FRANCHISE DISCLOSURE DOCUMENT

THE CODER SCHOOL SAN FRANCISCO, LLC
(a California Limited Liability Company)
3441 Alma Street, Suite 150
Palo Alto, California 94306
Phone: 650-488-3388

WWW.THECODERSCHOOL.COM

The franchise being offered is to establish and operate theCoderSchool business. TheCoderSchool businesses are schools that teach kids how to code in various languages with a focus on logical thinking and collaboration. TheCoderSchool businesses primarily target kids between the ages of 7 and 18. Courses are offered in-person and online.

The total investment necessary to begin operation of theCoderSchool franchised business is **$77,700 to $193,950.** This includes $29,950 that must be paid to us or our affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in other formats, please contact Hansel Lynn at 3441 Alma Street, Suite 150, Palo Alto, California 94306, PH# 650-488-3388.

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

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

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

Issuance Date: March 1, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits D-1 and D-3.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Coder School business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Coder School franchisee?	Item 20 or Exhibits D-1 and D-3 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. See the table of contents.

WHAT YOU NEED TO KNOW ABOUT FRANCHISING *GENERALLY*

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

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

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

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

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

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

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

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

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

SPECIAL RISKS TO CONSIDER ABOUT *THIS* FRANCHISE

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

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in California. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in California than in your own state.

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

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

TABLE OF CONTENTS

Page

ITEM 1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	1
ITEM 2	BUSINESS EXPERIENCE	2
ITEM 3	LITIGATION	2
ITEM 4	BANKRUPTCY	3
ITEM 5	INITIAL FEES	3
ITEM 6	OTHER FEES	3
ITEM 7	ESTIMATED INITIAL INVESTMENT	5
ITEM 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	8
ITEM 9	FRANCHISEE'S OBLIGATIONS	9
ITEM 10	FINANCING	10
ITEM 11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	11
ITEM 12	TERRITORY	18
ITEM 13	TRADEMARKS	20
ITEM 14	PATENTS, COPYRIGHTS AND OTHER PROPRIETARY INFORMATION	21
ITEM 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS	22
ITEM 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	23
ITEM 17	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	23
ITEM 18	PUBLIC FIGURES	26
ITEM 19	FINANCIAL PERFORMANCE REPRESENTATIONS	26
ITEM 20	OUTLETS AND FRANCHISEE INFORMATION	28
ITEM 21	FINANCIAL STATEMENTS	31
ITEM 22	CONTRACTS	31
ITEM 23	RECEIPTS	31

EXHIBITS:

A	List of State Administrators
B	List of Agents for Service of Process
C	Table of Contents for Manual
D-1	Current Franchisees
D-2	Franchise Agreements Signed But Units Not Open as of December 31, 2021
D-3	Former Franchisees
D-4	Company Owned Locations
E	Financial Statements
F	theCoderSchool Franchise Agreement (with exhibits 1-4)
G	Confidentiality and Non-Disclosure Agreement
H	General Release
I	State Addenda
J	Franchisee Disclosure Questionnaire
K	State Effective Dates
L	Receipts

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

To simplify the language of this Disclosure Document, "we," "us," or "our" refers to The Coder School San Francisco, LLC, the franchisor. "You" or "your" refers to the franchisee who enters into theCoderSchool franchise agreement or development agreement. The franchisee may be a person, corporation, partnership or limited liability company. If the franchisee is a corporation, partnership, limited liability company, or other entity, "you" and "your" do not include the principals of the corporation, partnership, limited liability company, or other entity unless otherwise stated.

We are a limited liability company, organized under the laws of California on March 3, 2015. We do not have a parent company. Our principal place of business is 3441 Alma Street, Suite 150, Palo Alto, California 94306. We do business under the name "theCoderSchool," and under no other names. Our agents for service of process are listed in Exhibit B.

We have not offered franchises before and this is our first offering. Neither we, nor our affiliates have offered franchises in any other line of business. We do not engage, and have never engaged, in any business activities or any other line of business other than as described in this Disclosure Document. We have no predecessors.

We have 1 affiliate: The Coder School Cupertino, LLC, located at 10027 Saich Way, Cupertino, CA. None of the affiliates has offered franchises of the type being offered in this Disclosure Document or in any other line of business. None of the affiliates provide products or services to the franchisees.

We or our founder(s) own and operate theCoderSchool located at 3441 Alma St., #150 Palo Alto, CA since 2014 and theCoderSchool located 22 17th Ave, San Mateo CA 94402 since 2014.

Description of the Franchised Business and the System

theCoderSchool businesses are schools that teach kids how to code (computer programming) in various languages including Scratch, Python, Javascript, HTML/CSS, Java and more, and on various platforms such as PixelPad, Trinket, CodePen and many others, with a focus on logical thinking and collaboration. TheCoderSchool businesses primarily target kids between the ages of 7 and 18, with after school programs, online programs, private sessions, and summer camps. Schools will generally be located near residential areas and other traditional elementary, middle and high schools.

We grant franchises for the establishment and operation of theCoderSchool business (the "School") under a franchise agreement (the "Franchise Agreement"). The School is operated under the trade name "theCoderSchool" in the stylized format as shown in the initial page of this Disclosure Document. In order to become a theCoderSchool franchisee, you must operate your School in accordance with our standards and specifications, (the "System") for the operation of theCoderSchool businesses, and attend our 26 hour training program. The School will be operated in accordance with our confidential operating manual (the "Manual"), a copy of which will be loaned to you. You will also be provided with the right to use certain trade names, service

marks, trademarks, logos, emblems, and indicia of origin, including the marks "theCoderSchool™" both in plain text and the stylized version; the phrase *"learn to code. change the world™",* and theCoderSchool logo, as well as additional logos and trademarks and phrases, as are now designated and may be designated by us in writing for use in connection with the System (collectively, the "Proprietary Marks").

In early 2020, in response to the COVID-19 global pandemic, we permitted our franchisees whose Schools were impacted by local shelter-in-place orders to continue offering services by remote learning methods such as video meetings ("Remote Coaching"). As of the date of this Disclosure Document, we are continuing to allow franchisees to offer Remote Coaching, although we restrict the territory in which you may offer this.

Market and Competition. You will have potential competition with other national and local computer training schools and independent computer-coding teachers that provide coding training. Your ability to compete will depend upon such factors as consumer demand, location, and local economic conditions, as well as your motivation and management of the School, as well as your promotion and advertising efforts.

Industry Specific Laws and Regulations. Under California's Child Abuse and Neglect Reporting Act, certain businesses qualify as "youth service organizations" because they directly contact and supervise children as part of educational services they provide to those children. Your School may qualify as a youth service organization under this definition, which will make your employees who directly supervise children mandated reporters of child abuse or neglect. Those employees will be subject to specific state-mandated background checks (starting in 2024) and to training in identifying and reporting child abuse and neglect. California also requires businesses that provide services to minors to provide a written notice to parents or guardians about the business's policies regarding criminal background checks for employees. That notice must disclose whether the background checks include state and federal criminal history information and the types of offenses that the business searches for in those background checks.

Outside of California, you should check with your State and County agencies on whether any local law will make employees of your School mandated reporters or will impose any specific background checking or training obligations which may exceed our minimum requirements, or any local restrictions on facilities that teach children, such as any required licenses or permits, etc.

Your School will also be subject to federal, state, and local laws and regulations that are applicable to businesses generally, such as the Americans with Disabilities Act and the Occupational Safety and Health Act. Your School may also be subject to specific federal, state and local laws and regulations such as occupancy and zoning codes, or laws concerning facilities for children.

ITEM 2
BUSINESS EXPERIENCE

President, CEO, Training Director & Chairman of the Board; Jackson Hansel Lynn

Jackson "Hansel" Lynn was appointed President/CEO and Training Director, is a Director and Chairman of the Board since the company's inception. Mr. Lynn was also the President and owner of Because We Rock, Inc., which operated a School of Rock franchise in Palo Alto, California from October 2013 to February 2018.

Chief Operating Officer, Training Director and Director: Wayne Teng

Wayne Teng was appointed COO and a Director since the Company's inception. Mr. Teng was a Senior Manager for Oracle Corp, in Redwood Shores, California, November 2011 to April 2018.

ITEM 3
LITIGATION

There is no litigation required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

There is no bankruptcy information required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay to us a $29,950 lump sum, non-refundable initial franchise fee for one theCoderSchool franchise to be operated under an individual Franchise Agreement. You must pay the entire initial franchise fee no later than the date of your signing the Franchise Agreement. See State Addenda in Exhibit I for state restrictions on collection of the upfront franchise fee.

If you purchase a second franchise your initial fee will be $19,950.

ITEM 6
OTHER FEES

TYPE OF FEE*	AMOUNT	DUE DATE	REMARKS
Royalty (Note 1)	5% of Gross Sales	10th day of each month	You must pay us a monthly continuing royalty fee of 5% of your Gross Sales for the preceding month.

TYPE OF FEE*	AMOUNT	DUE DATE	REMARKS
Brand Fund (Note 1)	1% of Gross Sales	10th day of each month	We have currently implemented this at 1% rather than 2%, and as of the issuance date of this FDD, you will pay us 1% of your Gross Sales for advertising and brand promotion.. We have the right, with prior notice to you at any time, to increase this to up to 2% of your Gross Sales.
Site lease payment (Note 2)	$2,000 to $6,000	Monthly	Payable to your landlord, not us. We will not own the property where theCoderSchool will be located.
Third party Software license maintenance (Note 3)	$150-$350 per month	As incurred generally annually	You will need various software to operate theCoderSchool business, which you may need to pay for monthly as well as potential upgrades.
Website Hosting/software	$99 per month	10th of the month	You must pay us a monthly hosting/software fee of $99 per month for (1) hosting our current website with locator link to your theCoderSchool location (2) up to 2 users in our lead management system, (3) up to 3 email accounts, (4) access to our custom utilities, and (5) other software or curriculum as we may prepay for from time to time..
Interest	Interest on overdue payments	As incurred	If any payment is overdue, you must pay us immediately upon demand, in addition to the overdue amount, interest on this amount from the date it was due until paid, at the rate of 10% per annum, or the maximum rate permitted by law, whichever is less.
Audit	Costs of Audit	As incurred	Due to us if we audit your records and find an underreporting of Sales by more than 10%
Transfer Fee	One-third of the then-current initial franchise fee	Time of transfer	If you want to transfer your franchise, you must pay to us a transfer fee in an amount equal to one-third of our then-current initial franchise fee being charged to new franchisees at the time of the transfer. Does not apply to an entity which is majority-owned by you. This fee will be used to vet, establish, and train the new franchisee.
Renewal Fee (Note 4)	One-sixth of the then-current initial franchise fee	Time of renewal	If you renew your Franchise Agreement, you must pay to us a renewal fee in an amount equal to one- sixth of our then-current initial franchise fee being charged to franchisees at the time of the renewal.
Relocation Fee	One-sixth of the then-current initial franchise fee	On approval of relocation	If we approve your request to relocate your franchised business, you must pay us a relocation fee in an amount equal to one-sixth of our then-current initial franchise fee being charged to franchisees.
Collection Costs and Attorneys' Fees	varies	As incurred	If you default or are terminated, you must pay to us all damages, costs, and expenses, including all court costs, arbitration costs, and reasonable attorneys' fees, and all other expenses we incur in enforcing any obligation.

TYPE OF FEE*	AMOUNT	DUE DATE	REMARKS
Advertising Cooperative	Up to 2% of your Gross Sales If two-thirds of the members of your regional Cooperative vote to require contributions higher than 2% of your Gross Sales, you will have to contribute the amount they vote to contribute	As voted by the members	No Cooperatives have been established as of the date of this Disclosure Document. If a Cooperative is established in your area, each Coder School franchised business participating in the Cooperative will have one vote on any matter requiring member approval, and each Cooperative will have the right to require its members to make contributions to the Cooperative in an amount determined by the Cooperative, up to a maximum of 2% of Gross Sales during any calendar year, unless two-thirds of the members of the Cooperative vote in favor of a greater contribution. Company owned theCoderSchools will not have a vote.

*Unless otherwise indicated, all fees listed are non-refundable, uniformly imposed, and are payable to us.

Note 1. For purposes of calculating this royalty fee, "Gross Sales" means all revenues generated from sales of all products and services conducted at, from or with respect to theCoderSchool, whether the sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales does not include refunds, or taxes collected and paid by you to appropriate taxing authorities.

Note 2. Based on approximately 1000-1200 square feet, in strip center or area with anchor tenant or other similar high traffic area; amounts can vary widely from location to location

Note 3. This includes monthly operational and administrative software programs you will need to license from the manufacturers. You will pay 3rd party vendors unrelated to us or our affiliates. We do not own the software and are not licensing it to you.

Note 4. This fee is used to cover our costs in connection with your renewal.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial franchise fee (Note 1)	$29,950	Lump sum	At signing of Franchise Agreement	Franchisor

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Site lease and security deposits (Note 2)	$5,000-$10,000	Lump sum	At signing of lease agreement	Landlord
Leasehold Improvements (Note 3)	$20,000-$80,000	As arranged	Before opening; as incurred	Contractors / Suppliers
Furnishings (Note 4)	$3,000-$5,000	As arranged	Before opening	Suppliers
Equipment (Note 5)	$7,000-10,000	As arranged	Before opening	Suppliers
Signage (Note 6)	$1,000-$10,000	As arranged	Before opening	Suppliers
Supplies (Note 7)	$400-$1,000	As arranged	Before opening	Suppliers
Expenses while attending Training (Note 8)	$500-$3,000	As incurred	Expenses incurred by you, typically for travel and lodging, and your employees to attend training. (No separate Training fee).	As needed
Initial Advertising and promotion (Note 9)	$3,000-$5,000	As arranged	Before opening and within 30 days after opening	Vendors
Computer Software initial costs (Note 10)	$650- $1,000	As arranged	Before opening; As incurred	Suppliers
Permits & Licenses/Legal Fees (Note 11)	$200-$6,000	As arranged	As incurred	Government Authorities
Prepaid Insurance Premiums (Note 12)	$2,000-$3,000	As arranged	As incurred	Insurance Broker
Additional Funds for 3 months (Note 13)	$5,000-$30,000	As arranged	As incurred	Suppliers / Employees / Others
TOTAL (Note 14)	**$77,700 to $193,950**			

Except as otherwise described in the notes below, the above table provides an estimate of your initial investment for one theCoderSchool business and the costs necessary to begin operation of your School. All costs listed in the table are estimates only. Actual costs will vary for each franchisee and each location depending upon a number of factors. All fees and payments described in this Item 7 are non-refundable, unless otherwise stated.

NOTES

Note 1. The initial franchise fee is not refundable. If you buy a second franchise your initial fee will be reduced to $19,950. This reduced fee is not reflected in the above table.

Note 2. If you lease the premises for the School, you may need to pay one month's rent plus security deposit. The estimates given are based on a sampling of our schools; your monthly costs will vary. Your lease must contain certain provisions as required under the Franchise Agreement. This estimate is for your first month's rent and security deposit only, and additional rent is in the Additional Funds section.

Note 3. You may need to renovate or construct theCoderSchool according to our standards and specifications. The estimate in the table includes the costs of construction and fixtures and assumes that basic plumbing, electricity, and heat or air conditioning exists on the premises. Many times Landlords give Tenant Improvement allowance.

Note 4. The estimate includes the costs of basic furniture that complies with our standards and specifications as well as artwork, lighting, paint, wall coverings, and other decorative items.

Note 5. This estimate reflects the cost of purchasing the basic equipment necessary to operate your School and incidental office equipment. This estimate includes 14 Computer set-ups with 22" monitors (desktops); a big screen TV (55+ inches) and an iPad mini for checking in.

Note 6. All signage must be approved by us; and we will provide specifications for approved signage. The figures in the chart reflect the estimated cost of interior and exterior signage and other signage that meet our standards, specifications and requirements. However, the cost of signs depends on the choice of sign (e.g. a Halo lit sign will be more costly), the size and location of your School, the particular requirements of the landlord, and local and state ordinances and zoning requirements.

Note 7. You must purchase supplies for the School. This estimate includes the costs of cleaning products and supplies, basic office supplies, and computer supplies.

Note 8. The estimate includes expenses for 2 people for travel (by car), food, lodging, while attending our initial training program. You and your approved Manager must attend and successfully complete this Initial Training. You may send additional employees, or new Managers to our regularly scheduled trainings, for no additional training fee, but you or the trainees will be responsible for their transportation, lodging and food.

Note 9. Initial, grand opening advertising, marketing, and promotional expenses.

Note 10. This estimate includes the initial costs of your computer software as identified in Item 11.

Note 11. Before the opening of your School, you must obtain all necessary government approvals, building permits, certificates of occupancy and certificates of health. The estimate also includes personal legal fees estimated for reviewing documents, entity formation expense, etc.

Note 12. Before you open your School, you must purchase business liability, hazard, and employment insurance coverage required by the Franchise Agreement and Operations Manual. Our current requirements as of the date of this FDD are: commercial general liability ($1,000,000 per occurrence/$2,000,000 aggregate); property and casualty ($25,000); workers compensation (the amount required by your state), and, if you choose to have a company car, auto insurance in an amount of your choosing. We strongly recommend at least $100,000 of sexual abuse/molestation insurance, and some coverage for employment practices liability and business interruption, but these are not currently mandatory. The cost of the business insurance coverage may vary from state to state. We recommend but do not require you to obtain sexual abuse & molestation insurance coverage, the premiums for which are not included in this estimate.

Note 13. The estimates in the chart, including this Additional Funds estimate, are based on the actual opening operating costs of our three company-owned theCoderSchool businesses and have been further refined by the expenses incurred by our franchisees, as reported to us through the date of preparation of this disclosure document. You should be aware that the need for additional funds varies, depending on a variety of factors. We estimate the monies described in the chart will be necessary during the first 3 months that your School is open and operating. This is not however a break even timeframe, and the actual amount of additional funds you will need to break even will depend on a variety of factors, such as the number of paid employees you hire and their rate of pay, your own management and operational skill, economic conditions, your advertising efforts and competition. These estimates do NOT include provisions for owner draw or personal living expenses. Keep in mind new businesses require time to grow a customer base and you must be prepared to pay your personal and business expenses for an extended timeframe.

