we will not issue to you or to our approved suppliers (except as we deem necessary for purposes of production) the specifications and standards for proprietary Operating Assets. We will communicate the approved Operating Assets to you in the Operations Manual and otherwise in writing.

Required and Approved Suppliers

Currently, we have a designated, approved supplier for certain training equipment. We may require you to purchase marketing materials, apparel inventory, and field turf from designated suppliers, according to the terms and in the manner we have approved. We and our affiliates may become approved suppliers of other items. We may at any time require that you purchase products or services only from certain approved suppliers, and we may at any time designate a single supplier for any product or service, which may be us or an affiliate. We may, but are not required to, provide a list of approved suppliers in the Operations Manual or otherwise in writing.

Approval of Alternative Suppliers

If you request our approval of a new supplier and we choose to evaluate your proposed supplier, we may require you to reimburse us the costs we incur in making this evaluation, which we estimate to range from $500 to $2,000. We will advise you of our decision on your request within a reasonable time (typically within 30 days) after our receipt of the information we request from you or from the proposed supplier regarding the supplier's qualifications. We may impose limits on the number of approved suppliers. We may elect to withhold approval of a supplier or revoke approval of any supplier, if at any time the supplier fails to meet any of our criteria. Our supplier approval criteria is not available to you.

Revenue from Franchisee Purchases

We and our affiliates may derive revenue or other material consideration from purchases made by you and other Sogility Training Facility owners from us, our affiliates, and approved vendors. Consideration may be in the form of rebates and other consideration paid by third-party approved suppliers and mark-ups on purchases you make from us or our affiliates. We currently receive a rebate ranging between 5% and 15% from franchisee purchases of some training equipment from our affiliates or approved suppliers. Unless provided in the agreement with the approved supplier, neither we nor our affiliates will be obligated to spend funds received from approved suppliers nor are we or they bound to spend these funds in any particular manner or for any particular purpose.

We reserve the right to arrange with designated vendors to collect (or have our affiliates collect) fees and expenses associated with the products and services they provide to you. If we pay the vendor on your behalf for products and services they provide to you, we will ACH your bank account for your Business's respective cost.

During our 2024 fiscal year, we received approximately $15,000 from approved vendors for required purchases or leases by franchisees. This represents approximately 1.4% of our total revenue of $1,071,014 for our 2024 fiscal year. Other than the foregoing, neither we nor our affiliates received revenues from approved vendors for required purchases or leases by franchisees.

We estimate that 10% to 50% of your initial investment and 90% to 100% of your ongoing expenditures will be restricted by our specifications in some manner.

Cooperatives

As of the date of this Disclosure Document, there are no purchasing or distribution cooperatives for any of the items described above.

Negotiated Prices

We or our affiliates may negotiate purchase arrangements, including prices and terms, with designated and approved suppliers for Sogility Training Facilities. We currently have a purchase arrangement for certain training equipment.

Material Benefits

Except as disclosed above, we and our affiliates do not currently provide any material benefits to franchisees based on their use of designated or approved suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
A. Site selection and acquisition/lease	Sections 3.A and 3.B in Franchise Agreement; Sections 2.A and 2.B in Area Development Agreement	Items 8 and 11
B. Pre-opening purchases/leases	Sections 3.C and 3.D in Franchise Agreement	Items 5, 7, 8, and 11
C. Site development and other pre-opening requirements	Section 3 in Franchise Agreement; Section 2 in Area Development Agreement	Items 7, 8, and 11
D. Initial and ongoing training	Sections 5.A and 5.B in Franchise Agreement	Item 11
E. Opening	Section 3.F in Franchise Agreement	Item 11
F. Fees	Section 4 in Franchise Agreement; Section 3 in Area Development Agreement	Items 5, 6 and 7
G. Compliance with standards and policies / Operations Manual	Sections 5.B, 5.C and 9 in Franchise Agreement	Items 8, 11 and 14
H. Trademarks and proprietary information	Sections 6 and 7 in Franchise Agreement; Section 4 in Area Development Agreement	Items 13 and 14
I. Restriction on products/services offered	Sections 9.B and 9.C in Franchise Agreement	Items 8 and 16

J. Warranty and customer service requirements	Section 9.E in Franchise Agreement; Section 10.B in Area Development Agreement	Not applicable
K. Territorial development and sales quotas	Sections 2.C and 2.D in Area Development Agreement	Item 12
L. Ongoing product/service purchases	Sections 9.B and 9.C in Franchise Agreement	Item 8
M. Maintenance, appearance and remodeling requirements	Sections 9.A and 9.I in Franchise Agreement	Item 11
N. Insurance	Section 9.G in Franchise Agreement	Items 7 and 8
O. Advertising	Section 10 in Franchise Agreement	Items 5, 6, 7, 8 and 11
P. Indemnification	Section 17.C in Franchise Agreement; Section 8.B in Area Development Agreement	Item 6
Q. Owner's participation, management, and staffing	Section 9.D in Franchise Agreement; Section 1.D in Area Development Agreement	Items 11 and 15
R. Records/reports	Section 11 in Franchise Agreement; Section 2.E in Area Development Agreement	Items 6 and 11
S. Inspections/audits	Section 12 in Franchise Agreement	Items 6 and 11
T. Transfer	Section 13 in Franchise Agreement; Section 6 in Area Development Agreement	Items 6 and 17
U. Renewal	Section 14 in Franchise Agreement; Section 1.F in Area Development Agreement	Item 17
V. Post-termination obligations	Section 16 in Franchise Agreement; Section 7.B in Area Development Agreement	Item 17
W. Non-competition covenants	Sections 8.A and 16.B in Franchise Agreement; Sections 5.A and 7.C in Area Development Agreement	Item 17
X. Dispute resolution	Section 19 in Franchise Agreement; Section 9 in Area Development Agreement	Item 17

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, loans, mortgages, leases, or other obligations.

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

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

Our Pre-opening Obligations – Franchise Agreement.

Before you open your Business, we or our affiliates will provide you the following assistance:

1) Consultation on and approval of sites and layouts. (Franchise Agreement – Sections 3.A and 4.F)
2) Review and approval of the lease. (Franchise Agreement – Sections 3.B and 4.F)
3) We will provide initial training for you and your General Manager (as defined in Item 15) at our headquarters or another location designated by us. This training will last for approximately 3 weeks and may not be consecutive. (Franchise Agreement – Section 5.A)
4) We will provide on-site assistance with your grand opening. (Franchise Agreement – Section 5.A)
5) We will grant you access to our online Operations Manuals and training modules (defined in Item 11). (Franchise Agreement – Section 5.C)
6) We will provide information and specifications (for non-proprietary Operating Assets) with respect to required equipment (including the Computer System), field turf, and other required inventory, furniture, fixtures and signs, marketing materials and supplies, and lists of approved suppliers or vendors. (Franchise Agreement – Sections 3.D, 4.C, 5.B, 9.C and 9.I)
7) We will approve media, materials, programs and strategies for use in your pre-sales opening advertising campaign. (Franchise Agreement – Section 10.A)

Our Pre-opening Obligations – Area Development Agreement

After you sign an Area Development Agreement (if one is offered to you), we or our affiliates will provide you the following assistance:

1. Consultation on and approval of sites. (Area Development Agreement – Section 2.A).

Opening of Your Business

We must approve your proposed site for the Premises. It is your responsibility to locate and submit proposed sites for your Business for our approval. Once you submit a proposed site to us, we will consult with you on the proposed site, which we will approve or disapprove based on factors such as our business experience, business count, traffic count, accessibility, parking, visibility, competition and license availability.

When you have given us all the necessary information on the site you have selected, we generally will approve or disapprove the site within 30 days. If you do not locate and obtain our approval for an acceptable site within 150 days of signing the Franchise Agreement, we may terminate your Franchise Agreement.

Before your Business enters into any lease, sublease or other document for possession of the Premises, we must approve the applicable lease, sublease or other documents for possession of the Premises. We recommend that you retain an attorney to assist you in reviewing the documents and making recommendations regarding terms in the documents. You will lease the Premises from a third party or from yourselves if you own the premises, and you must arrange for the execution of the Lease Rider in the form that is attached as Appendix A to the Franchise Agreement in Exhibit B of this Disclosure Document. If you do not obtain our written approval of the documents within 180 days of signing the Franchise Agreement, we may terminate your Franchise Agreement.

Our approval of a site for the Premises or a document for the possession of the Premises is not a guarantee of the success or profitability of the site.

We estimate that you will begin operating your Business within 180 days of signing the Franchise Agreement. Factors that affect this time include obtaining a satisfactory site, financing arrangements, lease negotiations, local ordinances and licenses, permit and design approvals, delivery and installation of equipment, renovation of the Premises in accordance with our standards, and you (or your Designated Representative) and your General Manager completing training to our satisfaction. You are responsible for identifying and satisfying these requirements. We may terminate your Franchise Agreement if you fail to commence operating your Business within 365 days after you sign the Franchise Agreement.

Our Obligations During the Operation of Your Business.

During the operation of your Business, we or our affiliates will provide you the following assistance under the Franchise Agreement:

1) We will provide you with an e-mail account for use in the operation of your Business. (Franchise Agreement – Section 3.D)

2) We will periodically provide you additional and refresher training. (Franchise Agreement – Section 5.A)

3) We will advise you periodically with respect to the specifications (for non-proprietary Operating Assets) and operating procedures and methods that Sogility Training Facilities use. (Franchise Agreement – Section 5.B and Section 9.I)

4) We will advise you of what purchasing is required and what authorized Operating Assets and other products and services are required. (Franchise Agreement – Section 5.B and Section 9.I)

5) We will provide you with a list of authorized vendors and suppliers for the products, goods, merchandise, supplies, equipment, tools and services. (Franchise Agreement – Section 9.C)

6) We may establish and operate a Marketing Fund (defined in Item 11). (Franchise Agreement – Section 10.B)

7) We will review and approve any advertising and marketing materials and programs that you develop or desire to implement for your Business that we have not previously approved or provided to you. (Franchise Agreement – Section 10.C)

8) We will maintain a website for the promotion of Sogility Training Facilities. (Franchise

Agreement – Section 10.D)

9) We will provide you with access to our training curriculum (Franchise Agreement – Section 5.B)

Advertising and Promotion Programs.

A. **Marketing Fund**.

We may establish a marketing fund to promote the Marks, patronage of Sogility Training Facilities, and the Sogility brand generally (the "Marketing Fund"). If so established, we would require you to contribute $250 to the Marketing Fund, on a monthly basis. We reserve the right to change your required contributions, up to 2% of the Gross Sales of your Business, in our discretion. We will provide you with advance notice of any increases in the required contribution. Contributions to the Marketing Fund will be payable in the same manner as the Royalty unless we specify otherwise.

We or our designees will direct all programs and activities of the Marketing Fund, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing photography, video, audio, and written materials and electronic media; developing, implementing, and maintaining a Franchise System website and related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing print and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; developing and maintaining application software designed to run on computers and similar devices, including tablets, smartphones and other mobile devices, as well as any evolutions or next generations of any such devices; administering search engine, social media and other online marketing campaigns; designing sportswear; developing sales tools; supporting public relations, market research, event marketing, and other advertising, promotion, and marketing activities; providing customer service support; coordinating and managing athlete events, appearances, content procurement and other public relations activities; and hosting and sponsoring brand development events. The Marketing Fund will give you samples of advertising, marketing, and promotional formats and materials at no cost.

We will account for the Marketing Fund separately from our or our affiliates' other funds. We may reimburse ourselves or pay our affiliates or other designees from the Marketing Fund for the reasonable salaries and benefits of personnel who manage and administer the Marketing Fund, the Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, general business overhead, and other expenses that we incur in activities reasonably related to administering or directing the Marketing Fund and its programs, including conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for contributions to the Marketing Fund.

Neither we nor our affiliates owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total contributions to the Marketing Fund in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. All interest earned on the contributions to the Marketing Fund will be used to pay costs before using the Marketing Fund's other assets. We will provide unaudited financial statements of the Marketing Fund upon reasonable request. We are not obligated to provide periodic accounting of how fees are spent. We may incorporate the Marketing Fund or operate it through separate entities whenever we deem appropriate.

We intend for the Marketing Fund to promote recognition of the applicable Marks and patronage of Sogility Training Facilities generally. Although we will try to use and cause the Marketing Fund to host and sponsor brand development events, and develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Sogility Training Facilities contributing to the Marketing Fund, we need not ensure that the Marketing Fund's expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund's contributions by Sogility Training Facilities operating in that geographic area or that any Sogility Training Facility benefits directly or in proportion to its contribution from hosting and sponsoring of brand development events, the development of advertising and marketing materials or the placement of advertising and marketing. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect contributions to the Marketing Fund at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as provided in the Franchise Agreement, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Marketing Fund.

We may at any time defer or reduce contributions of a Sogility Training Facility franchise owner and, upon 30 days' prior notice to you, reduce or suspend contributions to the Marketing Fund and the Marketing Fund's operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate the Marketing Fund, we will spend all remaining monies in the Marketing Fund on marketing-related expenses in our sole discretion.

Sogility Training Facilities that we or our affiliates own (except for those that were already under a management agreement with us or an affiliate as of October 2024) will be obligated to contribute to the Marketing Fund on the same basis on which you contribute to those funds.

B. **Local Advertising**

You must advertise your Business as set forth in the Operations Manual. We may require you to participate in and to pay your share of a collective advertisement with other Sogility Training Facilities in your area in addition to the Marketing Fund. You also must meet the minimum monthly spending requirement we impose (currently, $100 per day) to advertise and promote your Business (this may include costs of approved directory listings, strategic social media campaigns, and local internet advertising). Within 30 days after the end of each calendar quarter, you must send to us, in the manner we prescribe, an accounting of your expenditures for local advertising and promotion during the preceding quarter. Your local advertising and promotion must follow our guidelines.

C. **Local Advertising Cooperative**

In addition to the above, we reserve the right to establish and require you to participate in a local advertising cooperative if there are 2 or more Sogility Training Facilities in a geographical area. Generally, a geographic area for a cooperative will be defined as an area in which multiple franchisees operate and which, in our determination, has some overlap in media coverage. If, in our discretion, your Sogility Training Facility falls within the area covered by a local advertising cooperative, you must contribute your share to the cooperative which will not exceed 1.5% of your Gross Sales, unless the members of the cooperative approve a higher percentage according to the bylaws adopted by the cooperative. We reserve the right to collect your contribution on behalf of the cooperative, in which case your contribution will be payable in the same manner as the Royalty. Fees remitted to the cooperative usually will be used at the discretion of the cooperative to promote the products and services provided by Sogility Training Facilities that are members of the cooperative. We have the right to approve all of the cooperative's marketing programs, advertising materials and media selections. We will account for cooperative fees separately from our other funds. We will not use cooperative fees to solicit the sale of franchises. A cooperative will provide us with an annual financial statement.

We may use collection agents and bring legal proceedings to collect amounts owed to any local advertising cooperative, and may forgive, waive, settle and compromise claims by or against a cooperative. We have no liability or obligation to you for the maintenance, direction or administration of a cooperative. Each cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. We may change, not yet formed any advertising cooperatives. In the event we do so in an area that will require you to be a member of that cooperative, and if we form any governing documents regarding the administration of such cooperatives, we will make such documents available to you upon your reasonable written request.

Sogility Training Facilities that we or our affiliates own (except for those that were already under a management agreement with us or an affiliate as of October 2024) and that are located within the area covered by the local advertising cooperative will contribute to the cooperative on the same basis on which you contribute.

D. **Pre-Sales Opening Advertising**

In addition to your other advertising obligations, you must conduct an approved pre-sales opening advertising program for your Business to take place on the dates we designate before and after your Business opens. You agree to conduct your pre-sales opening advertising program in compliance with all of our requirements, which may include a minimum amount that we require you to spend on such program. You must use only our approved media, materials, programs and strategies for the pre-sales opening advertising program. Your initial fees help cover our cost to assist you in the opening of your Business, including, without limitation, set-up of your Business' Sogility branded website, set up of your UpperHand or other point of sale and scheduling portal, assistance with hiring and certifying your initial staff with Sogility Training Certifications or other applicable training programs, our social media and email campaigns and support, advisement on initial General Manager hiring, and other matters. However, you will be solely responsible for all of your costs and expenses incurred in conducting such advertising, for example the cost of purchasing direct mail advertisements and banners.

E. **Other Advertising Obligations**

You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved. Your advertising, promotion, and marketing must be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe periodically. At least 30 days before you use them, you must send to us for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously approved. If you do not receive written approval within 15 days after we receive the materials, they are deemed to be disapproved. Once we approve the materials, you are permitted to use them unless and until, in our discretion, we withdraw our approval.

We will provide you with a webpage on the Franchise System website that references your Business. You must: (i) provide us the information and materials we request to develop, update, and modify your webpage; and (ii) notify us whenever any information on your webpage is not accurate. We have final approval rights over all information on the Franchise System website (including your webpage). You may also develop and maintain social media accounts that we approve under our then-current social media policy, which we may modify periodically.

We do not have a franchisee advisory council that advises us on advertising policies, though we reserve the right to establish this council in the future.

Computer Hardware and Software

You must obtain and use in the operation of your Business the integrated computer hardware and software system, including tablets or other portable electronic devices, that we designate or approve from time to time to ensure compliance with the standards we specify periodically in the Operations Manual (the "Computer System"). We estimate that the cost to purchase the Computer System is $5,000. The Computer System currently consists of: 4 iPads (or more recent version), 2 laptop or desktop computers, 2 flat screen TVs (minimum of 50"), UpperHand or other similar point-of-sale/scheduling software, QuickBooks or other similar accounting and reporting system, email addresses, WIFI or other hotspot connections and firewall. Currently, the cost to license UpperHand is $350.00 per month. Although the Computer System must meet our standards and specifications, you have the sole responsibility to ensure that the Computer System functions properly. We bear no liability for any failure of the Computer System's hardware or software, programming interfaces, internet connectivity or security measures. We may modify specifications for, and components of, the Computer System.

Currently, you may purchase the hardware components and license the software components from any supplier that sells or licenses components that meet our specifications; however, we reserve the right to require you to purchase or license the required components only from approved or designated suppliers. We are not obligated to provide any ongoing updates, upgrades, maintenance or repairs. Your Computer System must enable you to collect information about client information and usage, staff scheduling and payroll management, financial information, membership growth, billing and class schedules. We will not have the ability to access your Computer System other than through the UpperHand software but reserve the right to do so. There are no contractual limitations on our and our affiliates' right to access this information and data. Collection and use of protected personal information, cybersecurity, and privacy standards are covered by business policies and practices.

You must upgrade your hardware and software when we decide it to be necessary and at your own cost. We reserve our right to update the requirements for the Computer System periodically and there are no limitations on these rights.

Operations Manual

We provide guidance through manuals and bulletins, including the operations manual (the "Operations Manual"), which may include one or more separate manuals as well as audio recordings, video recordings, compact discs, computer software, information available on an

Internet site, other electronic media, or written materials. The current Operations Manual is currently entirely online.

Training Program

The initial training program involves approximately three weeks of training in Westfield, Indiana, or at another location we designate and, if we elect, at our own cost, on-site assistance prior to opening. We may change the location of the initial training program to another location we designate. We may lengthen, shorten or restructure the contents of this program. Training materials include the Operations Manuals.

The initial training program is mandatory for the primary individual representing the Franchisee (referred to as "Representative" in this section) and your General Manager. We may include your Athletic Development Director or Training Director, if any, at our discretion. Your Representative and your General Manager must complete the initial training program to our satisfaction before you open your Business. Failure to timely complete training and open your Business may be cause for termination of your Franchise Agreement. Training classes are not held on a regular schedule, and we do not currently require that training be completed within a certain period of time after signing the Franchise Agreement or by a certain period of time before opening your Business (as long as it is completed, to our satisfaction, before opening and this is for your first General Manager hire). Any subsequent General Managers hired after opening must attend training at the next available training date at our discretion. We will schedule the program based on your and our availability and the projected opening date for your Business.

The initial training program is designed to cover all phases of the operation of a Sogility Training Facility. Any individual attending the training who has not signed the form of Guarantee and Assumption of Obligations attached to the Franchise Agreement must execute a confidentiality agreement in the form provided by us.

You may request additional training at the end of the initial program if you do not feel that you or your General Manager have been sufficiently trained. If we agree to provide the additional training you request, you must pay our then current daily fee (currently, $500 per day).

We may require your Representative and your General Manager and previously trained and experienced employees to attend and satisfactorily complete various training courses that we periodically choose to provide at times and locations that we designate. We will not require attendance at more than 2 of these courses, or for more than a total of 6 full business days, during any calendar year.

Besides attending these courses, you agree to attend an annual meeting of all Sogility Training Facility franchise owners at a location we designate. Attendance at an annual meeting will not be required for more than 3 full days during any calendar year.

The initial training program is provided for up to 2 people, including your Representative and your General Manager, at no additional charge to you. You will be solely responsible for the accommodation, compensation, travel, and other living expenses you and your General Manager and other personnel incur while attending our initial training program or any refresher or additional training course.

As of the date of this Disclosure Document, we provide the following initial training:

TRAINING PROGRAM

Subject	Hours of Classroom or Online Training	Hours of On-The-Job Training	Location
Introduction to Sogility	3.5 hours	0 hours	Westfield, IN or Online
New Prospect Introduction	4 hours	4 hours	Westfield, IN or Online
Sales Training	6 hours	4 hours	Westfield, IN or Online
Marketing Strategy	4 hours	4 hours	Westfield, IN or Online
Operations	6 hours	4 hours	Westfield, IN or Online
Position Specific Training	0 hours	7 hours	Westfield, IN
Sogility Trainer Certification	1 hour	4 hours	Westfield, IN
Attend Sogility Classes and/or Facet Sessions	0 hours	8 hours	Westfield, IN
Accounting	2 hours	2 hours	Westfield, IN
Vendor Support Functions	4 hours	0 hours	Westfield, IN
TOTAL	**30.5 hours**	**37 hours**	

The hours devoted to each subject are estimates and may vary based on how quickly trainees learn the material, their prior experience with the subject, and scheduling.

We do not have a designated training staff. Any member of our corporate staff may participate in or conduct one or all of your training programs. The instructors have 1 to 18 years of experience in the subjects taught and up to 6 years of experience with us and our affiliates and predecessor operations.

ITEM 12
TERRITORY

Franchise Agreement

Unless specifically agreed upon in writing, you will not receive an exclusive territory. You may face competition from other franchisees, from Sogility Training Facilities that we or our affiliates own or from other channels of distribution or competitive brands that we control.

The Franchise Agreement gives you the right to open a single Sogility Training Facility at a specific location. If you do not have a Premises as of the date you sign your Franchise Agreement, then a mutually agreed-upon non-exclusive site selection area wherein you will secure a Premises (the "Site Selection Area") will be set forth in Exhibit A of the Franchise Agreement. This Site Selection Area will generally encompass several zips codes.

After you have a Premises that is approved by us selected, an amendment will be made to your Franchise Agreement. Under your amended Franchise Agreement, you will receive a designated Territory defined by a radius around your Sogility Training Facility or geographic boundaries ("Designated Territory"). Your Designated Territory will vary from a 1 mile to a 50-mile radius from your Premises based on the number of qualifying households that surround your Premises. If you are located in a rural or suburban area that is not densely populated, we expect that your Designated Territory will typically be comprised of a Radius around the Approved Location containing approximately 7,500 households and/or 10,000 people aged 5 to 24. If you live in an urban, metropolitan area that is densely populated, then we expect that your Designated Territory will be comprised of a smaller geographical area that is described as a certain number of blocks or certain radius around your Premises. Your Designated Territory will likely vary from other franchisees based on the population density and demographics of the Site Selection Area in which you are looking to open and/or develop your Sogility Training Facility(s).

Once you receive your Designated Territory, your rights within the applicable Site Selection Area will go away. Since some portions of Designated Territories granted in connection with Sogility Training Facilities may overlap, we will not approve any proposed premises for your Sogility Training Facility that is located within another System franchisee's Designated Territory.

Subject to your compliance with your Franchise Agreement, we will not open or locate, or license any third party the right to open or locate, any Sogility Training Facility at a permanent physical Premises utilizing the Proprietary Marks and System within your Designated Territory. While we will not open, locate, or license any third party the right to open or locate a Sogility Training Facility at a permanent physical Premises in your Designated Territory, your Site Selection Area and Designated Territory may overlap with the Site Selection Area or Designated Territory of another franchisee. You understand that the Designated Territory is non-exclusive and may, therefore, be shared with other Businesses. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

You may, subject to the terms of the Operations Manual and except for exclusive territories provided to some franchisees per earlier forms of agreement, serve any customer base without restriction including customers from outside your designated Territory. You may not sell products or services outside of your Business, including through channels of distribution such as the internet, catalog sales, telemarketing or other direct marketing, without our consent.

We and our affiliates also have the right to operate, and grant franchises or licenses to others to locate, fitness centers and other businesses offering similar services in your Territory under trademarks other than the Proprietary Marks.

You must operate your Business only at the approved location and within the Designated Territory (e.g. on site at a recreational space, an event, or a local school/university, etc.) and may not relocate your Business without first obtaining our written consent, which we may withhold for any reason. You must obtain our prior written consent prior to operating the Business outside of your Designated Territory. You may not develop or operate another Sogility Training Facility unless we allow you to enter into a separate Franchise Agreement for that Sogility Training Facility.

Under the Franchise Agreement, we retain the right, without compensation to you, to: (1) own, locate and operate, and allow others to own, locate and operate, Sogility Training Facilities using the Marks and the Franchise System, wherever located (outside of your Designated Territory) and on the terms and conditions we deem appropriate; (2) establish and operate, and allow others to establish and operate businesses that may offer products and services which are identical or similar to products and services offered by your Business, under trademarks and commercial symbols that are different than the Marks; (3) use and authorize others to use the Marks and the Franchise System anywhere in the world (other than to locate a physical Sogility Training Facility in your Designated Territory), including in connection with the sale of products and services (whether or not identified by the Sogility brand), including through other channels of distribution such as chain, warehouse, club and other stores, the internet (e-commerce), electronic media, and/or any other means of distribution; (4) acquire or be acquired by other businesses, including Competitive Businesses (defined below), and if we are the acquirer, franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (5) allow others to operate a Sogility Training Facility at non-traditional locations (recreational space, school/university, etc.) within your Designated Territory; and (6) engage in all other activities not expressly prohibited by the Franchise Agreement.

The Franchise Agreement does not give you any options, rights of first refusal, or similar rights to acquire additional franchises.

Area Development Agreement

The Area Development Agreement, if one is provided to you, grants you the right to acquire franchises to develop, own and operate Sogility Training Facilities within the designated Development Area. The boundaries of the Development Area will be described by city boundaries or distance from a fixed point or other boundaries when appropriate, or by an area encompassed within a circle having a radius of a specific length. We will determine the Development Area we will offer to you before you sign the Area Development Agreement. We determine the size of the Development Area based on multiple factors, including demographics, traffic patterns, competition, your capacity to recruit and provide services in the Development Area, and site availability among other economic and market factors. The Area Development Agreement expires on the earlier of the date on which the last Sogility Training Facility which is required to be opened in order to satisfy the Development Schedule opens for regular business or is required under the Development Schedule to be open. When the Area Development Agreement expires or is terminated, the grant of Area Development rights terminates. When you sign a Franchise Agreement for a territory set forth in your Development Area, your territory will then be revised pursuant to the then-current Franchise Agreement. Your right to use the Franchise System will be limited to those Sogility Training Facilities operating under Franchise Agreements you (or an Approved Affiliate) may have entered into before the expiration or termination of the Area Development Agreement.