Note 14. The figures in this table are estimates of the total investment in setting up a new theCoderSchool facility and operating it for 3 months. You may experience higher costs in any of the categories listed above. It is also possible you may experience lower costs due to a variety of individual factors. Some costs are dependent on the size of the location. You should review these figures carefully with a business advisor in your area before deciding to purchase a theCoderSchool franchise. These figures are only approximations, may not be all inclusive, and we cannot guarantee that you will not have additional expenses to start up and operate your school. Payments made to us are not refundable. We do not finance any part of the initial investment.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure that the highest degree of quality and service is maintained, you must operate the School in strict conformity with the methods, standards and specifications as we may periodically prescribe in the Manual or otherwise in writing; and you must refrain from deviating from these methods, standards and specifications without our prior written consent. We may revise the contents of the Manual, and you must comply with each new or changed standard and specification. The most recent copies of the manual will be online, you must use the latest version at all times.

You must purchase and install, at your expense, all fixtures, furnishings, equipment, décor, and signs as we may reasonably direct periodically; and refrain from installing or permitting to be installed on or about the premises of your School, without our prior written consent, any fixtures, furnishings, equipment, décor, signs or other items not previously approved as meeting our standards and specifications.

You are required to purchase 14 desktop computer stations with monitor screens of at least 22 inches, one television with a screen of 55+ inches, two general purpose computers for administration and an iPad mini (or equivalent) for check in. You will also need the following software: Pike13 for billing and scheduling; Zoho for lead management and email; and a Google account. During the COVID-19 pandemic, we have permitted franchisees to offer remote coaching services and we recommend that you obtain one license to use Zoom for these purposes. Neither the Franchisor, nor the affiliate are approved suppliers of the required equipment, computer software, furnishings or signs.

You are required to purchase business liability, hazard, and employment insurance coverage at the minimum amounts listed in the Start Up Manual of the Operations Manuals. Our current requirements as of the date of this FDD are: commercial general liability ($1,000,000 per occurrence/$2,000,000 aggregate); property and casualty ($25,000); workers compensation (the amount required by your state), and, if you choose to have a company car, auto insurance in an amount of your choosing. We strongly recommend at least $100,000 of sexual abuse/molestation insurance, and some coverage for employment practices liability and business interruption, but these are not currently mandatory.

There are no approved suppliers in which an officer owns an interest. The estimated percentage of these required purchases and leases by you is approximately 19% to 71% the total costs by you needed in establishing and operating the franchised business.

We do not have restrictions on suppliers. You are free to choose your own supplier, or use one recommended by us. We have no revenues from required purchases and leases by franchisees of required goods and services.

We reserve the right to receive rebates or other discounts from certain suppliers for purchases made by you and other franchisees. We did not receive any payments from suppliers in 2022. We do not provide any direct material benefit to franchisees for use of approved suppliers, and you will not receive any direct material benefit for using designated or approved sources. We may negotiate purchase arrangements with suppliers (including price terms) for the benefit of our franchisees.

We do not have a purchasing or distribution cooperative related to our franchises.

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 FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	5	11
b. Pre-opening purchases/leases	5	5, 6, 7 and 8
c. Site development and other pre-opening requirements	5, 6	11
d. Initial and ongoing training	6	6, 7 and 11
e. Opening	5	11
f. Fees	4	5, 6 and 7
g. Compliance with standards and policies/Operating Manual	7. 9	8 and 11
h. Trademarks and proprietary information	8	13 and 14
i. Restrictions on products/services offered	7	8 and 16
j. Warranty and customer service requirements	None	11
k. Territorial development and sales quota	None	12
l. Ongoing product/service purchases	7	8
m. Maintenance, appearance and remodeling requirements	7	11
n. Insurance	13	6 and 7
o. Advertising	4, 12	6, 7 and 11
p. Indemnification	20	6
q. Owner's participation/management/staffing	7	11 and 15
r. Records/reports	11	6
s. Inspections/audits	7	6 and 11
t. Transfer	9	17
u. Renewal	2	17

OBLIGATION	SECTION IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
v. Post-termination obligations	16	17
w. Non-competition covenants	17	17
x. Dispute resolution	26	17

ITEM 10
FINANCING

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

Pre-Opening Obligations

Franchise Agreement

Before the School opens, we must provide the following to you:

1. We will make available to you our specifications for a prototypical theCoderSchool business, including specifications on programs you may offer etc. (Franchise Agreement, Section 3.1.1);

2. We will provide initial training for you and your Manager as described below and your employees (Franchise Agreement, Section 6);

3. We will provide you with on-the-job supervision and assistance at the times and in the manner as we determine in our sole discretion (Franchise Agreement, Section 3.1.5);

4. We will make available to you electronic examples of advertising and promotional materials (Franchise Agreement, Section 3.1.3);

5. We will loan you one copy of our Manual or make it available to you, which may be hard copy or electronically (Franchise Agreement, Section 9);

6. We will provide you with a list of equipment that will be needed to open the School and information regarding any discount packages that we may negotiate periodically with suppliers from which you may purchase the equipment (Franchise Agreement, Section 3.1.6);

7. We will provide site selection guidelines and approval of a location that meets such guidelines (Franchise Agreement, Section 5.1);

8. We will conduct weekly status calls going over the pre-opening phase (Franchise Agreement, Section 3.1.2);

9. We will provide you access to the lead management and email software. We will also provide access to the operational software, including our set of custom utilities and reports; and

10. We will provide you access to our franchisee forum platform to communicate directly with other franchisees, ask for advice, or simply meet others in the system.

Continuing Obligations

Franchise Agreement

After theCoderSchool opens, we must provide the following to you:

11. We will make available to you electronic examples of advertising and promotional materials, including the use of coupons and discount programs (Franchise Agreement, Section 12);

12. We will include your new theCoderSchool Location on our website www.theCoderSchool.com (Franchise Agreement, Section 3.1.8);

13. We will provide to you from time to time, in our sole discretion, advice, assistance, on-site training, and written materials about operations, services, teaching methods, pricing guidelines, program selection, scheduling methods, sales methods, products, and marketing techniques, and new or deleted programs. We will also provide to you from time to time in our sole discretion, additional teaching content, platforms, or projects for your use, or additional custom-built internal operational utilities, at no charge (Franchise Agreement, Section 3.1.6);

14. We will conduct Post opening weekly training calls for 4 weeks after opening (Franchise Agreement, Section 3.1.2) and periodic calls thereafter at our discretion; and

15. We will train approved replacement Managers for no additional charge; trainees are responsible for travel, lodging and food (Franchise Agreement, Section 6).

Advertising Programs

Advertising. Beginning 30 days before the grand opening of the School, and within 30 days after the grand opening, you must conduct a grand opening and engage initial local advertising, marketing, and promotional efforts, which we will assist in providing guidelines and examples (Franchise Agreement, Section 12.1). Depending on your location, and your choices of advertising, your grand opening will cost between $1,000 and $5,000.We recommend, but do not require you have a regular local advertising budget of up to 3% of your revenue and engage in

continuous advertising and promotional efforts. We require you to participate in community-based marketing activities such as auction donations, tables at fairs, flyers to local businesses, or other similar efforts on a frequent basis. We may run limited discount specials or coupons, in which you may be required to participate.

All advertising and promotion by you must be in a format as we may approve, including television, print media, radio, and local promotional events, must be conducted in a dignified manner, and must conform to standards and requirements as we may specify. You must submit to us for our prior approval samples of all advertising and promotional plans and materials that you create for any print, broadcast, cable, electronic, computer or other media (including the Internet) that you wish to use so we can ensure consistent branding. You must not use these plans or materials until they have been approved in writing by us.

We may make available to you periodically, approved advertising and promotional materials, including merchandising materials, and materials for special promotions (Franchise Agreement, Section 12.5).

You must list and advertise your School on all major internet search engines (for example, Google, Bing) as described in the Manual and in several recommended online directories (for example, Yelp and Facebook).

Brand Fund. We collect a monthly fee of 1% of your Gross Sales for the preceding month as a contribution to the Brand Fund. We have the right to increase this at any time with prior notice to you up to a maximum of 2% of your Gross Sales. Your contribution to the Brand Fund is in addition to any local expenditures on local advertising as described above (Franchise Agreement, Section 12.3). theCoderSchool businesses owned and operated by us or our affiliates, and early franchisees who received the same discount, will contribute a maximum of 1% to the Brand Fund.

We and our designees will have the sole authority to direct all advertising, marketing, and promotional programs of the Brand Fund and will have sole discretion over all aspects of those programs, including the concepts, materials, and media used and the placement and allocation of them (Franchise Agreement, Section 12.4.1). The Brand Fund will be used, in our discretion, to pay for developing and conducting activities that we believe will enhance the goodwill associated with the Proprietary Marks and the image of the System and to pay for the administration of the Brand Fund and its programs. Up to 15% of the total Brand Fund annually may be used to cover our or our designee's costs and overhead for activities reasonably related to the administration of the Brand Fund, including costs and salaries of our or our designee's personnel who perform services for the Brand Fund. The Brand Fund's activities and programs may include, among other things, any activities that we believe will enhance the image of the System, such as Search Engine Optimization efforts, preparing and conducting radio, television, print, or Internet-based advertising campaigns; marketing and promoting theCoderSchool utilizing social and business networking media sites and other emerging media or promotional tactics; marketing surveys; employing advertising and/or public relations agencies; purchasing promotional items; providing promotional and other marketing materials and services to the businesses operating under the System; and to a lesser extent, no more than 10%, for advertising for the sale of franchises (Franchise Agreement, Section 12.4.2). Brand Fund contributions will

be used primarily for advertising on the national level as well as for costs associated with promoting theCoderSchool in general, and not for any specific geographic territory.

During our most recent fiscal year, 2022, we collected $139,769 and we spent 30% of the Brand Fund on search engine optimization, 40% of the Brand Fund on digital advertising, 5% of the Brand Fund on social media advertising, 17% of the Brand Fund on public relations, and 7% of the Brand Fund on miscellaneous expenses including administrative costs.

We may conduct advertising through third party advertising agencies as well as in-house marketing personnel. We are not obligated, in administering the Brand Fund, to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or on a pro rata basis from expenditures or activities of the Brand Fund.

Except as indicated above, we do not receive payment for providing goods or services to the Brand Fund. We will maintain separate bookkeeping accounts for the Brand Fund and may, but will not be required to cause Brand Fund contributions to be deposited into one or more separate bank accounts. The Brand Fund is not a trust, and we are not a fiduciary or trustee of the Brand Fund or the monies in the Brand Fund. However, we may, in our discretion in the future, separately incorporate the Brand Fund or create a Brand Fund trust, over which we may be the trustee, into which Brand Fund contributions may be deposited (Franchise Agreement, Section 12.4.3).

It is anticipated that all contributions to the Brand Fund will be expended for their intended purposes during the fiscal year in which contributions are made. To the extent any contributions are not expended by the end of the fiscal year, they will be expended no later than the end of the taxable year following the year of receipt (Franchise Agreement, Section 12.4.4). Although we intend that the Brand Fund will be of perpetual duration, we maintain the right to terminate the Brand Fund. The Brand Fund may not be terminated, however, until all monies in the Brand Fund have been expended for advertising and/or promotional purposes or returned to contributors on the basis of their respective contributions (Franchise Agreement, Section 12.4.5). The Brand Fund will not be audited. You will have the right to an annual accounting of the Brand Fund's receipts and expenditures upon your written request.

We have no advertising councils.

Advertising Cooperative. We currently have no advertising Cooperatives, however reserve the right, in our discretion, to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative ("Cooperative"), and to determine whether a Cooperative is applicable to the School. We will have the power to require the Cooperative to be formed, changed, dissolved, or merged, but the members will administrate the Cooperative. Each Cooperative shall be organized and governed in accordance with written governing documents, which we must approve, and such documents shall control the date of commencement and the operation of the Cooperative. Members may review the governing documents. Each Coder School business participating in the Cooperative will have one vote on any matter requiring member approval, and each Cooperative will have the right to require its members to make contributions to the Cooperative in an amount determined by the Cooperative,

up to a maximum of 2% of Gross Sales during any calendar year, unless two-thirds of the members of the Cooperative vote in favor of a greater contribution. The Cooperative will prepare an annual financial statement, which will be available to the members. If a Cooperative has been established in your area prior to opening the School, you must become a member of the Cooperative no later than 30 days after opening the School. If a Cooperative is established subsequent to your School's opening, you must become a member of the Cooperative when it is required to be formed. If the School is within the territory of more than one Cooperative, you will not be required to be a member of more than one Cooperative within that territory. If one of our company-owned Schools is in an area in which a Cooperative is formed, our School will participate the same as any other School, with one vote and an obligation to contribute in the same way as franchised Schools.

Website. We maintain a website at www.theCoderSchool.com ("Franchisor's Website"). We require you to pay us a monthly software fee in an amount as we determine from time to time ($99/month) for the hosting of theCoderSchool on Franchisor's Website, lead management software, email management software, and other technologies provided to you at our cost. Software fees may change over time as our costs increase, or replacement software is advised. To ensure brand consistency, unless otherwise approved by us in writing, you may not own, establish, or maintain your own individual Website in connection with your theCoderSchool business. (Franchise Agreement Section 4.4). You must comply with our social media policies and only engage in those social medial promotion activity as we approve. (Franchise Agreement Section 8.10).

Computer System

We do not require specific computer systems only general configurations as part of the Equipment. You must have at least 14 desktop computer stations with monitor screens of at least 22 inches. You must have a high speed internet connection. You must have a big screen TV 55+ inches, 2 general purpose computers for administration (one for front desk and one for the manager) and an iPad mini (or equivalent) for check in. The cost of the Equipment is $7,000-$10,000.

You also need the following software to operate the business: Pike13 for billing and scheduling, which you must pay for at approximately $180 per month; we also require use of a lead tracking tool called LMS for lead management, which we provide you. We also utilize Google Drive (a free document sharing platform) for sharing curriculums and sample projects. We reserve the right in the future to require a different, secure platform, which may have a monthly and/or annual expense. We also reserve the right to require additional software for theCoderSchool as we deem necessary as the programs change, or services are added etc., and such additional software may carry a monthly and/or annual expense to 3rd party vendors we deem are approved suppliers, or to us for other approved vendors we utilize as pass through software providers (Franchise Agreement, Section 8); we do not require an electronic cash register or other computer systems, other than the software indicated. We may have independent access to data that is electronically collected, which may consist of your customer information and classes, sessions, camps sold. There are no contractual restrictions on our right to access the information in your operational systems. We may share your School's numbers with other

franchisees and may share other franchisee's School's numbers with you, with or without identifying information.

You must keep your computer stations in good maintenance and repair and install all additions, changes, modifications, substitutions, and/or replacements, upgrades as needed, or as we may reasonably direct in writing, at your own expense (Franchise Agreement, Section 7.4).

In our experience, you will not incur ongoing maintenance costs to keep your computer systems working, and we do not require you to pay any maintenance fees or subscribe to any support services, other than the fees to license required software and the Pike13 fee of approximately $160/month listed above. While we may provide support, neither we nor any affiliate or third party is required to provide maintenance, repairs, or updates to the computer system.

We will train you on the software and assist you with operational issues as we have used in our experience, however we are not the software manufacturer and do not make, guarantee or warranty the software whatsoever. If operational difficulties occur or persist beyond our reasonable assistance we will refer you to the manufacturer.

Site Selection

You must operate the School only at the location approved by us ("Approved Location"). If you have an Approved Location at the time you sign the Franchise Agreement, you must begin operation of the School within 90 days after the date of the Franchise Agreement, unless unforeseen permit or construction issues arise (Franchise Agreement, Section 5.4).

If you do not have an Approved Location when you sign the Franchise Agreement, you must obtain our approval of a proposed site within 60 days of the date of the Franchise Agreement (Franchise Agreement, Section 5.1). Because the Territory will be an approximately 5 mile radius around theCoderSchool location (See Item 12) if a proposed location will impact a neighboring franchisee whereby there is not at least 5 miles between a neighboring franchisee location and what would be your Territory boundary, we may deny the proposed location which will be considered a reasonable denial. You must sign a lease for the Approved Location within 120 days after signing the Franchise Agreement, barring unforeseen reasonable circumstances. We have the right to approve the terms of any lease or sublease for the Approved Location (Franchise Agreement, Section 5.1). When we review a proposed site, we will consider such factors as zoning and approval from appropriate agencies, proximity to areas not appropriate for children, area demographics, size, layout, and proximity to other competitor businesses. If we and you cannot agree on a proposed site within 180 days of your signing the Franchise Agreement, then we can terminate your Franchise Agreement. You may request a reasonable extension if delays are caused by factors not in your control. In no circumstance will your franchise fee be refunded. We use the same criteria when approving a request to relocate.

The typical length of time between signing the Franchise Agreement and opening theCoderSchool business is 2-5 months. The factors that affect this time are your ability to obtain a location; financing; building permits; approvals required under zoning and local ordinances; your ability to complete the initial required training course to our satisfaction; delayed

construction or installation of equipment, fixtures, and signage; delays by the leaseholder in delivering the property; delays caused by weather and natural disasters; and unforeseen delays in the bid process. You must begin operation of the School within 180 days after the date of the Franchise Agreement or we can terminate your Franchise Agreement (Franchise Agreement, Section 5.4). You may request a reasonable extension if delays are caused by factors not in your control. In no circumstance will your franchise fee be refunded.

Manual

You must operate the School in accordance with the standards, methods, policies, and procedures specified in the Manual that we loan to you or make available to you. We may revise the contents of the Manual, and you must comply with each new or changed standard. You must ensure that your copy of the Manual is kept current at all times (Franchise Agreement, Section 9). The Table of Contents of the Manual is attached to this Disclosure Document as Exhibit C. The Manual is 218 pages long.

Training Programs

Before the opening of the School, you and your approved Manager must successfully complete the Initial Training (Franchise Agreement, Section 6). The total training course consists of 18 hours of training plus weekly calls approximating 1 hour starting 1-3 months before opening, and continuing until at least 4 weeks after opening. Instructional materials for the initial training program consist of the Manual, print material, and other information to be distributed and/or available electronically. The number of training programs given per year will be dependent on the number of new franchisees; each franchisee will have a personal training program.

The Initial Training will be conducted by, or under the supervision of, Jackson Hansel Lynn and Wayne Teng (See Item 2 for biographical descriptions), and other individuals or franchisees, as we many designate from time to time for specific subject training. Mr. Lynn and Mr. Teng have been in the training supervising capacity since our inception, and have been the owners and operators of several Coder Schools since at least 2014. You and all of your employees who attend the Initial Training, or who are designated by us periodically, must attend additional courses, seminars and other training programs as we may reasonably require periodically (Franchise Agreement, Section 6). At present, we have no such additional required courses or programs.

The Initial Training program described in this Item 11 will be held virtually, unless we indicate that you must attend in person. If we require in person training, it will be held at theCoderSchool business in Palo Alto, California, or possibly other franchisee locations or other company owned locations, as we designate. We do not charge any separate fee for training. You will be responsible for any and all expenses incurred by you or your employees in connection with attending all training programs, including the costs of transportation, lodging, meals, and wages (Franchise Agreement, Section 6).

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	TRAINING LOCATION
Startup Training	4-8	0	Remote/Phone
Overview, Operations and Programs	1.2	0	Remote/Phone
Post Opening Training	0	8-16	Phone
Totals	**16-20**	**8-16**	

The length of training varies depending on your questions, needs, prior knowledge and experiences, and issues that arise near your opening. You must participate in all calls, and complete the training to our satisfaction.

ITEM 12
TERRITORY

Except as provided below, you will be granted a protected territory, described as that area within which we will not establish or operate, or license any other person to establish or operate, another theCoderSchool business under the System and the Proprietary Marks at any location, ("Territory"). The specific Territory will be an approximate 5 mile radius around the theCoderSchool location once a location has been approved; however if a proposed location will impact a neighboring franchisee whereby there is not at least 5 miles between a neighboring franchisee location and your proposed location, we will deny the proposed location unless the other franchisee consents; similarly if a 5 mile radius around the proposed location substantially overlaps another franchisee's territory, we may also deny the proposed location, or otherwise adjust the boundaries of your territory with your consent. There may be some overlapping boundaries of franchisees, and we may approve another franchisee's location whose territory overlaps with yours by no more than 25% of the radius, which will not be considered encroachment nor a breach of contract, nor will we need your consent for such territory to another franchisee. However, in no event will there be 2 franchisees located less than 5 miles apart without both franchisees' express consent. Unless you are in default of your Franchise agreement, we cannot modify your territorial rights during the term of the Franchise Agreement, but we can modify your Territory upon renewal. Your territorial boundaries do not depend on the achievement of any specific sales volume, market penetration, or similar conditions. However you must remain in compliance of the Franchise Agreement.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Regardless of either proximity to your Territory or your School, or any actual or threatened impact on sales of your School, we retain the right, among others, to: (a) use the Proprietary Marks and System in connection with establishing and operating theCoderSchool businesses at any location outside the Territory; (b) use the Proprietary Marks or other marks in connection with selling or distributing any goods (including branded merchandise) or services anywhere in the world (including within the Territory), whether or not you also offer them; (c) acquire, establish or operate, without using the Proprietary Marks, any business of any kind at any location anywhere in the world (including within the Territory); (d) use the Proprietary

Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory); and (e) acquire, merge with, or affiliate with, and then own and operate, and franchise or license others to own and operate, any business of any kind, or company-owned or franchised system of businesses of any kind, including any business or system that offers products or services the same as or similar to those offered by you under the System and Proprietary Marks, regardless of any other provision of the Franchise Agreement.

You may not establish more than one theCoderSchool business in your Territory without entering into a separate Franchise Agreement. We do not grant under this disclosure document any option, right of first refusal, or similar right to acquire additional franchises.

If you relocate your theCoderSchool business, your Territory may need to be re-established once we approve a new site. We will use the same criteria for approval of a relocation site, as we use for approval of the original site (See Site Selection in Item 11 above). We will charge you a relocation fee if we approve your relocation.

While we do not allow explicit solicitation of sales specifically targeting another theCoderSchool location's territory, we and our affiliates or other franchisees may use broad based marketing such as print or broadly targeted internet which may partially encroach upon your location's territory.

You are not restricted from accepting customers outside of your Territory, but we encourage you to develop your own Territory. You are not restricted from soliciting customers outside of your Territory, except that you are not permitted to solicit in another franchisee's Territory. Neither we nor other franchisees will have to compensate you for soliciting or accepting orders from inside your Territory. You are permitted to use channels of distribution including internet, catalog sales, telemarketing and direct marking, so long as you are only selling approved services and you comply with all applicable laws, including those which restrict sending emails, text messages or sales calls without permission of the consumer.

In 2020, in response to the COVID-19 global pandemic, we temporarily permitted our franchisees to continue offering their services through remote learning methods such as video meetings ("Remote Coaching"). If Remote Coaching is still permitted at the time that your School is ready to open, we will also permit you to offer Remote Coaching. You are only permitted to solicit leads for Remote Coaching within 20 miles of your School, and not in any other franchisee's protected territory. You may accept unsolicited leads as customers from anywhere in the country, but you are required to refer any leads who live closer to another theCoderSchool location to their closest School. If the lead ultimately decides to enroll in your School, you are permitted to accept that lead.

Neither we nor our affiliate currently operate, franchise, or have present plans to operate or franchise a business under a different trademark that sells goods and services similar to those being offered at the School.

ITEM 13
TRADEMARKS

You will be granted the right, and undertake the obligation, under the terms of the Franchise Agreement, to establish and operate theCoderSchool business under the Proprietary Marks and the System, including the mark "theCoderSchool" in stylized form and other trademarks, trade names, and service marks and logos, detailed below, and as we may in the future create and designate as part of the System.

The following trademarks are registered on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"), and all required maintenance filings have been made:

Mark	Serial Number or Registration Number	Application Date	Registration Date	International Class(es)
	4841478	4-18-15	10-27-15	041
THE CODER SCHOOL	4848331	6-10-15	11-3-15	041
LEARN TO CODE. CHANGE THE WORLD.	4831183	3-3-15	10-13-15	041

There may be other similar establishments using some form of the power button logo as the one contained in our coderschool name (replacing the first "o" in school). We are aware of one specific establishment in Lexington Massachusetts, called EMPOW Studios, which we have entered into a settlement agreement concerning our joint use of this logo whereby we nor our franchisees will not use the power button logo after August 1, 2017 as a standalone logo. The Agreement is available upon request.

Coder School San Francisco, LLC owns the Proprietary Marks, including the marks listed in the table above. There are no other agreements currently in effect that significantly limit our rights to use or license the use of the Proprietary Marks in any manner material to the franchise.

All required affidavits pertaining to these registrations have been filed. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, nor any pending infringement, opposition, or cancellation proceedings involving the Proprietary Marks. There are no pending material federal or state court litigation regarding our use or ownership rights in any of the Proprietary Marks.

We are not aware of any infringing uses that could materially affect your use of ownership rights in the Proprietary Marks or our rights in the Proprietary Marks in any state.

You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Proprietary Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlements. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with the Franchise Agreement, we will bear the cost of your defense, including the cost of any judgment or settlement. If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with the Franchise Agreement, you must bear the cost of your defense, including the cost of any judgment or settlement. In the event of any litigation relating to your use of the Proprietary Marks, you must sign all documents and do all acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except to the extent that the litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs.

We reserve the right, at our sole discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different proprietary marks for use in identifying the System and the businesses operating under these marks. You must comply with any changes, revisions and/or substitutions at your sole cost and expense. We will provide to you, at no cost, templates for new stationary and advertising materials.

ITEM 14
PATENTS, COPYRIGHTS AND OTHER PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any right in, or to, any patents or registered copyrights that are material to the franchise.

Confidential Operating Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate your School in accordance with the standards, methods, policies, and procedures specified in the Manual. Upon your completion of our initial training program to our satisfaction, we will make the Manual available to you electronically, for the term of your Franchise Agreement. We will also make available our Operations Package, known as our "Ops Pack", which contains templates, documents, creatives and other proprietary materials required for your operation.

You must treat the Manual, our Ops Pack, any other manual created for or approved for use in the operation of the School, and the information contained in the Manual, as confidential, and you must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part,

or otherwise make the same available to any unauthorized person. The Manual will remain our sole property.

We may revise the contents of the Manual at any time, and you must comply with each new or changed standard. You must ensure that the Manual is kept current at all times. In the event of any dispute as to the contents of the Manual, the terms of the master copy maintained by us online will be controlling.

Confidential Information

You must not, during the term of the Franchise Agreement or after its term, communicate, divulge, or use for the benefit of any other person, partnership, association, limited liability company or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the business franchised under the Franchise Agreement, including, the Manual, our Ops Pack, curricula, customer lists and information, and teaching methods and materials, including both paper and electronic spreadsheets, or advertising which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of the Franchise Agreement. You may divulge confidential information only to those of your employees who must have access to it in order to operate the School. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement.

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

During the term of your Franchise Agreement, you (or, if you are a corporation, partnership or limited liability company, at least one of your owners), and/or an approved Manager, must devote full time and best efforts to the management and operation of the School. This individual must take an active role in the operation of the School and be on the premises operating the School during peak hours of operation. You and your Manager must all attend and successfully complete our initial training program as described in Item 11.

The School must at all times be under the direct, on-premises supervision of an individual who has successfully completed the initial training program required under the Franchise Agreement or as otherwise specified by us in writing. The onsite supervisor or manager need not have an equity interest in any corporate franchisee. You must maintain a competent, conscientious, trained staff, who has successfully completed the initial training program and any additional training as we may specify in writing. You must take those steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and meet our minimum standards, including attire as we reasonably require; as we may establish periodically in the Manual. You must conduct a reasonable background check of all employees before hiring at your cost. You and your employees must handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from our name and goodwill. You will be solely responsible for all employment decisions and functions of the School, including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

At our request, you must obtain and furnish to us signed confidentiality and non-competition agreements (attached as Exhibit G to the Franchise Agreement) from your Manager and other personnel having access to our confidential information by virtue of their relationship with you. All owners of the Franchisee must personally guarantee all of the obligations of the Franchisee under the Franchise Agreement by signing the form attached as Exhibit E to the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must (1) sell or offer for sale only those products, merchandise, and services as we have expressly approved for sale in writing; (2) sell or offer for sale all types of products, merchandise, and services we specify; (3) refrain from any deviation from our standards and specifications without our prior written consent; and (4) discontinue selling and offering for sale any products, merchandise, and services which we may, in our discretion, disapprove in writing at any time. All services offered at the School must meet our then-current standards and specifications, as established in the Manual or otherwise in writing. The Franchise Agreement does not limit our right to make changes in the types of authorized products, merchandise, and services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the Franchise Term	Section 2.1	10 years from the date of the Franchise Agreement.
b. Renewal or Extension of the Term	Section 2.2	If you satisfy all of the requirements of the Franchise Agreement, you can renew for an additional 10 year term by signing the then-current Franchise Agreement.
c. Requirements for Franchisee to Renew or Extend	Section 2.2	Give timely notice; renovate physical premises; not be in default (or have been in default); have satisfied all monetary obligations; have right to possess premises; sign then-current franchise agreement, which may contain materially different terms and conditions than your initial Franchise Agreement; sign a general release; comply with training requirements; pay a renewal fee if required; be current on all obligations to us, your landlord, suppliers, and others with whom you do business.
d. Termination by Franchisee	Not Applicable	No contractual right, however, the franchisee may terminate the agreement on any grounds available by law.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
e. Termination by Franchisor Without Cause	Not Applicable	Not Applicable
f. Termination by Franchisor With Cause	Section 15	We have the right to terminate with cause.
g. "Cause" Defined – Curable Defaults	Section 15.3	You have 60 days to cure: non-compliance with the Franchise Agreement (except those defaults listed in (h) below); non-payment of monies; non-submission of reports; failure to maintain prescribed specifications, standards, or procedures; failure to obtain our prior written approval or consent; actions inconsistent with or contrary to your lease; failure to maintain product and service quality; using confusingly similar names or marks; failure to substantially comply with all applicable laws, rules, and regulations; and others.
h. "Cause" Defined – Non-Curable Defaults	Sections 15.1, 15.2	Non-curable defaults include: insolvency, bankruptcy, dissolution, foreclosure, or other similar filings or proceedings; final or unsatisfied judgments; failure to locate a site or to open for business within the required timeframe; abandonment; loss of premises; conviction of a crime; health or safety violations; unapproved transfers; approved transfer not timely effected; failure to comply with covenants; unauthorized disclosure of confidential information; maintaining false books or submitting false reports; trademark misuse; refusal to permit inspections; failure to timely cure a default; repeated defaults even if cured; any default under any agreement between you and us that would permit us to terminate that agreement; and others.
i. Franchisee's Obligations on Termination/Non-Renewal	Section 16	Obligations include: cease operations of the School; de-identification; assignment of right to possess premises; payment of amounts due to us and our affiliates; return the Manual and all other confidential information; sell to us products, furnishings, equipment, signs, fixtures, stationery, forms, packaging, and advertising materials at our option; compliance with post- termination non-competition agreement; and others.
j. Assignment of Contract by Franchisor	Section 14.1	No restriction on our right to transfer or assign the Franchise Agreement. However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise agreement.
k. "Transfer" by Franchisee – Defined	Section 14.2	Includes transfer of Franchise Agreement, any direct or indirect interest in the Franchisee (if a corporation or partnership) which is more than 50%, or all or substantially all of the assets of the School.
l. Franchisor Approval of Transfer by Franchisee	Section 14.2	All transfers require our prior written consent, which will not be unreasonably withheld, and we have a right of first refusal to acquire any proposed transfer of interest.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
m. Conditions for Franchisor Approval of Transfer	Section 14.3	Conditions of approval include: timely written notification to us of the proposed transfer; our prior written consent; your monetary and other obligations have been satisfied; you are not in default of any provision of any agreement with us or our affiliates; transferor signs a general release; transferee enters into a written assignment and guaranty, if applicable; transferee meets our qualifications; transferee signs our then-current form of franchise agreement; you remain liable for all of the obligations to us that arose before the transfer and which extend beyond the term of the Franchise Agreement, and you sign all instruments which we reasonably request to evidence this liability; transferee completes all required training programs; you pay a transfer fee; and others.
n. Franchisor's Right of First Refusal to Acquire Franchisee's Business	Section 14.5	We have a right of first refusal for any proposed transfer of interest.
o. Franchisor's Option to Purchase Franchisee's Business	Section 16.9	Upon termination or expiration of your Franchise Agreement, we have the option, but not the obligation, to purchase your equipment, signs, and fixtures at fair market value or at your depreciated book value, whichever is less, unless we take over your location we will then have such obligation; we also have the option to have you assign your lease to us.
p. Death or Disability of Franchisee	Section 14.6	Upon the death or mental incapacity of any person(s) holding majority interest in the Franchise Agreement, in Franchisee, or in all or substantially all of the assets of the School, an approved transfer must occur within 2 months.
q. Non-Competition Covenants During the Term of the Franchise	Section 17.2	During the term of the Franchise Agreement, you may not own, maintain, operate, engage in, be employed by, provide any assistance or advice to, or have any interest in any business that is substantially similar to the School or offers or sells substantially similar services as the School.
r. Non-Competition Covenants After the Franchise Is Terminated or Expires	Section 17.3	(except where not enforceable in your state) For 2 years after termination or expiration of the Franchise Agreement, you may not own, maintain, operate, engage in, be employed by, provide any assistance or advice to, or have any interest in any business which (1) is substantially similar to the School or sells substantially similar services as the School, and (2) is located within your Territory, within 10 miles of the Approved Location, or within 10 miles of any business operating under the System and the Proprietary Marks.
s. Modification of the Agreement	Section 24	All amendments, changes, or variances from the Franchise Agreement must be in writing.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
t. Integration / Merger Clause	Section 24	The Franchise Agreement and all referenced and attached documents constitute the entire, full, and complete agreement between the parties. Nothing in the Franchise Agreement or any other agreement is intended to disclaim our representations in this Disclosure Document. Only the terms in the Franchise Agreement and other related written agreements are binding (subject to state law.) Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Section 26	Most disputes and claims relating to the Franchise Agreement will be settled by arbitration under the rules of the American Arbitration Association.
v. Choice of Forum	Section 26	Subject to State law, Arbitration must be held in Santa Clara County, California. Any litigation against us must be brought in the Santa Clara County California.
w. Choice of Law	Section 26	Subject to State law, all disputes will be governed by the laws of California.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchises.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We disclose gross revenue information and certain profit information about our franchisee-owned Schools as follows:

Table 1 below provides information about the 2022 Gross Revenue (as defined below) and Table 2 below provides the earnings before interest, taxes, depreciation and amortization (EBITDA, as defined below) of our franchisee-owned Schools, excluding any compensation those Schools paid to a general manager. Table 3 provides the specific EBITDA excluding any compensation paid to a general manager for the highest and lowest 5 franchised units. We have excluded compensation paid to a general manager because some Schools pay a general manager

and some do not; excluding this compensation permits a more uniform comparison. Numbers shown with a minus sign preceding the dollar sign are negative numbers.