You will not receive an exclusive territory under the Area Development Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control or that are controlled by others.

Because we reserve certain rights regarding our business activities in your Development Area (as described below), your Development Area is not considered an "exclusive territory." You are not required to achieve certain sales volume, market penetration or other contingencies in order to maintain your Development Area, but your failure to comply with the Development Schedule will be a material breach of the Development Agreement, which may result in our terminating the

Development Agreement.

We and our affiliates retain the right, without compensation to you, to: (1) establish, operate and allow others to establish and operate, Sogility Training Facilities using the Marks and the Franchise System, at any location inside or outside the Development Area on the terms and conditions we deem appropriate; (2) establish, operate and allow others to establish and operate any other kind of training, fitness or sports facility or business, anywhere in the world, that may offer products and services that may be identical or similar to products and services offered by Sogility Training Facilities, but under trade names, trademarks, service marks and commercial symbols other than the Marks; (3) allow others to operate a Sogility Training Facility at non-traditional locations (recreational space, school/university, etc.) within your Development Area, and (4) establish, operate and allow others to establish and operate other businesses and distribution channels (including the Internet), wherever located or operating and regardless of the nature or location of the customers with whom these other businesses and distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Sogility Training Facilities, and that sell products or services that are identical or similar to, or competitive with, those that Sogility Training Facilities customarily sell.

In addition, we specifically retain the right under the Area Development Agreement to (1) acquire the assets or ownership interests of one or more businesses including Competitive Businesses (as defined in Item 17), and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Development Area), (2) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any Competitive Business, even if this business operates, franchises or licenses these businesses in the Development Area, (3) operate or grant a third party the right to operate any Sogility Training Facility that we or our designees acquire as a result of an exercise of a right of first refusal or purchase right under a Franchise Agreement, and (4) engage in all other activities not expressly prohibited by the Area Development Agreement.

As of the date of this Disclosure Document, and aside from the foregoing reserved rights, neither we nor any of our affiliates operate or plan to operate or franchise businesses under a different trademark that will sell goods or services that are the same as or similar to those the franchisee will sell.

You are not granted under the Area Development Agreement any options, rights of first refusal, or similar rights to acquire additional development rights or to expand your Development Area.

ITEM 13
TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right and obligation to use the Marks solely for the purpose of developing and operating your Business.

The following trademarks are currently owned by us and registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

MARK	REGISTRATION NUMBER	REGISTRATION DATE
Sogility	97444654	July 11, 2023
Technology Driven Soccer Training	97444676	January 9, 2024

	97444619	July 11, 2023

We have filed all required renewals and affidavits for the Marks listed above in the applicable territories.

We do not know of any superior rights or infringing uses that could materially affect your use of the Marks in any state where your Business might be located.

There are no agreements currently in effect which significantly limit our rights to use or license the use of any trademarks, service marks, trade names, logo-types or other commercial symbols in a manner material to the franchise. There is presently no effective determination of the USPTO, the US Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, nor any pending infringement, opposition or cancellation proceeding or any pending material litigation involving our principal trademarks, service marks, trade names, logo-types or other commercial symbols.

You must use the Marks as we require and may use only the Marks we designate in connection with the operation of your Business. You may not use the Marks in any advertising for the transfer, sale or other disposition of your Business or any interest in the franchise. You are not allowed to use a Mark as part of a corporate name or with modifying words, designs or symbols except with our consent which we may withhold in our absolute discretion. You may not use our Marks in the sale of an unauthorized product or service or in any manner we do not authorize in writing. You may not use the Marks as part of any user name, screen name or profile in connection with any social networking sites or blogs, or as part of any domain name, homepage, electronic address, or otherwise in connection with a website.

You may not contest, directly or indirectly, our ownership of the Marks, trade secrets, methods and procedures that are a part of the Franchise System. You must not register, seek to register or contest our sole right to register, use and license others to use the Marks, names, information and symbols. Any goodwill associated with Marks, including any goodwill which might be deemed to have arisen through your activities, inures directly and exclusively to our and our affiliates' benefit.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. You may not communicate with any person other than us and our counsel regarding any infringement, challenge or claim. We may take any and all actions we deem appropriate and we have the right to exclusively control any litigation, PTO proceeding or other administrative proceeding related to any Mark. You must execute all documents, render assistance and do these things as we deem or our counsel deems advisable to protect and maintain our interests. We are not otherwise required to indemnify you with respect to claims arising from your use of the Marks.

We may require you to use new Marks that we deploy in the operation of Sogility Training Facilities, and we may modify or discontinue use of any Mark. You must comply with our instructions in this regard, at your costs, within a reasonable time after notice by us.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights to any patent that is material to the franchise. We do not have any pending patent applications that are material to the franchisee.

Although neither we nor any of our affiliates have registered our copyrights, we or our affiliates claim copyright protection for the Operations Manual, specification book and for any other written materials we may develop to assist you in the development and operation of your Business. There are no determinations of the U.S. Copyright Office (Library of Congress) or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation, involving the copyrighted materials which are relevant to their use by our franchisees. No agreements limit our right to use or license the use of our copyrighted materials. We are not obligated to protect or defend our copyrights, although we currently intend to do so. We do not know of any infringing uses of or superior rights in our copyrighted materials.

We and our affiliates possess and may continue to develop certain proprietary and confidential information, including trade secrets, used in the operation of Sogility Training Facilities. This proprietary and confidential information includes know-how and other information regarding business development and operating processes and tools; training and operations materials and manuals, including, the Operations Manual, and any passwords and other digital or other identification used to access these materials; the standards and other methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Sogility Training Facilities; market research, promotional, marketing and advertising programs for Sogility Training Facilities; knowledge of specifications for pricing and suppliers of Operating Assets and other products and supplies; any computer software or similar technology which is proprietary to us, our affiliates, or the System, including, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; knowledge of the operating results and financial performance of Sogility Training Facilities; and customer lists, information, and data; and other information that is valuable and treated by us as confidential information.

You and your owners will not acquire any interest in the confidential information other than the right to use it in operating your Business. You must maintain the absolute confidentiality of the confidential information during and after the expiration or termination of the Franchise Agreement. You and your owners can divulge this confidential information only to individuals, professional advisors, or entities specifically authorized by us in advance, or to your employees or contractors who must have access to it to operate your Business, however, these individuals or entities must be under a duty of confidentiality no less restrictive than your obligations to us under the Franchise Agreement. We may require you to have your employees and contractors execute individual undertakings and shall have the right to regulate the form of and be a party to or third-party beneficiary under any of these agreements. Neither you nor your owners are permitted to make unauthorized copies, record or otherwise reproduce the materials or information or make them available to any unauthorized person.

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

Franchise Agreement

Individual owners of the Franchisee are not required to personally supervise the management and operation of your Business, but we recommend that you do so. If you are a legal entity, you must designate an individual who we approve to devote a sufficient amount of time to the operation and supervision of your Business and have the authority to deal with us on your behalf in respect of all matters whatsoever which may arise in respect of the Franchise Agreement (your "Designated Representative"). Additionally, each of your owners of 5% or more must sign a guaranty of the franchise entity's obligations under the Franchise Agreement (the form is attached as an exhibit to the Franchise Agreement). Each person signing a guaranty assumes and agrees to discharge all of your obligations under the Franchise Agreement. Your spouse, and if you are not an individual the spouses of each of your 5% owners, must consent in writing to your execution of the guaranty and must acknowledge that the marital assets are at risk, all on a form provided by us. Each person signing the guaranty agrees to be bound to the provisions of the agreement applicable to this person.

You must appoint a person, subject to our approval, to supervise the management and day-to-day operations of your Business (your "General Manager"). The General Manager must assume responsibilities on a full-time basis and may not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitment, or otherwise may conflict with his or her obligations to operate and manage your Business. The General Manager is not required to have an equity interest in your Business.

We require your General Manager to personally undertake the same obligations with respect to confidentiality that you are subject to under the Franchise Agreement. Your Business must always be under the supervision of one or more persons who have successfully completed our training program. If you fail to comply with this obligation, we may, at our option, immediately appoint a manager to manage the operation of your Business on your behalf. Our appointment of a manager of your Business will not relieve you of your obligations under the Franchise Agreement or constitute a waiver of our right to terminate the franchise. We are not liable for any debts, losses, costs or expenses you incur in the operation of your Business while it is managed by our appointed manager. If we appoint a manager for your Business, you must pay us 3% of Gross Sales, plus costs and expenses, and we may cease to provide these management services at any time.

Area Development Agreement

If you become a party to an Area Development Agreement, you must devote an amount of your business time and efforts to the operation, promotion and enhancement of your Business under the Area Development Agreement which is reasonable given your undertakings in the Franchise Agreement(s) and in light of your Business that the Area Development Agreement contemplates. If you are at any time a corporation, a limited liability company, a general, limited or limited liability partnership, or another form of business entity, you will designate an individual (the "Designated Representative") who we approve and who: (a) must own at least 25% of the ownership interests in your Business, (b) devote a reasonable amount of his or her time and efforts to the operation, promotion and enhancement of your Business under the Area Development Agreement, and (c) have the authority to deal with us on your behalf in respect of all matters whatsoever which may arise in respect of the Franchise Agreement. You or the Designated

Representative must supervise the development and operations of Sogility Training Facilities franchised under the Area Development Agreement

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all of the products and services we require, in the manner and style we require. You may offer and sell only those products and services that we approve and expressly authorize in the Operations Manual or otherwise in writing. You must not deviate from the mandatory System Standards without first obtaining our written consent. You must discontinue selling and offering for sale any unapproved products or services. We have the right to change the authorized products and services and their respective standards, specifications and requirements. There is no limit on our right to make these changes. We may periodically set the maximum and minimum price that you may charge for services and products. You must promptly comply with these changes. We do not restrict the customers to whom you may sell approved products and services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the initial franchise term	Section 2.A in Franchise Agreement Section 1.B in Area Development Agreement	10 years. Term in Area Development Agreement ends on the earlier of the date on which the last Sogility Training Facility which is required to be opened in order to satisfy the Development Schedule opens for regular business or is required under the Development Schedule to be open.
b. Renewal or extension of the term	Section 14 in Franchise Agreement Section 1.F in Area Development Agreement	One successive term of 10 years. If you have been in compliance with the Development Schedule and your other obligations under the Area Development Agreement, you will be allowed to extend the term, subject, in each case, to, among other things, our agreeing on a new Development Schedule for the renewal term and your paying a new Development Fee. The length of the extension term will depend on the number of Sogility Training Facilities that you and we agree will be opened during the extension term.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
c. Requirements for franchisee to renew or extend	Section 14 in Franchise Agreement Section 1.F in Area Development Agreement	Notice of your election given 180-270 days before the Franchise Agreement expires. No violation of the Franchise Agreement during its expiring term. In full compliance with the Franchise Agreement and all mandatory System Standards at time of election and renewal. You maintain possession of the Premises, or secure substitute premises that we approve and develop those premises according to mandatory System Standards then applicable for Sogility Training Facilities. We must then be granting franchises for Sogility Training Facilities. Payment of $15,000 renewal fee. Sign our then-current Franchise Agreement which may contain terms and conditions materially different from those in your previous Franchise Agreement (including, for example, different fees). You and your owners sign a general release, in a form approved by us, releasing all claims against us and our affiliates. You must have complied with the Development Schedule and complied with all other obligations; you must give us written notice by the start of the last Development Period; you and we must agree on a new Development Schedule; you must pay a new Development Fee; and you and your owners must sign a general release
d. Termination by franchisee	Section 15.A in Franchise Agreement Not applicable in Area Development Agreement	Only if we materially breach the agreement and do not cure such default after notice from you.
e. Termination by Franchisor without cause	Not applicable	We may not terminate the Franchise Agreement Or Area Development Agreement without cause.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
f. Termination by Franchisor with cause	Section 15.B in Franchise Agreement AND Section 7.A in Area Development Agreement	Only if you or your owners commit one of several violations. Please be advised that defaults or violations of your Development Agreement, or any other agreement with us, may be grounds for termination of your Franchise Agreement, as further described in (g)-(h) below. Only if you or your owners commit one of several violations. Please be advised that defaults or violations of your Franchise Agreement, or any other agreement with us, may be grounds for termination of your Development Agreement, as further described in (g)-(h) below.
g. "Cause" defined – curable defaults	Section 15.B in Franchise Agreement Section 7.A in Area Development Agreement	Violations of law (72 hours to cure only if no health or safety risks); failure to pay amounts owed to us or our affiliates (10 days to cure); 1st failure to generate the required minimum amount of annual royalties; failure to pay amounts owed to third parties or to cure defaults under other agreements with us or our affiliates, in either case, within applicable cure periods under those agreements; assignment for the benefit of creditors or appointment of a trustee or receiver (30 days to cure); failed quality assurance audits (15 days to cure); operational defaults and other defaults not listed in (h) below (30 days to cure). Under the Area Development Agreement, you have 10 days to cure monetary defaults; 10 days to cure failure to furnish reports, financial statements, tax returns or any other documentation required; and 7 days to cure any failure to observe, perform or comply with any other of the terms of conditions of the Area Development Agreement; and applicable cure period for defaults under Franchise Agreement.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
h. "Cause" defined – non-curable defaults	Section 15.B in Franchise Agreement	Material misrepresentations or omissions; failure to locate an acceptable site for the Premises within 150 days of the effective date of the Franchise Agreement; failure to sign a Lease or purchase document for the Premises within 180 days of the effective date of the Franchise Agreement; failure to open your Business by applicable deadline; failure of required persons to complete training; abandonment; 2nd and subsequent failure to generate the required minimum amount of annual royalties; conviction of a felony or conduct adversely affecting the goodwill of Marks or reputation of your Business; violation of transfer, non-competition, non-solicitation or confidentiality restrictions; loss of right to occupy Premises; failure to pay taxes; repeated defaults (even if cured); and failure to comply with any provision of any other agreement (including any other franchise agreement) with us or our affiliate and does not correct such failure within the applicable cure period, if any.
	Section 7.A in Area Development Agreement	Non-curable defaults under the Area Development Agreement include ceasing or threatening to cease to carry on your Business; liquidation of your assets; failure to pay any debts or other amounts incurred by you in operating your Business when these debts or amounts are due and payable; failure to comply with the development schedule (unless caused by a Casualty Event); an assignment for the benefit of creditors; appointment of a trustee or receiver; 3 or more repeated violations during any 12-month period; 2 or more repeated violations during any 6 month period; in the event you are an entity, liquidation or dissolution or amalgamation; or if you lose your charter by expiration, forfeiture or otherwise; material misrepresentations or omissions; conviction of a felony; dishonest or unethical conduct; unapproved transfers of the Area Development Agreement or an ownership interest in you; failure to comply with any provision of any Franchise Agreement or any other agreement with us or our affiliates and do not cure such failures within the applicable cure period, if any; failure to pay any amount payable under this Agreement or any Franchise Agreement you or your Approved Affiliates execute with us when and as same becomes due and payable, and such default continues for a period of 5 days after written notice thereof has been given by us to you.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
i. Franchisee's obligations on termination/non-renewal	Sections 16.A and 16.E in Franchise Agreement Sections 7.B, 7.C and 7.D in Area Development Agreement	Pay all amounts due within 15 days; cease using the Marks and Franchise System and cease identifying yourself as a Sogility Training Facility; cancel all fictitious or assumed name registrations related to the Marks; return all signs and materials containing the Marks and/or allow us to remove these items from your Business; deliver to us all Sogility-branded apparel within 15 days; cease using any confidential information and return written confidential information; make the alterations we specify to distinguish your Business and Premises from a Sogility Training Facility; notify telephone company of termination of rights to use telephone number and transfer number to our designee; comply with post-term non-compete and non-solicitation obligations; comply with all other obligations in the Franchise Agreement that survive termination or expiration; and, give us evidence within 30 days of compliance. Under the Area Development Agreement, you must: cease the exercise of development rights and cease identifying yourself as a developer of Sogility Training Facilities; completely de-identify your Business; return the software and other proprietary materials; pay all amounts due to us; comply with post-term non-compete and non-solicitation obligations; and comply with all other obligations in the Area Development Agreement that survive termination or expiration.
j. Assignment of contract by Franchisor	Section 13.A in Franchise Agreement AND Section 10.F in Area Development Agreement	No restriction on our right to assign
k. "Transfer" by franchisee-definition	Section 13.B in Franchise Agreement AND Section 6.A in Area Development Agreement	Includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in you, including: any transfer of ownership interests that requires the purchaser be provided a disclosure document, or is a result of divorce, death, insolvency, or by operation of law; merger, consolidation or issuance of additional ownership interests; sale of security convertible to ownership interest; grant of mortgage, pledge, collateral assignment or otherwise creating a lien or encumbrance; and, any other transfer, surrender or loss of possession or control in your Business.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
l. Franchisor's approval of transfer by franchisee	Sections 13.B and 13.C in Franchise Agreement AND Section 6.A in Area Development Agreement	All transfers require our prior written approval, which we will not unreasonably withhold or delay; transfers on death or disability require our consent which we will not unreasonably withhold or delay as long as at least one existing owner continues as Designated Representative.
m. Conditions for Franchisor approval of transfer	Section 13.C in Franchise Agreement	You submit written request for consent and provide all requested documents and information about transferee and its owners; all monetary obligations paid and required reports and statements submitted; no default of any provisions of the Franchise Agreement, lease for the Premises or any other agreement with us or our affiliates; your Business is in compliance with the System Standards and Operating Assets are in place and in good working order; we determine that transferee is able to comply with obligations under Franchise Agreement; transferee and its General Manager complete training; landlord transfers lease to the Premises; transferee upgrades Business to current specifications within 90 days; transferee signs our then-current Franchise Agreement; you pay us a transfer fee equal to $7,500; you (and your owners) and transferee (and its owners) sign general releases (unless prohibited by law); and, you provide all executed versions of documents effecting the transfer and all other information we request about the transfer, and we determine that the financial terms of the transfer will not burden your Business or jeopardize our rights.
	Section 6.A in Area Development Agreement	Transferee must meet qualifications; if transfer is of controlling interest in you or a transfer by the Designated Representative, transferee must satisfactorily complete training and pay required deposit (which will be applied by us against the non-refundable transfer fee, if the transfer is approved); have no financial or other interest in Competitive Business; enter into all then-current forms of agreement required by us; you must have fulfilled all your obligations (financial or otherwise); must execute general release; pay expenses and applicable fees; and pay us a non-refundable transfer fee.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
n. Franchisor's right of first refusal to acquire franchisee's Franchised Business	Section 13.F in Franchise Agreement Section 6.B in Area Development Agreement	In connection with any proposed transfer (except to a wholly-owned entity). We must match the price and terms contained in the proposed transferee's written offer you intend to accept. We must notify you of the exercise our right within 30 days of our receipt of notice of your intention to transfer and all other information we request. If your Business has been used as collateral for an SBA-guaranteed loan (which requires our prior consent), we will not exercise our right of first refusal unless we are also paying off the SBA-guaranteed loan; however, we reserve the right to assign our right of first refusal with respect to these transfers to an unaffiliated third-party. If you receive an offer to sell or transfer an interest, direct or indirect, in the Area Development Agreement, your Business operated under the Area Development Agreement or an ownership interest in you, we have a right of first refusal to purchase interest offered for the price and on the terms and conditions contained in the offer with certain provisions; if this right is not exercised within 30 days of our receipt of notice of intention to sell or transfer, then you may sell or transfer as described in k through m of this Table.
o. Franchisor's option to purchase franchisee's business	Section 16.C in Franchise Agreement Not applicable in Area Development Agreement	On expiration or termination of the Franchise Agreement or successor franchise. We must notify you of our election within 30 days after the termination or expiration. Price is the net realizable value in accordance with the liquidation basis of accounting (not the value of your Business as a going concern).
p. Death or disability	Section 13.C in Franchise Agreement AND Section 6.A in Area Development Agreement	Death or incapacity is a transfer requiring our consent, which we will not unreasonably withhold or delay if at least one owner continues to qualify as a Designated Representative. If the transfer is proposed to be made to the spouse of the transferor, and if we do not approve the transfer, the trustee or administrator of the estate will have 9 months after our refusal within which to transfer the transferor's interests to another party whom we approve.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
q. Non-competition covenants during the term of the franchise	Section 8 in Franchise Agreement AND Section 5 in Area Development Agreement	Franchisee, its owners and their spouses may not: (a) have any involvement, directly or indirectly, in a "Competitive Business;" (b) divert or attempt to divert any actual or potential business or customer to a Competitive Business; or (c) directly or indirectly, appropriate, use or duplicate the Franchise System or System Standards for use in any other business. "Competitive Business" means (i) any business that offers or sells goods or services that are generally the same as or similar to the goods or services being offered by Sogility Training Facilities, including, without limitation, athletic-based scholastic and adult group training, coaching and personal training, and related goods and services, or (ii) any business that grants franchises or licenses to others to operate or provides services to the types of businesses specified in subparagraph (i) (other than a Sogility Training Facility operated under a franchise agreement with us).
r. Non-competition covenants after the franchise is terminated or expires	Section 16.B in Franchise Agreement Section 7.C in Area Development Agreement	For two years following termination or expiration of the Franchise Agreement, neither you nor any of your owners (or their spouses) may have any involvement, directly or indirectly, in a Competitive Business within a 10-mile radius of the Premises, or within a 10-mile radius of any other Sogility Training Facility in operation on the later of the effective date of the termination or expiration of the Franchise Agreement or the date on which all restricted persons begin to comply with the non-compete covenant. You may not have any involvement, directly or indirectly, in a Competitive Business for two years in developer's Development Area, or within a 5-mile radius of any Sogility Training Facility in existence or under development at time of termination or expiration of Area Development Agreement.
s. Modification of the agreement	Section 20.A in Franchise Agreement AND Section 10.H in Area Development Agreement	No modifications except in writing and signed by both you and us.
t. Integration/ merger clause	Section 20.C in Franchise Agreement AND Section 10.H in Area Development Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside the Disclosure Document and Franchise Agreement may not be enforceable. Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises outside the Disclosure Document and Area Development Agreement may not be enforceable.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
u. Dispute resolution by arbitration or mediation	Section 19.F and 19.I in Franchise Agreement AND Sections 9.A and 9.C in Area Development Agreement	We and you must arbitrate all disputes at a location within 50 miles of our then-current principal place of business (currently, Westfield, Indiana) (subject to state law). You waive your right to a trial by jury.
v. Choice of forum	Section 19.H in Franchise Agreement AND Section 9.B in Area Development Agreement	You must sue us in a court with appropriate jurisdiction over commercial matters in Indiana (subject to state law).
w. Choice of law	Section 19.G in Franchise Agreement AND Section 10.D in Area Development Agreement	Indiana (subject to state law)

Applicable state law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit H.

ITEM 18
PUBLIC FIGURES

The following public figures own interests in certain of our affiliates, which own and operate Sogility Training Facilities, and are sometimes seen in advertising materials we provide to prospective franchisees. We do not currently compensate them or provide them any other benefit for appearing in those materials: Jose Altidore and Bobby Wood.

Jose Altidore and Bobby Wood have invested in us and hold ownership interests in us but not management or other control of us.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

HISTORICAL

This Item sets forth certain historical data, from January 1, 2023, through December 31, 2024 (the "Measurement Period"), for Businesses open and operating for the full Measurement Period. This Item sets forth the gross revenues of each Business as well as certain expenses incurred by the Businesses for the respective Measurement Periods. There was 1 franchisor-owned Business open and operating during the full Measurement Period.

Table I below presents the: (i) Gross Revenues[1]; (ii) Royalty[2]; (iii) Marketing Expenditures[3]; (iv) Lease[4], and (v) Labor[5] for one franchised location that was open and operating for over 2 years as of December 31, 2024 and for which we have full financial data. The information below is dervied from internally prepared unaudited financial statements.

TABLE I

Franchised Businesses that were Open > 2 years (as of 12/31/2024)		
	2023	**2024**
Gross Revenue[1]	$905,930	$987,514
Royalty/Management Fee[2]	$60,000	$60,000
Marketing[3]	$36,582	$34,800
Lease[4]	$223,045	$223,045
Labor[5]	$305,212	$305,223
Revenue less disclosed expenses	$213,322	$238,685

[The remainder of this page is intentionally blank.]

Table II below sets forth same store sales growth for each month in 2024 as compared to the corresponding month in 2023 for our Franchised Business open for all of 2023 and 2024.

TABLE II

System Growth (Year Over Year, Same Store)	
January 2024	2%
February 2024	-1%
March 2024	14%
April 2024	27%
May 2024	6%
June 2024	6%
July 2024	7%
August 2024	26%
September 2024	8%
October 2024	32%
November 2024	14%
December 2024	29%
2024 Total	**14%**

PROJECTIONS

This Item sets forth certain projected performance data for 24 months for potential new Businesses open and operating during such time for which we have a reasonable basis for this information. This Item sets forth the gross revenues of each Business as well as certain expenses to be incurred by the Businesses.

Table III below presents the: (i) Gross Revenues[1]; (ii) Royalty[2]; (iii) Marketing Expenditures[3]; (iv) Lease[4], and (v) Labor[5] f for 3 substantially similar franchised locations for which we have reasonable financial data and information.

TABLE III

Potential Franchise Businesses (end of year 2 of operations)			
	New Facility Small	**New Facility Medium**	**Takeover Facility Large**
Gross Revenue[1]	$585,500	$1,370,856	$1,850,000
Royalty/Management Fee[2]	$60,000	$68,543	$92,500

Marketing[3]	$31,100	$33,000	$42,000
Lease/Revenue Share[4]	$68,800	$240,000	$480,000
Labor[5]	$236,700	$285,000	$335,000
Revenue less disclosed expenses	$131,050	$290,000	$371,000

NOTES TO ITEM 19

1. Gross Revenues means the total revenue derived from the operation of the Business. About 40-50% of revenue comes from recurring membership charges with significant other revenue from classes and training, camps, leagues, and field rental.

2. Royalty/Management Fee means the royalty paid to us per the terms of the franchise agreement. Businesses may pay a % of gross revenue or a negotiated flat fee.

3. Marketing expenditures means the monies spent locally advertising the Business as well as any monies paid into the Marketing Fund, if any. These amounts will vary considerably by the local market as well as start-up or takeover of an existing facility.

4. Labor means the total payroll expenses as reported or as expected by each franchisee and includes salaried positions as well as part-time trainers. Labor cost will vary considerably based on local market and cost of labor.

5. Revenue Less Disclosed Expenses means Gross Revenues less Royalty, Marketing, Labor, and all other operating expenses.

6. Some Businesses have performed as above. Your individual results may differ. There is no assurance that your facility will perform as well.

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

8. We suggest strongly that you consult your financial advisor or personal accountant concerning the preparation of your financial projections and federal, including any applicable taxes that you may incur in operating a Business

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing Sogility Training Facility, however, we may provide you with the actual records of that Facility. If you receive any other financial performance information or projections of your future income, you should report it to the Franchisor's management by contacting Doug Kahlenbeck, Sogility Holdings LLC, 16500 Southpark Dr, Westfield, Indiana, 317-809-7179, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2022 to 2024[1]

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	
	2023	0	0	
	2024	0	1	+1
Company-Owned	2022	1	0	
	2023	1	2	+1
	2024	2	1	-1
Total Businesses[2]	**2022**	**1**	**1**	
	2023	**1**	**2**	**+1**
	2024	**2**	**2**	

[1]The numbers in this table and in Tables 2 through 4 are for the 12-month periods ended each December 31. References in these tables to "company-owned" includes affiliate-owned.