Table 1 shows the Gross Revenue for all locations open at least 12 full months, excluding three units (two units did not accurately disclose expense data and one operated virtually for 2022). Table 2 excludes the same three units. Table 3 shows the five highest earning Schools and the five lowest earning Schools whose data was included in Tables 1 and 2.

Gross Revenue means all revenue generated at, from or in connection with the operation of the School, including from sales of all products and services conducted at, from or with respect to the Designated School. Gross Revenue does not include the sale of products or services for which refunds have been made in good faith to customers, the sale of equipment or furnishings used in the operation of the School, or any sales taxes or other taxes you collect from customers and pay directly to the appropriate taxing authority. EBITDA means Gross Revenue less all expenses other than taxes, debt payments and any depreciation or amortization a franchisee takes. We have relied on the Gross Revenue information and the EBITDA information from profit & loss statements submitted to us by franchisees. We have not audited or verified this information.

We also disclose gross revenue information and certain profit information about our company-owned Schools as follows:

Table 4 below provides information about the 2022 Gross Revenue (as defined above) and Table 5 below provides the earnings before interest, taxes, depreciation and amortization (EBITDA, as defined below) of our company-owned Schools, excluding any compensation those Schools paid to a general manager.

Table 1 – 2022 Data
Franchisee Schools Gross Revenue (45 Schools)

Average Gross Revenue	$314,031
Number of Schools meeting or exceeding average	18
Percentage of Schools meeting or exceeding average	40%
Median Gross Revenue	$281,927
Highest Gross Revenue	$714,586
Lowest Gross Revenue	$85,010

Table 2 – 2022 Data
Franchisee Schools EBITDA without General Manager pay (45 Schools)

Average EBITDA	$98,103
Number of Schools meeting or exceeding average	19
Percentage of Schools meeting or exceeding average	42%
Median EBITDA	$70,963
Highest EBITDA	$274,953
Lowest EBITDA	-$18,617

Table 3 – 2022 Data
Top 5 and Bottom 5 Franchisee Schools EBITDA without General Manager pay

Five Highest EBITDA Schools	
- 1st highest	$274,953
- 2nd highest	$267,400
- 3rd highest	$256,428
- 4th highest	$244,281
- 5th highest	$238,487
Five Lowest EBITDA Schools	
- 5th lowest	$2,523
- 4th lowest	-$5,171
- 3rd lowest	-$9,619
- 2nd lowest	-$14,645
- 1st lowest	-$18,617

Table 4 – 2022 Data
Company-Owned Schools Gross Revenue (3 Schools)[1]

Average Gross Revenue	$399,155
Number of Schools meeting or exceeding average	1
Percentage of Schools meeting or exceeding average	33%
Median Gross Revenue	$376,802
Highest Gross Revenue	$443,860
Lowest Gross Revenue	$376,802

[1] We have two schools run through a single business entity, so in order to disclose revenue for those two schools, we have divided the total revenue for the business entity in half.

Table 5 – 2022 Data
Company-Owned Schools EBITDA without General Manager pay (3 Schools)

Average EBITDA	$86,904
Number of Schools meeting or exceeding average	1
Percentage of Schools meeting or exceeding average	33%
Median EBITDA	$84,408
Highest EBITDA	$111,888
Lowest EBITDA	$64,415

Some Schools have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

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

Other than the preceding financial performance representation, theCoderSchool does 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 outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jackson Hansel Lynn, 3441 Alma Street, Suite 150, Palo Alto, California 94306, and 650-488-3388, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1

SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2020 TO 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	38	44	+6
	2021	44	49	+5
	2022	49	57	+8
Company-Owned	2020	3	3	0
	2021	3	3	0
	2022	3	3	0
Total Outlets	2020	41	47	+6
	2021	47	52	+5
	2022	52	60	+8

TABLE 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2020 TO 2022

State	Year	Number of Transfers
NC	2020	1
	2021	1
	2022	0
TOTAL	2020	1
	2021	1
	2022	0

TABLE 3

STATUS OF FRANCHISED OUTLETS FOR YEARS 2020 TO 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewal	Reacquired by Franchisor	Ceased Operations–Other Reasons	Outlets at End of Year
AZ	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
CA	2020	15	2	0	0	0	0	17
	2021	17	3	0	0	0	1	19
	2022	19	2	0	0	0	0	21
CO	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
CT	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewal	Reacquired by Franchisor	Ceased Operations– Other Reasons	Outlets at End of Year
	2022	2	0	0	0	0	0	2
FL	2020	1	1	0	0	0	0	2
	2021	2	2	0	0	0	0	4
	2022	4	1	0	0	0	0	5
GA	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
IL	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
MA	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
MI	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
MO	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NC	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
NJ	20202	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
NV	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
NY	2020	4	1	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	2	0	0	0	0	7
OH	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
TX	2020	3	0	0	0	0	1	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
VA	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
WA	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
TOTALS	2020	38	7	0	0	0	1	44
	2021	44	6	0	0	0	1	49
	2022	49	9	0	0	0	1	57

TABLE 4

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2019 TO 2021

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
CA	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
Totals	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3

TABLE 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2022

State	Franchise Agreement Signed But Unit Not Yet Open	Projected New Franchised Units Opening in Fiscal Year 2022	Projected New Company-Owned Units in Fiscal Year 2022
NY	0	1	0
FL	1	1	0
Total	1	2	0

The above table gives the projected number of new franchised and company-owned Schools during the period through December 31, 2022.

The name, address, and telephone number of our current franchisees, as of the date of this Disclosure Document are listed in Exhibit D-1. The information of the franchisees who had signed an agreement but not opened as of December 31, 2022 are listed in Exhibit D-2. Our company-owned units are listed in Exhibit D-4 to this Disclosure Document.

Exhibit D-3 lists franchises that were transferred, terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business with us during the most recently completed fiscal year, or have not communicated with us within the 10 weeks preceding the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisees have signed confidentiality clauses during the last three fiscal years that restrict their ability to speak with you about their franchised business. We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

ITEM 21
FINANCIAL STATEMENTS

Our Fiscal Year End is December 31. Attached as Exhibit E are our audited financial statements for the period ending on December 31, 2020, December 31, 2021 and December 31, 2022.

ITEM 22
CONTRACTS

theCoderSchool Franchise Agreement (with exhibits) is attached as Exhibit F (which includes a Confidentiality and Non-Competition Agreement, as Exhibit 4, and a Guarantee as Exhibit 5); Our form General Release is attached as Exhibit H.

ITEM 23
RECEIPTS

There are two identical Receipts attached to this Disclosure Document as Exhibit K. You should sign both copies of the receipt. Keep one copy for your own records and return the other signed copy to us at 3441 Alma Street, Suite 150, Palo Alto, CA 94306, or electronically to franchising@thecoderschool.com.

EXHIBIT A

TO

FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS

California	Dept. of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013
Florida	FL Department of Agriculture & Consumer Services Division of Consumer Affairs Mayo Building, Second Floor Tallahassee, Florida 32399-0800
Hawaii	Business Registration Division Securities Compliance Branch Department of Commerce & Consumer Affairs 335 Merchant Street Honolulu, Hawaii 96813
Illinois	Office of Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62706
Indiana	Secretary of State Franchise Section Indiana Securities Division 302 West Washington, Room E-111 Indianapolis, Indiana 46204
Kentucky	Commonwealth of Kentucky Office of the Attorney General Consumer Protection Division 1024 Capital Center Drive P.O. Box 2000 Frankfort, Kentucky 40602
Maryland	Office of the Attorney General, Securities Division 200 St. Paul Place Baltimore, Maryland 21202
Michigan	Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, Michigan 48913

Minnesota	Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198
Nebraska	Department of Banking and Finance 1200 N Street, Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St., 21st Fl. New York, NY 10005 212-416-8222
North Dakota	North Dakota Securities Department 600 East Boulevard Ave. State Capitol, Fifth Floor, Dept. 414 Bismarck, North Dakota 58505-0510
Rhode Island	Division of Securities Department of Business Regulation John O. Pastore Center, 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920
South Dakota	Division of Securities c/o 445 East Capitol Avenue Pierre, South Dakota 57501
Texas	Statutory Document Section Secretary of State P.O. Box 12887 Austin, Texas 78711
Virginia	State Corporation Commission Division of Securities and Retail Franchising Ninth Floor 1300 East Main Street Richmond, Virginia 23219
Washington	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501

Wisconsin	Franchise Registration Division Office of the Wisconsin Commissioner of Securities 101 East Wilson Street Madison, Wisconsin 53702

EXHIBIT B

TO

FRANCHISE DISCLOSURE DOCUMENT

LIST OF AGENTS FOR SERVICE OF PROCESS

California	Commissioner of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013
Hawaii	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois	Attorney General of the State of Illinois 500 South Second Street Springfield, Illinois 62706
Indiana	Secretary of State 201 State House Indianapolis, Indiana 46204
Kentucky	Commonwealth of Kentucky Office of the Attorney General Consumer Protection Division 1024 Capital Center Drive P.O. Box 2000 Frankfort, Kentucky 40602
Maryland	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
Michigan	Department of Consumer and Industry Services Corporation, Securities, and Land Development Bureau 6546 Mercantile Way Lansing, Michigan 48910
Minnesota	Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198

Nebraska	Department of Banking and Finance 1200 N Street, Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509
New York	New York Department of State Attention: New York Secretary of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001
North Dakota	Securities Commissioner North Dakota Securities Department 600 East Boulevard Ave. State Capitol, Fifth Floor, Dept. 414 Bismarck, North Dakota
Rhode Island	Division of Securities Department of Business Regulation John O. Pastore Center, 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920
South Dakota	Division of Securities c/o 445 East Capitol Avenue Pierre, South Dakota 57501
Texas	Secretary of State Statutory Document Section P.O. Box 12887 Austin, Texas 78711
Virginia	Clerk of the State Corporation Commission 1st Floor 1300 East Main Street Richmond, Virginia 23219
Washington	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501
Wisconsin	Department of Financial Institutions Division of Securities Box 1768 Madison, Wisconsin 53701

EXHIBIT C

TO

FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS FOR MANUAL

(See attached)

theCoderSchool

Operations Manuals- Tables of Contents

Startup Manual

1 - Intro 4
2 - Site Selection 4
3 - Business Supporting Structures 4
3.1 - Entity and EIN 5
3.2 - Taxes and Accounting 5
3.3 - Bank and Credit Card 6
3.4 - Insurance 6
3.5 - Payroll 7
3.5.1 - Payroll Vendors 7
3.5.2 - Pay Frequency 8
3.5.3 - Payroll Laws 8
3.5.4 - Providing Benefits 8
3.6 - Employees vs. Subcontractors 9
3.7 - Background Checks 9
4 - Software 9
4.1 - Pike13 – Business Management 9
4.1.1 - Overview 9
4.1.2 - Initial Setup 10
4.2 - Zoho CRM – Lead Management 12
4.2.1 - Overview 12
4.2.2 - Initial Setup 13
4.3 - Zoho Mail - Email 15
4.3.1 - Overview 15
4.3.2 - Initial Setup 15
4.4 - Website Setup 15
4.5 - Google Drive and Google Logins – Collaboration and Curriculum 15
4.6 - Converting Chromeboxes to Ubuntu 16
5 - Construction and FF&E 16
5.1 - Floorplan 16
5.2 - Permits 17
5.3 - Construction 18
5.4 - Signs/Exterior 19
5.5 - Interior Design 19
5.6 - Furniture, Fixtures, and Equipment (FF&E) 20
5.6.1 - Computers 20
5.6.2 - Furniture and Fixtures 21
5.7 - Utilities 21
6 - Getting Ready to Open 22

6.1 - Deciding Your Grand Opening Date 22
6.2 - Decide Your Start Date 23
6.3 - Facebook, Yelp, Google Local 23
6.4 - Initial Operating Hours 23
6.5 - Local Policies 24
6.6 - Employees 24
6.7 - Pricing 26
6.8 - Website 27
6.9 - T-Shirts and Giveaways 27
7 - Grand Opening Marketing 28
7.1 - Marketing Channels 28
7.1.1 - Community 28
7.1.2 - Digital 28
7.1.3 - Physical 28
7.2 - Community Mapping 29
7.3 - School Mapping & Outreach 30
7.4 - Coding VIPs 31
8 - Leading Up to Grand Opening 32
8.1 - Tracking Your Leads 32
8.2 - Opening Day Promotions 33
8.2.1 - Opening Day Discounts 33
8.2.2 - T-Shirts 33
8.2.3 - Grand Opening Giveaways 33
8.3 - VIP Opening or Ribbon Cutting Ceremony (optional) 34
8.4 - Soft Opening (optional) 34
9 - Grand Opening Day 35
9.1 - Event Setup, Day Of 35
9.2 - Prepare for Signups 37
9.3 - Event Staff 38
9.3.1 - Owner/GM 38
9.3.2 - Instructors 38
9.3.3 - Coordinators 38
9.3.4 - CoderSchool Reps and Closers 39
9.4 - Customer FAQs 39
10 - Post Grand Opening 40

Site Selection Addendum

1 - Intro 3
2 - Timing 3
3 - Site Selection 4
3.1 - Site Location 4
3.2 - Macro Location and Demographics 6
3.3 - Size and Floorplan 6
3.4 - Leases and Permits 7
3.5 - Leasing Process 8

Operations Manual

1. Introduction 5
2. The General Manager Job 5
3. Priorities 5
4. The School Vibe 6
    4.1 General Vibe 6
    4.2 Parents 8
    4.3 Students 8
    4.4 Physical Vibe 8
5. Client Relationships 8
6. Our Programs 9
    6.1 Code Coaching 9
        6.1.1 Description 9
        6.1.2 Exceptions 10
        6.1.3 Signup Timing 10
        6.1.4 Makeups 10
    6.2 Code Coaching PLUS 11
        6.2.1 Description 11
        6.2.2 Exceptions 11
        6.2.3 Signup Timing 11
        6.2.4 Makeups 12
    6.3 Code Coaching PRO 12
        6.3.1 Description 12
        6.3.2 Exceptions 13
        6.3.3 Signup Timing 13
        6.3.4 Makeups 13
    6.4 Code Class 13
        6.4.1 Description 13
        6.4.2 Exceptions 13
        6.4.3 Signup Timing 14
        6.4.4 Makeups 14
    6.5 @School Code Class 14
    6.6 Camps 15
    6.7 Future Programs 15
7. Our “Curriculum” 16
    7.1 Philosophy 16
    7.2 The Coder Toolset 17
    7.3 Coder Fairs 18
    7.4 Language Readiness 18
    7.5 Weekly Notes 19
    7.6 Coder Review/Coder Chart 19
    7.7 Round of Code 20
8. Our Systems 20
    8.1 Website – SquareSpace 21
    8.2 CRM – Zoho 21
    8.3 Email – Zoho 21

8.4 Scheduling and Billing – Pike13 21
8.5 Operational Process Reporting – Ops Scrubber 22
8.5.1 Student Report 22
8.5.2 Unpaid Bills Report 23
8.5.3 Notes Checker 23
8.5.4 Review Checker 23
8.5.5 Review Followup 23
8.6 SafeSpace 23
8.7 Launcher and Other Utilities 24
9. Four Stages of Operations 26
10. Stage ONE – Marketing 26
10.1 Core Marketing 26
10.2 Secondary Marketing 27
10.3 ROI Tracking 28
10.4 Ad Graphics 29
11. Stage TWO – Sales and Lead Management 30
11.1 Zoho Fields Usage 30
11.2 Lead Management Base Process 31
11.2.1 Step 1 - Lead Entry (Status: Uncontacted) 31
11.2.2 Step 2 - Lead Contact (Status: In Progress) 31
11.2.3 Step 3 - Running the Trial (Status: Tour/Trial Scheduled) 35
11.2.4 Step 4 – Signup (Status: Signed Up) 37
11.3 Enrollment and Seasonal Expectations 39
11.4 Recommending a Program 40
12. Stage THREE – Operations 40
12.1 Checking In 40
12.2 No Shows and Makeups 41
12.3 Schedule Optimization 43
12.4 Lesson Notes 43
12.5 Payroll Hours 43
12.6 Holidays 44
13. Stage FOUR - Upkeep and Outreach 44
13.1 School Vibe and Community 44
13.2 Managing Staff 46
13.3 Student Report 47
14. The Coder Fair 47
14.1 Goal of the Coder Fair 48
14.2 Initial Decision Point 48
14.3 Basic Structure (The Day Of) 48
14.4 Positioning 51
14.5 Evolution 51
15. Staff 52
15.1 Pay Structure 52
15.2 Who To Hire 53
15.3 Choosing Your Code Coaches 54
15.4 Interviewing 55

15.5 Background Checks and Safety 56
15.6 Google Search 57
15.7 Making the Hire 57
15.8 Setup....59
15.9 After the Hire....61
15.10 Training for Code Coaches....62
15.11 Terminations and/or Employee Leaves 62
16. Coding Coordinator 63
16.1 Responsibilities 63
16.2 Day-to-Day Operational Tasks....64
16.3 Miscellaneous Tasks....65
16.4 Training for Coding Coordinators....65
17. For Owners....65
17.1 Accounting 65
17.2 Revenue Reporting....67
17.3 Payroll 67
18. Appendix....67
18.1 Marketing Ideas....67

Coaching Manual

1. Overview and Admin 3
   1.1 Welcome!....3
   1.2 Safety First 3
   1.3 School Vibe 4
   1.4 Our Philosophy and What Makes Us Different....4
   1.5 General Admin 5
2. Lesson Structure....6
3. The Coder Toolset....7
   3.1 Coder Toolset Spreadsheet....7
   3.2 App Builds....10
4. Languages and Platforms....10
   4.1 Languages 10
      4.1.1 Snap! (or Scratch)....10
      4.1.2 Python and Javascript....12
      4.1.3 Java, C++, etc 13
      4.1.4 Unity, Corona, iOS, Android 13
   4.2 Platforms and IDE's....13
5. Teaching Kids to Code (Code Coaching) 13
   5.1 Project Based Teaching 14
   5.2 FreeForm Coding 15
   5.3 Online Curriculum 16
   5.4 Coder Toolset 16
   5.5 The Show-Challenge Method....16
   5.6 Learning How to Learn 17
6. Our Programs....17
   6.1 Code Coaching....17
      6.1.1 Collaborative Instruction....18
      6.1.2 Younger Students....18
      6.1.3 Homework 18
      6.1.4 Complex Languages 18
      6.1.5 Multiple Kids....19
      6.1.6 End of the Lesson 19
   6.2 CodeClass (This section only for CodeClass Instructors)....19
      6.2.1 Class Overview....19
      6.2.2 Expectations 20
      6.2.3 How they run 20
      6.2.4 Platform Code Class 21
      6.2.5 @School Version of Code Class or Platform Code Class 22
   6.3 Code Coaching PLUS 23
      6.3.1 Overview 23
      6.3.2 Description (Age 10+ initially and as it grows can open up to below 10) 23
      6.3.3 Structure 24
      6.3.4 Examples 24
7. Kids and Focus....26
8. Progress Reporting....27

Camp Manual

1. Summer Camp Overview....3
2. General Manager Responsibilities....3
3. Instructor Responsibilities....4
4. Coding....6
5. Activity Categories....7
    5.1 Offline Coding....8
    5.2 Tech Talk / Video....8
    5.3 Team Challenge....8
6. Sample Camp Schedule (NOTE: For half-day or shorter camps, adjust as needed)....8
    6.1 Monday....8
    6.2 Mid-Week....9
    6.3 Friday....9
7. Document Reference and Checklist....10
8. Camp Details....10
    8.1 Raspberry Pi Camp....10
    8.2 Python Camp....12
    8.3 Webrox Camp....13
    8.4 AI Camp (Rise of the Machines)....14
    8.5 Mobile Madness Camp....16

Software Manual

1. Overview 3
2. Operations Software 3
  2.1 Platform Overview 3
    2.1.1 Record Structure 3
    2.1.2 Accounts 3
    2.1.3 Billing 3
    2.1.4 Menu System 4
    2.1.5 Service, Passes and Plans 5
  2.2 Create a Customer 5
  2.3 Scheduling a Session – Code Coaching 6
  2.4 Scheduling a Session – Code Class, Code Coaching PLUS session, and Camps 6
  2.5 Setting up an AtSchool Class 9
  2.6 Billing Customers 9
  2.7 Schedule a Makeup 11
  2.8 Cancel Customer 12
  2.9 Refund Customer 12
  2.10 Writing a Weekly Note 13
  2.11 Create a Camp 13
3. Lead Management 15
  3.1 Platform Overview 15
  3.2 Using Lead Views 15
  3.3 Tracking Progress 15
  3.4 Email Blasts 16
4. SquareSpace 18
5. Custom Utilities 18
  5.1 Coder Review 19

Support Tools Manual

1. Overview....3
2. Fonts and Colors....3
  2.1 Fonts....3
  2.2 Color....4
3. Photoshop Elements....4
  3.1 Screen Overview....5
  3.2 Text Editing and ALIGNMENT....6
  3.3 What Else?....6
4. Inkscape....6
  4.1 Screen Overview....7
  4.2 Text Alignment....7
  4.3 Exporting a File....8
Overview....3
  1.1 Purpose....3
2. Zoho Desk....3
  2.1 Setup....3
3. Sales IQ....4
  3.1 Setup....4
4. Youcanbook.me....6
  4.1 Overview....6
  4.2 Setup....6

EXHIBIT D-1

TO

FRANCHISE DISCLOSURE DOCUMENT

CURRENT FRANCHISEES

Arizona

Emily Thornock, Rob Thornock
1435 E Warner Rd
Ste 104, Gilbert
(480)410-7669

California

Lynna Tsou, David Tjen
The Coder School Berkeley Support
1385 Shattuck Ave, Suite C
Berkeley, CA 94709
(510) 679-2375

Renata Yamazaki
207 S El Camino Real Suite C
Encinitas, CA 92024
(760) 652-9960

Dheepa Seenivasagam
98 Clarksville Rd
Folsom, CA 95630
(530) 334-6620

Luis Lopez-Echeto, Fremont Tcs
39364 Fremont Blvd
Fremont, CA 94538
(510) 573-2529

Will Tungpagasit, Dede Leonard
14200 Culver Dr #200
Irvine, CA 92604
(949) 655-0388

Aline Pampalon, Artur Pedrosa
7484 La Jolla Blvd
La Jolla, CA 92037
(858) 877-1814

Dipali Patel
5100 Orangethorpe Ave
La Palma, CA 90623
(714) 735-8393

Dede Leonard, Will Tungpagasit
14103 Winchester Blvd, Suite E
Los Gatos, CA
(408) 596-2588

Paul Dosanjh
1683 N Milpitas Blvd
Milpitas, CA 95035
(408) 657-0623

Will Tungpagasit, Dede Leonard
27660 Marguerite Pkwy, Ste G
Mission Viejo, CA 92692
(949) 525-9332

Nicole Chang, Denis Fasquelle
319 S Arroyo Pkwy Suite 5
Pasadena, CA 91105
(626) 345-5875

Will Tungpagasit, Dede Leonard
3015 Hopyard Rd, Ste I
Pleasanton, CA
(925) 523-7737

Dipali Patel
1884 1/2 S Pacific Coast Hwy
Redondo Beach, CA 90277
(310) 504-0159

Luis Lopez-Echeto
570 El Camino Real #230
Redwood City, CA 94063
(650) 995-7435

Renata Yamazaki
9879 Carmel Mountain Rd
San Diego, CA 92129
(858)859-3330

Allen Kwan, Jim Shen, Lee Hsu
251 Clement St
San Francisco, CA 94118
(415) 592-8421

Allen Kwan, Jim Shen, Lee Hsu
231 W Portal Ave
San Francisco, CA 94127
(415) 661-5000

Dede Leonard, Will Tungpagasit
161 Market Pl
San Ramon, CA 94583
(925) 336-3328

Teddy Amkie
2411 Wilshire Blvd
Santa Monica, CA 90403
(310) 876-2848

Irving Chen, Jim Shen
18627 Yorba Linda Blvd
Yorba Linda, CA 92886
(714) 340-3339

Will Tungpagasit, Dede Leonard
1330 N Broadway, Ste F
Walnut Creek, CA 94596
(925) 588-4262

Colorado

Andrew Pedersen, Stephanie Pedersen
20269 E Smoky Hill Road, Unit L
Centennial, CO 80015
(720) 899-5667

Connecticut

Vaishali Shah
100 Elm St
Cheshire, CT 06410
(203) 441-3185

Vaishali Shah
1051 Farmington Ave.
Farmington, CT 06032
(860)470-6276

Vaishali Sha
39 New London Turnpike, Suite 112
Glastonbury, CT 06033
(860) 266-6292

Florida

Rajiv Ralhan, Aditi Ralhan
10633 Wiles Rd
Coral Springs, FL 33076
(954) 281-5588

John Meade, Allyson Christinzio, Pete Christinzio, Christine Delarionda
6293 Lake Osprey Dr
Sarasota, FL 34240
(941) 355-CODE (2633)

Mike Olavarria, Lesly Ramirez
8632 Hunters Village Rd
Tampa, FL 33647
(813) 422-5566

Mike Olavarria, Lesly Ramirez
1730 S Dale Mabry Hwy
Tampa, FL 33629
(813) 422-5566

Mike Olavarria, Lesly Ramirez
13129 N Dale Mabry Hwy
Tampa, FL 33618
(813) 422-5566

Georgia

Jerry Massey
5025 Jones Bridge Rd #610
Alpharetta, GA 30022
(770) 919-5894

Jerry Massey
3162 Johnson Ferry Rd Suite 430
Marietta, GA 30062
(404) 947-6047

Jerry Massey
4140 Moore Road, Ste. B108
Suwanee, GA
(770) 744-5523

Illinois

Chad Kreindler, Justin Brown, Robin Brown
615 Central Ave
Highland Park, IL 60035
(847) 780-7577

Massachusetts

Caroline Yee, Kenneth Yee
359 Boston Post Rd
Sudbury, MA 01776
(508) 808-8241

Michigan

Rajan Patel
41624 Ann Arbor Rd
Plymouth, MI 48170
(734) 656-8244

Missouri

Charu Katyal, Kathy Kilo Peterson
157 Lamp and Lantern Village
West County, MO 63017
(636) 220-3002

Nevada

Danielle Mateo, Noel Mateo
3255 St Rose Pkwy
Henderson, NV 89052
(702) 527-2107

Danielle Mateo, Noel Mateo
9330 W Sahara Ave Suite 150
Las Vegas, NV 89117
(702) 527-2107

New Jersey

Dominique Young, Michael Young
21 Belle Mead Griggstown Rd Ste J
Belle Mead, NJ 08502
(908) 262-7583

Nicole Xu, Jon To
51 Upper Montclair Plaza
Montclair, NJ 07043
(973) 939-5550

Nisha Bhalla, Noreen Kazi, Zubair Kazi
509 A Millburn Ave
Short Hills, NJ 07078
(973) 314-1159

New York

Noreen Kazi, Zubair Kazi, Nisha Bhalla
36-35 Bell Blvd #104
Bayside, NY 11361
(917) 905-0195

Zubair Kazi, Noreen Kazi, Nisha Bhalla
2606 Merrick Rd
Bellmore, NY 11710
(516) 517-4757

Noreen Kazi, Zubair Kazi, Nisha B
6558 Jericho Turnpike
Commack, NY 11725
(631) 270-5602

Sanchayita Shah, Umesh Shah
6035 Transit Rd
East Amherst, NY 14051
(716) 800-1404

Tammy Nguyen
23 Warren St store 4
New York, NY 10007
(646) 397-8417

Nisha Bhalla, Noreen Kazi, Zubair Kazi
17-21 Lumber Rd #3
Roslyn, NY 11576
(516) 399-2399

Nisha B, Noreen Kazi, Zubair K
45 Ira Rd
Syosset, NY 11791
(516) 584-4244

North Carolina

Srinivas Ginjupalli, Vinod Jonnalagadda, Satish Kuchipudi, Kiran Kunchakuri, Sharat Gollamudi
201 Davis Grove Cir #105
Cary, NC 27519
(919) 234-5193

Satish Kuchipudi, Kiran Kunchakuri, Sharat Gollamudi, Vinod Jonnalagadda, Srinivas Ginjupalli
13200 Strickland Rd #116
Raleigh, NC 27613
(919) 390-1708

Ohio

Lieng Pho, Ming Wong-Tee, Patrick Tee
6075 Chandler Ct.
Westerville, OH 43082
(614) 392-2499

Texas

Chris Tarpley
3288 Main St., Ste. 110
Frisco, TX 75033
(469) 362-8228

Sean Varghese, Susheel Philip
3555 Rayford Road, Ste #45
Spring, TX 77386
(832) 764-0945

Virginia

Chad Hamel, Ellen Hamel
42841 Creek View Plaza
Ashburn, VA 20147
(571) 918-4604

Chad Hamel, Ellen Hamel
1320 Old Chain Bridge Rd #170
McLean, VA 22101
(703) 712-7182

Washington

Taylor Wu
1100 Bellevue Way NE, Ste. 15
Bellevue, WA 98004
(425) 455-0122

EXHIBIT D-2

TO

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENTS SIGNED BUT UNITS NOT OPEN AS OF DECEMBER 31, 2021

Aditi and Rajiv Ralhan
10633 Wiles Rd
Coral Springs, FL 33076
(954)281-5588

EXHIBIT D-3

TO

FRANCHISE DISCLOSURE DOCUMENT

FORMER FRANCHISEES

Taylor Wu
taylorwu@gmail.com
(206) 601-2156

Mehul Shah
mehul50@gmail.com
(919) 561-3153

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

EXHIBIT D-4

TO

FRANCHISE DISCLOSURE DOCUMENT

COMPANY OWNED LOCATIONS

3441 Alma Street, Ste. #150
Palo Alto, CA 94306

22 17th Avenue, Suite E
San Mateo, CA 94402

10057 Saich Way
Cupertino, CA 95014

EXHIBIT E

TO

FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

(See Attached)

THE CODER SCHOOL SAN FRANCISCO, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

THE CODER SCHOOL SAN FRANCISCO, LLC
TABLE OF CONTENTS

Independent Auditor's Report	**Page 1-2**
Balance Sheets	**Page 3**
Statements of Operations and Member's Equity (Deficit)	**Page 4**
Statements of Cash Flows	**Page 5**
Footnotes	**Page 6-7**

MONIS J. SIDDIQUI, CPA P.C.
Certified Public Accountant
917.309.5670

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
The Coder School San Francisco, LLC.

Opinion

We have audited the financial statements of The Coder School San Francisco, LLC., which comprises the balance sheets as of December 31, 2022, and the related statements of operations, and changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of The Coder School San Francisco, LLC. as of December 31, 2022. and the results of its operations and its cash flows for the for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Coder School San Francisco, LLC. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements for the year ending December 31, 2021, were audited by other auditors whose report dated March 08, 2022, included an unmodified opinion of those statements.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Coder School LLC.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Coder School LLC.'s internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Coder School LLC.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Monis Siddiquic CPA
Bellerose, NY
February 28, 2023

THE CODER SCHOOL SAN FRANCISCO, LLC
BALANCE SHEETS
FOR THE PERIOD ENDING DECEMBER 31,

ASSETS

	2022	2021
Current Assets		
Cash	$ 4,013	$ 39,384
Franchise Fee Receivable	39,900	-
Franchise Royalties Receivable	61,561	51,086
Other receivables	19,181	16,616
Prepaid Expenses	3,614	2,501
Prepaid Taxes	29,234	108
Total Current Assets	157,503	109,695
Fixed Assets:		
Computer Equipment	5,830	5,830
Accumulated Depreciation	(3,461)	(2,295)
Total Fixed Assets	2,369	3,535
Total Assets	$ 159,872	$ 113,230

LIABILITIES AND MEMBER'S EQUITY (DEFICIT)

Current Liabilities		
Accounts Payable	$ 13,430	$ 16,840
Accrued Payroll Tax Liability	4,375	5,563
State Tax Payable	400	798
Deferred Revenue	148,129	132,005
Total Current Liabilities	166,334	155,206
Long Term Liabilities		
Deferred Revenue, net of current portion	809,948	752,784
Member's Equity (Deficit)	(816,410)	(794,760)
Total Member's Equity	(816,410)	(794,760)
Total Liabilities and Member's Equity (Deficit)	$ 159,872	$ 113,230

See notes to financial statements

THE CODER SCHOOL SAN FRANCISCO, LLC
STATEMENT OF OPERATIONS AND MEMBER'S EQUITY (DEFICIT)
FOR THE PERIOD ENDING DECEMBER 31,

	2022	2021
Franchise Fees	137,712	111,137
Royalty Income	739,519	600,047
Tech Fees	61,875	56,574
Other Income	2,869	13,461
Gain on Extinguishment of Debt	—	53,645
Total Revenues	941,975	834,864
Operating Expenses	546,986	519,836
Income from Operations Before Income Tax	394,989	315,028
Less State Tax	8,373	6,242
Net Income (Loss)	386,616	308,786
Member's Deficit - Beginning	(794,760)	(703,546)
Member's (Distributions)	(408,262)	(400,000)
Member's Equity (Deficit) - Ending	$ (816,406)	$ (794,760)

See notes to financial statements

THE CODER SCHOOL SAN FRANCISCO, LLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING DECEMBER 31,

	2022	2021
Net Income (loss)	**$ 386,616**	**$ 308,786**
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Gain on extinguishment of debt	**-**	**(53,645)**
Depreciation	**1,166**	**1,166**
Changes in assets and liabilities		
Decrease (Increase) in receivables	**(52,940)**	**43,451**
Decrease (Increase) in prepaid expenses	**(30,238)**	**53,147**
(Decrease) Increase in Accounts Payable	**(3,410)**	**(36,357)**
(Decrease) Increase in Accrued Expenses	**(1,590)**	**1,466**
(Decrease) Increase in Deferred Revenue	**73,287**	**(71,298)**
Net Cash provided by Operating Activities	**372,891**	**246,716**
Cash Flows (Used) By Financing Activities		
Member's (distributions)	**(408,262)**	**(400,000)**
Net (Decrease) Increase in Cash	**(35,371)**	**(153,284)**
Cash - Beginning	**39,384**	**192,668**
Cash - End of year	**$ 4,013**	**$ 39,384**

See notes to financial statements

1. THE COMPANY

The Coder School San Francisco, LLC. ("TCSSF" or the "Company") was organized on March 3, 2015 under the laws of the State of California. The fiscal year of the Company is December 31. TCSSF's principal business activity is the operation of premium-branded, after-school, dedicated-location, project-based programs that teach children to use programming languages. The Company franchises schools to independent operators.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Concentration of Credit Risk-Financial instruments that potentially subject the Company to a significant concentration of credit risk included cash, accounts receivable, royalties receivable, revenue, and vendor concentrations. At times, the Company maintains deposits in federally insured financial institutions in excess of federally insured limits. Management monitors the credit rating and concentration of risk with these financial institutions on a continuing basis to mitigate risk.

***Financial Instruments*-**The carrying amounts of cash approximate fair value as of December 31, 2022, due to the short-term nature of the instruments.

***Cash and Cash Equivalents*-**For purposes of the statement of cash flows, the Company considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable-Trade accounts receivable are stated at the amount the Company expects to collect from outstanding balances. The Company provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Franchise Agreements- The terms of the franchise agreements are for ten (10) years and the franchise is entitled to acquire an additional three (3) consecutive renewal terms of five (5) years each. The initial franchise fee is $29,950 and the royalty rate will be 5% of gross revenues of the franchise, due upon commencement of operations. The initial franchise fee is discounted by $10,000 for each new location, if a franchisee purchases secondary locations. The ADAs are contracts to have exclusive rights to open new locations in a specific area. A $5,000 deposit for each location is collected when the ADA is signed. The $5,000 deposit is credited towards each location's initial franchise fee. Each new location must be opened within one year, consecutively. The term depends on the number of locations in the contract.