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR YEARS 2022 to 2024

State	Year	Number of Transfers
Total	**2022**	**0**
	2023	**0**
	2024	**1**

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS FOR YEARS 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Missouri	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Totals	**2022**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**1**	**0**	**0**	**0**	**0**	**1**

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2022 to 2024

State	Year	Company-Owned Outlets at Start of Year	Company-Owned Outlets Opened	Company-Owned Outlets Reacquired from Franchisee	Company-Owned Outlets Closed	Company-Owned Outlets Sold to Franchisee	Company-Owned Outlets at End of Year
Indiana	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Missouri	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	0
	2024	1	0	0	0	1	0
Totals	**2022**	**1**	**0**	**0**	**0**	**0**	**1**
	2023	**1**	**1**	**0**	**0**	**0**	**2**
	2024	**2**	**0**	**0**	**0**	**1**	**1**

TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2024

State	Franchise Agreements Signed But Franchised Business Not Opened	Projected New Franchised Businesses in the Next Fiscal Year	Projected New Affiliate-Owned Franchised Businesses in the Next Fiscal Year
Totals	**0**	**1**	**0**

Exhibit G contains a list of the names, addresses and telephone numbers of our franchisees as of December 31, 2024, as well as those who had a franchise agreement terminated, cancelled, or not renewed, or who otherwise voluntarily ceased to do business with us in 2024 and in the 10-weeks before we issued this disclosure document. If you buy this franchise, your contact information may be disclosed to buyers when you leave the franchise system.

During the last three fiscal years, in some instances franchisees have signed confidentiality agreements restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you. We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

ITEM 21
FINANCIAL STATEMENTS

The Franchisor is in the process of preparing an audited balance sheet for fiscal year 2024. Those audited financial statements will be provided to prospective franchisees as soon as available. Exhibit D contains the Company's unaudited financial statements for the years ended December 31, 2022, December 31, 2023, and December 31, 2024 as well as our unaudited balance sheet as of December 31, 2024. Unaudited financial statements for most recent quarters may be provided separately. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

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

Exhibit B – Franchise Agreement

Exhibit C – Area Development Agreement

Exhibit E – Disclosure Acknowledgment Statement

Exhibit G – Sample General Release

Exhibit H – State Addenda and Agreement Riders

ITEM 23
RECEIPTS

Exhibit I contains detachable documents acknowledging your receipt of this Disclosure Document.

[The remainder of this page is intentionally blank.]

EXHIBIT A
Agents for Service of Process

UNIFORM FRANCHISE CONSENT TO SERVICE OF PROCESS

Sogility Holdings LLC, a limited liability company organized under the laws of Indiana (the "Franchisor"), irrevocably appoints the officers of the States designated below and their successors in those offices, its attorney in those States for service of notice, process or pleading in an action or proceeding against it arising out of or in connection with the sale of franchises, or a violation of the franchise laws of that State, and consents that an action or proceeding against it may be commenced in a court of competent jurisdiction and proper venue within that State by service of process upon this officer with the same effect as if the undersigned was organized or created under the laws of that State and had lawfully been served with process in that State. We have checked below each state in which this application is or will be shortly on file, and provided a duplicate original bearing an original signature to each state.

_______ California: Commissioner of Corporations

_______ Hawaii: Commissioner of Securities

_______ Illinois: Attorney General

__X__ Indiana: Secretary of State

_______ Maryland: Securities Commissioner

_______ Minnesota: Commissioner of Commerce

_______ New York: Secretary of State

_____ North Dakota: Securities Commissioner

_____ Rhode Island: Director, Department of Business Regulation

_____ South Dakota: Director of the Division of Securities

_____ Virginia: Clerk, Virginia State Corporation Commission

_____ Washington: Director of Financial Institutions

_____ Wisconsin: Administrator, Division of Securities, Department of Financial Institutions

Please mail or send a copy of any notice, process or pleading served under this consent to:

Sogility Holdings LLC
16500 Southpark Drive
Westfield, Indiana 46074

Dated: July 31, 2025.

Franchisor:

Sogility Holdings LLC

By: Douglas H Kahlenbeck

Name: Douglas H Kahlenbeck

Title: CFO & Secretary

EXHIBIT B
Franchise Agreement

FRANCHISE AGREEMENT

SOGILITY HOLDINGS LLC
An Indiana limited liability company
16500 Southpark Drive
Westfield, Indiana 46074
317-399-7914
https://sogility.net | **info@sogility.net**

SOGILITY
UNIT FRANCHISE AGREEMENT

SUMMARY PAGES

These pages (the "Summary Pages") summarize certain terms of the attached Unit Franchise Agreement. The Summary Pages are an integral part of the attached Unit Franchise Agreement and are hereby incorporated therein.

1. FRANCHISEE:

Name:
Address:

Telephone:
Facsimile:
E-mail Address:

2. TYPE OF BUSINESS ENTITY:

3. DEVELOPMENT AREA:

4. BUSINESS PREMISES ADDRESS:
("Approved Location")

5. FRANCHISEE'S CEO:

Name:
Address:
Telephone:
Cell Phone:
Facsimile:
E-mail Address:

6. EQUITY OWNERS: OWNERSHIP %

EQUITY OWNERS	OWNERSHIP %
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________

7. INITIAL FRANCHISE FEE:

$[•], due upon execution of Franchise Agreement

8. SUBSEQUENT FRANCHISE AGREEMENT FEE:

9. SUBSEQUENT FRANCHISE AGREEMENT TERM:_____________________________

10. EFFECTIVE DATE:_________

11. OPENING DATE: ____

12. EXPIRATION DATE: ____

13. FEES	DATE DUE
(a) Grand Opening Promotion Amount:	According to marketing plan
(b) Royalty:	
(c) Refresher Training Fees:	
(d) Per Diem Fee	
(e) Transfer Fee:	
(f) Public Offering Fee:	
(g) Assignment Fee:	
(h) Local Advertising Expenditures:	Annually
(i) Advertising Fee:	
(j) Late Fees:	When any payment, report or corrective action is late
(k) Interest Charges:	On demand for late payments

Lower of 18% APR or highest rate permitted by law

14. METHOD OF PAYMENT:

Franchisee shall pay all amounts due and owing to Franchisor in the manner specified below:

Electronic Funds Transfer

15. REPORT DUE DATES:

Monthly Franchise Report:	15th of each month
Quarterly Financial Statements:	
January, February, March	April 15th
April, May, June	July 15th
July, August, September	October 15th
October, November, December	January 15th
Year End Financial Statement	January 30th

16. NOTICES TO FRANCHISEE:

Name:____
Address:_______________________________________

____

Email:_____________________________________

17. NOTICES TO FRANCHISOR:

SOGILITY HOLDINGS LLC
Attn: Doug Kahlenbeck
16500 South Park Drive
Westfield, Indiana 46074

Email:_____________________

GLOSSARY OF TERMS

Advertising Fee means the monthly contributions to the Advertising Fund in the amount specified on the Summary Pages.

Affiliate means an individual or Business Entity that controls, is controlled by or is under common control with another individual or Business Entity, either by virtue of equity ownership, by contract or by other means.

Agreement or Franchise Agreement means this Agreement and all exhibits, schedules, ancillary documents and guarantees attached hereto.

Approved Location means the location for the Premises which is specified on the Summary Pages.

Asset Transfer means the voluntary, involuntary, direct or indirect sale, assignment, Transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter vivos Transfer, testamentary disposition or other disposition of the franchise, this Agreement or any interest in or right under this Agreement; of all or substantially all of the assets of the Facility or in an interest therein, including (1) any Transfer in, or as a result of, a divorce, insolvency, dissolution proceeding or otherwise by operation of law; (2) any Transfer upon the death of any of Franchisee's Principals by will, declaration of or Transfer in trust or under the laws of intestate succession; or (3) any foreclosure upon the Facility or the Transfer, surrender or loss of possession, control or management of the Premises by Franchisee.

Assignment Fee means the fee charged if less than a Controlling Ownership Interest in the franchise is transferred, as specified on the Summary Pages.

Assignment of Telephone Number(s) is Schedule D to this Agreement.

Business Day means a day when banks are open for customary business.

Business Entity means a corporation, a general or limited partnership, a limited liability company, trust, or any other type of business organization.

CEO or Chief Executive Officer means an individual, regardless of title, who is approved by Franchisee and who is directly responsible for causing Franchisee to fulfill its obligations under this Agreement.

Collateral means the following property:

(1) All of Franchisee's right, title and interest, estate, claim and demand, either at law or in equity, in and to all equipment, machinery, apparatus, fixtures and articles of personal property of every kind and nature whatsoever, located at the Facility's Premises or now or hereafter ordered for eventual delivery to the Facility's Premises (whether or not delivered thereto) and all such as are now or hereafter used or usable in connection with any of Franchisee's present or future business operations at the Facility's Premises and now owned or hereafter acquired by Franchisee, and any and all replacements thereof, additions thereto and substitutions therefore, including, without in any manner limiting the generality of the foregoing, all computer equipment used in the operation of the System; and

(2) All of Franchisee's inventory for sale at the Premises, both now owned and hereafter acquired, whether or not located at the Premises, and as the same may now and hereafter from time to time be constituted, together with all cash and non-cash proceeds and products thereof;

(3) All proceeds of the conversion, voluntary or involuntary, of any of the Collateral into cash or liquidated claims, including, without limitation, the proceeds of insurance; and

(4) All of Franchisee's member contracts, cash and accounts receivable.

Competitive Business means a business which operates as a facility that provides soccer or similar athletic training. A Competitive Business does not include another Sogility Franchise or a business owned by a Sogility Area Developer which operates pursuant to a Sogility Area Development Agreement.

Confidential Information means information relating to the operation of the Facility including, without limitation, the standards, methods, procedures and specifications of the System, including the contents of the Manuals, customer lists, prospect lists, member lists, vendors, vendor agreements, information about other franchisees and the operation of their businesses, information about suppliers and pricing, business plans, marketing plans, advertising programs, market research, information about customers and all other information which is used in the Franchise, which is derived from Franchisor or other franchisees, and which has value to Franchisor. However, Confidential Information shall not include information that (i) is or becomes a part of the public domain through no act or omission of Franchisee; (ii) was in Franchisee's lawful possession prior to the disclosure and had not been obtained by Franchisee either directly or indirectly from Franchisor; (iii) is lawfully disclosed to Franchisee by a third party without restriction on disclosure; (iv) is independently developed by Franchisee without use of or reference to Franchisor's Confidential Information; or (v) is required to be disclosed by law or other governmental authority; provided, however, that Franchisee shall first have given notice Franchisor so that a protective order, if appropriate, may be sought by Franchisor.

Confidentiality Agreement means an agreement to be signed by Franchisee, its CEO, Principals, General Manager and employees designated by Franchisor whereby each agrees not to disclose Confidential Information or to use it other than in the operation of the Franchise. The current form is attached as Schedule C.

Control, Controlling or Controlling Interest means the possession, directly or indirectly, of the power to direct or cause the direction, of the management and policies of a Business Entity, through ownership of voting securities, by contract or otherwise.

Controlling Principal is an individual who owns a Controlling Interest in the Franchise Entity.

Customer means a person who has visited the Premises and who has purchased or utilized Franchisor's products or services.

Development Area means the area described on the Summary Pages within which the Premises must be located and opened with Franchisor's approval before the Opening Date.

General Manager means the individual who is selected by Franchisee, and who is approved by Franchisor, to manage the operation of the Facility under the supervision of Franchisee's CEO.

Due Date means the day specified on the Summary Pages by which recurring fees and reports due to Franchisor must be received by Franchisor.

Effective Date means the date the Franchise Agreement is executed by Franchisor as stated on the Summary Pages.

Equity Owners are the individuals who are direct and indirect "Owners" of all equity, financial participation or other Ownership Interest in Franchisee specified on the Summary Pages.

Expiration Date means the date this Agreement expires as stated on the Summary Pages.

Facility means a single soccer training facility offering primarily technology-based youth and adult, individual and group athletic training, coaching and personal training, and related products and services under the "Sogility®" name and marks, located at the Location.

Financial Statements are Quarterly and Year-End Financial Statements, prepared in the manner prescribed by Franchisor.

Franchised Business means the Facility operated at the Location using Franchisor's System.

Franchise Disclosure Document or FDD means a document describing Franchisor and the Facility which was presented to Franchisee before this Agreement was executed.

Franchisee includes the individual or Business Entity identified as "Franchisee" on the Summary Pages, and shall also include all persons who succeed the interest of the original Franchisee.

Franchisor or Us or We is Sogility Holdings LLC.

Grand Opening means an event hosted by Franchisee at the Facility to publicize the opening of the Facility, which will occur within three (3) months after the Opening Date, pursuant to the requirements specified in the Manuals.

Gross Sales means all revenue Franchisee derives from operating the Facility, including, but not limited to, all amounts Franchisee receive for services, merchandise or goods sold at or away from the Facility, and whether from cash, check or credit transactions, but excluding all federal, state or municipal sales, use or service taxes collected from Customers and paid to the appropriate taxing authority and excluding customer refunds, adjustments, credits and allowances actually made by the Facility.

Guarantor means the Franchisee, if the Franchisee is an individual, and every person who executes, or whom Franchisor requires to execute a Personal Guaranty.

Intellectual Property or IP means the service marks, trademarks and trade names, trade secrets and patents owned by Franchisor and its Affiliates.

Indemnitees means Franchisor's Representatives and their successors and assigns.

Initial Franchise Fee is the amount specified on the Summary Pages.

Late Fee is the amount specified on the Summary Pages that is imposed for any failure to submit any payment, report or take any corrective action that is required by Franchisor within the time prescribed by the Agreement or by the Manuals. The amount of the late fee is based on the frequency and type of default. All fines will be assessed on the following month's Royalty invoice. The amounts and due dates are subject to change. Late fees shall have no effect on any right or remedy Franchisor may have under the Franchise Agreement or under applicable law.

Local Advertising Requirement is the amount specified on the Summary Pages which Franchisee must spend each year to promote sales at the Facility.

Location is the Premises designated on the Summary Pages from which Franchisee is authorized to operate a Facility.

Losses and Expenses means all losses; compensatory, exemplary or punitive damages; fines; charges; costs; expenses; lost profits; attorneys' fees; experts' fees; court costs; settlement amounts; judgments; compensation for damages to Franchisor's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time or space, and costs of changing, substituting, or replacing same; and all expenses of recall, refunds, compensation, public notices, and other such amounts incurred in connection with the matters described.

Manuals mean manuals or policies developed by Franchisor regarding or relating to the ongoing development, construction, opening, operation and maintenance of a Facility. The term "Manuals" includes the Operations Manual, training manuals, development manual and other business manuals as may be prepared from time to time for use by Franchisor's Franchisees. The Manuals may be in printed or electronic format. The Manuals are proprietary to Franchisor, will remain Franchisor's exclusive property and may not be duplicated, shared or re-distributed.

Marks means the trademark, service mark and trade name SOGILITY, and certain other trademarks, service marks, product configurations, slogans, logos, designs, emblems, trade dress and other indicia of origin of Franchisor which Franchisor authorizes Franchisee to use in the operation of a Facility. The Marks may be modified, supplemented, replaced or discontinued from time to time. Franchisee agrees to use only the Marks designated by Franchisor and to use them only in the manner prescribed by Franchisor.

Method of Payment is the method(s) by which Franchisor agrees to accept payments due under this Agreement as specified on the Summary Pages. Franchisor may change the Method of Payment at any time.

Monthly Franchise Report or "MFR" is the report Franchisee must submit to Franchisor no later than the 15^{th} of each month which contains reports of financial and other information related to the operation of the Facility in the form and manner specified by Franchisor. The MFR shall state all Gross Sales for the preceding month with a certification from Franchisee or its CEO that the MFR is true and correct.

Opening Date is the date specified on the Summary Pages by which the Facility must be open for business with Franchisor's approval.

Operations Manual consists of the various operations and procedures, standards, specifications and requirements regarding or relating to the Facility as Franchisor specifies from time to time, as they may be developed, revised, changed, modified or supplemented by Franchisor from time to time and such additional standards, operations bulletins or memoranda as Franchisor may develop from time to time.

Ownership Interest means any direct or indirect, legal or beneficial ownership interest of any type, including but not limited to (a) in relation to a corporation, the ownership of shares in the corporation; (b) in relation to a partnership, the ownership of a general partner or limited partnership interest; (c) in relation to a limited liability company, the ownership of a membership interest; or (d) in relation to a trust, the ownership of the beneficial interest of such trust.

Ownership Interest Transfer means the voluntary, involuntary, direct or indirect sale, assignment, Transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter vivos Transfer, testamentary disposition or other disposition of any direct or indirect Ownership Interest in Franchisee or revenues or income of the Facility, including: (1) any Transfer, redemption or issuance of a legal or beneficial Ownership Interest in Franchisee or any Business Entity that has a Controlling Interest in Franchisee or of any interest convertible to or exchangeable for a legal or beneficial Ownership Interest in Franchisee or any Business Entity that has a Controlling Interest in Franchisee; (2) any merger or consolidation between Franchisee or any Business Entity that has a Controlling Interest in Franchisee and another Business Entity, whether or not Franchisee is the surviving

Business Entity; (3) any Transfer in, or as a result of, a divorce, insolvency, dissolution proceeding or otherwise by operation of law; (4) any Transfer upon Franchisee's death or the death of any of Franchisee's Principals by will, declaration of or Transfer in trust or under the laws of intestate succession; or (5) any foreclosure upon the Facility or the Transfer, surrender or loss by Franchisee of possession, control or management of the Premises.

Permanent Disability or Permanently Disabled State means any physical, emotional or mental injury, illness or incapacity which prevents the CEO or the General Manager from performing the obligations set forth in this Agreement in the ordinary course of business for at least ninety (90) consecutive days, and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. If Franchisee disagrees with Franchisor about whether the CEO or the General Manager is permanently disabled, the existence of permanent disability shall be determined by a licensed practicing physician selected by Franchisor, upon examination of the CEO or the General Manager; or if the CEO or the General Manager refuses to submit to an examination, then the person automatically shall be considered permanently disabled as of the date of refusal. The costs of any such examination shall be paid by Franchisor.

Person is an individual or a Business Entity.

Personal Guaranty is Schedule B to this Agreement.

Premises means the real property from which a Facility operates.

Principal means collectively or individually, all officers and directors, partners or members of Franchisee or any of Franchisee's Affiliates, and persons holding a direct or indirect Ownership Interest in Franchisee or in any of Franchisee's Affiliates, in the Franchise, this Agreement or any interest in or right under this Agreement, all or substantially all of the assets of the Facility or an interest therein or in the revenues or income thereof.

Proposed Site is a property on which Franchisee proposes to establish a Facility.

Public Offering Review Fee is the fee the Franchisee must pay to Franchisor to review a proposed public offering of securities in the Franchisee, as specified on the Summary Pages.

Publicly-Held Business Entity means a Business Entity whose Ownership Interests are traded to the public, as defined in the US Securities Act.

Quarterly Financial Statements are profit and loss statements and balance sheets which Franchisee must prepare and submit to Franchisor on the dates specified on the Summary Pages.

Representatives means Franchisor and Franchisee, their Affiliates' and their respective officers, directors, employees, agents, attorneys and representatives.

Right of First Refusal means Franchisor's right to purchase the interest being offered by Franchisee or anyone opening an Ownership Interest in Franchisee by matching the bona fide monetary purchase price and payment schedule terms, less any brokerage commission (without having to match any other or non-monetary terms of the proposed transfer).

Royalty or Royalty Fees means the monthly fee specified on the Summary Pages.

Subsequent Franchise Agreement Documents include all documentation required by Franchisor for Franchisee to enter into a Subsequent Franchise Agreement.

Subsequent Franchise Agreement Fee means the amount to be paid by Franchisee to Franchisor for the option to renew for a term specified on the Summary Page by signing the Franchisor's then current form of Franchise Agreement.

System means the method of developing, constructing, opening, operating and maintaining the Facility and related standards, specifications and procedures prescribed by Franchisor as set forth in the Manuals including but not limited to use of the Marks, specifications for equipment and fixtures; know-how and marketing skills; interior and exterior facility designs and layouts; signs; formulas and specifications for product mix and display; the standards and bulletins covering business practices, methods, standards and procedures for management, operations, and training; and marketing and advertising programs and materials; inventory and operation control; bookkeeping and accounting; advertising, promotional and marketing programs; access to private label products, and business practices and policies. Certain distinguishing characteristics of the System include special techniques for [•], all of which may be changed, improved, and further developed by Franchisor from time to time.

Term means the period from the Effective Date to the earlier of the Expiration Date or the Termination Date.

Termination Date means the date upon which this Agreement ends pursuant to Section 15.

Transfer means an Asset Transfer or an Ownership Interest Transfer.

Transferee is any Person who wishes to acquire an Ownership Interest.

Transfer Fee is a non-refundable fee specified on the Summary Pages, charged by Franchisor as a condition of approving a Transfer.

Year-End Financial Statements are annual financial statements prescribed by Franchisor which must be received from Franchisee by the date specified on the Summary Pages.

SOGILITY
FRANCHISE AGREEMENT

This Agreement is made and entered into as of the Effective Date reflected in the Summary Pages by and between the Franchisor and Franchisee.

RECITALS

Franchisor licenses a proprietary business format and system for the operation of a soccer and athletic training program and related products and services under the Marks to be conducted at the Location utilizing the System.

Franchisor has experience, know-how, and the ability to provide assistance and guidance in the operation of the Facility.

Franchisee has executed a completed SOGILITY application for a franchise to own and operate a Facility.

Franchisor has approved Franchisee's application in reliance upon all of the representations and warranties made, and grants to Franchisee a franchise to own and operate the Facility and a license to use the Marks in such operation.

Franchisee acknowledges it has investigated Franchisor and the franchise program fully and completely and agrees to adhere to all elements of this Franchise Agreement.

NOW, THEREFORE, in consideration of the Recitals and the mutual promises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT OF FRANCHISE

A. Location of the Facility

Franchisor grants to Franchisee, and Franchisee accepts, a franchise to operate the Facility, utilizing the System, within the Development Area, described on the Summary Pages. Franchisor also grants and Franchisee accepts, a limited franchise to use only such Marks, and only in connection with the services, which have been approved by Franchisor at the Facility.

B. Territory

Franchisor agrees during the Term, provided Franchisee is in full compliance with this Agreement, that Franchisor shall not operate or grant a franchise to operate a Facility at a location within the Territory, as defined in the Area Development Agreement set forth in Schedule A.

2. TERM AND SUBSEQUENT FRANCHISE AGREEMENT

A. Term

Subject to the provisions in this Agreement, the Term of this Franchise shall commence on the Effective Date and it shall expire on the Expiration Date.

B. Subsequent Franchise Agreement

Franchisee may opt to enter into a Subsequent Franchise Agreement for the Term specified on the Summary Pages, subject to the following conditions, which must be complied with prior to entering into a Subsequent Franchise Agreement:

1. Franchisee shall give Franchisor written notice of election to enter into a Subsequent Franchise Agreement not less than ten (10) months prior to the Expiration Date;

2. Franchisee shall not be in default of any provision or amendment to this Agreement, or any other agreement between Franchisor and Franchisee. Franchisee shall have complied with all conditions of all agreements with Franchisor or its Affiliates during the Term.

3. Franchisee shall complete, at its sole expense, such maintenance or renovation of the Facility as is required in writing by Franchisor;

4. Franchisee shall satisfy all monetary obligations owed by Franchisee to Franchisor, and its Affiliates, and shall have timely met these obligations throughout the Term;

5. Franchisee shall execute, for the Term of the Subsequent Franchise Agreement, Franchisor's then current form of Franchise Agreement for similar franchises, which Agreement shall supersede this Agreement in all respects, the terms of which may differ materially from the terms of this Agreement. Franchisee shall pay to Franchisor on the date of execution of the Subsequent Franchise Agreement, a Subsequent Franchise Agreement Fee in the amount specified on the Summary Pages.

6. Franchisee shall comply with Franchisor's then current qualification and training requirements; and

7. Franchisee and its Representatives shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its Affiliates, and their respective Representatives.

3. INITIAL FRANCHISE FEE

In consideration of the franchise granted herein, Franchisee shall pay to Franchisor an Initial Franchise Fee of the amount specified on the Summary Pages. The Initial Franchise Fee is not refundable, and is fully earned by Franchisor upon execution by Franchisee of the Franchise Agreement.

4. ROYALTY FEES

A. Royalty Fees.

Franchisee agrees to pay to Franchisor a Royalty Fee in the amount specified on the Summary Pages on the Due Date specified on the Summary Pages based upon Franchisee's Gross Sales for the previous calendar month.

B. Payment Procedure

Franchisee shall execute and deliver to Franchisor pre-authorized draft forms for Franchisee's operating account, which enable Franchisor to withdraw money on a timely basis from the operating account to collect Royalty Fees and any other payments, obligations or charges of any kind owed by

Franchisee. Franchisee shall make the funds available to Franchisor for withdrawal no later than the Due Date for payment.

C. Late Fees and Damage Provisions

In addition to its other rights and remedies, Franchisor may charge Franchisee a Late Fee as specified on the Summary Pages for any payment or electronic funds transfer that is not received by Franchisor or its Affiliates by the Due Date, as well as for any report that is not received by Franchisor or its Affiliates by the Due Date, and for any corrective action required by Franchisor following an audit or inspection which is not completed within the time specified by Franchisor.

5. ADVERTISING FEES

A. Advertising Fund

When Franchisor determines that it is advantageous to do so, it may establish a National Advertising Fund ("Advertising Fund"). When Franchisor establishes the Advertising Fund, Franchisee shall contribute the amount specified on the Summary Pages to the Advertising Fund.

Franchisee agrees the Advertising Fund shall be maintained and administered by Franchisor as follows:

1. Franchisor will direct all marketing programs with sole discretion over the creative concepts, materials and media used in such programs and the placement of fund allocations thereof. Franchisee agrees and acknowledges that the Advertising Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System generally, and that Franchisor undertakes no obligation in administering the Fund to make expenditures for the Facility which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or other marketing activities.

2. All contributions to the Advertising Fund and any earnings shall be used exclusively to meet any and all costs of maintaining, administering, directing and preparing advertising activities (including cost of preparing and conducting advertising campaigns in various media; marketing surveys and other public relations activities designed to promote the Marks and the System; employing advertising agencies; and providing promotional brochures and other marketing materials to the Facility). All sums paid by Franchisee to the Advertising Fund and any earnings shall be maintained in an account separate from the other monies of Franchisor and shall not be used to defray any of Franchisor's expenses, except for such reasonable administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs for Franchisees and the System. The Advertising Fund earnings shall not otherwise inure to the benefit of Franchisor. Franchisor shall maintain separate bookkeeping accounts for the Advertising Fund. Franchisee shall contribute to the Advertising Fund the same way it pays Royalty Fees. For each Franchisor-owned business operating under the System, Franchisor shall make contributions to the Advertising Fund on the same basis as the assessments required of comparable Facilities which opened at the same time.

3. It is anticipated that all contributions to and earnings of the Advertising Fund shall be expended for the purposes described during the taxable year, within which the contributions and earnings are received. If, however, excess amounts remain in the Advertising Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions.

4. Franchisor reserves the right to defer or reduce contributions of Franchisee to the Advertising Fund and, upon thirty (30) days prior written notice, to reduce or suspend Franchisee's payment of Advertising Fees to and suspend operations of the Advertising Fund for one or more periods of any length and to terminate (and if terminated to reinstate) the Advertising Fund. If the Advertising Fund is terminated, all unspent monies on the date of termination will be distributed to Franchisor's franchisees in proportion to their respective contributions to the Advertising Fund during the preceding three (3) month period, and amounts required to be paid shall be added to amounts required to be expended pursuant to Franchisee's local advertising plan.