Forgivable Loans – Paycheck Protection Plan (PPP)- The Company's policy is to account for forgivable loans received through the Small Business Administration (SBA) under Coronavirus Aid, Relief and Economic Security Act (Cares Act) Paycheck Protection Program (PPP), as debt in accordance with

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Forgivable Loans (cont'd)– Accounting Standards Codification (ASC) 470, Debt and other related accounting pronouncements. The forgiveness of debt, in whole or in part, is recognized once the debt is extinguished, which occurs when the Company is legally released form the liability by the SBA. Any portion of debt forgiven, adjusted for accrued interest forgiven and unamortized debt issuance costs, is recorded as a gain on extinguishment of debt, and presented in the other income section of the statement of income.

Advertising-The Company expenses advertising as incurred. Advertising expenses for the year ended December 31, 2022 and 2021 were $14,845 and $4,350 respectively.

***Guaranteed Payments to Partners*-**Guaranteed payments to partners that are intended as compensation for services rendered are accounted for as partnership expenses rather than as allocations of partnership net income. Guaranteed payments that are intended as payments of interest on capital accounts are not accounted for as expenses of the partnership, but rather, as part of the allocation of net income.

Taxes on Income-The Company files its income tax return on the cash basis as a partnership for federal income tax purposes. Income from the partnership is taxed to the members in their individual returns on their share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Operating Agreement of the Company. The Company paid California minimum franchise state tax of $800 for the year ended December 31, 2022. The Company does not have any uncertain tax positions, which must be considered for disclosure. Penalties and interest assessed by income taxing authorities would be included in operating expenses. The federal and state income tax returns of the Company for 2019 through 2021 are subject to examination by the IRS, generally for three years after they were filed. There are no tax examinations currently in process.

Subsequent Events-The Company has evaluated subsequent events through February 28, 2023, which was the date the financial statements were available for issue.

3. REVENUE RECOGNITION

Revenue is recognized in accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation. The Company derives its revenues from license of the brand and other intellectual property rights granted under the terms of the franchise agreement. Income from franchisees includes initial fees, royalty fees, and renewal fees. Generally, we have determined that the franchise license granted for each individual school within an arrangement represents a single performance obligation. Therefore, the initial franchise fees received from a franchisee is deferred and is recognized as revenue ratably over the term of the franchise agreement starting with the day when the school opened for business. The Company recognizes royalty fees, which are based upon a percentage of franchisee sales, as those sales occur. Renewal fees are deferred when a renewal agreement with a franchisee becomes effective and are recognized as revenue over the term of the renewal period. Franchise fees received upon granting of the second or subsequent license are **3.**

REVENUE RECOGNITION (cont'd)

deferred and are recognized over the term of the initial period of the second or subsequent license. Deferred revenue associated with the franchise fees received but not yet recognized as revenue was $989,465 and $916,178 for period ending December 31, 2022 and December 31, 2021, respectively. Accounts receivables associated with the franchise and royalty fees were $101,461 and $51,086 for period ending December 31, 2022 and December 31, 2021.

4. DEFERRED FRANCHISE FEES

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, and has issued subsequent amendments which have been introduced as ASC Topic 606. Topic 606, as amended, replaces Topic 605, the previous revenue recognition guidance. The new standard requires transaction price from contracts with customers to be allocated to each separate and distinct performance obligation. The transaction price is then recognized as revenue as each performance obligation is fulfilled. The Company determined initial training and other pre-opening services provided to franchisees prior to store openings are not considered distinct performance obligations. These services are closely related to the franchise rights. The Company identified the following distinct performance obligations: a) initial franchise license, b) option to buy second and subsequent franchise, and b) option to renew the franchise license.

The initial franchise license fee is deferred and is recognized as revenue on a straight-line basis over the term of the franchise agreement beginning on the day when the location opened for business. Prior to adoption of ASC 606, the initial fee was recorded as revenue in its entirety at the time of opening a school location, consistent with the legacy guidance. Franchise fees payable upon the renewal or acquisition of a subsequent franchise are priced at a discount that represent a material right. Management concluded that allocation of the initial franchise fees to the material rights does not have a material impact on Company's revenue recognition as potential impacts of allocating the initial fee associated with multiple licenses offset each other. Therefore, franchise fees received upon renewal and acquisition of subsequent franchise licensees are amortized as revenue over the respective renewal term or the initial term of the second and subsequent license, respectively. The Company charges franchise transfer and relocation fee to allow contractual franchise rights to transfer to a different franchisee or a different location. The fees constitute a form of variable consideration to be estimated and included in the initial franchise fee provided certain conditions are met. Management estimated the value of the variable consideration at January 1, 2019 and December 31, 2019 to be immaterial. ASC Topic 606 is effective for public and non-public entities on January 1, 2018 and January 1, 2019 respectively. The Company adopted the standards using the modified retrospective method effective January 1, 2019. Upon adoption, the Company recorded a decrease in Retained Earnings and increased in Deferred Revenue of approximately $490,701 on its Balance Sheet. The above amount primarily includes the impact of deferring initial franchise fees and recording them as revenue over the franchise term.

5. Long-Term Debt

In May 2020, the Company received an unsecured loan in the amount of $53,645 from the Small Business Administration (SBA), as part of the Coronavirus Aid, Relief and Economic Security Act (Cares Act) Paycheck Protection Program (PPP). Under the terms of the note dated May 26, 2020, loan

5. Long-Term Debt (cont'd)

payments are deferred until the Company receives notification from the SBA as to the amount of the loan forgiven. The note is due on May 26, 2025. In 2021, the Company received notification from the SBA that the entire loan balance of $53,645 has been forgiven. On the forgiveness date, the Company removed the loan balance and related accounts, and recorded in other income on its statement of income, a gain on extinguishment of debt in the amount of $53,645. As of December 31, 2022, the Company has no current or long-term debt.

7. **SUBSEQUENT EVENTS**

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events were evaluated though February 28, 2023, the at which the financial statements were available to be issued.

THE CODER SCHOOL SAN FRANCISCO, LLC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020
WITH
INDEPENDENT AUDITORS' REPORT

THE CODER SCHOOL SAN FRANCISCO, LLC.
INDEX TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

	Page
Independent Auditors' Report	1 – 2
Balance Sheets as of December 31, 2021 and 2020	3
Statements of Operations for the Years Ended December 31, 2021 and 2020	4
Statements of Changes in Members' Equity (Deficit) as of December 31, 2021 and 2020	5
Statements of Cash Flows as of December 31, 2021 and 2020	6
Notes to the Financial Statements	7 – 12

URQUIDEZ&ASSOCIATES,CPAS,INC.
INTEGRITY. EXPERTISE. ADVOCACY.

444 West Ocean Blvd. #707, Long Beach, CA 90802
562-216-1561 • (fax) 562-216-1566 • www.urquidezcpas.com

To the Board of Directors and Members
The Coder School San Francisco, LLC.
Palo Alto, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of The Coder School San Francisco, LLC. (a California Corporation), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, changes in members' equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Coder School San Francisco, LLC. as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Coder School San Francisco, LLC. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Coder School San Francisco, LLC.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Coder School San Francisco, LLC.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Coder School San Francisco, LLC.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Urquidez & Associates CPAS, Inc.

URQUIDEZ & ASSOCIATES, CPAS, INC.

Long Beach, California

March 7, 2022

THE CODER SCHOOL SAN FRANCISCO, LLC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
Current Assets:		
Cash	$ 39,384	$192,668
Franchise fee receivable	0	59,900
Franchise royalties receivable	51,086	39,515
Other receivables	16,616	11,738
Prepaid expenses	2,501	55,648
Prepaid taxes	108	108
Total Current Assets	109,695	359,577
Fixed Assets:		
Computer equipment	5,830	5,830
Accumulated depreciation	(2,295)	(1,129)
	3,535	4,701
Total Fixed Assets	$113,230	$364,278

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:		
Current portion long term debt	$ 0	$ 6,480
Accounts payable	16,840	53,197
Accrued payroll tax liability	5,563	750
State tax payable	798	4,145
Deferred revenue	132,005	116,472
Total Current Liabilities	155,206	181,044
Long Term Liabilities:		
Deferred Revenue	784,173	871,004
SBA PPP Loan	0	47,165
Total Long Term Liabilities	784,173	918,169
Total Liabilities	939,379	1,009,213
Members' Equity (Deficit)	(826,149)	(734,935)
Total Liabilities and Members' Equity (Deficit)	$113,230	$364,278

See Independent Auditors' Report and accompanying notes to the financial statements.

THE CODER SCHOOL SAN FRANCISCO, LLC.
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

	2021	2020
Revenues		
Franchise fees	$111,137	$ 90,134
Royalty income	600,047	424,038
Tech fees	56,574	48,015
Other income	13,461	26,782
Gain on extinguishment of debt	53,645	0
	834,864	588,969
Operating Expenses		
Advertising	435	0
Curriculum & games	1,682	4,317
Depreciation	1,166	856
General & administrative	9,654	21,228
Guaranteed payments	307,200	307,200
Insurance	30,900	19,283
Legal and professional fees	40,339	64,726
Meals & entertainment	5,732	2,076
Outside services	0	5,983
Payroll	39,235	57,116
Promotional/branding	19,806	10,372
Software fees	47,958	56,312
Payroll taxes	3,515	5,069
Taxes & licenses	3,038	0
Travel	9,176	5,040
Total Operating Expenses	519,836	559,578
Income from Operations Before Income Tax	315,028	29,391
Less State Tax	6,242	9,270
Net Income	$308,786	$ 20,121

See Independent Auditors' Report and accompanying notes to the financial statements.

THE CODER SCHOOL SAN FRANCISCO, LLC.
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

	2021	2020
Beginning Members' Equity	$(734,935)	$(755,056)
Capital Contributions	0	0
Less Distributions	(400,000)	0
Net Income	308,786	20,121
Ending Members' Equity (Deficit)	$(826,149)	$(734,935)

See Independent Auditors' Report and accompanying notes to the financial statements.

THE CODER SCHOOL SAN FRANCISCO, LLC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities:		
Net Income	$ 308,786	$ 20,121
Adjustment to reconcile net income to cash provided by operating activities:		
Gain on extinguishment of debt	(53,645)	0
Depreciation	1,166	856
Increase and decrease in current assets and liabilities:		
Decrease (Increase) in receivables	43,451	(87,956)
Decrease (Increase) in prepaid expenses	53,147	(1,725)
(Decrease) Increase in accounts payable	(36,357)	10,550
Increase (Decrease) in accrued expenses	1,466	(2,375)
(Decrease) Increase in deferred revenue	(71,298)	104,466
Net Cash Provided by Operating Activities	246,716	43,937
Cash Flows from Investing Activities:		
Acquisition of computer equipment	0	(3,105)
Net Cash Used by Investing Activities	0	(3,105)
Cash Flows from Financing Activities		
Members' distributions	(400,000)	0
Proceeds from SBA PPP Loan	0	53,645
Net Cash Used by Financing Activities	(400,000)	53,645
Net (decrease) increase in cash	(153,284)	94,477
Cash, beginning of period	192,668	98,191
Cash, end of period	$ 39,384	$192,668

See Independent Auditors' Report and accompanying notes to the financial statements.

NOTE 1 – NATURE OF THE BUSINESS ORGANIZATION AND OPERATIONS

The Coder School San Francisco, LLC. ("TCSSF" or the "Company") was organized on March 3, 2015 under the laws of the State of California. The fiscal year of the Company is December 31. TCSSF's principal business activity is the operation of premium-branded, after-school, dedicated-location, project-based programs that teach children to use programming languages. The Company franchises schools to independent operators.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity. The accounting policies conform to generally accepted accounting principles.

Use of Estimates

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

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk included cash, accounts receivable, royalties receivable, revenue, and vendor concentrations. At times, the Company maintains deposits in federally insured financial institutions in excess of federally insured limits. Management monitors the credit rating and concentration of risk with these financial institutions on a continuing basis to mitigate risk.

Financial Instruments

The carrying amounts of cash approximate fair value as of December 31, 2021, due to the short-term nature of the instruments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Trade accounts receivable are stated at the amount the Company expects to collect from outstanding balances. The Company provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Company has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Revenue Recognition

Revenue is recognized in accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

The Company derives its revenues from license of the brand and other intellectual property rights granted under the terms of the franchise agreement. Income from franchisees includes initial fees, royalty fees, and renewal fees. Generally, we have determined that the franchise license granted for each individual school within an arrangement represents a single performance obligation. Therefore, the initial franchise fees received from a franchisee is deferred and is recognized as revenue ratably over the term of the franchise agreement starting with the day when the school opened for business. The Company recognizes royalty fees, which are based upon a percentage of franchisee sales, as those sales occur.

Renewal fees are deferred when a renewal agreement with a franchisee becomes effective and are recognized as revenue over the term of the renewal period. Franchise fees received upon granting of the second or subsequent license are deferred and are recognized over the term of the initial period of the second or subsequent license.

Deferred revenue associated with the franchise fees received but not yet recognized as revenue was $916,178 at December 31, 2021 and $987,476 at December 31, 2020. Accounts receivables associated with the franchise and royalty fees were $51,086 at December 31, 2021 and $99,415 at December 31, 2020.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Franchise Agreements

As of December 31, 2021, the Company has entered into forty-six franchise agreements with franchises located in various states and two area development agreements, "ADA," located in various states. The terms of the franchise agreements are for ten (10) years and the franchise is entitled to acquire an additional three (3) consecutive renewal terms of five (5) years each. The initial franchise fee is $29,950 and the royalty rate will be 5% of gross revenues of the franchise, due upon commencement of operations. The initial franchise fee is discounted by $10,000 for each new location, if a franchisee purchases secondary locations. The ADAs are contracts to have exclusive rights to open new locations in a specific area. A $5,000 deposit for each location is collected when the ADA is signed. The $5,000 deposit is credited towards each location's initial franchise fee. Each new location must be opened within one year, consecutively. The term depends on the number of locations in the contract.

Forgivable Loans – Paycheck Protection Program (PPP)

The Company's policy is to account for forgivable loans received through the Small Business Administration (SBA) under *Coronavirus Aid, Relief and Economic Security Act (Cares Act)* Paycheck Protection Program (PPP), as debt in accordance with Accounting Standards Codification (ASC) 470, Debt and other related accounting pronouncements. The forgiveness of debt, in whole or in part, is recognized once the debt is extinguished, which occurs when the Company is legally released form the liability by the SBA. Any portion of debt forgiven, adjusted for accrued interest forgiven and unamortized debt issuance costs, is recorded as a gain on extinguishment of debt, and presented in the other income section of the statement of income.

Advertising

The Company expenses advertising as incurred. Advertising expenses for the year ended December 31, 2021 and 2020 were $4350 and $0 respectively.

Guaranteed Payments to Partners

Guaranteed payments to partners that are intended as compensation for services rendered are accounted for as partnership expenses rather than as allocations of partnership net income. Guaranteed payments that are intended as payments of interest on capital accounts are not accounted for as expenses of the partnership, but rather, as part of the allocation of net income.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Company files its income tax return on the cash basis as a partnership for federal income tax purposes. Income from the partnership is taxed to the members in their individual returns on their share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Operating Agreement of the Company.

The Company paid California minimum franchise state tax of $800 for the year ended December 31, 2021.

The Company does not have any uncertain tax positions, which must be considered for disclosure.

Penalties and interest assessed by income taxing authorities would be included in operating expenses.

The federal and state income tax returns of the Company for 2017 through 2019 are subject to examination by the IRS, generally for three years after they were filed. There are no tax examinations currently in process.

Subsequent Events

The Company has evaluated subsequent events through March 8, 2022, which was the date the financial statements were available for issue.

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, and has issued subsequent amendments which have been introduced as ASC Topic 606. Topic 606, as amended, replaces Topic 605, the previous revenue recognition guidance. The new standard requires transaction price from contracts with customers to be allocated to each separate and distinct performance obligation. The transaction price is then recognized as revenue as each performance obligation is fulfilled.

The Company determined initial training and other pre-opening services provided to franchisees prior to store openings are not considered distinct performance obligations. These services are closely related to the franchise rights. The Company identified the following distinct performance obligations: a) initial franchise license, b) option to buy second and subsequent franchise, and b) option to renew the franchise license.

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

The initial franchise license fee is deferred and is recognized as revenue on a straight-line basis over the term of the franchise agreement beginning on the day when the location opened for business. Prior to adoption of ASC 606, the initial fee was recorded as revenue in its entirety at the time of opening a school location, consistent with the legacy guidance.

Franchise fees payable upon the renewal or acquisition of a subsequent franchise are priced at a discount that represent a material right. Management concluded that allocation of the initial franchise fees to the material rights does not have a material impact on Company's revenue recognition as potential impacts of allocating the initial fee associated with multiple licenses offset each other. Therefore, franchise fees received upon renewal and acquisition of subsequent franchise licensees are amortized as revenue over the respective renewal term or the initial term of the second and subsequent license, respectively.

The Company charges franchise transfer and relocation fee to allow contractual franchise rights to transfer to a different franchisee or a different location. The fees constitute a form of variable consideration to be estimated and included in the initial franchise fee provided certain conditions are met. Management estimated the value of the variable consideration at January 1, 2019 and December 31, 2019 to be immaterial.

ASC Topic 606 is effective for public and non-public entities on January 1, 2018 and January 1, 2019 respectively. The Company adopted the standards using the modified retrospective method effective January 1, 2019. Upon adoption, the Company recorded a decrease in Retained Earnings and increased in Deferred Revenue of approximately $490,701 on its Balance Sheet. The above amount primarily includes the impact of deferring initial franchise fees and recording them as revenue over the franchise term.

NOTE 4 – LONG-TERM DEBT

In May 2020, the Company received an unsecured loan in the amount of $53,645 from the Small Business Administration (SBA), as part of the *Coronavirus Aid, Relief and Economic Security Act (Cares Act)* Paycheck Protection Program (PPP).

Under the terms of the note dated May 26, 2020, loan payments are deferred until the Company receives notification from the SBA as to the amount of the loan forgiven. The note is due on May 26, 2025.

NOTE 4 – LONG-TERM DEBT (CONTINUED)

In 2021, the Company received notification from the SBA that the entire loan balance of $53,645 has been forgiven. On the forgiveness date, the Company removed the loan balance and related accounts, and recorded in other income on its statement of income, a gain on extinguishment of debt in the amount of $53,645.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Litigation

From time-to-time, the Company is subject to various litigation and other claims in the normal course of business. The Company establishes liabilities in connection with legal actions that management deems to be probable and estimable. No amounts have been accrued in the financial statements with respect to any matters.

EXHIBIT F

TO

FRANCHISE DISCLOSURE DOCUMENT

THECODERSCHOOL FRANCHISE AGREEMENT

(See Attached)

FRANCHISE AGREEMENT

TABLE OF CONTENTS

1.	GRANT	1
2.	TERM AND RENEWAL	3
3.	OUR DUTIES	4
4.	FEES	5
5.	DEVELOPMENT AND OPENING OF YOUR SCHOOL	6
6.	TRAINING	7
7.	OPERATION OF THE SCHOOL	7
8.	PROPRIETARY MARKS AND TECHNOLOGY	10
9.	CONFIDENTIAL OPERATING MANUAL	13
10.	CONFIDENTIAL INFORMATION	14
11.	ACCOUNTING AND RECORDS	14
12.	ADVERTISING AND PROMOTION	15
13.	INSURANCE	17
14.	TRANSFER OF INTEREST	17
15.	DEFAULT AND TERMINATION	20
16.	OBLIGATIONS UPON TERMINATION OR EXPIRATION	23
17.	COVENANTS	25
18.	CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY	27
19.	TAXES, PERMITS, AND INDEBTEDNESS	27
20.	INDEPENDENTLY OWNED BUSINESS; INDEMNIFICATION	28
21.	APPROVALS AND WAIVERS	28
22.	GRANT OF SECURITY INTEREST	29
23.	NOTICES	29
24.	ENTIRE AGREEMENT	30
25.	SEVERABILITY AND CONSTRUCTION	30
26.	APPLICABLE LAW	31
27.	REPRESENTATIONS AND ACKNOWLEDGEMENTS	32

EXHIBIT 1	APPROVED LOCATION; TERRITORY; OWNERS
EXHIBIT 2	LEASE RIDER
EXHIBIT 3	CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
EXHIBIT 4	GUARANTEE, INDEMNIFICATION AND ACKNOWLEDGMENT

THECODERSCHOOL

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made as of the Effective Date between THE CODER SCHOOL SAN FRANCISCO, LLC, a California limited liability company with its principal place of business at 3441 Alma Street, Suite 150, Palo Alto, California 94306, ("we," "us" or "our"), and ("you" or "your"). The "Effective Date" is the date we sign this Agreement, as shown beneath our signature on the signature page.

RECITALS

We and our affiliates have devoted time, skill, effort, and money to develop, and may continue to develop, a distinctive system (the "System") relating to the establishment, operation and franchising of computer coding schools ("theCoderSchool") that are required to operate pursuant to system standards that we designate from time to time (the "System Standards") and that are identified by certain trade names, service marks, trademarks, trade dress, logos, emblems, and indicia of origin, including the marks "theCoderSchool™" both in plain text and the stylized version; the phrase *"learn to code. change the world™",* and theCoderSchool logo, as well as additional logos and trademarks and phrases, as are now designated and may be designated by us in writing for use in connection with the System, from time to time (collectively, the "Proprietary Marks").

theCoderSchool generally offers classes, individual and group sessions, camps, and related programs for students primarily between the ages of seven (7) and eighteen (18). The System includes methods for obtaining and teaching students, and we may change, improve and further develop the System from time to time.

You have requested that we grant you the right to establish, own and operate a single theCoderSchool. We are willing to grant you this right, as described in this Agreement, in reliance on all of the information, representations, warranties and acknowledgements you and your owners (if you are a legal entity) have provided to us in support of your request.

IN CONSIDERATION of the covenants herein contained and other valuable consideration, receipt and sufficiency of which are acknowledged, you and we agree as follows:

1. GRANT

1.1 Grant of Franchise. We grant you the right, and you undertake the obligation, at your expense and on the terms and conditions set forth in this Agreement, to establish and operate theCoderSchool business at, and only at, the location identified in Exhibit A or as it may later be determined in accordance with Section 5.1 (the "Approved Location"). TheCoderSchool you are licensed to operate under this Agreement is referred to as the "School."

1.2 Exclusive Territory. In Exhibit A, we have identified an exclusive territory around your School (the "Territory"). Provided you are in compliance with your obligations under this Agreement, and except as otherwise provided in this Agreement (including Section 1.3 below), during the Term (defined below) of this Agreement, we will not establish or operate, nor license

any party other than you to establish or operate, theCoderSchool at any location within the Territory. Territory borders may slightly overlap neighboring franchisee Territory borders. The Territory is not a restriction on advertising, however we encourage you not to advertise in another theCoderSchool franchisee's territory, but to develop your own Territory. You may accept customers from inside or outside your Territory including customers from another franchisee's territory without compensation to that franchisee and another franchisee can accept customers located within your Territory without compensation to you. However you shall not create any misrepresentative advertising such as to indicate that your location is in another franchisee's territory, or that you "service" that territory when there is another franchisee in such territory. We will expect you to operate theCoderSchool franchise in your Territory in a professional and non-competitive manner with any neighboring theCoderSchool franchisees. In this regard, you will not knowingly call on any current or existing customer of another franchisee, or induce any such customer to leave the other franchisee and come to your School. We have discretion upon resolving any complaints in this manner and are not obligated to take any action.

1.3 Reservation of Rights. All rights that are not granted to you in this Agreement are specifically reserved to us, and we will not be restricted in any manner from exercising them nor will we be required to compensate you should we exercise them. This includes the right, directly or through others and regardless of either (a) proximity to your School or Territory or (b) any actual or threatened impact on sales of your School, to:

1.3.1. use the Proprietary Marks and System in connection with establishing and operating theCoderSchool businesses at any location outside the Territory;

1.3.2. use the Proprietary Marks or other marks in connection with selling or distributing any goods (including branded merchandise) or services anywhere in the world (including within the Territory), whether or not you also offer them, through channels of distribution other than theCoderSchool business (including, for example, other permanent or temporary retail locations, kiosks, catalogs, mail order, or the internet or other electronic means);

1.3.3. acquire, establish or operate, without using the Proprietary Marks, any business of any kind at any location anywhere in the world (including within the Territory);

1.3.4. use the Proprietary Marks in connection with acquiring, establishing or operating any coding school business anywhere in the world (including within the Territory) so long as such coding business does not primarily target students between the ages of seven (7) and eighteen (18);

1.3.5. use the Proprietary Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory);

1.3.6. acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind or company-owned or franchised system of businesses of any kind, including any business or system that offers products or services the same as or similar to those offered by you under the

System and the Proprietary Marks, and to convert any such acquired business or such acquired system of businesses to operation under the System and the Proprietary Marks, notwithstanding any other provisions hereof.

1.4 Alternate Channels of Distribution. You may offer and sell approved products and services only from the School in accordance with the requirements of this Agreement and the procedures set forth in the Manual (as defined in Section 3.5 below). You may not offer or sell products through any other means or locations, including via the internet.

1.5 Supplementing the System. You acknowledge that we may, from time to time, supplement, improve, and otherwise modify the System and System Standards, and you agree to comply with all of our requirements in that regard, including offering new or different programs, classes or services as we may specify.

2. TERM AND RENEWAL

2.1 Term. This Agreement shall begin on the Effective Date and, except as otherwise provided herein, shall continue until the 10th anniversary of the Effective Date (the "Term").

2.2 Renewal Franchise. Subject to the conditions set forth in this Section 2.2 on expiration of this Agreement, you will be entitled to renew for one additional term of ten (10) years. To obtain this renewal, you must:

2.2.1. give us written notice of your election to renew your franchise no fewer than three (3) months nor more than six (6) months prior to the end of the current term;

2.2.2. renovate and modernize the School and premises from which the School operates (the "Premises") as we may reasonably require, including installing new equipment and renovating signs, furnishings, fixtures, and décor to reflect the then-current System Standards and image of the System;

2.2.3. not be in default of any provision of this Agreement or any other agreement between you and us or our affiliates; and you must have substantially complied with all the terms and conditions of such agreements during their respective terms (including timely payment of all monies owed under such agreements);

2.2.4. establish to our satisfaction that you have the right to remain in possession of the Premises for the duration of the term of the successor franchise or obtain our approval of a new location for the School for the duration of the renewal term;

2.2.5. execute our then-current form of franchise agreement and all related agreements, which shall supersede this Agreement in all respects, and the terms of which may differ materially from the terms of this Agreement, including a higher royalty fee and advertising contribution and a revised territory boundary, except that you will not be required to pay an initial franchise fee;

2.2.6. execute, along with your owners, a general release, in a form we prescribe, of any and all claims, known or unknown, that you and your owners might have against us or our affiliates, and our or their respective officers, directors, agents, and employees;

2.2.7. comply with our then-current qualification and training requirements;

2.2.8. pay us a renewal fee in an amount equal to one-sixth (1/6) of our then-current initial franchise fee; and

2.2.9. be current with respect to your obligations to your lessor, suppliers, and any others with whom you do business.

3. OUR DUTIES

3.1 Our Services to You. In addition to our other obligations described throughout this Agreement, we will do the following:

3.1.1. Specifications. We will make available to you solely for use under this Agreement, our specifications for a prototypical theCoderSchool Business, including exterior and interior design and layout, fixtures, furnishings and signs. These specifications will not contain the requirements of any federal, state or local law, code or regulation (including those concerning the Americans With Disabilities Act ("ADA") or other rules governing public accommodations or commercial facilities for persons with disabilities), compliance with which is your sole obligation and shall be at your sole expense.

3.1.2. Training. We will provide training as set forth in Section 6 below. In addition, we will conduct regular weekly calls pre and post opening up to 1 month after opening to assist you with any operational questions.

3.1.3. Advertising and Promotional Materials. We will make available to you advertising and promotional materials in accordance with Section 12.

3.1.4. Manual. We will loan to you, or make available to you either hard copy or electronically one copy of our confidential operating manual (the "**Manual**") in accordance with Section 9.

3.1.5. Ongoing Advice. After your School opens, we will provide, at times and in the manner we determine, advice, assistance, and written materials about operations, services, teaching methods, scheduling methods, sales methods, products, and marketing techniques.

3.1.6. Equipment List. We will provide you with a list of equipment needed to open the School and information regarding any discount packages that we may negotiate from time to time with suppliers from which you may purchase such equipment.

3.1.7. Site Selection. In connection with your selection of an Approved Location (if one has not been approved prior to your execution of this Agreement), we will provide the site selection services described in Section 5.1.

3.1.8. Website After your location is open we will include your theCoderSchool location on our website www.thecoderschool.com.

3.2 Performance by Designee. Any duty or obligation imposed on us by this Agreement may be performed by any designee, employee, or agent as we may direct.

4. FEES

4.1 Initial Franchise Fee. On execution of this Agreement, you shall pay us a non-refundable initial franchise fee of Twenty-Nine Thousand Nine Hundred Fifty Dollars ($29,950) (the "**Initial Franchise Fee**"). If you purchase a second franchise your franchise fee is discounted to Nineteen Thousand Nine Hundred Fifty Dollars ($19,950). The entire Initial Franchise Fee is fully earned and non-refundable in consideration of administrative and other expenses we incur in entering into this Agreement and for our lost or deferred opportunity to enter into this Agreement with others.

4.2 Royalty Fee. You shall pay us, in the manner described in Section 4.4, a continuing royalty fee ("**Royalty**") in an amount equal to five percent (5%) of Gross Sales. "**Gross Sales**" means all revenue generated at, from or in connection with the operation of the School, including from sales of all products and services conducted at, from or with respect to the School, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. All revenues must be generated through the required software configuration. Gross Sales do not include the sale of products or services for which refunds have been made in good faith to customers, or any sales taxes or other taxes you collect from customers and pay directly to the appropriate taxing authority.

4.3 Brand Promotion Expenditures and Contributions. During the Term, you shall pay to the System's advertising and brand promotion fund (the "**Brand Fund**") a monthly fee equal to one percent (1%) of Gross Sales of the School for the preceding month or such lesser amount so we dictate. You shall make monthly expenditures and contributions for advertising and brand promotion as specified in Section 12. We have the right to increase this up to 2% of Gross Sales in the future.

4.4 Software Fee. You shall pay us a $99 monthly which includes (1) hosting and maintenance of your School location page on Our Website (2) access for 2 people to the CRM system and 3 email addresses for your School (additional CRM users and emails are available for an additional charge); and (3) access and use of our custom tools and utilities which we may continue to evolve and enhance over time. Software fees or software used may change over time. We reserve the right to increase these monthly fees to account for more expensive software or higher support efforts.

4.5 Payments. All payments required by Sections 4.2, 4.3, 4.4 and 12 shall be paid by the tenth (10th) day of each month based on the Gross Sales from the preceding month. All such payments shall be made by direct deposit and initiated by us. Any payment not actually received by us on or before the date due shall be deemed overdue. If any payment is overdue, you shall pay us, in addition to the overdue amount, interest on such amount from the date it was due until received by us, at the rate of ten percent (10%) per annum, or the maximum rate permitted by

applicable law, whichever is less, in addition to any other remedies we may have. You shall not be entitled to set off any payments required to be made under this Section 4 against any monetary claim you may have against us or our affiliates.

4.6 Bank Account. You shall deposit all Gross Sales into one bank account within two (2) days of receipt. You shall furnish to us, upon our request, the bank and account number, a voided check from the bank account, and written authorization for us to withdraw funds from the bank account via electronic funds transfer, without further consent or authorization, for all Royalty, Brand Fund contributions and other amounts due under this Agreement. You shall execute all documents as may be necessary to effectuate and maintain the electronic funds transfer arrangement, as we require. You agree to pay all costs associated with any such transfer. In the event you change banks or accounts for the bank account required by this Section 4.6, you shall, prior to such change, provide us such information concerning the new account and an authorization to make withdrawals therefrom.

5. DEVELOPMENT AND OPENING OF YOUR SCHOOL

5.1 Approved Location. If, as of the Effective Date, you have not located and we have not approved the location for your School, you will, within 60 days from the Effective Date, obtain our approval of a proposed site, and you and we will execute a revised Exhibit A to reflect the Approved Location. We will provide such site selection guidelines and consultation as we deem advisable in our discretion and provide our Approval of an approved site. You acknowledge and agree that our Approval of a site for the School, is not a representation or warranty of any kind, express or implied, of the site's suitability for theCoderSchool Business or any other purpose, only that we believe that the site meets our then-acceptable criteria, and is not intended to be relied on by you as an indicator of likely success. If a proposed location will overlap a neighboring franchisee's Territory we may deny the proposed location. You may request a reasonable extension if delays are caused by factors not in your control.

5.2 You must sign a lease for the Approved Location within 120 days from the Effective Date, and such lease must incorporate the language indicated in Exhibit B (Lease Rider) or other language explicitly approved by us in writing.

5.3 Construction. You shall construct and equip the School at your own expense, as necessary to satisfy the System Standards. Before commencing any construction, you must retain a qualified, licensed architect or engineer to prepare preliminary and final architectural drawings and specifications of the Premises in accordance with our standard specifications. You must comply with all federal, state or local laws, codes or regulations regarding the construction, design and operation of the School, including the ADA, all of which will be your sole responsibility. You or your contractor, at your or your contractor's expense, shall obtain such insurance, as described in Section 13.1, prior to beginning construction.

5.4 Permits. You will be responsible for obtaining all zoning classifications, business permits and licenses, certifications, and clearances required for the lawful construction and operation of the School.

5.5 Opening Deadline. If you have an Approved Location as of the Effective Date, you must complete all actions necessary to open the School and be prepared to commence operation of the School not later than 90 days after the Effective Date. If you do not have an Approved Location as of the Effective Date, you must complete all actions necessary to open the School and be prepared to commence operation of the School not later than 180 days after the Effective Date. You may request a reasonable extension if delays are caused by factors not in your control. In no circumstance will your franchise fee be refunded. The parties agree that time is of the essence in the opening of the School and that your failure to open the School within the time periods described in this Section 5.4 shall be a material default under this Agreement and will entitle us to terminate this Agreement pursuant to Section 15 hereof.

5.6 Relocation. If you wish to relocate your School, you must submit a written request to relocate and provide us with all the information we request, including but not limited to your reason for requesting relocation, the proposed relocation site, and the proposed timeline. We have sole discretion with respect to whether to approve your request. We have 30 calendar days to evaluate your relocation request. We will base our decision on the same factors as we use for initial site selection. We will not approve your request if it is a request to relocate into the territory of another theCoderSchool Business or if it is into an area which we are not willing to approve as a territory. If we approve your relocation, you must pay us a relocation fee equal to one-sixth of the then-current initial franchise fee we charge to new franchisees.

6. TRAINING

6.1 Initial Training Program. We offer an initial training program to franchisees (the "**Initial Training Program**"), which consists of inside School training and pre-opening and post opening calls. Prior to opening the School, you and/or your full-time approved manager shall attend and complete, to our satisfaction the Initial Training Program. The Initial Training Program shall take place at theCoderSchool in Palo Alto, California, or possibly other franchisee locations or other company owned locations, as we designate at such times and places as we designate, and may be provided via the Internet or by teleconference. You must have a full time approved manager on site. Any replacement manager must be approved and complete the Initial Training Program, at a time we designate. We will provide instructors and training materials at no charge. You shall be responsible for any and all other expenses incurred by you and your approved manager in connection with attending all training programs described in this Section 6, including the costs of transportation, lodging, meals, and wages. You and your approved manager shall also attend such additional courses, seminars and other training programs as we may reasonably require from time to time.