5. The Advertising Fund is not and shall not be an asset of Franchisor. A statement of the operations of the Advertising Fund shall be prepared annually and be made available to Franchisee.

6. Although the Advertising Fund is intended to be of indefinite duration, Franchisor maintains the right to terminate the Advertising Fund, to reduce required contributions to certain Franchisees, to suspend contributions, or to remit a portion of the Advertising Fund to local or regional Sogility advertising programs. If Franchisor enters into a settlement of claims with a Franchisee which does not result in a collection of all Royalty Fees and Advertising Fund contributions which were due, Franchisor may allocate amounts collected as it deems appropriate. The Advertising Fund shall not be terminated, however, until all monies in the Advertising Fund have been expended for the purposes described in this section.

B. Grand Opening Promotions

Franchisee shall expend at least the amount specified on the Summary Pages for Grand Opening promotions unless otherwise agreed upon by Franchisor. Such advertising and promotional items must be utilized or employed prior to opening and during the first two (2) months of operation of the Facility. Franchisor shall coordinate, control and work with Franchisee regarding the preparation and placement of such advertising and promotional programs.

C. Local Advertising Plan

Franchisee agrees to implement and follow the advertising and marketing plan created by Franchisor as shared with Franchisee in advance of Opening Day. Franchisee may implement additional advertising, provided such advertising conforms to the standards and requirements of Franchisor, as set forth in Franchisor's Manuals, or as otherwise designated by Franchisor.

Franchisee shall not advertise the Facility in conjunction with any other business, except with Franchisor's prior written consent. Franchisee shall obtain Franchisor's prior approval of all advertising and promotional plans and materials that Franchisee desires to use that have not been prepared or approved by Franchisor within the preceding twelve (12) month period. Franchisee shall submit such unapproved plans or materials to Franchisor (by personal delivery or via certified mail/return receipt requested, or overnight courier). Franchisee shall use no such plans or materials until they have been approved by Franchisor, and shall promptly discontinue use of any advertising or promotional plans or materials upon notice by Franchisor. Any plans or materials submitted by Franchisee to Franchisor which have not been approved or disapproved in writing, within thirty (30) days of receipt by Franchisor, shall be deemed disapproved.

D. Local Advertising Expenditures

Franchisee agrees to expend annually for advertising and promotion of the Facility the amount specified on the Summary Pages. Franchisor may increase this amount from time to time. This amount is in addition to amounts expended for Grand Opening promotions.

E. Use of Photos

Franchisee consents to Franchisor's use of photographs of the Facility in advertising and promotional programs, and Franchisee agrees to obtain the consent of Franchisee's employees and Customers for the use of photographs of them in advertising programs.

F. Crises Response

Franchisee shall immediately notify Franchisor of any event which has occurred or which is alleged to have happened at the Facility, which involves any of the Facility's employees, or which relates to any activity which is sponsored by or affiliated with the Facility, which may adversely affect the image, reputation or goodwill of the Marks or the System. When such event arises, absent Franchisor's written approval, Franchisee shall not communicate with the press or communicate information or opinions about the event by any means or medium. At Franchisor's option, Franchisor shall control all public relations efforts relating to the event, and Franchisee shall give Franchisor all reasonable assistance in its efforts.

Franchisor shall not be liable to Franchisee's Representatives for any damages or claims which arise out of its response to the event.

6. DUTIES OF FRANCHISOR

A. Pre-Opening

Franchisor shall provide certain pre-opening consultation, support and assistance regarding certain matters, including site selection, lease negotiations, lease review, Facility design and layout, blue line drawings, bank loan proposals, equipment, start up inventory, Facility fixtures, training, Manuals, advertising plans and signage. Franchisor also shall provide Franchisee with access to its intranet or internet workspace site and forms for reporting sales.

B. Ongoing Assistance

Franchisor shall provide seminars, consultation, advice, field visits and assistance on a continuing basis and at Franchisee's request, as Franchisor deems advisable. For assistance required above and beyond normal ongoing assistance, Franchisee shall pay all reasonable expenses incurred by Franchisor and its Representatives in connection with such additional assistance, including the costs of transportation, lodging, meals and wages. The parties shall agree on any such charges before they are incurred. Franchisor shall endeavor to develop new and improved products and services for use at the Facility. Franchisor shall advise Franchisee about hiring and training employees; share best practices relating to operating the Facility; provide recommended retail pricing; provide administration, bookkeeping, accounting and inventory control procedures; provide ongoing marketing programs; and communicate information about developments in the System.

C. Manuals

The Manuals will be distributed to Franchisee during initial training and promptly following any material updates, amendments or revisions of the Manuals.

D. Advertising/Promotional Material

Franchisor shall make available to Franchisee, on an ongoing basis, advertising and promotional materials for use by Franchisee in advertising the Facility, and other bulletins on sales and service, marketing developments and techniques, and business and operational procedures.

7. DUTIES OF FRANCHISEE

A. Maintaining Operating Standards

Franchisee understands and acknowledges that every detail of the Facility is important to Franchisee, Franchisor and other franchisees to develop and maintain high operating standards and personal customer service, in order to increase the demand for the services sold by all Sogility Facilities under the System, and to protect Franchisor's reputation and goodwill.

B. Business Entity Guaranty

If Franchisee is a Business Entity, Franchisee's Owners shall personally guarantee Franchisee's performance and shall bind themselves to the terms of this Agreement; provided, however, the requirements of this Section 7.B shall not apply to Owners of a Public-Held Business Entity. The Personal Guaranty must be in the form of Schedule B attached to this Agreement.

C. Clauses in Lease

If the Facility is to be leased, the Lease shall be submitted to Franchisor for written approval at least fifteen (15) days before it is scheduled to be executed. Such approval shall not be unreasonably withheld. If Franchisee leases the Facility's Premises, the lease must include language contained in the Lease Rider which is attached as Schedule E. The Lease shall give Franchisor, its agents or designees the right to enter the Premises to conduct inspections at any time during regular business hours, the right to receive notices of default directly from the lessor and the right, but not the duty, to assume the Lease for all or any part of the Term, if Franchisee defaults under the Lease or is evicted, or if this Agreement expires or is terminated. Franchisee further agrees it shall not lease or sublet all or any part of the Facility to others or use any portion of the Premises for any purpose other than conducting business pursuant to this Agreement without Franchisor's prior written consent.

D. Construction of Facility

Franchisee is responsible for developing and constructing the Facility. Franchisor will furnish Franchisee with mandatory specifications and layouts for a Sogility business, including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings, color scheme and other suggestions. Franchisor may assist Franchisee in developing the Facility by recommending contractors (which may include Franchisor or its Affiliates) and architects and otherwise furnishing information to assist Franchisee in developing the Facility in accordance with Franchisor's specifications. Franchisee is obligated to have prepared, at its expense, construction plans and specifications of the Facility which comply with the Manuals and with applicable laws.

Franchisee shall submit construction plans and specifications to Franchisor for its approval at least one hundred twenty (120) days before construction of the Facility is commenced and, at Franchisor's request, it shall submit all revised or "as built" plans and specifications during the course of such construction for Franchisor's approval.

If Franchisor or its Affiliates serve as the contractor to construct the Facility, Franchisor or its Affiliates shall be paid such a contractor's fee as the parties agree in connection with such services. Franchisee acknowledges and agrees that Franchisor's review and approval of any construction plans submitted for approval under this paragraph (as well as any inspections Franchisor makes of the Premises during construction of the Facility) are solely to assure Franchisee's compliance with the System. No such approvals constitute a representation that the plans comply with applicable laws. Franchisee expressly represents and warrants that the Facility will be built and operated in compliance with all local, state and federal laws, ordinances, rules and regulations, including the Americans with Disabilities Act.

E. Training of Employees

Franchisee agrees:

1. Franchisee, the CEO, or the General Manager and up to three (3) additional employees shall attend and complete, to Franchisor's satisfaction, the pre-opening training program, consisting of ten (10) working days, conducted by Franchisor at Franchisor's training facilities, or at another location chosen by Franchisor, at a date or dates to be set by Franchisor. Franchisor shall provide and pay only for the training instructors, facilities and training materials in connection with Franchisee's initial training, as required by this Agreement. Franchisee will be responsible for all travel and living expenses which Franchisee's Representatives and Franchisee's employees incur in connection with training. At Franchisor's option, any person subsequently employed as a CEO or General Manager of the Facility may be required to attend and satisfactorily complete an initial training program.

2. Franchisee shall complete, or shall cause its employees to complete, to Franchisor's satisfaction, such other initial or additional training as Franchisor may require from time to time.

3. Franchisee and Franchisee's employees may attend such optional training programs Franchisor may from time to time offer.

4. Franchisee shall pay all expenses incurred by Franchisee and its employees in connection with all training, including the cost of transportation, lodging, meals and wages (if any).

5. Franchisee, or Franchisee's CEO or General Manager, at Franchisee's own expense, must attend Franchisor's annual meeting and any other training that the Franchisor may require.

F. Opening of the Facility

By the Opening Date specified on the Summary Pages, Franchisee shall have obtained Franchisor's approval to operate and shall have begun to operate the Facility as prescribed by this Agreement. Prior to commencing operation, Franchisee shall complete to Franchisor's satisfaction all of Franchisor's pre-opening requirements, including providing Franchisor with copies of all insurance policies required by this Agreement or other such evidence of insurance coverage and payment of premiums as Franchisor may request or accept, and obtaining all required permits licenses, and certifications for operating the Facility, as required by Franchisor and all laws, rules and regulations.

G. Grand Opening

Franchisee shall have a Grand Opening, as specified in the Manuals. The Grand Opening will occur generally within three (3) months of the Opening Date.

H. Operation of Business

Franchisee shall operate the Facility in conformity with such standards, techniques and procedures as Franchisor may from time to time prescribe in the Manuals, or otherwise in writing, and shall not deviate from them, without Franchisor's prior written consent.

Franchisee further agrees:

1. To maintain at all times such minimum stocks of inventory or supplies as Franchisor may from time to time prescribe.

2. To offer Customers all services and products which Franchisor may from time to time prescribe in a manner which Franchisor prescribes or approves.

3. To offer to Customers only those services which meet Franchisor's standards of quality, and which Franchisor has expressly approved in writing to be offered at the Facility, and to discontinue offering any services which Franchisor may, in its discretion, disapprove.

4. To utilize only Franchisor's standard forms of agreements and contracts, except with the express written approval of Franchisor.

5. To pay promptly to Franchisor and its Affiliates any fees or contributions required under this Agreement, as well as any additional payments, fees or charges incurred for any equipment, products, supplies or services to be furnished by Franchisor or its Affiliates at Franchisee's request. Terms for payment of such products, supplies and services purchased by Franchisee shall be "on demand." Any payments, which are past due, shall bear interest at the lower of the annual rate of eighteen percent (18%) per annum or the highest rate permitted by applicable law.

I. Use of Proper Equipment

In operating the Facility, Franchisee shall use only Franchisor's approved or designated equipment and supplies (including computer hardware and software) and shall only purchase or lease equipment and supplies from Franchisor's Affiliates or from other suppliers which Franchisor has approved or designated by the Franchisor from time to time, or which have otherwise been approved by the Franchisor in writing, and which strictly conforms to the appearance, uniform standards and specirfications of the Franchisor and the System as established from time to time. If the Franchisee desires to purchase or use any item which has not been specifically approved by Franchisor in writing, Franchisee must notify Franchisor in writing and submit to Franchisor sufficient specifications, photographs, drawings and other information or samples so that Franchisor can determine whether the proposed item complies with the specifications and standards of the Franchisor, and the supplier meets the Franchisor's approved supplier criteria. The Franchisor will make a determination as to whether the item is approved within a reasonable time after receipt of the information from the Franchisee or from the proposed supplier. The Franchisor shall have the right to refuse such request for approval in its sole discretion based on the appearance, uniform standards, and specifications of the Franchisor.

J. Image of Business

Franchisee shall maintain the Facility in a safe, clean, orderly condition and in full compliance with the Manuals. At Franchisor's request, which shall not occur more than once during the Term without Franchisee's consent, Franchisee shall, at Franchisee's expense, complete all improvements and alterations that may be determined by Franchisor to be necessary so that facilities of the Facility conform to the System image as it may be prescribed by Franchisor from time to time. Franchisee shall undertake and complete such improvements and alterations within the time and under the terms and conditions specified by Franchisor.

K. Normal Hours of Operation

Except as otherwise approved in writing by Franchisor, Franchisee shall keep the Facility open and in normal operation for such minimum days and hours as Franchisor may prescribe in the Manuals.

L. Maintaining Staff

Franchisee agrees to maintain a competent, conscientious, trained staff possessing all licenses and certifications required by the Manuals and applicable laws, including at least one (1) trained, full-time General Manager or assistant in the Facility during operational hours, and to take such steps as are necessary to ensure that Franchisee's employees preserve good customer and public relations.

M. Telephone Numbers of Business

Franchisee understands and agrees that the telephone number(s) for the Facility constitute(s) a part of the System and are subject to the restrictions of this Agreement. Accordingly, Franchisee shall not change the telephone number(s) for the Facility without prior written notice and subsequent approval of Franchisor. Franchisee shall advertise and publish the telephone number(s) for the Facility in the manner prescribed by Franchisor.

N. Right to Enter Business

Franchisee shall permit Franchisor and its Representatives to enter the Business at any reasonable time for the purpose of conducting inspections and Franchisee shall cooperate fully with Franchisor's Representatives in such inspections by rendering such assistance as Franchisor's Representatives may reasonably request. Upon notice from Franchisor or its Representatives and without limiting Franchisor's other rights under this Agreement, Franchisee shall take such steps as may be deemed necessary to immediately correct any deficiencies detected during such inspections. The foregoing shall be in addition to any other remedies Franchisor may be granted in this Agreement or otherwise.

O. Operate the System

Neither Franchisee nor any of its employees, may conduct any business at the Facility other than the business licensed to Franchisee pursuant to this Agreement without the prior written approval of Franchisor. Neither Franchisee nor any of its employees may conduct any activity at or in connection with the Facility which is unlawful or which results in damage to the Marks or reputation and goodwill of Franchisor.

P. Compliance With Laws

Franchisee shall comply with all applicable laws and regulations and shall obtain and at all times maintain any and all permits, certificates or licenses necessary for the full and proper conduct of the Facility. Franchisee shall cause all of the health care and education personnel associated with the Facility to comply with all applicable laws and regulations and shall obtain and at all times maintain any and all permits, certificates, insurance and licenses necessary for the full and proper conduct of the Facility.

Q. Changes to the System

Franchisor may make changes to any aspect of the System, including operating standards, marketing, signs, equipment standards and technology. Franchisee agrees to promptly adopt any such changes specified by Franchisor and to be responsible for related costs of complying with such changes.

8. USES OF MARKS

A. Franchisor - Ownership of Marks

Franchisor is the Owner of all right, title and interest in and to the Marks and or holds a valid and current license to such Marks that includes the right of Franchisor to use the Marks and to sublicense them to Franchisees.

B. Franchisee - Use of Marks

With respect to Franchisee's use of the Marks granted in this Agreement, Franchisee agrees:

1. Franchisee only may use the Marks on the internet on a website which Franchisor hosts;

2. Franchisee may only use social or professional networking sites to promote the Business with Franchisor's prior approval and only in the manner prescribed by Franchisor in the Manuals;

3. Franchisee shall use the Marks only in connection with the operation and advertising of the Facility;

4. Franchisee shall use and display, as Franchisor may require in the operation of the Facility, a notice in a form approved by Franchisor indicating Franchisee is a "Franchised Operator" under the System, and that the Marks are used by Franchisee under such franchise;

5. Unless otherwise authorized or required by Franchisor, Franchisee only shall operate and advertise the Facility as prescribed in the Manuals;

6. Franchisee shall comply fully with all marketing, promotions and public service that Franchisor prescribes.

7. Franchisee's right to use the Marks is limited to such uses authorized under this Agreement, and any unauthorized use shall constitute an infringement of Franchisor's rights;

8. Franchisee shall not use the Marks to incur any obligations or indebtedness on behalf of Franchisor;

9. Franchisee shall not use the Marks as part of the name of any Business Entity.

10. Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registrations and shall execute any documents deemed necessary by RSI, Franchisor or their counsel to obtain protection for the Marks or to maintain their continued validity and enforceability; and

11. If litigation involving the Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor, and Franchisee shall cooperate fully with Franchisor in defending such litigation. Franchisor shall, in its sole discretion, determine whether Franchisor will initiate any action, litigation, or administrative proceeding arising out of such alleged use of the Marks. Franchisor alone shall control any such litigation or administrative proceeding and settlement terms. Franchisee shall pay Franchisor's legal and travel expenses associated with any acts taken by Franchisor pursuant to this Section. Franchisor shall indemnify Franchisee for all costs Franchisee incurs as a result of a suit or action by a third party or government agency alleging infringement or unfair competition because of Franchisee's use of the Marks, provided Franchisee has used the Marks in a way which was prescribed or approved by Franchisor.

C. Other Covenants of Franchisee

Franchisee expressly understands and acknowledges that:

1. As between Franchisor and Franchisee, Franchisor is the owner of all right, title and interest in and to the Marks, and the goodwill associated with and symbolized by them.

2. The Marks are valid and serve to identify the System and Facilities franchised under the System.

3. Franchisee shall not directly or indirectly contest the validity or the ownership of the Marks.

4. Franchisee's use of the Marks granted in this Agreement does not give Franchisee any Ownership Interest or other interest in or to the Marks, except the non-exclusive franchise granted herein.

5. Any goodwill arising from Franchisee's use of the Marks in operation of the Facility under the System shall inure solely and exclusively to the benefit of Franchisor. Upon the expiration or the termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Marks.

6. Except as provided in this Agreement, the right to the Marks granted to Franchisee is non-exclusive, and Franchisor may:

(a) Grant others the right to the Marks, in addition to those franchises already granted to existing Franchisees and licensees; and

(b) Use the Marks in connection with selling any products and services.

7. Franchisor reserves the right to substitute different Marks for use in identifying the System and the Facility.

8. Franchisee will not register or attempt to register any of the Marks or a domain name which includes any of the Marks in Franchisee's name, or that of any other individual or Business Entity.

9. MANUALS

Franchisee shall conduct business in accordance with the provisions, standards, and procedures set forth in the Manuals.

Franchisee agrees:

1. Franchisee shall at all times treat the Manuals, created for or approved for use in the operation of the Facility, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential;

2. The Manuals shall at all times remain the sole property of Franchisor, shall be kept in a secure place in the Facility, and shall be returned to Franchisor immediately upon the expiration or termination of this Agreement;

3. Franchisor may, from time to time, revise the contents of the Manuals and the Franchisee expressly agrees to comply with all new or modified provisions. Revisions to the

contents of the Manuals shall be deemed effective seven (7) days after the date of mailing unless otherwise specified by Franchisor;

4. Franchisee shall at all times ensure copies of the Manuals are kept current and up-to-date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's headquarters shall be controlling; and

5. Franchisee shall not at any time, without Franchisor's prior written approval, copy, duplicate, record or otherwise reproduce the Manuals in whole or in part, nor otherwise make the same available to any unauthorized person.

10. CONFIDENTIALITY AND TRADE SECRETS

A. Franchisee Shall Learn Proprietary Matters

Franchisee acknowledges that Franchisor shall provide Franchisee with knowledge of proprietary matters, techniques and business procedures of Franchisor necessary and essential to the operation of the Facility. Without such Confidential Information, Franchisee could not efficiently and effectively operate the Facility.

Franchisee acknowledges such Confidential Information was unknown to Franchisee prior to execution of this Agreement and that the methods of Franchisor are unique and novel to Franchisee. Franchisee shall not divulge Confidential Information without the prior written consent of Franchisor and Franchisee shall not sell, assign, copy, assist or make available to anyone any information that would enable such person to substantially duplicate any portion of the System.

B. Injunctive Relief Available to Franchisor

Franchisee acknowledges that any failure to comply with the requirements of this Section shall cause Franchisor irreparable injury, and Franchisee agrees to pay all court costs and reasonable attorney's fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this section. Any injunction shall not require Franchisor to post a bond.

C. Franchisee's Employees Shall Not Disclose Trade Secrets

Franchisee shall obtain from each management employee, representative and agent, and each employee having access to trade secrets or other Confidential Information, an agreement that such person shall not during the course of employment, representation or agency with Franchisee, or at any time, use, divulge, disclose or communicate, directly or indirectly, in any form or manner, to any person, firm or corporation, any of the trade secrets or Confidential Information of Franchisor, or use Franchisor's trade secrets or Confidential Information for any purpose other than operating the Facility. A form of confidentiality agreement is attached at Schedule C to this Agreement.

11. TRAINING OF FRANCHISEE

A. Initial Training

Franchisor shall provide a training program relating to the operation of the Facility consisting of ten (10) days of training at Franchisor's training location or at an operating Sogility Facility, and five (5) days of training at the Facility, which shall take place prior to the Opening Date.

B. Additional Training

Franchisor may require Franchisee and its employees to attend, at a location designated by Franchisor, training beyond that specified in Section 12.A and may charge Refresher Training Fees as specified on the Summary Pages. Franchisee agrees to give Franchisor reasonable assistance in training or assisting other Sogility franchisees. Franchisor will reimburse Franchisee for the reasonable costs and expenses in providing such assistance.

During the initial twelve (12) months of the Term, Franchisor's Representative may visit with Franchisee two (2) times at the Facility to provide Franchisee with guidance in developing and operating the Facility. Such visits may occur one (1) time per year thereafter. During the Term, additional guidance may be provided in, but not limited to any of the following ways: telephone consultations, buying advisory services, ongoing marketing programs, newsletter services, meetings, research and development regarding methods of operation, national account development and other additional guidance Franchisor deems necessary.

Upon Franchisee's request, Franchisor will furnish additional guidance and assistance and, in such a case, may charge the Per Diem Fees, as specified on the Summary Pages.

C. Number of Persons to be Trained

Franchisee may select up to a maximum of three (3) additional persons to receive the initial training from Franchisor. Franchisee's CEO shall also receive the initial training. Franchisee is responsible for all travel and living expenses which Franchisee's CEO and employee(s) incur in connection with training. Franchisee agrees to have, during the entire Term, at least one (1) fully trained CEO or General Manager to operate the Facility.

D. Expenses Paid by Franchisee

Franchisee, and those selected by Franchisee to be trained by Franchisor, shall pay all expenses incurred in such training program, including transportation, lodging, meals and wages (if any). In the event Franchisee's CEO fails to successfully complete the initial training program, Franchisee shall be deemed to be in default of this Agreement.

12. ACCOUNTING AND RECORDS

A. Bookkeeping, Accounting and Records

Franchisee shall maintain during the Term, and shall preserve for the time period specified in the Manuals, full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the Manuals or otherwise in writing.

B. Payment of Monies to Franchisor

Franchisee shall submit to Franchisor a MFR no later than the 15th of each month for the previous month during the Term, on forms prescribed by Franchisor, accurately reflecting Franchisee's Gross Sales during the preceding month, profit and loss statement for the Facility, a year-to-date balance sheet as of the end of such month in Franchisor's approved format, and such other data and information regarding the operation of the Facility as Franchisor may require. This monthly report shall provide the basis for the electronic funds to be transferred monthly.

C. Submission of Financial Statements and Other Reports

Franchisee shall, at its expense, submit to Franchisor a complete financial statement on a monthly basis for the first 2 years of the Term. Thereafter Franchisee shall, at its expense, submit to Franchisor within ninety (90) days of the end of each of its fiscal years during the Term, a complete financial statement for said fiscal year, including both an income statement and balance sheet, which may be unaudited but must be reviewed, together with such information in such form as Franchisor may require. Each financial statement shall be signed by Franchisee or by Franchisee's CEO and treasurer or chief financial officer, attesting the statement is true and correct. Franchisee shall also submit to Franchisor the current financial statement and tax return filing(s), and any other forms, records, reports, information or data Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, upon request, and as specified from time to time in the Manuals, or otherwise in writing. If Franchisee defaults under any provision in this Agreement, or if Franchisor determines that the Franchise is at risk based on Franchisor's evaluation of Franchisee's financial statements, Franchisor may request that Franchisee provide financial statements on a monthly basis until Franchisor determines that receipt of monthly financial statements is no longer required.

D. Computer Systems

Through the computer systems used at the Facility, Franchisee agrees to grant Franchisor unrestricted access to all information generated by such systems to allow Franchisor to capture Gross Sales information for use in calculating Royalty Fee and Advertising Fund payments.

Franchisor agrees to treat any data secured from Franchisee's computer systems as proprietary to Franchisee and shall not share it with any other Franchisee or any entity outside of Franchisor or Franchisor's Affiliates without Franchisee's express written permission. However, Franchisor may share composite information with other franchisees, and may use information generated through Franchisee's computer systems to prepare Financial Performance Representations in Franchise Disclosure Documents and for use in substantiating those representations.

E. Franchisor's Right to Audit

Franchisor or its designated agents, shall have the right, at all reasonable times, to examine and copy (at its expense), Franchisee's books of account. Franchisor shall also have the right at any time to audit the books and records of Franchisee. Franchisee must respond to Franchisor's request to audit Franchisee's books of accounts, including copies of federal and state income and other tax returns, within seven (7) days of a request. If any audit reveals that Franchisee has underreported the Facility's Gross Sales by more than two percent (2%) in any report to Franchisor, Franchisor may at its option, charge Franchisee for any and all costs and expenses incurred in connection with such audit. Franchisee shall pay to Franchisor any amounts owing, immediately upon demand, together with interest from the date such amounts were due until paid, at the lesser of three (3) percentage points above the Prime Rate, on the date payment was due, as reported in the WALL STREET JOURNAL on that date, or the maximum rate permitted by law. Such remedy shall be in addition to any other remedies available to Franchisor under this Agreement or otherwise. If Franchisor's audit reveals understated payments more than twice during the Term, Franchisor at its option, in addition to any other remedies it may have, may elect to require Franchisee's future financial statements, as required by this Agreement, be audited at Franchisee's expense.

F. Franchisor's Right to Use Secret Shoppers

Franchisor may hire or retain Persons to make contact with Franchisee and Franchisee's staff for the purpose of evaluating their compliance with System standards. As part of the evaluation, telephone or other conversations may be recorded. Franchisee consents to Franchisor and its Representatives engaging in such activities and Franchisee agrees to require each member of its Facility's staff to consent to such activities.

13. INSURANCE

Franchisee shall at all times and at its sole expense during the Term, maintain the type and amount of insurance as Franchisor prescribes. Franchisee must name Franchisor as additional insured on all such policies. Franchisee shall provide that Franchisor shall receive ten (10) days prior written notice of termination, expiration or cancellation of any such policy. Franchisee shall submit to Franchisor annually a copy of the certificate of, or other evidence of, the renewal or extension of each such insurance policy. If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor, or to furnish satisfactory evidence, the Franchisor, at its option and in addition to any other rights and remedies available, may, but need not, obtain such insurance coverage on behalf of Franchisee. If Franchisor elects to obtain any such insurance on behalf of Franchisee, Franchisee shall pay Franchisor on demand, one hundred ten percent (110%) of the costs and premiums paid by Franchisor.

14. TRANSFER OF INTERESTS

Franchisee shall not make a Transfer except as permitted by this Section 14. Any Transfer or attempted Transfer without Franchisor's prior written consent or which otherwise violates the requirements in this Section 14 shall be ineffective against Franchisor and, without limiting Franchisor's remedies, shall constitute a material breach of this Agreement.

A. Prior Written Consent

Neither Franchisee nor its Principal shall effect an Asset Transfer without Franchisor's prior written consent, which shall be conditioned on the following:

1. At the time of Asset Transfer, Franchisee and its Principal must be in full compliance with all obligations under this Agreement and all other agreements between Franchisee and Franchisor and Franchisor's Affiliates, including payment of all monetary obligations due to Franchisor and its Affiliates;

2. The proposed transferee must have demonstrated to Franchisor's satisfaction that it satisfies all of Franchisor's standards for new franchisees;

3. The purchase price and terms of the Transfer shall not, in Franchisor's judgment, negatively impact the capability of the Facility to operate profitably following the Transfer;

4. The transferee executes Franchisor's then current form of Franchise Agreement (which may contain different terms and conditions from this Agreement, and which may limit the term of the transferee's Franchise to the unexpired term of this Agreement, and which shall supersede the terms of this Agreement), Personal Guaranty, Assignment of Telephone Number(s) and other collateral agreements Franchisor may then require;

5. The transferee upgrades the Facility to meet Franchisor's then-current standards for new Facilities;

6. The transferee provides Franchisor with a waiver and release with respect to liability for any financial data, financial performance representations, other representations and information Franchisee or its Representatives provided the transferee;

7. The transferee's Controlling Principal executes a Personal Guaranty (Schedule B);

8. The transferee and the transferee's Principal and General Manager satisfactorily complete Franchisor's training program;

9. Franchisee sends Franchisor a notice requesting Franchisor's approval of a Transfer and provides Franchisor with a Transfer Fee (if a controlling Ownership Interest is transferred) or an Assignment Fee (if less than a controlling Ownership Interest is transferred) in the amount specified on the Summary Pages; and

10. Franchisee and its Affiliates and its respective Principal and Guarantors provide to Franchisor an unconditional, general release of all claims they have against Franchisor, its Affiliates, and Representatives.

B. Involuntary Asset Transfer

No involuntary Asset Transfer or partitioning of Franchisee or its Principal's interest in this Agreement, whether in connection with a bankruptcy, foreclosure, divorce or other proceeding, shall be effective against Franchisor unless (i) and until the transferee furnishes Franchisor with a signed guaranty under which the transferee agrees to be jointly and severally liable for the payment of Franchisee's monetary obligations under this Agreement, whether or not such obligations are then delinquent, (ii) and until the transferee agrees in writing to be personally bound by the confidentiality provisions and restrictive covenants in this Agreement, and (iii) if the Asset Transfer encompasses Franchisee and its Controlling Principal's total interest in this Agreement or in the Facility, they designate and appoint Franchisee to be the transferee's agent and attorney in fact with whom Franchisor may deal for all purposes expressed in or contemplated by this Agreement.

C. Ownership Interest Transfer

Any Ownership Interest Transfer shall be subject to Franchisor's prior written consent, which shall be conditioned on the following:

1. At the time of the Ownership Interest Transfer, Franchisee is in full compliance with its obligations under this Agreement, and all other agreements between Franchisor and Franchisee and Franchisor's Affiliates, including payment of all monetary obligations due to Franchisor and its Affiliates.

2. Each proposed Principal of the proposed transferee meets our criteria for qualifying as a new franchisee and delivers a signed Personal Guaranty.

3. If the Ownership Interest Transfer involves control of the Ownership Interest in Franchisee, the transferees comply with Section 14.B through 14.F.

4. If Franchisor agrees to release Franchisee from further liability under this Agreement, or to release Franchisee's Principals from further liability under a Personal Guaranty, Franchisee and each of its Principals must also give Franchisor an unconditional, general release of all claims they and Franchisee may have against Franchisor, its Affiliates, and its Representatives.

Franchisee acknowledges that Franchisor has legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with Franchisee and that Franchisor may withhold or grant such consent in its discretion and may determine whether or not any condition to such consent has been met to Franchisor's satisfaction. Franchisee also acknowledges that Franchisor's contact with potential transferees for the purpose of protecting Franchisee's business interests shall not constitute improper or unlawful conduct. Franchisee expressly authorizes Franchisor to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms with the transferee, and to withhold consent to transferees or transactions which do not satisfy Franchisor's standards. Franchisee and its Principals waive any and all claims that actions taken by Franchisor or its Representatives in relation to a proposed Transfer to protect Franchisor's business interests constitute tortious interference with contractual or business relationships or breaches any duty or obligation of Franchisor to Franchisee.

D. Special Transfers

1. If Franchisee is an individual or partnership who at any time notifies Franchisor that it wants to assign the franchise to a Business Entity in which Franchisee shall own one hundred percent (100%) of the Ownership Interest (and, in the case of a partnership, a share ownership in the Business Entity apportioned substantially the same as were the partnership interests), Franchisor shall consent to the assignment and waive payment of a Transfer Fee and its right of first refusal under Section 14.E upon its receipt of such documentation and information concerning the Business Entity and its Principals as Franchisor may request. The required documentation shall include, without limitation, (i) a certified list of the entity's Principals (designating the amount and percentage of stock or units of beneficial ownership which Principal owns), (ii) a Personal Guaranty signed by each Principal, and (iii) an express assumption by the Business Entity of Franchisee's obligations under this Agreement.

2. If Franchisee is a Business Entity, Franchisor shall consent to Ownership Interest Transfers among Franchisee's original Principals and waive payment of a Transfer Fee and its right of first refusal under Section 14.E if the Transfer does not result in a Transfer of a Controlling Interest. The transferor must deliver to Franchisor such documentation and information concerning the Ownership Interest Transfer and the resulting ownership of Franchisee as Franchisor may request. The required documentation shall include, without limitation, a Personal Guaranty signed by each Principal who has not previously executed such documents.

E. Right of First Refusal

1. If Franchisee or one or more of Franchisee's Principals wish to effect a Transfer pursuant to any bona fide binding offer received from a third party to purchase that interest, then the proposed seller shall promptly notify Franchisor in writing of the offer and shall provide any additional information and documentation relating to the offer that Franchisor requires. Franchisor shall have the option, exercisable within fifteen (15) days after receipt of all written documentation requested by Franchisor describing the terms of the offer, to notify the proposed transferee that Franchisor intends to acquire the proposed transferee's interest on the same terms and conditions that were offered by the proposed transferee.

2. Any material change in the terms of any offer before closing shall constitute a new offer subject to Franchisor's option to purchase as in the initial offer. Franchisor's failure to exercise the option set forth in this Section shall not constitute a waiver of any other provision of this Agreement, including the requirements of this Section. If Franchisor exercises its option to purchase, Franchisor shall not be liable for paying a brokerage or sales commission. If an offer provides for payment of consideration other than cash or involves certain intangible benefits, Franchisor may elect to purchase the interest proposed for sale for the reasonable cash equivalent. If the parties cannot agree within seven (7) days on the cash equivalent of the non-cash part of the offer, Franchisor shall designate an independent appraiser to determine such amount and his determination shall be binding on the parties. Franchisor may set off the cost of such appraisal against the purchase price. If the offer includes items which are not assets of the Facility or items used in the Facility, at Franchisor's option, Franchisor may acquire only the Facility assets of the Facility or such other items as Franchisor select, without any duty to purchase the other items

included in the purchase offer. The apportionment of the value of the items to be purchased by Franchisor shall be determined by Franchisor, subject to an evaluation by an independent appraiser under the same procedures as non-cash consideration to be evaluated.

3. Franchisor's decision not to exercise the right of first refusal granted by this Section shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Section 14, with respect to a proposed Transfer. If Franchisor does not exercise its right of first refusal on any particular offer, any material change in the terms of the offer before closing shall constitute a new offer subject to Franchisor's same right of first refusal as in the case of the initial offer.

F. <u>Purchase Upon Franchisee's CEO's Death or Disability</u>

1. This Section 14.F applies only if (a) Franchisee's Controlling Principal or CEO dies of suffers a Permanent Disability, and (b) the death or Permanent Disability results in a change in executive-level responsibility for managing the Facility.

2. Upon the occurrence of an event described in Section 14.F(1), Franchisee's Controlling Principal, if he is living and has not suffered a Permanent Disability, shall appoint an interim CEO or General Manager to operate the Facility and within fifteen (15) days of such event notify Franchisor of the event and indicate Franchisee's intention of continuing to operate the Facility pursuant to this Section 14.F(2). During the first one hundred twenty (120) days after the death or Permanent Disability occurs, Franchisor shall evaluate the interim management's willingness and ability to operate the Facility in compliance with this Agreement. By the end of the one hundred twenty (120) day evaluation period, Franchisor shall decide whether the interim management is qualified to manage the Facility and become its CEO or Controlling Principal, and Franchisor shall notify Franchisee's known Principals of Franchisor's decision. As conditions to continuing the franchise relationship, each Principal must furnish Franchisor with a signed Personal Guaranty and any deficiencies in Franchisee's compliance with the requirements of this Agreement must be cured. Franchisor also may require the new Controlling Principal, CEO or General Manager to attend and satisfactorily complete Franchisor's initial training program.

3. If any of the conditions stated in Section 14.F(2) is not satisfied, or if Franchisor decides that the interim management has not adequately demonstrated its business qualifications or commitment to the franchise relationship, the surviving Principals shall have one hundred twenty (120) days after delivery of Franchisor's notice to (a) locate a new CEO who is acceptable to Franchisor or (b) sign a binding contract to sell the Franchise or a Controlling Interest in the Franchise to a buyer approved by Franchisor in accordance with, and in a transaction structured to comply with, this Section 14. The proposed sale shall be subject to Franchisor's right of first refusal under Section 14.E.

4. If any of Franchisee's Principals fails to sign a binding contract of sale before the one hundred twenty (120) day selling period expires, or (i) if a contract is signed, but the proposed sale is not concluded within thirty (30) days after Franchisor relinquishes its option under Section 14.E, Franchisor shall have an additional option during the next following thirty (30) days to purchase the interest the deceased or Permanently Disabled person held at the date of death or Permanent Disability. The purchase price for the interest shall be its fair market value, determined through negotiations or by appraisal. Unless otherwise agreed by the parties, the purchase price shall be payable in cash at closing. If Franchisor delivers written notice of its intention to exercise the option within the thirty (30) day period, the option shall be considered effectively exercised whether or not the purchase is actually consummated within the thirty (30) day period.

5. If the parties fail to agree on a purchase price for the interest within twenty-one (21) days after delivery of Franchisor's notice, the purchase price shall be determined by an appraiser selected by Franchisor in accordance with the appraisal process specified in Section 14.E.

G. Transfer by Franchisor

Franchisor and any holder of an Ownership Interest in Franchisor may voluntarily, involuntarily, directly or indirectly sell, assign, transfer, license, sublicense, sublease, collaterally assign, grant a security, collateral or conditional interest, inter vivos transfer, testamentary disposition or other disposition of all or any part of its rights or obligations under this Agreement or any Ownership Interest in Franchisor to any person. Franchisee agrees not to interfere in or to attempt to interfere with a proposed Transfer by Franchisor or by Franchisor's Principals. Specifically, and without limitation to the forgoing, Franchisor may sell its assets, Marks, or the System to a third party; may offer its securities privately or publicly; may merge, spin-off, acquire other business entities, or be acquired by another business entity; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring; and with regard to any or all of the above sales, assignments, and dispositions, Franchisee expressly and specifically waives any claims, demand, or damages against Franchisor arising from or related to the transfer of the Marks (or any variation thereof) or the System from Franchisor to any other party. If Franchisor assigns its right in this Agreement, Franchisor shall be released from all further liability under this Agreement. Nothing contained in this Agreement requires Franchisor to offer any services or products, whether or not bearing the Marks, to Franchisee if Franchisor assigns its rights in this Agreement.

15. TERMINATION OF FRANCHISE

A. By Franchisee

If Franchisee is in compliance with this Agreement, and Franchisor materially breaches this Agreement and fails to cure such breach within sixty (60) days after Franchisee delivers written notice to Franchisor (or such longer time as Franchisor may request is reasonably required to cure such breach), then Franchisee may terminate this Agreement, effective thirty (30) days after delivery to Franchisor of proper notice. Any termination of this Agreement by Franchisee, without complying with these requirements, shall be deemed a termination by Franchisee without cause.

B. By Franchisor

This Agreement shall terminate without further action by Franchisor on notice to Franchisee if Franchisee or any of Franchisee's Representatives:

1. Fails or refuses to make payments of any amounts due Franchisor or its Affiliates for Royalty Fees, Advertising Fund contributions, purchases from Franchisor or its Affiliates or any other amounts due to Franchisor or its Affiliates, and does not correct such failure or refusal within ten (10) business days after written notice of such failure is delivered to Franchisee;

2. Fails or refuses to comply with any other provision of this Agreement, or any mandatory specification, standard or operating procedure prescribed in the Manuals or otherwise in writing, and does not correct such failure within thirty (30) days after the earlier of notice of such non-compliance from Franchisor or Franchisee having knowledge of such non-compliance.

3. Violates any health, safety, sanitation or other applicable law, ordinance or regulation and does not immediately begin to cure the noncompliance or violation, and correct such noncompliance or violation within twenty-four (24) hours after written notice is delivered to Franchisee.

C. Termination of Franchisee Without Cure Period

This Agreement shall terminate automatically upon delivery of notice of termination to Franchisee, if Franchisee or any of its Representatives:

1. Fails to construct, decorate, equip and maintain the Premises as required in Section 7.D, 7.H and 7.I hereof, or fails to satisfactorily complete the initial training program as provided in Section 7.E of this Agreement;

2. Fails to begin operating the Facility within two (2) years after the Effective Date, unless an extension is mutually agreed upon;

3. Has made any material misrepresentation or omission in their application for the Franchise or other documents or reports submitted to Franchisor

4. Is convicted of a felony or pleads no contest to a felony, or is convicted of or pleads no contest to any other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee or the System;

5. Makes any unauthorized use, disclosure or duplication of any portion of the Manuals, or duplicates or discloses or makes any unauthorized use of any of Franchisor's trade secrets or Confidential Information;

6. Abandons or fails or refuses to actively operate the Facility for three (3) consecutive business days (other than holidays as described in the Manuals), unless the Facility has been closed for a purpose approved by Franchisor or due to a Force Majeure, or fails to relocate to approved Premises within an approved period of time following expiration or termination of the lease for the Premises;

7. Surrenders or transfers control of the operation of the Facility, makes an unauthorized direct or indirect Transfer or fails or refuses to assign the franchise or the interest in Franchisee of a deceased or disabled Controlling Principal thereof as required herein;

8. Submits to Franchisor on three (3) or more separate occasions within a twenty-four (24) month period any reports or other data, information or supporting records which understate by more than two percent (2%) the Royalty Fees due for any month;

9. Underreports Gross Sales by two percent (2%) or more during any six (6) month period;

10. Acknowledges that Franchisee is unable to pay its debts as they come due or commits any other affirmative act of insolvency, or files any petition or action of insolvency, or for appointment of a receiver or trustee, files a petition in bankruptcy or makes any assignment for the benefit of creditors, or fails to vacate or dismiss within thirty (30) days after filing any such proceedings commenced against Franchisee by a third party;

11. Is subject to a dismissal of a liquidation proceeding pursuant to 11 U.S.C. Section 707, dismissal of a reorganization proceeding pursuant to 11 U.S.C. Section 1112, revocation of an order of confirmation pursuant to 11 U.S.C. Section 1330(b) or dismissal of a debt adjustment proceeding pursuant to 11 U.S.C. Section 1307;

12. Materially misuses or makes an unauthorized use of any Marks or commits any act which can reasonably be expected to materially impair the goodwill associated with any Marks;

13. Continues to violate any health, safety or sanitation law, ordinance or regulation or operates the Facility in a manner that presents a health or safety hazard to its Customers or the public after receiving notice of such violation;

14. In the event of Franchisee's death or permanent disability or the death or Permanent Disability of the Controlling Principal, this Agreement or the Controlling Principal's Ownership Interest in Franchisee is not assigned as herein required;

15. Fails to appoint a new CEO or General Manager within fifteen (15) days after Franchisee's death or Permanent Disability, or within fifteen (15) days of the death or Permanent Disability of the Controlling Principal;

16. Loses the right to possession and use of the Premises;

17. Fails to pay when due any federal or state income, service, sales, employment-related or other taxes due on the operations of the Facility, unless Franchisee is, in good faith, legally contesting Franchisee's liability for such taxes;

18. Fails to obtain or retain any license or certification required by law or the Manuals for the operation of the Facility;

19. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right or any other rights against Franchisee, if Franchisee has not cured a default under this Agreement within the twenty (20) days after receipt of a notice of default from Franchisor, Franchisor may, at its option, enter upon the Premises and exercise complete authority with respect to the operation of said business until such time as Franchisor determines that Franchisee's default has been cured and that there is compliance with the requirements of this Agreement. Franchisee specifically agrees that a designated representative of Franchisor may take over, control, and operate said business, and that Franchisee shall pay Franchisor a service fee in the amount specified in the Manuals, plus all travel expenses, room and board and other expenses reasonably incurred by such representative so long as it shall be required by the representative to enforce compliance herewith. Franchisee further agrees that if, as herein provided, Franchisor temporarily operates the Facility, Franchisee shall indemnify and hold harmless Franchisor and any representative of Franchisor who may act hereunder, respecting any and all acts and omissions which Franchisor may perform, or fail to perform as regards to the interests of Franchisee or third parties; or

20. If Franchisee's Representatives default under the terms of any other franchise agreement, development agreement or any other agreement with Franchisor or its Affiliates and fail to cure each such default within the time specified in such agreement, if such agreement permits the default to be cured. If such a default is not curable, this Agreement shall terminate upon Franchisee's receipt of a notice of termination.

16. FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Payment of Monies Owed to Franchisor

Franchisee agrees to pay to Franchisor, within fifteen (15) days after the Termination Date, or the Expiration Date, such Royalty Fees, Advertising Fund contributions, payments for inventory, equipment or merchandise, or any of the products or services purchased by Franchisee from Franchisor or its Affiliates, and any other sums owed to Franchisor by Franchisee, as well as all of Franchisor's lost future profits resulting from the termination of the Agreement before the Expiration Date.

B. Return of Operations Manual and Other Materials

Franchisee agrees upon termination or expiration of this Agreement to immediately return to Franchisor all copies of the Manual(s), training aids and any other materials loaned by Franchisor.

C. Cancellation of Assumed Names/Transfer Phone Numbers

Franchisee agrees upon termination or expiration of this Agreement to take such action that may be required to cancel all assumed names or equivalent registrations relating to use of any Marks. Franchisor may immediately file with Franchisee's local telephone company the Assignments of Telephone Numbers that Franchisee has provided Franchisor as reflected in Schedule D, and may instruct the telephone company to transfer use and control of the Facility's telephone numbers to Franchisor or its designee. If Franchisee's Assignment of Telephone Numbers is no longer valid, Franchisee shall immediately execute a new Assignment of Telephone Numbers in the form requested by Franchisor. Franchisee irrevocably constitutes and appoints Franchisor and its designees as Franchisee's agent and attorney-in-fact to effect the transfer of the Facility's telephone number(s), including authority to execute and deliver on Franchisee's behalf any transfer of service agreement the telephone company requires, and to revoke any call-forwarding or similar instructions Franchisee has given the telephone company. Franchisor shall have no liability to Franchisee on account of or arising from any action it authorizes or takes to effect the transfer of the Facility's telephone number(s) in accordance with this Section 16.C. In addition, Franchisor shall be entitled to injunctive or similar relief, without bond, against Franchisee and any other person bound to enforce compliance with these requirements.

D. Cease Operation of the Facility

Franchisee agrees upon termination or expiration of this Agreement, to cease to operate the Facility, and to not thereafter, directly or indirectly, represent itself to the public or hold itself out as a present or former Franchisee of Franchisor.

E. Assign The Lease

Upon termination or expiration of the Franchise, Franchisee shall, at Franchisor's option, and without paying compensation to Franchisee, assign to Franchisor, or to Franchisor's designee, Franchisee's interest in any Lease then in effect for the Premises. Franchisor shall notify Franchisee if its intent to exercise this option and the identity of the designee within thirty (30) days after termination or expiration of this Agreement.

F. Cease Using Marks

Franchisee agrees upon termination or expiration of this Agreement, Franchisee shall immediately and permanently cease to use, by advertising, or in any manner whatsoever, any confidential methods, procedures, and techniques associated with Franchisor and the Marks and any proprietary marks and distinctive forms, slogans, signs, symbols, logos, or devices associated with the System. In particular, Franchisee shall cease to use all signs, advertising materials, stationery, forms, and any other articles which display the Marks.

17. COVENANTS

A. Full-Time Operation of Business

Franchisee covenants during the Term, Franchisee, or Franchisee's CEO, and Franchisee's General Manager, shall devote full-time energy and best efforts to the management and operation of the Facility, and shall refrain from engaging in any Competing Business, directly or indirectly, during the Term, except pursuant to another Sogility Franchise Agreement.

B. No Diversion of Business

Franchisee's Representatives covenant that they shall not directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any person or legal entity:

1. Divert or attempt to divert any business or customer of the Facility, or of any other Facility, to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

2. Employ or seek to employ any person, who is at that time employed in a senior management position by Franchisor's Representatives or by any franchisee of Franchisor, or otherwise directly or indirectly induce or seek to induce such person to leave his or her employment.

C. Covenant Not To Compete

Franchisee and its Owners covenant, except as otherwise approved in writing by Franchisor, that they shall not, for a continuous uninterrupted period commencing upon the Expiration Date or Termination Date of this Agreement, regardless of the cause for termination, and continuing for twenty-four (24) months, either directly or indirectly, for themselves, or on behalf of, or in conjunction with any person, individual or Business Entity own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any Competitive Business or a division or subsidiary of a business which provides soccer or similar athletic training:

1. Within the Territory; or

2. Within a radius of thirty-five (35) miles of the Premises of any other operating Sogility Facility.

D. Exception to Covenant Not to Compete

Section 17.C. shall not apply to ownership by Franchisee of less than a five percent (5%) Ownership Interest in the outstanding equity securities of any Public-Held Business Entity.

E. Covenants Are Independent

Franchisee and Franchisor agree each of the covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 17 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulted covenant were separately stated in and made a part of this Section 17.

F. Right to Reduce Scope

Franchisor may, in its sole discretion, reduce the scope of any covenant set forth in this Section 17, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

G. Claims Are Not Defense to Covenants

Franchisee's Representatives expressly agree that the existence of any claim they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 17.

H. Injunctive Relief Available to Franchisor

Franchisee's Representatives acknowledge any failure to comply with the requirements of this Section 17 would cause Franchisor irreparable injury for which no adequate remedy at law may be available; and Franchisee accordingly consents to the issuance of an injunction, without the need of a bond, prohibiting any conduct by Franchisee in violation of the terms of this Section 17. Franchisor may further avail itself of any legal or equitable rights and remedies under this Agreement or otherwise.

I. Non-Disparagement

Franchisee' Representatives expressly agree that they shall not, at any time, either orally or in writing or through any medium, or any other form of communication, (i) disparage, defame, impugn or otherwise damage or assail the reputation, integrity or professionalism of Franchisor's Representatives, franchisees of Franchisor, or any of their Representatives, or (ii) encourage any of Franchisor's franchisees to abandon their franchise, not pay fess to Franchisor or not support Franchisor or any of its programs in any way.

18. TAXES, PERMITS, AND INDEBTEDNESS

A. Franchisee Must Pay Taxes Promptly

Franchisee shall promptly pay when due all taxes levied or assessed against the Facility, including unemployment and sales taxes, and all accounts and other indebtedness of any kind incurred by Franchisee in the conduct of the Facility's business. Franchisee shall promptly pay when due all taxes assessed on Franchisor regarding the operation of the Facility, except for income tax. In the event gross receipts tax or other tax (other than income taxes) which is based on Gross Sales, receipts, sales, business activities or operation of the Facility is imposed upon Franchisor by any taxing authority, then the Franchisee will reimburse Franchisor in an amount equal to the amount of such taxes and related costs imposed upon and paid by Franchisor.

B. Franchisee May Contest Tax Assessment

In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law. However, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the Premises or any assents of the Facility.

19. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. Franchisee Must Notify Franchisor of Lawsuits

Franchisee shall notify Franchisor in writing immediately of the commencement of any investigation, inquiry, action, suit or proceeding against Franchisee or of the issuance of any subpoena, order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which arises out of, concerns, or may affect the operation, reputation or financial condition of the Facility, including any criminal action or any proceeding brought by Franchisee against its employees, Customers or other persons who are associated or affiliated with Franchisee.

B. No Fiduciary Relationship

It is understood and agreed by Franchisee and Franchisor this Agreement does not constitute a fiduciary relationship. Franchisee is an independent contractor, and nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, fiduciary, employee or servant of the other for any purpose.

C. Franchisee is an Independent Contractor

Franchisee shall at all times hold itself out to the public as an independent contractor operating its business pursuant to a Franchise from Franchisor. Franchisee shall conspicuously identify itself in all dealings with its Customers, contractors, suppliers, public officials and others, as an independent Franchisee of Franchisor; and shall place such notice of independent ownership on all business forms, business cards, stationery, advertising, signs and other materials, as Franchisor may specify in the Manuals. Except as otherwise expressly authorized by this Agreement, neither Franchisee nor Franchisor shall make any express or implied agreements, warranties, guarantees or representations; or incur any debt in the name of or on behalf of the other party, or represent the relationship between Franchisor and Franchisee is other than that of Franchisor and Franchisee. Franchisor does not assume any liability, and shall not be deemed liable, for any agreements, representations or warranties made by Franchisee, which are not expressly authorized under this Agreement. Franchisor shall not be obligated for any damages to any person or property, which directly or indirectly arise from or are related to the operation of the Facility.

D. Franchisor Not Liable for Acts of Franchisee

Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name. Franchisor shall not be liable hereunder as a result of any such action, or by reason of any act or omission of Franchisee in its conduct of the Facility's business, or any claim or judgment arising against Franchisee. Franchisee shall indemnify and hold harmless Franchisor's Representatives against any acts, omissions or claims arising directly or indirectly from, as a result of, or in connection with Franchisee's operation of the Facility, as well as the costs, including attorneys' fees, incurred in defending same.

E. Indemnification

Franchisee agrees at all times to defend at Franchisee's expense, and agrees to indemnify and hold harmless to the fullest extent permitted by law, Franchisor's Representatives from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, which arises out of the Facility or, including, but not limited to, the following:

1. Franchisee's infringement or any other alleged violation of any patent, trademark, or other proprietary right that is owned or controlled by Franchisor.

2. Franchisee's alleged violation of any law, regulation or ordinance, or any directive or any industry standard.

3. Franchisee's libel, slander or any other form of defamation.

4. Franchisee's alleged violation or breach of any warranty, representation, agreement or obligation in this Agreement.

5. Any acts, errors or omissions of Franchisee or any of its agents, servants, employees, contractors, partners, proprietors, affiliates, or representatives.

6. Any services provided by Franchisee related to the operation of the Facility.

7. Any injury that arises out of the services provided by Franchisee.

20. WAIVER

No failure of Franchisor to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by Franchisee with any obligation or condition, and no custom practice of the parties at variance with the terms, shall constitute a waiver of Franchisor's right to demand exact compliance with any such terms. Waiver by Franchisor of any particular default by Franchisee shall not affect or impair Franchisor's rights with respect to any subsequent default of the same, similar, or different nature; nor shall any delay, forbearance or omission of Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions or covenants, affect or impair Franchisor's right to exercise same; nor shall such constitute a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

21. ENFORCEMENT

A. Choice of Law and Venue

This Agreement shall be deemed to have been made in the Indiana and shall be construed according to the laws of that state (exclusive of any conflict of law principles). Franchisee acknowledges that Franchisor operates a nationwide franchise system, with franchisees located in numerous states. Accordingly, Franchisor and Franchisee hereby agree that in view of the fact that substantially all of the books, records and business personnel of Franchisor are located in Westfield, Indiana, and in order to minimize disruption or interference with operation of the franchise system as a whole, Franchisee irrevocably agrees as follows:

Except for claims relating to the Marks, the sole jurisdiction and venue for any and all court proceedings arising from or relating in any manner to any dispute of any kind or nature whatsoever between Franchisor and Franchisee, and their respective Affiliates and Representatives arising out of, relating to, concerning, or referencing this Agreement, shall be in, and only in, (i) the General District Court for Hamilton County, Indiana (Commercial Docket) or (ii) the United States District Court for the Southern District of Indiana. Franchisee specifically agrees that such courts shall have personal jurisdiction over Franchisee to enter legal, equitable or injunctive relief.

B. Injunction and Specific Performance

Franchisor shall be entitled without bond to the entry of temporary and permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunction or orders of specific performance, Franchisee agrees to pay to Franchisor an amount equal to the aggregate of the costs of obtaining such relief, including reasonable attorneys fees, costs of investigation and proof of facts, court costs, and other litigation expenses and travel and living expenses, and any damages incurred by Franchisor as a result of the breach of any such provision.

C. Jury Trial Waiver

Franchisee and Franchisee's Representatives waive their right the trial by jury.

D. Severability and Substitution of Valid Provisions

All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein; and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required, or the taking of some other action not required, the prior notice or other action required by such law or rule shall be substituted for the notice of requirements in this Agreement.

E. Franchisee May Not Withhold Payments Due Franchisor

Franchisee agrees it shall not withhold payments of any Royalty Fees, Advertising Fund contributions or any other amounts of money owed to Franchisor or its Affiliates for any reason, on grounds of the alleged non-performance by Franchisor of any obligation.

F. Rights of Parties Are Cumulative

The rights of Franchisor or Franchisee hereunder are cumulative, and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy, or which Franchisor or Franchisee is entitled by law to enforce.

G. Binding Effect

This Agreement is binding upon Franchisor and Franchisee and their respective heirs, assigns and successors in interest. Any promises made outside of the Disclosure Document and this Franchise Agreement may not be enforceable.

H. Construction

The Recitals of Fact (Section 1) are a part of this Agreement, which, together with Franchisor's Franchise Disclosure Documents, any other agreements or instruments referred to or which relate to the purchase or lease by Franchisee from Franchisor of any fixtures, signs, equipment or merchandise, constitutes the entire Agreement of Franchisor and Franchisee. There are no other oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement.

The headings of these several sections and paragraphs are for convenience only and do not define, limit or construe the contents of those sections or paragraphs. Except as expressly provided to the contrary, each section, part, term and provision of this Franchise Agreement is considered severable. If for any reason, any section, part, term or provision is determined to be invalid or contrary to or in conflict with any existing or future law or regulation by a court or agency having competent jurisdiction, such determination shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and provisions of this Franchise Agreement that may remain otherwise intelligible; and the latter shall continue to be given full force and effect and to bind Franchisor and Franchisee. Any sections, parts, terms or provisions determined to be invalid shall be deemed deleted from this Franchise Agreement.

I. Attorney Fees

In the event of any legal or administrative proceeding between Franchisor and Franchisee arising under this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees and court costs from the other.

J. Modification

This instrument contains the entire Agreement between Franchisor and Franchisee relating to the rights granted and the obligations assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting a subsequent modification in writing and signed by Franchisor and Franchisee. Nothing in this Agreement is intended to waive Franchisee's right to rely upon representations made in Franchisor's Franchise Disclosure Document, its exhibits and amendments, except for terms of this Agreement and agreements executed contemporaneously with it which Franchisee negotiated with Franchisor before their execution.

22. SECURITY INTEREST

A. Franchisee hereby grants Franchisor a Security Interest in accordance with the Uniform Commercial Code of the state in which the Facility is located (the "UCC"), as security for the full and punctual payment of all of the fees and other amounts due under this Agreement, and the performance of, and compliance with, all of the terms, covenants and agreements contained in this Agreement. Franchisee agrees that any default by Franchisee under this Agreement which continues beyond any applicable cure period will entitle Franchisor to exercise any and all rights and remedies provided under the UCC with respect to any part of the Collateral, including, without limitation, the right to take possession of all personal property subject to this Agreement without the use of judicial process (Franchisee hereby waives all right to prior notice and a judicial hearing) and the right to require Franchisee to assemble the same at the Facility or such other place as Franchisor may designate. Any disposition of so much of the Collateral as may constitute personal property will be considered commercially reasonable if made pursuant to a public sale which is advertised at least twice in a newspaper of local circulation in the community where the Facility is located. Any notice required to be given to Franchisee pursuant to the UCC will be considered reasonable and properly given if given in the manner and at the address provided in Section 24 at least five (5) calendar days prior to the date of any scheduled public sale. All such rights and remedies are cumulative and may be exercised either concurrently or independently of Franchisor's other rights under this Agreement and in such order as Franchisor may determine in its sole and absolute discretion.

B. Franchisee hereby grants Franchisor a security interest in the following property:

(1) All of Franchisee's right, title and interest, estate, claim and demand, either at law or in equity, in and to all equipment, machinery, apparatus, fixtures and articles of personal property of every kind and nature whatsoever, located at the Facility's Premises or now or hereafter ordered for eventual delivery to the Facility's Premises (whether or not delivered thereto) and all such as are now or hereafter used or usable in connection with any of Franchisee's present or future business operations at the Facility's Premises and now owned or hereafter acquired by Franchisee, and any and all replacements thereof, additions thereto and substitutions therefor, including, without in any manner limiting the generality of the foregoing, all computer equipment used in the operation of the Facility; and

(2) All of Franchisee's inventory for sale at the Facility, both now owned and hereafter acquired, whether or not located at the Facility's Premises, and as the same may now and hereafter from time to time be constituted, together with all cash and non-cash proceeds and products thereof;

(3) All proceeds of the conversion, voluntary or involuntary, of any of the Collateral into cash or liquidated claims, including, without limitation, the proceeds of insurance; and

4) All of Franchisee's Facility's cash and accounts receivable.

23. NOTICES

All notices required by this Agreement shall be written and sent to the location specified on the Summary Pages. Notices shall be deemed delivered immediately if delivered by hand, delivered in three (3) days after being placed in the mail (Certified Mail/Return Receipt Requested) postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has on record, or on the second day after being sent by an overnight courier service (e.g. FedEx, UPS, DHL) and scheduled for next day delivery.

24. AUTHORITY

Except as otherwise provided, all references to Franchisee in this Agreement shall be deemed to include, personally and individually, all Franchisee's Representatives, if Franchisee is a Business Entity. All acknowledgments, promises, covenants, agreements and obligations made or undertaken by Franchisee shall be deemed jointly and severally undertaken by them and by all signatories on behalf of Franchisee and by all of Franchisee's Representatives.

25. BUSINESS JUDGMENT

Notwithstanding any contrary provisions contained in this Agreement, Franchisee's Representatives acknowledge and agree that:

A. This Agreement (and the relationship of the parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions or refrain from taking actions not inconsistent with Franchisee's Representatives explicit rights and obligations hereunder that may effect favorably or adversely Franchisee's Representatives interests;

B. Franchisor shall use its business judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests, promotion and benefit of the System and Facility generally (including Franchisor, and its Affiliates and other franchisees), and specifically without considering Franchisee's Representatives individual interests or the individual interests of any other particular franchisee (examples of items that shall promote or benefit the System and Facility generally include, without limitation, enhancing the value of the Marks, improving customer satisfaction, improving quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System);

C. Franchisor shall have no liability to Franchisee for the exercise of its discretion in this manner; and

D. Even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification, no trier of fact in any legal action shall substitute his or her judgment for Franchisor's judgment so exercised and no such action or decision shall be subject to challenge for abuse of discretion.

If Franchisor takes any action or Franchisor chooses not to take any action in its discretion with regard to any matter related to this Agreement and its actions or inaction if challenged for any reason, the parties expressly direct the trier of fact that Franchisor's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of its discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

E. In granting approval, designating suppliers or setting standards, Franchisor shall exercise its reasonable business judgment. However, in the exercise of its business judgment, Franchisor shall not be liable to Franchisee's Representatives, guarantors, Customers, suppliers or anyone else, if Franchisor's exercise of its business judgment results in a business loss, or if the advertising, service or software fails to meet either Franchisor's, Franchisee's or the Customer's expectations. Franchisor disclaims all warranties and liability for the acts or omissions of any contractors, vendors, suppliers, products or employees which Franchisee use, purchase, retain or hire pursuant to Franchisor's exercise of its business judgment hereunder.

26. TERRORISTS AND MONEY LAUNDERING ACTIVITIES

Franchisee's Representatives represent and warrant to Franchisor's that none of Franchisee's Representatives is identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (text currently available at www.treas.gov/offices/enforcement/ofac/). Further, Franchisee's Representatives represent and warrant that none of Franchisee's Representatives has violated and agrees not to violate any law prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U.S. Patriot Act (text currently available at http://www.epic.org/privacy/terrorism/hr3162.html), U.S. Executive Order 13224 (text currently available at http://www.tres.gov/offices/enforcement/ofac/legal/eo/13224.pdf), or any similar law. The foregoing constitute continuing representations and warranties, and Franchisee and its Principals shall immediately notify Franchisor in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

27. SPECIAL REPRESENTATIONS

Franchisee and its Owners represent as follows:

A. Franchisee has conducted an independent investigation of Franchisor's business System and recognizes the business venture contemplated by this Agreement involves business risks, and that Franchisee's success is largely dependent upon the ability of Franchisee as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges it has not received, any warranty or guaranty, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

B. Franchisee acknowledges having received, read and understood this Agreement, and Franchisee acknowledges Franchisor has accorded Franchisee the required time and opportunity to consult with advisors about the potential benefits and risks of entering into this Agreement.

C. Franchisee acknowledges receipt of a complete copy of this Agreement, the Attachments referred to, and agreements relating to, if any, at least seven (7) days prior to the date on which this Agreement was executed. Franchisee further acknowledges it has received the Franchise Disclosure Document, required by the Trade Regulation Rule of the Federal Trade Commission, entitled "Disclosure Requirements and Prohibitions Concerning Franchising," at least fourteen (14) days prior to the date on which this Agreement was executed.

D. Franchisee affirms and agrees Franchisor may sell its assets to a third party; may issue shares to the public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from any of the above.

E. The covenants set forth in this Agreement are fair and reasonable, and shall not impose any undue hardship on Franchisee, because Franchisee has other considerable skills, experience and education which afford Franchisee the opportunity to derive income from other endeavors.

F. Franchisee affirms all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information in making its decision to grant this Franchise.

[*Signature page follows*]

FRANCHISEE ACKNOWLEDGES FRANCHISEE'S SIGNATURE TO THIS FRANCHISE AGREEMENT HAS NOT BEEN INDUCED BY ANY REPRESENTATION INCONSISTENT WITH THE TERMS OF THIS FRANCHISE AGREEMENT OR INCONSISTENT WITH THE FRANCHISE DISCLOSURE DOCUMENT GIVEN TO FRANCHISEE BY FRANCHISOR IN CONNECTION WITH THIS FRANCHISE. THIS FRANCHISE AGREEMENT MAY BE AMENDED ONLY BY WRITTEN INSTRUMENT SIGNED BY ALL PARTIES.

FRANCHISOR:

SOGILITY HOLDINGS LLC

______________________________	BY: ______________________________
WITNESS	Jimmy Carson, President
	FRANCHISEE:
	______________________________
______________________________	BY: ______________________________
WITNESS	
______________________________	BY: ______________________________
WITNESS	
______________________________	BY: ______________________________
WITNESS	

SCHEDULE A

AREA DEVELOPMENT AGREEMENT

[TO BE INSERTED]

SCHEDULE B

PERSONAL GUARANTY

WITH ____________________________

DATE OF AGREEMENT: ____

FRANCHISOR: [SOGILITY HOLDINGS LLC]

GUARANTOR:

In consideration of, and as an inducement for the granting, execution, and delivery of the foregoing Franchise Agreement between Franchisor and Franchisee, the undersigned (herein and in the Franchise Agreement collectively called the "Guarantor"), hereby guarantees to Franchisor the full and prompt payment of all Fees payable pursuant to the terms of the Franchise Agreement and any and all other sums and charges payable by Franchisee under the Franchise Agreement (hereinafter collectively, referred to as "Fees"), and the Guarantor hereby covenants and agrees to and with Franchisor that, if default shall at any time be made by Franchisee in the payment of any Fees, the Guarantor shall and will forthwith faithfully pay the Fees to Franchisor including, without limitation, all reasonable attorneys' fees and disbursements incurred by Franchisor or caused by the enforcement of this Guaranty.

Guarantor agrees to guarantee the payment, fulfillment and performance of all of the terms, conditions, covenants, obligations, liabilities, and agreements contained in said Franchise Agreement to be fulfilled or performed by Franchisee. Guarantor herein does hereby agree as follows:

1. Guarantor does hereby guarantee the full and complete payment, fulfillment and performance of all of the terms, conditions, covenants, obligations, and liabilities required to be fulfilled or performed by Franchisee under said Franchise Agreement, said guarantee to include, but not be limited to, any and all payments to be made by Franchisee under said Franchise Agreement.

2. Guarantor hereby waives notice of any and all default by Franchisee in the performance, payment of fulfillment of all of the terms, conditions, covenants, obligations, and liabilities to be performed by Franchisee under said Franchise Agreement, and agrees that the waiver by Franchisor of any of its rights against Franchisee and the Franchise Agreement shall not modify, alter, or release the obligations of the Guarantor hereunder.

3. Guarantor hereby agrees that the provisions of this Guaranty shall inure to the benefit of Franchisor, and shall bind its representatives, devisees, grantees, heirs, successors, administrators, and assigns.

4. Guarantor understands and agrees that this Guaranty remains in full force and effect, notwithstanding an assignment of the Franchisee's interest under the Franchise Agreement.

This Guarantor is an absolute and unconditional Guaranty. It shall be enforceable against the Guarantor without the necessity for any suit or proceeding on Franchisor's part of any kind or nature whatsoever against Franchisee, and without the necessity of any notice of non-payment, or of any notice of acceptance of this Guaranty or of any other notice or demand to which the Guarantor might otherwise be entitled, all of which the Guarantor hereby expressly waives; and the Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations hereunder shall in no way be terminated, affected, diminished, or impaired by reason of the assertion or the failure to assert by Franchisor against Franchisee of any of the rights or remedies reserved to Franchisor pursuant to the provisions of the Franchise Agreement.

This Guaranty shall be a continuing Guaranty, and the liability of the Guarantor hereunder shall in no way be affected, modified or diminished by reason of any assignment, renewal, modification or extension of the Franchise Agreement or by reason of any modification or waiver of or change in any of the terms, covenants, conditions or provisions of the Franchise Agreement by Franchisor and Franchisee, or by reason of any dealings or transactions or matter or thing occurring between Franchisor and Franchisee, or by reason of any bankruptcy, insolvency, reorganization, arrangement, assignment, or the benefit of creditors, receivership or trusteeship affecting Franchisee, whether or not notice thereof is given to the Guarantor.

All of Franchisor's rights and remedies under the Franchise Agreement or under this Guaranty are intended to be distinct, separate, and cumulative, and no such right or remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others.

Whenever used in this Guaranty, the terms of Guarantor, Franchisor and Franchisee shall include the respective successors and assigns of the party named as such.

As a further inducement to Franchisor to make and enter into the Franchise Agreement and in consideration thereof, Franchisor and the Guarantor covenant and agree that an action or proceeding brought on, under, or by virtue of this Guaranty, may be instituted in the state in which the Premises are located, and Franchisor and the Guarantor shall and do hereby waive trial by jury. This Guaranty shall be governed by and construed in accordance with the laws of the state of Virginia, the location of the Franchisor.

IN WITNESS WHEREOF, the Guarantor has hereunder set his hand and seal, the day and year first above written, and date of execution of the Franchise Agreement.

IN THE PRESENCE OF:

____

GUARANTOR:

BY:_______________________________
PERSONALLY AND INDIVIDUALLY

NAME:
ADDRESS:
CITY/STATE/ZIP:

STATE OF ____________________)
) ss.
COUNTY OF __________________)

On this __________ day of ____________________, 20_____, before me personally appeared ______________________________________, to me personally known, who, being by me duly sworn, did say he/she is the person who executed the within and foregoing instrument, and he/she executed said instrument as his/her free act and deed.

____
Notary Public
My Commission Expires:

____

SCHEDULE C

NON-COMPETE AND NON-DISCLOSURE AGREEMENT

FOR GOOD CONSIDERATION, the undersigned jointly and severally covenant and agree not to compete with the business of SOGILITY and its lawful successors and assigns.

The term "competitive business" as used herein shall mean that the Undersigned shall not directly or indirectly engage in a business or other activity described as a business which operates as a facility that provides sports training.

This covenant shall extend to the Territory of the present location of the Company located at ____ and (ii) for a radius of THIRTY-FIVE (35) miles of the location of any other operating SOGILITY Business and shall remain in full force and effect for TWENTY-FOUR (24) months from the date you leave employment of ________________________.

In the event of any breach, the Company shall be entitled to full injunctive relief without need to post bond, which rights shall be cumulative with and not necessarily successive or exclusive of any other legal rights.

This agreement shall be binding upon and inure to the benefit of the parties, their successors, assigns, and personal representatives.

Signed this __________ day of ___________________________, 20_____.

Witnessed:

____	____
Witness	First Party
____	____
Witness	Second Party

SCHEDULE D

ASSIGNMENT OF TELEPHONE NUMBER(S)

This Assignment relates to:

Name of Franchisee: ____
Address of Facility: ____
Telephone Number(s): (___) ___________; (___)____________ ; (___) ____________
Telephone Company: ____

For valuable consideration, the Franchisee identified above ("Franchisee") assigns and Transfers to Sogility Holdings LLC ("Franchisor") all of Franchisee's rights and interests in each and all of the telephone numbers listed above (the "Numbers").

Franchisee authorizes Franchisor to file this Assignment with the telephone company that issued the Numbers for the purposes of establishing Franchisor's claim to and right to designate the user of the Numbers.

Franchisee irrevocably constitutes and appoints Franchisor as Franchisee's agent and attorney-in-fact for the purposes of (i) signing and delivering any Transfer of Service Agreement or comparable document the telephone company requires to Transfer the rights in the Numbers from Franchisee to Franchisor or its designee, and (ii) canceling and revoking any call-forwarding or similar instructions Franchisee has issued to the telephone company with respect to any of the Numbers, with full power to sign Franchisee's name and otherwise to act in Franchisee's name, place and stead.

Franchisee agrees to reimburse Franchisor the full amount of any local service and long distance charges the telephone company requires that Franchisor pays to obtain the Numbers, together with interest as provided in the parties' Franchise Agreement.

Franchisee represents and warrants to Franchisor that Franchisee obtained the Numbers in his, her or its own name, and that Franchisee is the person of record the telephone company shall recognize as registered user or "owner" of the Numbers.

FRANCHISEE:

____

By: ____________________________________
Name: __________________________________
Title: __________________________________
Date: __________________________________

SCHEDULE E

LEASE RIDER

This Lease Rider is executed as of this _____ day of _________, 20___, by and between _____________________ ("Franchisee") and ______________________, ("Landlord") as a Rider to the lease (as amended, renewed and/or extended from time to time, "the Lease") for the Premises located at __________________________________, state of ____________________ (the "Location") dated as of ______________________.

WHEREAS, Franchisee has executed or intends to execute a Franchise Agreement (the Franchise Agreement") with SOGILITY Holdings LLC, ("Franchisor") for the operation of a Sogility Facility at the Location, and as a requirement thereof, the Lease for the Location must include the provisions contained in this Rider; and

WHEREAS, Landlord and Franchisee agree that the terms contained herein shall supersede any terms to the contrary set forth in the Lease;

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. The Location only may be used for the operation of a Sogility Facility.

2. Landlord shall deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee, but no later than thirty (30) days before a termination of the Lease would become effective.

3. Franchisor shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, to enter the Premises to cure any breach of the Lease, and if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder.

4. Notwithstanding anything to the contrary contained in the Lease, Franchisee shall have the absolute right to sublet, assign or otherwise Transfer its interest in the Lease to Franchisor or its Affiliate, or to a corporation with which Franchisee or Franchisor may merge or consolidate, without Landlord's approval, written or otherwise, and without any increase in rent and without a material change in any other terms of the Lease and without execution of a guarantee of Franchisor's obligations (if any) under the assigned Lease.

5. Franchisee shall, if requested by Franchisor, assign to Franchisor, and Landlord hereby irrevocably and unconditionally consents to such assignment, all of Franchisee's rights, title and interest to and under the Lease upon any termination, or if no Subsequent Franchise Agreement is executed, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without execution of a Subsequent Franchise Agreement; and (b) Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

6. The Lease may not be modified, amended, renewed or extended in any manner or assigned by Franchisee without Franchisor's prior written consent. The Premises may not be altered or modified in any way without Franchisor's prior written consent. Moreover, without Franchisor's prior written consent, the Location may not be sublet, subdivided or used for any purpose other than for the operation of a Sogility Facility.

7. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Paragraphs 3, 4 or 5 above. Franchisor shall assume all of Franchisee's obligations under the Lease from and

after the date of assignment, but shall have no obligation to pay any delinquent rent or to cure any other default under the Lease that occurred or existed prior to the date of the assignment.

8. If Franchisor assumes the Lease, as above provided, Franchisor may further assign the Lease to another person or entity to operate the Sogility Facility at the Location, subject to Landlord's consent which consent shall not be unreasonably withheld or delayed. Landlord agrees to execute such further documentation to confirm its consent to the assignments permitted under this Rider as Franchisor may request.

9. If the Franchise Agreement expires or is terminated, Landlord shall exercise its right to terminate the Lease and/or to exercise its other remedies under this Lease, unless the Lease is assumed by Franchisor or its designee within thirty (30) days of the termination or expiration of the Franchise Agreement.

10. If the Lease expires or is terminated for any reason, Franchisor may enter the Premises and remove any signs or other articles bearing any trade names, logos, trademarks or service marks that are part of the Sogility System and de-identify the leased Premises as a Sogility Facility (including, without limitation, removing any Sogility trade dress features and/or fixtures), without legal process and without being guilty of trespass.

11. Landlord and Franchisor may rely upon any notice from either of them regarding the status of the Lease or of the Franchise Agreement; they shall have no duty to perform any independent investigation to verify Franchisee's rights under the Lease or the Franchise Agreement; and, Franchisee agrees to indemnify and hold Franchisor harmless from any and all claims arising out of the Lease and the reliance upon Franchisor's or Landlord's representations regarding Franchisee's status, the status of Franchisor or the status of the Franchise Agreement.

12. Landlord shall make available to Franchisor all information which it collects or produces related to sales of the Sogility Facility and the way in which the Sogility Facility is operated. Franchisee consents to Landlord providing all such information to Franchisor.

13. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at 4451 Cox Road, Suite 310, Glen Allen, Virginia 23060, Attn: President or such other address as Franchisor shall specify by written notice to Landlord.

14. Under the Franchise Agreement, any lease or any modification or renewal of the Lease for the Location of the Sogility Facility is subject to Franchisor's approval. Accordingly, the Lease is contingent upon such approval.

LANDLORD:	FRANCHISOR:
______________________________	______________________________
By:___________________________	By:___________________________
Name:_________________________	Name:_________________________
Title:__________________________	Title:__________________________
Date:__________________________	Date:__________________________

FRANCHISEE:

____

By:____________________________________

Name:__________________________________

Title:___________________________________

Date:___________________________________

EXHIBIT C
Area Development Agreement

AREA DEVELOPMENT AGREEMENT

SOGILITY HOLDINGS LLC
An Indiana limited liability company
16500 Southpark Drive
Westfield, IN 46074
317-399-7914
https://sogility.net | **info@sogility.net**

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SOGILITY HOLDINGS
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement is made as of the Effective Date set forth in the Rider attached to this Agreement (the "Rider") between SOGILITY HOLDINGS LLC, an Indiana limited liability company ("we," "us" or "our") and the person or persons named in the Rider as the Developer ("you" or "your").

RECITALS:

A. We have invested substantial time, effort and money to develop a system of developing, managing and operating soccer training centers ("Sogility Centers") and have a federally registered trademark for the names "Sogility®" and "Technology Driven Soccer Training®", as well as other intellectual property rights (collectively the "Marks"). We grant franchises to qualified candidates for the operation of one or more Sogility Centers. We also license our trademark rights in the Marks and may in the future adopt, use and license additional or substitute trademarks, service marks, logos, commercial symbols and other branding items in connection with the operation of Sogility Centers in current areas of operation and in expanded areas throughout the United States of America. The Sogility Centers use our methods, procedures, standards, and specifications (all of which are collectively referred to as the "Sogility System") which we may improve, further develop or otherwise modify from time to time.

B. You acknowledge that you have had an adequate opportunity to review, seek professional advice regarding and be thoroughly advised of the provisions of this Agreement, the form of franchise agreement we currently use to grant rights to qualified operators to operate Sogility Centers, and our Franchise Disclosure Document ("FDD"), and have had sufficient time and opportunity to evaluate, obtain advise with respect to and investigate the Sogility System and the procedures and financial requirements associated with the Sogility System and operating as a franchisee of one or more Sogility Centers, as well as the competitive markets for which you have been granted a franchise to operate one or more Sogility Centers and in which such Sogility Centers operate or may operate.

C. You are entering into this Agreement because you want to develop and operate multiple Sogility Centers which use the Marks and the Sogility System. You understand and acknowledge the value of strict conformity to the Sogility System for the successful launch, management, and operation of a Sogility Center. You recognize that while you will have certain limited rights to transfer your interest in this Agreement, and in the Sogility Centers you develop, we are entering into this Agreement with you based on your representation that you intend to personally develop all of the Sogility Centers described in this Agreement, and not with a view to reselling your right to open these Sogility Centers.

D. Capitalized terms used but not defined in this Agreement have the meaning given to such term in the Franchise Agreement or, if not defined in the Franchise Agreement, in the FDD, or if not so defined, such terms shall have their usual and customary meaning in the context in which used.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

1. Grant of Development Rights. The following provisions control with respect to the rights granted hereunder:

A. We grant to you, under the terms and conditions of this Agreement, the right to develop and operate the number of Sogility Centers identified in the Rider, using the Marks and operating within the territory described in the Rider (the "Development Territory"), all pursuant to our standard form franchise agreement (as amended from time to time) entered into between you and us (each, a

"Franchise Agreement") and that is in full force and effect. You acknowledge that the Territory has been determined as being sufficient to support the number of Sogility Centers identified in the Rider and targeted for the sub-territories in the Development Territory identified in the Rider, and you agree that you will be limited to such number and to such sub-territories.

B. You agree to be bound by the "Development Schedule" set forth in the Rider. Time is of the essence for the development of each Sogility Center in accordance with the Development Schedule. Each Sogility Center must be developed and operated by you pursuant to a separate Franchise Agreement that you enter into with us prior to the commencement of the development of a new Sogility Center.

C. We will consult with you upon your reasonable request from time to time with regard to site selection for a Sogility Center and the development and design of a Sogility Center to help ensure that any plans and specifications for such Sogility Center conform to the specifications and standards for a Sogility Center and are suitable for operating such Sogility Center in compliance with the Sogility System. We will make available other resources and assistance that we make available to others who develop Sogility Centers on such terms and conditions (including reasonable fees) as are made available generally to similar situated developers. You acknowledge and agree that you have the ultimate authority, responsibility and discretion with respect such decisions and will hold us harmless from the consequences of such decisions.

D. Unless otherwise indicated in the Rider, if you are in compliance with the Development Schedule set forth in the Rider, we will not develop or operate or grant anyone else a franchise to develop and operate a Sogility Center from any location in the Development Territory prior to the earlier of (i) the expiration or termination of this Agreement; (ii) the date on which you must sign the Franchise Agreement for your last Sogility Center pursuant to the terms of the Development Schedule; or (iii) the date on which the Protected Territory for your final Sogility Center is determined; except that if the Development Territory covers more than one city, county or designated market area, the protection for each particular city, county or designated market area will expire upon the earliest of (1) any of the foregoing events or (2) the date when the Protected Territory for your final Sogility Center to be developed in such city, county or designated market area under this Agreement is determined. Notwithstanding anything in this Agreement, upon the earliest occurrence of any of the foregoing events (i) any rights you hold with respect to developing any additional Sogility Centers in the Development Territory will expire automatically without further notice from us of any kind, and (ii) we will be entitled to develop and operate, or to franchise or joint venture with others to develop and operate, Sogility Centers from locations in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been signed between us and you and that has not been terminated.

E. You acknowledge and agree that (i) we and our affiliates have the right outside of the Development Territory to grant other franchises or operate company or affiliate owned Sogility Centers and (ii) we and our affiliates have the right to operate, and to grant franchises or licenses to others to operate, Sogility Centers or any other business within and outside the Development Territory under trademarks other than the Marks, without compensation to you.

F. We reserve all rights not specifically granted to in you this Agreement. Among other things, this Agreement does not limit our right or the right of any of our affiliates to use or license the Sogility System in any manner that does not contravene your express rights granted in this Agreement or to engage in or license any other business activity within or outside the Development Territory or the Sogility System outside of the Development Territory.

G. You acknowledge that you have not been granted under this Agreement any rights or interests to use, exploit or commercialize any of the Marks but that any such rights will only be granted under a Franchise Agreement.

2. Development Fee. You must pay us a Development Fee in the amount set forth in the Rider. This fee is payable in full when you sign this Agreement. However, you will not be required to pay an Initial Franchise Fee for any of the Sogility Centers you develop under this Agreement.

A. You will sign the Franchise Agreement for your first Sogility Center concurrently with this Agreement. A separate Franchise Agreement must be signed for each additional Sogility Center. Upon the execution of each Franchise Agreement, the terms and conditions of the Franchise Agreement control the establishment and operation of the applicable Sogility Center.

B. The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by us upon execution of this Agreement and is non-refundable.

C. Unless precluded by applicable law, we have the absolute right to reject or disapprove of you as a potential developer or franchisee for any Sogility Centers and to cancel this Agreement at any time within ninety (90) days after the date of this Agreement if we, in our reasonable business judgment, determine that any required financial, personal or other material information provided by you or your affiliates, agents or representatives to us is false, misleading, incomplete or inaccurate in any manner that we in our discretion determine to be material. If you are rejected by us pursuant to this Section 2.C, then the Development Fee paid by you pursuant to this Agreement will be partially refundable to you after we have deducted an amount equal to 50% of the unapplied portion of the Development Fee to reimburse us for the administrative and out-of-pocket expenses and other costs and losses incurred by us as a result of such termination, including, but not limited to, expenses related to executives' and employees' salaries, costs for salespersons' commissions, attorneys' fees, accountants' fees, travel expenses, training and marketing costs and our loss of time and business opportunity with respect to the Development Territory.

3. Development Schedule and Procedures. The following provisions control with respect to your development rights and obligations:

A. You must comply with the Development Schedule requirements regarding (i) the execution of the Franchise Agreements, (ii) the opening date for each Sogility Center, and (iii) the cumulative number of Sogility Centers to be open and continuously operating for business in the Development Territory. If you fail to either sign a Franchise Agreement or to open a Sogility Center according to the dates set forth in either the Development Schedule or the Franchise Agreement, as applicable, we, in our sole discretion, may immediately terminate this Agreement pursuant to Section 5.

B. You may not open a Sogility Center under this Agreement unless you have notified us of your intention to develop the Sogility Center at least ninety (90) days prior to the date set forth in the Development Schedule and met each of the following conditions (these conditions apply to each Sogility Center to be developed in the Development Territory):

i. Good Standing. You must not be in default of this Agreement, any Franchise Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates. You also must have satisfied on a timely basis all monetary and material obligations under the Franchise Agreements for all existing Sogility Centers.

ii. Execution of Franchise Agreement. You and we have entered into our then-current form of Franchise Agreement for the proposed Sogility Center. You understand that we may modify the then-current form of Franchise Agreement from time to time and that it may be different than the current form of Franchise Agreement, including different fees and obligations; provided, however, that you will not be required to pay any initial franchise fee under any new Franchise Agreement. You understand and agree that any and all Franchise Agreements will be construed and exist independently of this Agreement. The continued existence of each Franchise Agreement will be determined by the terms and conditions of such Franchise Agreement. Except as specifically set forth in this

Agreement, the establishment and operation of each Sogility Center must be in accordance with the terms of the applicable Franchise Agreement.

C. You shall assume all cost, liability, expense and responsibility for locating, obtaining and developing proposed sites for the Sogility Centers to be developed within the Development Territory. Upon the location of a prospective site, you shall submit to us for our consideration and approval, a site package, in the form specified by us, setting forth, among other things: (i) a description of the site; (ii) terms of the lease or purchase; (iii) a market feasibility study for the site; and (iv) such other information and materials as we may reasonably require. We shall have thirty (30) days after receipt of your site package to, in our sole discretion, approve or disapprove the site. Any disapproval will set forth our reasons for disapproving a site proposal. We will have the right to include our form of lease rider to any lease and/or sublease, and you will use reasonable efforts to include our lease rider (with such amendments as we in our discretion may approve) in the lease and/or sublease, and if such efforts are not successful, you will not proceed with such site without our prior written approval (given or withheld in our discretion). If the site is approved, you acknowledge and agree that our approval of a proposed site is neither a representation by us that the site will profitable or successful nor deemed to be or construed as a warranty or guarantee, express or implied, as to the potential volume, profits or success of the Sogility Center at such location, such approval merely signifies that the site meets our site criteria for the development and operation of a Sogility Center. You shall not enter into any binding lease or other agreements until receiving our prior written approval of the site (given or withheld in our discretion).

D. Simultaneously with our written approval of your proposed site (the "Approved Location"), we will provide you with a copy of our then-current FDD, together with two (2) execution copies of our then-current Franchise Agreement. Immediately upon receipt of the FDD, you shall deliver an executed copy of the Receipt to the FDD. Within ten (10) days after the passage of any applicable statutory disclosure period, you shall exercise each Development Right granted herein only by executing a Franchise Agreement for such Approved Location of each Sogility Center and returning same to us for our execution along with any applicable Franchise Fee to be paid at execution of the respective Franchise Agreement. You acknowledge that the disclosures set forth in the FDD you are receiving in connection with this Agreement also applies to the Franchise Agreement for the first Sogility Center. The Franchise Agreement for the first Sogility Center exercised hereunder has been executed contemporaneously with this Agreement. The Franchise Agreement for each additional Sogility Center as to which the applicable Development Right has been exercised shall be the then-current form of Franchise Agreement being offered generally by us, except that: (i) the Protected Territory (a contiguous geographic area located within the Development Territory) will be described in the Information Schedule attached as Exhibit 1 to the Franchise Agreement; and (ii) the Royalty and Marketing Fund percentages will not exceed the Royalty and Marketing Fund percentages in effect in your initial Franchise Agreement, which percentage is described on Exhibit 2. In the event you do not properly execute and deliver the Franchise Agreement within ten (10) days following the expiration of any applicable statutory disclosure period, our approval of the site shall be void and you shall have no rights with respect to such Approved Location.

E. You (or an entity in which you have at least a fifty-one (51%) percent ownership interest) shall execute each Franchise Agreement for each Sogility Center to be developed and opened pursuant to said Franchise Agreement. In no event shall you relinquish control over each entity operating each Sogility Center, without our prior written approval, given or withheld in our discretion. If you utilize an operating entity to enter into the Franchise Agreements for the Approved Locations for each Sogility Center that is required to be developed under this Agreement, the principals of such entity (or your affiliate) shall execute Franchisor's then-current form of Guaranty and Assumption of Obligations.

F. Exhibit 3 to this Agreement will at all times completely and accurately identify all of the owners and their beneficial ownership interests ("Owner(s)") of any applicable entity. You (and if you are an entity, your Owners) must sign and deliver to Franchisor such revised Owners Form Exhibit 3 as may be necessary to reflect any permitted changes in the information contained therein, within five (5) business days following the occurrence thereof, and to furnish such other information about your operating entity or formation as we may request.

4. Term. Unless sooner terminated in accordance with Section 5 of this Agreement, the term of this Agreement ("Term") and all rights granted to you will expire on the earlier of (i) the date that you sign the Franchise Agreement for the last Sogility Center that is scheduled to be opened under the Development Schedule, (ii) the second (2^{nd}) anniversary of the Effective Date, (iii) the date on which any of the conditions in this Agreement for you to open a new Sogility Center can no longer be satisfied, or (iv) you cease to be eligible to open a franchise with us based on our criteria for franchisees as in effect from time to time (as we establish in our discretion and as to which we given you notice of such conditions on your reasonable written request). You do not have any right to renew this Agreement or extend the Term.

5. Default and Termination.

A. You will be deemed in default under this Agreement if you breach any of the terms of this Agreement or if you or any "affiliate" of yours breaches any of the terms of any Franchise Agreement or any other agreement that you or your affiliates have with us or our affiliates and (other than as provided in Section 5.B herein) such default, if curable, is not cured within any applicable grace or cure period in the applicable Franchise Agreement or other applicable agreement or, if no such grace or cure period is provided, then within a period of time that is reasonable to cure such default but in any event not exceeding thirty (30) days after we deliver notice of such default to you. This Agreement shall terminate automatically, and without the requirement of any notice to you, if such default is not cured prior to the expiration of the applicable grace or cure period. For purposes of this Agreement, an "affiliate" of any person will be any person or entity that controls that person, is under the control of that person, or is under common control with that person.

B. All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if: (i) you become insolvent, commit any affirmative action of insolvency or file any action or petition of insolvency, (ii) a receiver (permanent or temporary) of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment against you remains unsatisfied of record for thirty (30) days or longer, (v) execution is levied against your business or property, or the business or property of any of your affiliates that have entered into Franchise Agreements with us, (vi) suit to foreclose any lien or mortgage against premises or equipment is instituted against you and not dismissed within thirty (30) days, or is not in the process of being dismissed, (vii) you fail to meet your development obligations set forth in the Development Schedule, (viii) you or any of your affiliates open any Sogility Center before that person or entity has signed a Franchise Agreement with us for that center in the form we provide, (ix) you fail to comply with any other provision of this Agreement, or you or any of your affiliates fail to comply with any other agreement you or they have with us or our affiliates and do not correct the failure within thirty (30) days after written notice of that failure is delivered to the breaching party (except that if the failure to comply is the third failure to comply with any provision of any agreement that you or any of your affiliates have with us or an affiliate of ours within any twelve (12) consecutive months, then we need not provide any opportunity to cure the default), (x) we have delivered to you or any of your affiliates a notice of termination of a Franchise Agreement in accordance with its terms and conditions and such Franchise Agreement is terminated pursuant thereto, (xi) you (or any of your permitted assignees) terminates any Franchise Agreement or delivers notice to us or any of our applicable affiliates of the termination of any Franchise Agreement or other Franchise Document, or (xii) you or any of your affiliates engage in dishonest or unethical conduct or otherwise acts in any manner that we determine, in our sole discretion, materially and adversely affects us or any of our affiliates or franchisees or of the goodwill associated with the Marks or the Sogility System.

6. Rights and Duties of Parties Upon Termination or Expiration. Upon termination or expiration of this Agreement, all rights granted to you will automatically terminate without the requirement of any notice to you, and:

A. All remaining rights granted to you to develop Sogility Centers under this Agreement will automatically be revoked and will be null and void. You will not be entitled to any refund of any fees. We will have the right, exercised or not in our sole discretion, to develop and operate a Sogility Center in any sub-territory in which you have not developed a Sogility Center.

B. You must within five (5) business days of the termination or expiration pay all sums owing to us and our affiliates. In addition, you agree to pay as fair and reasonable liquidated damages (but not as a penalty) an amount equal to Fifty Thousand and 00/100 Dollars ($50,000.00) for each undeveloped Sogility Center. You agree that this amount is in addition to the Development Fees paid under this Agreement and is for lost revenues from Monthly Fees (as defined in the Franchise Agreement) and other amounts payable to us, including the fact that you were holding the development rights for those Sogility Centers and precluding the development of certain Sogility Centers in the Development Territory, and that it would be difficult to calculate with certainty the amount of damage we will incur. Notwithstanding your agreement, if a court determines that this liquidated damages payment is unenforceable, then we may pursue all other available remedies, including consequential damages.

C. The rights conferred or reserved to us under this Agreement are not exclusive, and we reserve all other rights and remedies available to us at law or in equity.

7. Transfer. The following provisions govern any transfer:

A. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity.

B. This Agreement is entered into by us with specific reliance upon your personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and your rights and obligations under it, are and will remain personal to you. You may only Transfer your rights and interests under this Agreement if you obtain our prior written consent (given or withheld in our discretion).

1. As used in this Agreement, the term "Transfer" means any sale, assignment, lease, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you, and if you are an individual, your death or any disability that will materially and adversely affect your ability to perform under this Agreement or any Franchise Agreement with respect to any Sogility Center. You acknowledge that these provisions prohibit you from subfranchising or sublicensing any right you have under any agreement with us, and that your intent in entering into this Agreement is that you (and not any licensee or transferee) will be opening and operating the Sogility Centers to be developed under this Agreement. In addition, if two (2) individuals sign this Agreement as Franchisee, and one (1) of those individuals is no longer involved in the ownership of the business that is developing Sogility Centers, the withdrawal of that person shall be considered a "Transfer." A "Transfer" shall also be deemed to occur when more than two (2) people are listed as the Developer and there is a change of the ownership of the business such that less than a majority of the original signatories continue to have a majority interest in the equity of the business.

2. We will not charge you any fee in connection with your Transfer of your interest in this Agreement. However, as a condition to our approval of any Transfer, you must sign franchise agreements for all of the Sogility Centers to be developed under this Agreement, you must transfer all of those agreements to the same person or entity that acquires your interest in this Agreement, and you must comply with all of the conditions for transferring each of those agreements, including the requirement to pay a transfer fee in connection with the transfer of each of those agreements.

3. The restriction on Transfer contained in this Agreement does not apply to, or otherwise restrict, your right to transfer any interest in any franchise agreement you previously signed for any Sogility Center to be developed under this Agreement. You may transfer those agreements apart from any rights you have in this Agreement, provided you comply with the transfer provisions of each agreement you seek to transfer.

4. Nothing in this Agreement limits our rights to transfer or assign any or all of our rights and interests in this Agreement to any of our controlled affiliates or to any other person without your consent or approval, provided that we reasonably believe that the assignee is financially solvent, is capable of performing our obligations under this Agreement and has agreed to assume and perform our obligations under this Agreement and we have granted such assignee sufficient rights to the Marks, with the right to sublicense to you as contemplated herein, for assignee to perform such obligations.

8. Miscellaneous. The provisions set forth in the franchise agreement for your first Sogility Center containing any covenants not to compete, confidentiality covenants or agreements, enforcement provisions, indemnity provisions, notice provisions, dispute resolutions, and sections referenced as "Miscellaneous" or "Acknowledgments" are hereby incorporated into this Agreement by reference and shall be applicable to this Agreement until such time as you sign a Subsequent Franchise Agreement, at which time the provisions of the new agreement relating to covenants not to compete, enforcement, notice, and all sections addressing the substantive matters included in this Section 8 shall be incorporated into this Agreement by reference in place of the previous provisions. Likewise, if you later sign yet another Franchise Agreement, at all times, the provisions contained in the last Franchise Agreement you sign with us, which relate to covenants not to compete, enforcement, and notice, and all sections addressing the substantive matters included in this Section 8 are hereby incorporated into this Agreement by reference in place of the previous provisions. You acknowledge having received a copy of our current form of franchise agreement for Sogility Centers, and that until you sign an agreement for your first Sogility Center, the provisions of the form we provided to you relating to these matters will be deemed incorporated herein by reference and applicable to this Agreement. Any reference to the expression "this Agreement" in such Sections will be interpreted as a reference to this Area Development Agreement and any reference to "Protected Territory" will read as Development Territory. Any provisions of this Agreement which, by their nature, may or are to be performed following expiration or termination of this Agreement, shall survive such termination or expiration. This Agreement does not constitute or create a fiduciary relationship. You are independent of us and are not our partner, employee, agent, representative or co-venturer. You have no right or authority to act for or to bind us. You will not identify yourself or hold yourself out as being in any such capacity or relationship with us. This Agreement shall be governed by the laws of the State of Indiana, without regard to its conflict of law provisions. The sole jurisdiction and venue for any and all court proceedings arising from or relating in any manner to any dispute of any kind or nature whatsoever between you and us, and our respective affiliates, arising out of, relating to, concerning, or referencing this Agreement, shall be in, and only in, (i) the General District Court for Hamilton County, Indiana (Commercial Docket) or (ii) the United States District Court for the Southern District of Indiana. You submit to the exclusive jurisdiction of such courts and waive any objections to such jurisdiction or choice of venue. This Agreement is solely for the benefit of you and us, and no third-party has any rights under this Agreement. You acknowledge that we have advised you to engage attorneys, tax advisors and other appropriate professionals to advise you with respect to this Agreement and the subject matter hereof. This Agreement may be signed in one or more

counterparts, but each of which shall constitute and be deemed an original. Signatures may be delivered via facsimile, email, PDF file or other digital or electronic platform or method.

[THIS AGREEMENT CONTINUES WITH A RIDER,
WHICH IS A PART OF THIS AGREEMENT]

AREA DEVELOPMENT AGREEMENT RIDER

1. Effective Date: ___________________

2. Developer: ______________________

3. Development Territory: _________________________ as shown in the map attached hereto (with any designated sub-territories, if applicable)

If this Development Territory references one or more sites yet to be determined, then we reserve the right to develop and operate a Sogility Center in and around the above-described city, county or area, and to sell franchises and grant territories to others (including through area development agreements) who will operate Sogility Centers in and around the above- described city, county or area. You may then be required to choose a final location for your Sogility Centers outside of any protected territory given to us or to any other franchisee or area developer, which final location may be outside of the county, city or area identified above. Should this happen, you would have to obtain our review and approval for a new Development Territory, and location for your Sogility Centers.

4. Number of Sogility Centers to be opened in the Development Territory: __

5. Principal trademarks: SN97444654, SN97444619, SN97785983

6. Development Fee: $_______

7. Development Schedule: You acknowledge and agree that a material provision of this Area Development Agreement is that the following number of Sogility Centers must be opened and continuously operated by you in the Development Territory in accordance with the following Development Schedule:

Sogility Center Number	**Date by Which Franchise Agreement Must Be Signed and Site Approval Request Must be Submitted to us**	**Date by Which the Sogility Center Must Be Opened and Operated by You in the Territory**	**Cumulative Number of Sogility Centers to be Opened and Operated by You in the Development Territory as of the Date in Preceding Column**
1	Date of this Agreement	___ months from the Date of this Agreement	1
2	____ months from the Date of this Agreement	___ months from the Date of this Agreement	2

For purposes of determining compliance with this Development Schedule, only the Sogility Centers you actually open and continuously operate in the Development Territory for at least the first six (6) months after opening will be counted toward the number of Sogility Centers required to be open and operated by you.

8. Other: ____

IN WITNESS WHEREOF, we and you have signed this Agreement as of the Effective Date set forth above.

FRANCHISOR:	DEVELOPER:
SOGIITY HOLDINGS LLC	____________________
____	____
By:_____________________________________	By:_____________________________________
Its:_____________________________________	Its:_____________________________________

PERSONAL GUARANTY REGARDING AREA DEVELOPMENT AGREEMENT

In consideration of the execution of the Area Development Agreement (the "Agreement") between SOGILITY HOLDINGS LLC ("we" or "us") and _____________ (the "Developer"), dated _________________________________ , and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the developer, including without limitation the dispute resolution provisions of the Agreement. The undersigned acknowledges that the undersigned has an interest in the Developer and will benefit from the Agreement and gives this Personal Guaranty as an inducement to us to enter into the Area Development Agreement with Developer.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed the Agreement.

The undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the developer or any other person as a condition of liability; and (4) notice of any changes permitted by the terms of the Agreement or agreed to by the developer.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person; such liability will not be diminished, relieved or otherwise affected by the Developer's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (2) this Personal Guaranty will apply in all modifications to the Agreement of any nature agreed to by Developer with or without the undersigned receiving notice thereof.

The undersigned acknowledges that it is the sole responsibility of the undersigned to be and remain informed about the Developer, its financial condition, business and prospects and waives any obligation of us to provide such information.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

PERSONAL GUARANTOR:

____
Signature

____
Print Name

____
Address

____
City State Zip Code

____
Telephone/Email

EXHIBIT D
Financial Statements
Balance Sheet
Sogility Holdings
As of June 30, 2025

Distribution account	2022	2023	2024
Assets			
Current Assets			
Bank Accounts			
Further DCKC *2887	109.11	100.00	100.00
Holdings Ops *2065	15,818.63	47,638.68	11,220.25
Holdings Savings *5020			
Management *1768		74,836.84	26,715.08
Medina ops x9594			18,811.31
OLD Savings *2959	128,694.28		
OLD Westfield *4134	12,827.19	94.59	0.00
SogHold Merch savings 1586		79,738.21	304,554.08
Westfield *7545	413.87	34,142.71	23,869.38
Total for Bank Accounts	**157,863.08**	**236,551.03**	**385,270.10**
Accounts Receivable			
Other Current Assets			
Credit Card Receivable	13,921.37	40,872.74	72,701.81
Franchise Fee Asset			0.02
Loan to Fishers intercompany			
Loan to New Pitch	-36.37	-9,784.23	0.00
Loan to Westfield intercompany	-4,000.00	-4,500.00	
Management Services Asset			
Payroll Clearing Account	-105.41	12,068.98	
Uncategorized Asset			
Total for Other Current Assets	**9,779.59**	**38,657.49**	**72,701.83**
Total for Current Assets	**167,642.67**	**275,208.52**	**457,971.93**
Fixed Assets			
Leasehold Improvements	51,533.93	49,450.93	49,450.93
Accumulated Amortization-Leasehold Improvements	-34,355.95		
Total for Leasehold Improvements	**17,177.98**	**49,450.93**	**49,450.93**
Machinery & Equipment	43,920.87	11,049.68	11,049.68
Accumulated Depreciation	-81,409.27	-190,085.22	-304,000.49
ESA Circuit	17,671.00	17,671.00	17,671.00
ESA Fast Feet	89,765.25	102,976.21	102,976.21

ESA FAST FEET 2	13,210.96		
ESA ICON 4M	44,082.93	44,082.93	67,270.11
ESA ICON CUBE	14,715.00	14,715.00	14,715.00
ESA ICON Q	13,210.97	13,210.97	13,210.97
ESA ICON V2	60,000.00	60,000.00	60,000.00
Goals	3,390.00	15,455.62	15,455.62
MSI STL ESA Equipment			
Netting	1,903.14	7,474.59	10,840.74
Reflexion Station	15,199.98	15,199.98	28,221.98
Sogility Ball Launcher	36,138.00	63,038.00	78,907.34
Teqball Tables	2,095.14	2,095.14	2,095.14
TOCA Ball Launchers		30,423.00	30,423.00
Turf	22,725.00	22,725.00	77,765.00
ESA Precision Wall	65,000.00	65,000.00	65,000.00
Total for Machinery & Equipment	**361,618.97**	**295,031.90**	**291,601.30**
Software		30,100.00	30,100.00
Total for Fixed Assets	**378,796.95**	**374,582.83**	**371,152.23**
Other Assets			
Accum. Amort. - Franchise Model			-3,845.50
Franchise Model		17,820.00	65,655.00
Goodwill			
Intellectual Property			1,510.00
Security Deposits	9,973.14	9,973.14	11,000.00
Total for Other Assets	**9,973.14**	**27,793.14**	**74,319.50**
Total for Assets	**556,412.76**	**677,584.49**	**903,443.66**
Liabilities and Equity			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	-11,000.00	93,500.00	
Total for Accounts Payable	**-11,000.00**	**93,500.00**	**0.00**
Credit Cards			
Capital One - In Dispute 2021	21,736.49	21,736.49	21,736.49
Chase Ink - in dispute	15,534.91	15,534.91	15,534.91
Corporate Capt1- 8963 was 1192	2,350.63	5,249.32	18,695.87
Medina Capt1 - 1708			1,048.57
Medina Chase Ink			
Westfield Capt1 Spark - 2771 was 7187	10,276.08	5,575.34	6,242.07
Total for Credit Cards	**49,898.11**	**48,096.06**	**63,257.91**
Other Current Liabilities			

Accrued Interest Payable	1,905.66		
Deferred Revenue - Annual Membership	10,200.00	7,800.00	26,445.83
Deferred Revenues		10,000.00	
Health Insurance Payable	-103.52	-103.52	
Sales Tax Payable	246.16	661.83	184.51
Snowball 96 Lease	30,000.00	20,000.00	10,000.00
Total for Other Current Liabilities	**42,248.30**	**38,358.31**	**36,630.34**
Total for Current Liabilities	**81,146.41**	**179,954.37**	**99,888.25**
Long-term Liabilities			
Community First Note	77,196.18	45,446.85	11,721.26
Deposits - Rent from Lessee			
EIDL Loan	98,410.94	94,984.71	91,405.24
Loan - MBFMPO LLC			
MBF Note		-456,805.00	-456,805.00
Note Payable	456,805.00	456,805.00	456,805.00
Note Payable - Lee			
Notes Payable - Shari McGrath	181,760.52	141,210.12	115,580.70
Reserve for NP Fixed Asset Use			
SAM Loan	9,909.03	0.00	0.00
SAM Loan 2	13,918.99	8,633.90	2,678.64
Total for Long-term Liabilities	**838,000.66**	**290,275.58**	**221,385.84**
Total for Liabilities	**919,147.07**	**470,229.95**	**321,274.09**
Equity			
Retained Earnings	-108,458.38	-526,414.81	-617,547.96
Net Income	-353,391.84	-91,133.15	-195,184.97
Owner's Investment	0.00	0.00	0.00
Owner's Investment - 380			25,000.00
Owner's Investment - AL		331,805.00	351,805.00
Owner's Investment - BW			200,000.00
Owner's Investment - JA			300,000.00
Owner's Investment - JC		75,000.00	75,000.00
Owner's Investment - MK		100,000.00	100,000.00
Owner's Investment - MSI		250,000.00	275,000.00
Owner's Investment - RCM	64,556.95		
Total for Owner's Investment	**64,556.95**	**756,805.00**	**1,326,805.00**
Owner's Pay & Personal Expenses	-33,538.54		
Opening Balance Equity	68,097.50	68,097.50	68,097.50
Total for Equity	**-362,734.31**	**207,354.54**	**582,169.57**

Total for Liabilities and Equity	**556,412.76**	**677,584.49**	**903,443.66**

Profit and Loss
Sogility Holdings
January 1, 2022-June 30, 2025

Distribution account	2022	2023	2024
Income			
Management Services		60,000.00	145,000.02
Memberships, Training, Camps			16,500.00
Camps	106,930.84	138,638.42	151,288.11
Memberships	337,720.22	446,367.28	486,431.53
Services (returns)	-3,082.01	-13,011.01	-11,306.17
Sessions & Classes	131,836.19	129,825.77	140,415.83
Total for Memberships, Training, Camps	**573,405.24**	**701,820.46**	**783,329.30**
Other Related Income		36,593.00	
Events	2,468.00	7,032.80	6,899.50
Field Rent	17,404.00	31,027.50	58,913.13
Leagues	33,136.53	122,084.18	103,020.31
Retail Sales	5,459.12	22,215.14	34,210.60
Sponsorships	14,900.00	21,750.00	21,250.00
Total for Other Related Income	**73,367.65**	**240,702.62**	**224,293.54**
Total for Income	**646,772.89**	**1,002,523.08**	**1,152,622.86**
Cost of Goods Sold			
Apparel	9,575.07	9,747.13	8,218.20
Contractors	206.00	283.00	1,837.20
Camp Rev Share	1,837.00	10,385.60	13,320.50
GK Rev Share	3,831.79	4,510.32	8,145.00
Instructors - Mobile Unit / Events	390.00	102.70	10.30
Interns		500.00	500.00
Ref Fees			5,049.20
Total for Contractors	**6,264.79**	**15,781.62**	**28,862.20**
Credit Card Fees	24,168.10	30,687.11	32,354.93
Job Supplies	1,457.98	322.54	7,989.16
Supplies & Materials - COGS	15,149.81	17,800.22	10,493.07
Wages & Taxes	158,403.40	180,238.60	215,331.51
Total for Cost of Goods Sold	**215,019.15**	**254,577.22**	**303,249.07**
Gross Profit	**431,753.74**	**747,945.86**	**849,373.79**
Expenses			
General & Administrative			
Bad Debt	50.00		
Dues & Subscriptions	2,151.00	330.00	1,567.00

Equipment - Not Capitalized	15,999.86	19,587.85	32,964.48
Equipment Rental	1,522.55	1,954.68	2,912.65
Insurance	9,947.50	13,386.50	17,005.93
Insurance - Health	41,878.60	32,231.39	52,226.85
Merchant & Bank Fees	392.00	516.62	956.98
CC Processing Fees		123.85	420.28
Total for Merchant & Bank Fees	**392.00**	**640.47**	**1,377.26**
Office Supplies & Software	6,919.90	9,418.18	16,511.92
Software	11,435.02	7,054.72	5,089.52
Total for Office Supplies & Software	**18,354.92**	**16,472.90**	**21,601.44**
Professional Services		1.07	
Accounting	1,157.26	6,920.00	15,350.00
Consulting	55,450.00	2,778.00	386.25
Legal & Professional Services	8,562.50	6,222.68	15,206.70
Management fees		60,000.00	60,000.00
Total for Professional Services	**65,169.76**	**75,921.75**	**90,942.95**
Repair & Maintenance - Equipment	3,021.45	530.71	5,757.02
Repairs & Maintenance	2,403.44	1,052.53	26,612.20
Shipping & Postage	102.13	510.41	1,982.67
Supplies	10,440.69	10,398.58	16,707.63
Taxes & Licenses	-9,752.67	1,248.07	1,237.84
Training & Education	292.79	79.96	947.99
Travel Meals & Entertainment General	191.74	1,385.53	4,229.79
Vending Machines	87.32		
Website	1,852.33	3,513.77	
Total for General & Administrative	**164,105.41**	**179,245.10**	**278,073.70**
Payroll Expenses		-353.85	118.56
Bonus			9,872.79
Employee Incentives			752.43
Fee	3,337.81	14,803.19	16,718.00
Salaries	241,462.56	225,984.11	253,227.43
Taxes	30,935.98	33,380.43	39,826.32
Total for Payroll Expenses	**275,736.35**	**273,813.88**	**320,515.53**
Rent & Utilities			
Rent & Lease	258,721.02	194,347.67	173,835.73
Utilities	5,255.61	4,197.59	4,588.86
Electricity	5,497.26	8,647.13	8,627.78
Gas	3,891.23	8,058.28	6,330.63
Security	1,425.60	1,274.53	1,293.88
Telcom	5,967.23	3,806.84	4,732.96

Total for Utilities	**22,036.93**	**25,984.37**	**25,574.11**
Total for Rent & Utilities	**280,757.95**	**220,332.04**	**199,409.84**
Sales & Marketing		900.00	1,112.85
Advertising & Marketing	44,768.91	40,625.98	77,695.70
Auto/Vehicle Expenses	18.89		
Charity	557.25	4,511.14	1,829.13
Conventions	2,464.99	2,828.70	6,503.91
Lodging	3,987.11	506.13	7,841.39
Meals & Entertainment	3,320.80	3,071.42	6,747.73
Mobile Unit	10.00	459.49	850.90
Fuel	1,646.11	2,214.06	3,724.87
Repair & Maintenance - Mobile Unit	42.74	1,075.96	18.00
Trailer Outfitting	421.86		
Total for Mobile Unit	**2,120.71**	**3,749.51**	**4,593.77**
Travel	169.76	2,365.17	8,154.54
Total for Sales & Marketing	**57,408.42**	**58,558.05**	**114,479.02**
Total for Expenses	**778,008.13**	**731,949.07**	**912,478.09**
Net Operating Income	**-346,254.39**	**15,996.79**	**-63,104.30**
Other Income			
Equipment Sale Income		-36,593.00	
Equipment Sales		36,593.20	5,000.00
Total for Equipment Sale Income	**0.00**	**0.20**	**5,000.00**
Interest Income	199.16	1,133.01	4,963.31
Miscellaneous Income	4,361.52		
Rental Income	46,000.00	11,000.00	12,000.00
WPSL Income	1,380.00		
Total for Other Income	**51,940.68**	**12,133.21**	**21,963.31**
Other Expenses			
Amortization			3,845.50
Depreciation Expense	13,730.00		113,915.27
Depreciation of NP Fixed Asset Use		74,320.00	
Equipment for Sale			14,141.41
Equipment Costs	2,642.69	23,520.94	
Freight	694.75		
Supplies		71.00	
Total for Equipment for Sale	**3,337.44**	**23,591.94**	**14,141.41**
Interest Paid	34,896.28	21,351.21	14,851.15
Other Miscellaneous Expense			7,290.65
WPSL	7,114.41		
Total for Other Expenses	**59,078.13**	**119,263.15**	**154,043.98**

Net Other Income	**-7,137.45**	**-107,129.94**	**-132,080.67**
Net Income	**-353,391.84**	**-91,133.15**	**-195,184.97**

Statement of Cash Flows
Sogility Holdings
January 1, 2022-December 31, 2024

Full name	2022	2023	2024
OPERATING ACTIVITIES			
Net Income	-353,391.84	-91,133.15	-195,184.97
Adjustments to reconcile Net Income to Net Cash provided by operations:			
Accounts Payable (A/P)	-11,000.00	104,500.00	-93,500.00
Accrued Interest Payable	541.28	-1,905.66	
Accum. Amort. - Franchise Model			3,845.50
Capital One - In Dispute 2021	1,868.59		
Chase Ink - in dispute	899.83		
Corporate Capt1- 8963 was 1192	2,350.63	2,898.69	13,446.55
Credit Card Receivable	-7,608.68	-26,951.37	-31,829.07
Deferred Revenue - Annual Membership	10,200.00	-2,400.00	18,645.83
Deferred Revenues		10,000.00	-10,000.00
Franchise Fee Asset			-0.02
Franchise Model		-17,820.00	-47,835.00
Health Insurance Payable	-103.52		103.52
Leasehold Improvements:Accumulated Amortization-Leasehold Improvements		-34,355.95	
Loan to Fishers intercompany			
Loan to New Pitch	12,536.37	9,747.86	-9,784.23
Loan to Westfield intercompany	4,000.00	500.00	-4,500.00
Machinery & Equipment:Accumulated Depreciation	10,872.69	108,675.95	113,915.27
Management Services Asset			
Medina Capt1 - 1708			1,048.57
Payroll Clearing Account	105.41	-12,174.39	12,068.98
Sales Tax Payable	246.16	415.67	-477.32
Snowball 96 Lease	30,000.00	-10,000.00	-10,000.00
Uncategorized Asset			
Westfield Capt1 Spark - 2771 was 7187	10,276.08	-4,700.74	666.73
Total for Adjustments to reconcile Net Income to Net Cash provided by operations:	**65,184.84**	**126,430.06**	**-44,184.69**
Net cash provided by operating activities	**-288,207.00**	**35,296.91**	**-239,369.66**
INVESTING ACTIVITIES			
Goodwill			
Intellectual Property			-1,510.00
Leasehold Improvements		2,083.00	
Machinery & Equipment	42,145.70	32,871.19	
Machinery & Equipment:ESA Circuit	-11,228.05		

Machinery & Equipment:ESA Fast Feet	-6,124.39	-13,210.96	
Machinery & Equipment:ESA FAST FEET 2		13,210.96	
Machinery & Equipment:ESA ICON 4M	-4,082.93		-23,187.18
Machinery & Equipment:ESA ICON CUBE	-14,715.00		
Machinery & Equipment:ESA ICON Q			
Machinery & Equipment:ESA ICON V2			
Machinery & Equipment:Goals		-12,065.62	
Machinery & Equipment:MSI STL ESA Equipment			
Machinery & Equipment:Netting		-5,571.45	-3,366.15
Machinery & Equipment:Reflexion Station			-13,022.00
Machinery & Equipment:Sogility Ball Launcher	-36,138.00	-26,900.00	-15,869.34
Machinery & Equipment:Teqball Tables			
Machinery & Equipment:TOCA Ball Launchers		-30,423.00	
Machinery & Equipment:Turf			-55,040.00
Security Deposits	-8,698.14		-1,026.86
Software		30,100.00	
Net cash provided by investing activities	**-38,840.81**	**-70,105.88**	**-113,021.53**
FINANCING ACTIVITIES			
Community First Note	-29,879.97	-31,749.33	-33,725.59
Deposits - Rent from Lessee	-4,000.00		
EIDL Loan	-1,489.06	-3,426.23	-3,579.47
Loan - MBFMPO LLC	-180,000.00		
MBF Note		-456,805.00	
Note Payable	456,805.00		
Notes Payable - Shari McGrath	181,760.52	-40,550.40	-25,629.42
Owner's Investment:Owner's Investment - 380			25,000.00
Owner's Investment:Owner's Investment - AL		331,805.00	20,000.00
Owner's Investment:Owner's Investment - BW			200,000.00
Owner's Investment:Owner's Investment - JA			300,000.00
Owner's Investment:Owner's Investment - JC		75,000.00	
Owner's Investment:Owner's Investment - MK		100,000.00	
Owner's Investment:Owner's Investment - MSI		250,000.00	25,000.00
Owner's Investment:Owner's Investment - RCM		-64,556.95	
Owner's Pay & Personal Expenses		33,538.54	
Reserve for NP Fixed Asset Use			
Retained Earnings		-64,564.59	
SAM Loan	-9,017.73	-9,909.03	
SAM Loan 2	-4,710.56	-5,285.09	-5,955.26
Net cash provided by financing activities	**409,468.20**	**113,496.92**	**501,110.26**
NET CASH INCREASE FOR PERIOD	**82,420.39**	**78,687.95**	**148,719.07**

Accrual Basis Wednesday, August 6, 2025 04:53 PM GMTZ

EXHIBIT E
Disclosure Acknowledgement Statement

NOT FOR USE IN CALIFORNIA, MARYLAND OR WASHINTGON*

****DO NOT SIGN THIS FRANCHISEE ACKNOWLDGEMENT STATEMENT IF YOU ARE A RESIDENT OF CALIFORNIA, MARYLAND OR WASHINGTON OR THE FRANCHISED BUSINESS IS TO BE OPERATED IN CALIFORNIA, MARYLAND OR WASHINGTON. CALIFORNIA, MARYLAND OR WASHINGTON FRANCHISEES SHOULD NOT SIGN THIS ACKNOWLEDGMENT.**

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

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into an Franchise Agreement. Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational, and other aspects of the business of operating the franchise. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the franchise provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee may experience under this Agreement.

______
Initial

2. Franchisee has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee and its efforts as an independent business operation.

______
Initial

3. Franchisee agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement and that it/she/he understands all the terms and conditions of the Franchise Agreement. Franchisee further acknowledges that the Franchise Agreement contains all oral and written agreements, representations, and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

______
Initial

4. Franchisee has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated herein. Franchisee acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. Franchisee represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement.

______
Initial

5. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied upon any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

______
Initial

6. Franchisee acknowledges that Franchisor's approval or acceptance of franchise location does not constitute a warranty, recommendation, or endorsement of the location for the franchise business, nor any assurance by Franchisor that the operation of the franchise at the premises will be successful or profitable.

______
Initial

7. Franchisee acknowledges that it has received the Sogility Holdings LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. Franchisee further acknowledges that Franchisee has read such Franchise Disclosure Document and understands its contents.

______
Initial

8. Franchisee acknowledges that it has had ample opportunity to consult with its own attorneys, accountants, and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee with respect to the Franchise Agreement or the relationship thereby created.

______
Initial

9. Franchisee, together with Franchisee's advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the franchise granted by the Franchise Agreement.

_____
Initial

10. Franchisee is aware of the fact that other present or future area representatives of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various area representatives may differ materially in certain circumstances.

_____
Initial

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products will not be sold within the Area Representative's Territory by others who may have purchased such products from Franchisor.

_____
Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT, FRANCHISEE AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE SOGILITY HOLDINGS LLC AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE.

_____
Initial

Acknowledged this __ day of _______, _____.

EXHIBIT F
Sample General Release

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (this "Agreement") is made as of _____________, 202__ (the "Effective Date") by __________________________, a(n) ____________________ ("you") and each individual holding a direct or indirect ownership interest in you (collectively "Owner") in favor of **SOGILITY HOLDNGS LLC,** an Indiana limited liability company ("us," and together with you and Owner, the "Parties").

Background

A. We signed a Franchise Agreement with you, dated _________, 202__ (the "Franchise Agreement") pursuant to which we granted you the right to own and operate a Sogility Holdings LLC Facility.

B. You have notified us of your desire to transfer the Franchise Agreement and all rights related thereto, or an ownership interest in the franchisee entity, to a transferee, [**enter into a successor franchise agreement**] and we have consented to such transfer [**agreed to enter into a successor franchise agreement**].

C. As a condition to our consent to the transfer [**your ability to enter into a successor franchise agreement**], you and Owner have agreed to execute this Agreement upon the terms and conditions stated below.

D. In consideration of our consent to the transfer [**our entering into a successor franchise agreement**], and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, you and Owner hereby agree as set forth below.

Agreement

1. Release. Owner, you, and each of your officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them (the "Franchisee Parties"), hereby release, acquit and forever discharge us, any and all of our past and present affiliates, parents, subsidiaries and related companies, divisions and partnerships, consultants, advisors and franchise sellers and its and their respective past and present officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and the spouses of such individuals (collectively, the "Franchisor Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which any of the Franchisee Parties may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the execution and performance (or lack thereof) of the Franchise Agreement or the offer, sale or acceptance of the franchise related thereto (including, but not limited to any disclosures and representations made in connection therewith). The foregoing release shall not be construed to apply with respect to any obligations contained within this Agreement.

2. California Law. You and Owner hereby express your intention to release all existing claims, whether known or unknown, against the Franchisor Parties. Accordingly, you and Owner hereby waive §1542 of the California Civil Code, which provides the following:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

[Section 2 only applies for California franchisees; otherwise it is omitted]

3. Washington Franchise Law. The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

   [Section 3 only applies for Washington franchisees; otherwise it is omitted]

4. Nondisparagement. Each of the Franchisee Parties expressly covenant and agree not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Franchisor Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Franchisor Parties, the business conducted by any of the Franchisor Parties or the reputation of any of the Franchisor Parties. For purposes of clarity, the obligations in this Section apply to all methods of communications, including the making of statements or representations through direct verbal or written communication as well as the making of statements or representations on the Internet, through social media sites or through any other verbal, digital or electronic method of communication. The obligations in this Section also prohibit the Franchisee Parties from indirectly violating this Section by influencing or encouraging third parties to engage in activities that would constitute a violation of this Section if conducted directly by a Franchisee Party.

5. Representations and Warranties. You and Owner each represent and warrant that: (a) [Insert franchisee entity name] is duly authorized to execute this Agreement and perform its obligations hereunder; (b) neither you nor Owner has assigned, transferred or conveyed, either voluntarily or by operation of law, any of their rights or claims against any of the Franchisor Parties or any of the rights, claims or obligations being terminated or released hereunder; (c) you and Owner have not and shall not (i) institute or cause to be instituted against any of the Franchisor Parties any legal proceeding of any kind, including the filing of any claim or complaint with any state or federal court or regulatory agency, alleging any violation of common law, statute, regulation or public policy premised upon any legal theory or claim whatsoever relating to the matters released in this Agreement or (ii) make any verbal, written or other communication that could reasonably be expected to damage or adversely impact any Franchisor Party's reputation or goodwill; and (d) the individuals identified as Owners on the signature pages hereto together hold 100% of the legal and beneficial ownership interests in [Insert franchisee entity name].

6. Miscellaneous.

   (a) The Parties agree that each has read and fully understands this Agreement and that the opportunity has been afforded to each Party to discuss the terms and contents of said Agreement with legal counsel and/or that such a discussion with legal counsel has occurred.

   (b) This Agreement shall be construed and governed by the laws of the State of Indiana.

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

(d) All of the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective current and future directors, officers, partners, attorneys, agents, employees, shareholders and the spouses of such individuals, successors, affiliates, and assigns.

(e) This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes and is in lieu of all prior and contemporaneous agreements, understandings, inducements and conditions, expressed or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified except in a writing signed by each of the Parties.

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

(g) The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the transactions contemplated hereby.

(h) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

FRANCHISEE:

[___________________]

By:___________________________________ Name:

Title:_________________________________

FRANCHISOR OWNERS:

____

Name:__________________________

____

____

Name:__________________________

EXHIBIT G
List of Franchisees
(As of December 31, 2024)

MISSOURI	
Franchisee Name/Address/Phone	**Territory**
Sogility St. Louis 1735 S River Road St. Charles, MO 63303 (636) 206-3780	State of Missouri

EXHIBIT H
State Addenda and Agreement Riders

INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. Liquidated damages and termination penalties are prohibited by law in the State of Indiana and, therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended by the deletion of all references to liquidated damages and termination penalties and the addition of the following language to the original language that appears therein:

   > Notwithstanding any such termination, and in addition to the obligations of the franchisee as otherwise provided, or in the event of termination or cancellation of the Franchise Agreement under any of the other provisions therein, the franchisee nevertheless shall be, continue and remain liable to franchisor for any and all damages which franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the franchisee for the unexpired Term of the Franchise Agreement.
   >
   > At the time of such termination of the Franchise Agreement, the franchisee covenants to pay to franchisor within 10 days after demand as compensation all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired Term of the Franchise Agreement. This Agreement does not constitute a waiver of the franchisee's right to a trial on any of the above matters.

6. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

AREA DEVELOPMENT AGREEMENT RIDER

1. Effective Date: __________________

2. Developer: ____________________

3. Development Territory: ________________________ as shown in the map attached hereto (with any designated sub-territories, if applicable)

If this Development Territory references one or more sites yet to be determined, then we reserve the right to develop and operate a Sogility Center in and around the above-described city, county or area, and to sell franchises and grant territories to others (including through area development agreements) who will operate Sogility Centers in and around the above- described city, county or area. You may then be required to choose a final location for your Sogility Centers outside of any protected territory given to us or to any other franchisee or area developer, which final location may be outside of the county, city or area identified above. Should this happen, you would have to obtain our review and approval for a new Development Territory, and location for your Sogility Centers.

4. Number of Sogility Centers to be opened in the Development Territory: __

5. Principal trademarks: SN97444654, SN97444619, SN97785983

6. Development Fee: $_______

7. Development Schedule: You acknowledge and agree that a material provision of this Area Development Agreement is that the following number of Sogility Centers must be opened and continuously operated by you in the Development Territory in accordance with the following Development Schedule:

Sogility Center Number	**Date by Which Franchise Agreement Must Be Signed and Site Approval Request Must be Submitted to us**	**Date by Which the Sogility Center Must Be Opened and Operated by You in the Territory**	**Cumulative Number of Sogility Centers to be Opened and Operated by You in the Development Territory as of the Date in Preceding Column**
1	Date of this Agreement	___ months from the Date of this Agreement	1
2	____ months from the Date of this Agreement	___ months from the Date of this Agreement	2

For purposes of determining compliance with this Development Schedule, only the Sogility Centers you actually open and continuously operate in the Development Territory for at least the first six (6) months after opening will be counted toward the number of Sogility Centers required to be open and operated by you.

8. Other: ____

IN WITNESS WHEREOF, we and you have signed this Agreement as of the Effective Date set forth above.

FRANCHISOR:	DEVELOPER:
SOGIITY HOLDINGS, LLC	___________________________
By:_______________________________________	By:_______________________________________
Its:_______________________________________	Its:_______________________________________

LEASE RIDER TO FRANCHISE AGREEMENT

This Lease Rider is executed as of this _____ day of _________, 20___, by and between _____________________ ("Franchisee") and ______________________, ("Landlord") as a Rider to the lease (as amended, renewed and/or extended from time to time, "the Lease") for the Premises located at _________________________________, state of _____________________ (the "Location") dated as of ______________________.

WHEREAS, Franchisee has executed or intends to execute a Franchise Agreement (the Franchise Agreement") with SOGILITY Holdings LLC, ("Franchisor") for the operation of a Sogility Facility at the Location, and as a requirement thereof, the Lease for the Location must include the provisions contained in this Rider; and

WHEREAS, Landlord and Franchisee agree that the terms contained herein shall supersede any terms to the contrary set forth in the Lease;

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Franchisee hereby agree as follows:

1. The Location only may be used for the operation of a Sogility Facility.

2. Landlord shall deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee, but no later than thirty (30) days before a termination of the Lease would become effective.

3. Franchisor shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, to enter the Premises to cure any breach of the Lease, and if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder.

4. Notwithstanding anything to the contrary contained in the Lease, Franchisee shall have the absolute right to sublet, assign or otherwise Transfer its interest in the Lease to Franchisor or its Affiliate, or to a corporation with which Franchisee or Franchisor may merge or consolidate, without Landlord's approval, written or otherwise, and without any increase in rent and without a material change in any other terms of the Lease and without execution of a guarantee of Franchisor's obligations (if any) under the assigned Lease.

5. Franchisee shall, if requested by Franchisor, assign to Franchisor, and Landlord hereby irrevocably and unconditionally consents to such assignment, all of Franchisee's rights, title and interest to and under the Lease upon any termination, or if no Subsequent Franchise Agreement is executed, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without execution of a Subsequent Franchise Agreement; and (b) Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

6. The Lease may not be modified, amended, renewed or extended in any manner or assigned by Franchisee without Franchisor's prior written consent. The Premises may not be altered or modified in any way without Franchisor's prior written consent. Moreover, without Franchisor's prior written consent, the Location may not be sublet, subdivided or used for any purpose other than for the operation of a Sogility Facility.

7. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Paragraphs 3, 4 or 5 above. Franchisor shall assume all of Franchisee's obligations under the Lease from and after the date of assignment, but shall have no obligation to pay any delinquent rent or to cure any other default under the Lease that occurred or existed prior to the date of the assignment.

8. If Franchisor assumes the Lease, as above provided, Franchisor may further assign the Lease to another person or entity to operate the Sogility Facility at the Location, subject to Landlord's consent which consent shall not be unreasonably withheld or delayed. Landlord agrees to execute such further documentation to confirm its consent to the assignments permitted under this Rider as Franchisor may request.

9. If the Franchise Agreement expires or is terminated, Landlord shall exercise its right to terminate the Lease and/or to exercise its other remedies under this Lease, unless the Lease is assumed by Franchisor or its designee within thirty (30) days of the termination or expiration of the Franchise Agreement.

10. If the Lease expires or is terminated for any reason, Franchisor may enter the Premises and remove any signs or other articles bearing any trade names, logos, trademarks or service marks that are part of the Sogility System and de-identify the leased Premises as a Sogility Facility (including, without limitation, removing any Sogility trade dress features and/or fixtures), without legal process and without being guilty of trespass.

11. Landlord and Franchisor may rely upon any notice from either of them regarding the status of the Lease or of the Franchise Agreement; they shall have no duty to perform any independent investigation to verify Franchisee's rights under the Lease or the Franchise Agreement; and, Franchisee agrees to indemnify and hold Franchisor harmless from any and all claims arising out of the Lease and the reliance upon Franchisor's or Landlord's representations regarding Franchisee's status, the status of Franchisor or the status of the Franchise Agreement.

12. Landlord shall make available to Franchisor all information which it collects or produces related to sales of the Sogility Facility and the way in which the Sogility Facility is operated. Franchisee consents to Landlord providing all such information to Franchisor.

13. Copies of any and all notices required or permitted hereby or by the Lease shall also be sent to Franchisor at 4451 Cox Road, Suite 310, Glen Allen, Virginia 23060, Attn: President or such other address as Franchisor shall specify by written notice to Landlord.

14. Under the Franchise Agreement, any lease or any modification or renewal of the Lease for the Location of the Sogility Facility is subject to Franchisor's approval. Accordingly, the Lease is contingent upon such approval.

LANDLORD:

____

By:___________________________________

Name:_________________________________

Title:_________________________________

Date:_________________________________

FRANCHISOR:

____

By:___________________________________

Name:_________________________________

Title:_________________________________

Date:_________________________________

FRANCHISEE:

____

By:___________________________________

Name:_________________________________

Title:_________________________________

Date:_________________________________

EXHIBIT I
Receipts

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Sogility Holdings LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Sogility Holdings LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Indiana law, Sogility Holdings LLC must give you this disclosure document with a copy of all proposed contracts relating to the sale of the franchise at least 10 days before either the execution of a binding agreement or the receipt of any payment by Sogility Holdings LLC or an affiliate in connection with the proposed franchise sale.

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

The franchisor is Sogility Holdings LLC, 16500 Southpark Dr, Westfield, IN 46074; (317) 399-7914.

The franchise seller for this offering is:

NAME			
ADDRESS			
TELEPHONE			

Issuance Date: August 14, 2025

See Exhibit A for our registered agents authorized to receive service of process.

I have received a Disclosure Document dated August 14, 2025 that included the following Exhibits:

EXHIBIT A Agents for Service of Process
EXHIBIT B Franchise Agreement
EXHIBIT C Area Development Agreement
EXHIBIT D Financial Statements
EXHIBIT E Disclosure Acknowledgement Statement
EXHIBIT F Sample General Release
EXHIBIT G List of Franchisees
EXHIBIT H State Addenda and Agreement Riders
EXHIBIT I Receipts

PROSPECTIVE FRANCHISEE:

Date: _______

____
Signature, Prospective Franchisee individually, and/or as an officer or owner

____
Print Name

Date: _______

____
Signature, Spouse of Prospective Franchisee

____
Print Name

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.