7. OPERATION OF THE SCHOOL

7.1 Operating Standards. You understand and acknowledge that every detail of the System and the School is important to you, to us and to other theCoderSchool Businesses in order to develop and maintain high operating standards, to increase the demand for the products and services sold by all theCoderSchool Businesses, to protect and enhance our reputation and goodwill, to promote and protect the value of the Proprietary Marks, and other reasons.

7.2 School Operations. You shall use the Premises solely for the operation of the School; shall keep the School open and in normal operation for such minimum hours and days as we may specify in the Manual or otherwise direct from time to time; shall refrain from using or permitting the use of the Premises for any other purpose or activity at any time without first obtaining our consent; and shall operate the School in strict conformity with such methods, standards, and specifications as we may from time to time prescribe. You shall refrain from deviating from such standards, specifications, and procedures without our prior consent.

7.3 Adherence to Standards and Specifications. To ensure that the highest degree of quality and service is maintained, you shall operate the School in strict conformity with such methods, standards, and specifications as we may from time to time prescribe. You agree to:

7.3.1. designate a full time manager whom we shall approve, and who shall attend and complete, to our satisfaction, the Initial Training Program; You may be the full time approved manager, otherwise there must always be a full time approved manager at the School;

7.3.2. sell or offer for sale only such programs and services as we have expressly approved; refrain from any deviation from our standards and specifications without our prior written consent; and discontinue selling and offering for sale any program or services which we delete from our offerings at any time;

7.3.3. operate the School in compliance with the System Standards and adhere to our curriculum as we prescribe as we may revise them from time to time;

7.3.4. refrain from offering programs or services on the Internet without our prior approval.

7.4 Fixtures, Furnishings, and Equipment. You shall purchase and install all fixtures, furnishings, supplies, equipment, décor, and signs as we may reasonably direct from time to time; and shall refrain from installing or permitting to be installed on or about the Premises, without our prior consent, any fixtures, furnishings, equipment, décor, signs or other items not previously approved as meeting our standards and specifications. The current Equipment specifications are listed in Exhibit C. You must keep your computer stations in good maintenance and repair and install all additions, changes, modifications, substitutions, and/or replacements, upgrades as needed, or as we may reasonably direct in writing, at your own expense.

7.5 Standards of Products and Services. All products and services offered or sold at or through the School, and other products, fixtures, furnishings and equipment used in the operation of the School, shall meet our then-current standards and specifications, as established from time to time.

7.6 Inspections. You will permit us and our agents to enter upon the Premises at any time during normal business hours, with reasonable notice, for the purpose of conducting inspections. You will cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request, and, upon notice from us or our agents, and without limiting our other rights under this Agreement, shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should you, for any

reason, fail to correct such deficiencies within a reasonable time as we determine, we will have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by us and to charge you a reasonable fee for our time and expenses in so acting, payable to us upon demand. The foregoing shall be in addition to such other remedies we may have.

7.7 Advertising and Promotional Materials. You shall ensure that all graphics, signs, advertising, and promotional materials, decorations and other items we specify bear the Proprietary Marks in the form, color, location, and manner we prescribe, and with prior approval as outlined in Section 12.6 below.

7.8 Maintenance of Premises. You shall maintain the School and Premises (including the adjacent public areas) in a clean, orderly condition and in excellent repair and make such additions, alterations, repairs and replacements to the School and Premises as may be required for that purpose, including such periodic repainting or replacement of obsolete signs, furnishings, equipment, and décor as we may reasonably direct.

7.9 Refurbishment. At our request, but no more than once every three (3) years, unless sooner required by your lease, you shall refurbish the School and Premises to conform to the building design, trade dress, color schemes and presentation of the Proprietary Marks in a manner consistent with the then-current image for new theCoderSchool Businesses. Such refurbishment may include structural changes, installation of new equipment, remodeling, redecoration and modifications to existing improvements.

7.10 On-Premises Supervision. The School shall at all times be under the direct, on-premises supervision of an individual who has satisfactorily completed the Initial Training Program as required by Section 6. You shall maintain a competent, conscientious, trained staff, including an approved manager who has completed the Initial Training Program. You shall take such steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and meet such minimum standards, including such attire as we reasonably require, as we may establish from time to time in the Manual. You shall conduct a reasonable background check of all employees prior to hiring. You and your employees shall handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from the Proprietary Marks, the System or us. You shall take such steps as are necessary to ensure that your employees do not violate our policies relating to the use of social media sites including prohibiting employees from posting any information relating to us, the System, the Proprietary Marks, or the School on any social media site that is inconsistent with such policies. You shall be solely responsible for all employment decisions and functions of the School, including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

7.11 Changes to the System. You shall not implement any change, amendment or improvement to the System without our prior consent. You shall notify us in writing of any change, amendment or improvement in the System which you propose to make, and shall provide us such information as we request regarding the proposed change, amendment or improvement. You acknowledge and agree that we shall have the right to incorporate the

proposed change, amendment or improvement into the System and shall thereupon obtain all right, title and interest therein without compensation to you.

7.12 Compliance With Lease. You shall comply with all the terms of your lease or sublease and all other agreements affecting the operation of the School; shall undertake best efforts to maintain a good and positive working relationship with your landlord and/or lessor; and shall refrain from any activity which may jeopardize your right to remain in possession of, or to renew the lease or sublease for, the Premises.

7.13 Notice of Violations. You shall furnish to us within two (2) business days after receipt thereof, a copy of any violation or citation, which indicates your violation of any local law, regulation, or ordinance in the operation of the School or of the Lease.

7.14 Pricing and Coupon Sales. We will provide pricing guidelines but you will determine what prices to offer the programs and services to your customers.

8. PROPRIETARY MARKS AND TECHNOLOGY

8.1 Use of Proprietary Marks. You may use the Proprietary Marks only for the operation and promotion of the School in accordance with this Agreement. You agree that you will use only the Proprietary Marks we designate and will use them only in the manner we authorize and permit from time to time. Unless we otherwise authorize or require, in writing, you shall operate and advertise the School only under the name "theCoderSchool" and shall use all Proprietary Marks without prefix or suffix other than the approved name of your location. You shall not use the Proprietary Marks as part of your corporate or other legal name or in any manner to incur any obligation or indebtedness on our behalf. You shall identify yourself as the owner of the School in the manner we require, including on invoices, order forms, receipts, business stationery, and contracts with all third parties or entities, as well as the display of such notices in such content and form and at such conspicuous locations as we may designate. Any unauthorized use of the Proprietary Marks shall constitute an infringement of our and our affiliates' rights and will entitle us and our affiliates to exercise all of our and their rights under this Agreement, under applicable law or in equity. You shall not attempt to register or otherwise obtain any interest in any Internet domain name or URL containing any of the Proprietary Marks or any other word, name, symbol or device which is likely to cause confusion with any of the Proprietary Marks.

8.2 Protection of Proprietary Marks. You shall execute any documents we deem necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability. You shall promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our or our affiliate's ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. You acknowledge that we or our affiliates have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We and our affiliates have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We will defend you against any third-party claim, suit, or demand arising out of your authorized use of the Proprietary Marks. If we determine that you have used the Proprietary Marks in accordance with

this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by us. If we determine that you have not used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by you. In the event of any litigation relating to your use of the Proprietary Marks, you shall execute any and all documents and do such acts as we determined to be necessary to carry out such defense or prosecution, including becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, we agree to reimburse you for your out-of-pocket costs in doing such acts.

8.3 Ownership of Proprietary Marks. You understand and acknowledge that we or our affiliate is the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and we have the right to use, and license others to use, the Proprietary Marks. You further agree that the Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System. During the Term and after its expiration or termination, you shall not directly or indirectly contest the validity of our or our affiliate's ownership of, or our right to use and to license others to use, the Proprietary Marks. Your use of the Proprietary Marks does not give you any ownership or other interest in or to the Proprietary Marks except the right to use them in accordance with this Agreement. All goodwill arising from your use of the Proprietary Marks shall inure solely and exclusively to our and our affiliate's benefit, and upon expiration or termination of this Agreement, no monetary amount shall be attributable to you for any goodwill associated with your use of the System or the Proprietary Marks.

8.4 Non-Exclusivity. Except as specified in Section 1.2 hereof, the license of the Proprietary Marks granted hereunder to you is non-exclusive, and we thus have and retain the rights, among others: (a) to use the Proprietary Marks itself in connection with selling products and services; (b) to grant other licenses for the Proprietary Marks; (c) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks; and (d) to grant licenses thereto without providing any rights therein to you.

8.5 Discontinuance of Proprietary Marks. We reserve the right, in our discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different proprietary marks, for use in identifying the System and theCoderSchool Businesses. You must promptly comply with such changes, revisions and/or substitutions at your sole cost and expense. In that event, we will provide to you, at no cost, templates for new stationery and advertising materials. Your use of any such modified or substituted proprietary marks shall be governed by the terms of this Agreement to the same extent as the Proprietary Marks.

8.6 Computer System and Required Software.

8.6.1. We reserve the right to specify or require that you use certain brands, types, makes, and/or models of computer systems, and hardware in the operation of the School, including computers, monitors, or other equipment used to provide your services (collectively, the "Computer System"). Current requirements are listed in our Start Up Manual and Operations Manuals.

8.6.2. We have the right, but not the obligation, to develop or have developed for us, or to designate and require you to install: (a) computer software programs for use in selling and operating your business, which may include web-based software programs (the "Required Software"); (b) updates, supplements, modifications, or enhancements to the Required Software.

8.6.3. At our request, you shall purchase or lease, and thereafter maintain, the Computer System and any Required Software. We have the right at any time to remotely retrieve and use such data and information from your Computer System or Required Software that we deem necessary or desirable. Any information we retrieve will not be used to compete with your business in any way. You shall strictly comply with our standards and specifications for all items associated with your Computer System and any Required Software in accordance with our standards and specifications. You shall keep the Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to the Computer System or Required Software as we direct from time to time in writing.

8.6.4. We have the right to require you to pay us third party licensing fees for any component of the Computer System or Required Software, including management systems and billing and accounting systems. We will pay such licensing fees collected from you directly to the third party suppliers. Fees collected will not exceed our costs, we will not earn profit from this transaction. We also have the right to require you to pay these third party suppliers directly.

8.7 Data. You will allow us access to any data you have collected through your systems at any time, including customer, transaction, and revenue data. We may aggregate and analyze the data from time to time for the purposes of enhancing our systems or our brand by any means we deem appropriate. We may share your School numbers with other franchisees and may share other franchisee's School numbers with you through private access.

8.8 Privacy. Subject to commercial standards of reasonableness based upon local business practices in the Territory, we may, from time-to-time, specify the information that you shall collect and maintain on the Computer System. All data pertaining to or derived from the School (including data pertaining to or otherwise about customers) is and shall be our exclusive property, and we hereby grant you a royalty-free nonexclusive license to use said data during the Term. You shall abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information. You shall not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior consent.

8.9 Extranet. We may establish or designate a third party software to provide a private network that will allow users inside and outside of our headquarters to access certain parts of our computer network via the Internet (an "Extranet"). If we establish an Extranet, then you shall comply with our security requirements with respect to connecting to the Extranet and utilizing the Extranet in connection with the operation of the School. The Extranet may include the Manual, training and other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct).

8.10 Websites and Social Media. We maintain a website at www.theCoderSchool.com ("Our Website") and have the right to promote on Our Website, theCoderSchool Businesses as we determine and in the manner we determine. You shall not own, establish, or maintain a

website for your School. Your primary representation of your location must be the website provided by us. However, you may use appropriate social media outlets such as Facebook or Twitter as a secondary representation of your location which refers to our website, but you must adhere to our brand standards. We reserve the right to require you to remove any posts or articles we deem in our sole discretion to be inappropriate, or to require to you remove your account(s) entirely if we deem it necessary to protect the brand. You are solely responsible for the content on your social media outlets. You must comply with our social media policies as we may determine from time to time. You shall not make any posting or other contribution to any social media that (a) is derogatory, disparaging, or critical of us or the System, (b) is offensive, inflammatory, or indecent, (c) harms the goodwill and public image of the System and/or the Proprietary Marks, or (d) violates our social media policies.

8.11 Online Use of Proprietary Marks and E-mail Solicitations. You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, and/or other identification of you in any electronic medium, other than the emails and subdomain that we provide to you. In addition to any other provision of this Agreement, you shall be solely responsible for compliance with all laws pertaining to e-mails, including the U.S. Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003").

8.12 Changes to Technology. Changes to technology are dynamic and not predictable within the Term. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, we have the right to establish reasonable new standards for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards we establish from time to time.

9. CONFIDENTIAL OPERATING MANUAL

9.1 Standards of Operation. In order to protect our reputation and goodwill and to maintain high standards of operation under the System, you shall operate the School in accordance with the standards, methods, policies, and procedures specified in the Manual which you shall receive on loan from us electronically, for the term of this Agreement in conjunction with our Initial Training Program. The Manual may consist of multiple volumes of printed text, and electronically stored data, all of which shall be Confidential Information as defined in Section 10.1. You acknowledge and agree that we may provide all or a portion of the Manual (including updates and amendments), and other instructional information and materials, in or via electronic media, including through the Internet. The Manual shall remain our sole property and shall have access restricted. You will take all reasonable measures to ensure that any copies which you download are secured and restricted from unauthorized access.

9.2 Revisions to Manual. We may from time to time revise the contents of the Manual, and you expressly agree to comply with each new or changed standard. You shall ensure that your copy of the Manual is kept current at all times. In the event of any dispute as to the contents of the Manual, the terms of the latest version on our shared drive shall be controlling.

10. CONFIDENTIAL INFORMATION

10.1 Confidential Information. You shall not, during or after the Term, communicate, divulge or use for the benefit of any other person, partnership, association, limited liability company or corporation any confidential information, knowledge or know-how concerning the development or operation of theCoderSchool Business (including your School), including the Manual, curricula, customer lists and information, teaching methods and materials, innovations, ideas, plans, trade secrets, proprietary information, marketing and sales methods and systems, client protocols and training programs, sales and profit figures, employee lists, and relationships between us and our affiliates and other customers, clients, suppliers and others who have business dealings with us and our affiliates, which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of this Agreement (the "**Confidential Information**"). You shall divulge such Confidential Information only to such of your employees as must have access to it in order to operate the School. Any and all information, knowledge, know-how, techniques and other data which we designate as confidential shall be deemed confidential for purposes of this Agreement.

10.2 Irreparable Injury. You acknowledge that any failure by you to comply with the requirements of this Section 10 will cause us and our affiliates irreparable injury. You shall pay all court costs and reasonable attorneys' fees we and our affiliates incur in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 10, or such other relief as may be sought.

11. ACCOUNTING AND RECORDS

11.1 Monthly Gross Sales. You shall record all sales using the Required Software or on any other software we specify from time to time. You shall allow us access to the Required Software at all times.

11.2 Other Reports. Upon our request, but not more often than once per month, you shall submit to us in the form we prescribe, within 15 days of our request, unaudited financial statements showing the results of operations of the School during the preceding calendar month, and such other forms, reports, records, information and data as we may reasonably designate.

11.3 Annual Financial Statements. You shall submit to us in the form we prescribe, within 30 days after the end of each fiscal year, your financial statements for the preceding fiscal year, including a complete and accurate profit and loss statement and balance sheet, which may be unaudited but, upon our request, shall be reviewed in accordance with generally accepted accounting principles.

11.4 Preservation of Records. You shall prepare, and shall preserve for at least three (3) years from the dates of their preparation, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner we prescribe from time to time in writing.

11.5 Inspection and Audit. We and our designated agents shall have the right at all reasonable times and without prior notice to examine, copy, and/or personally review at our expense, your books, records, accounts, and tax returns. We shall also have the right, at any time,

to have an independent audit made of your books and records. If an inspection or audit should reveal that any income or sales have not been reported or have been understated in any report to us, then you shall immediately pay to us the amount underpaid upon demand, in addition to interest from the date such amount was due until paid, at the rate of ten percent (10%) per annum, or the maximum rate permitted by law, whichever is less, and if the underreporting is by more than 10%, you will pay all of our costs and expenses in connection with the inspection or audit, including travel costs, lodging and wage expenses, and reasonable accounting and legal fees and costs. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or otherwise at law or in equity.

12. ADVERTISING AND PROMOTION

Recognizing the value of advertising and promotion, and the importance of the standardization of advertising and promotion programs to the furtherance of the goodwill and public image of the System, you agree as follows:

12.1 Grand Opening Marketing. Beginning 60 days before the grand opening of the School, and within 30 days after the grand opening, you shall conduct an initial, grand opening local advertising, marketing, and promotional program.

12.2 Local Advertising. During the Term, you should but it is not required to, spend, on an annual basis, at least an amount equal to three percent (3%) of the Gross Sales of the School on local marketing, advertising, and promotion.

12.3 Brand Fund Contribution. You shall pay, during the Term, into the System's advertising and brand promotion fund (the "**Brand Fund**") a monthly fee equal to one percent (1%) of Gross Sales of the School for the preceding month, or a lower percentage during any period of time in which we have approved such lower percentage. If we charge a lower percentage, we may increase it up to a maximum of two percent (2%) of Gross Sales on 30 days' prior written notice. Contributions to the Brand Fund shall be in addition to any expenditures made pursuant to Sections 12.1 and 12.2 hereof and shall be made in accordance with Section 4.4.

12.4 Administration of Brand Fund. We or our designee will maintain and administer the Brand Fund as follows:

12.4.1. We and our designees will have the sole authority to direct all advertising, marketing, and promotional programs of the Brand Fund, and will have discretion over all aspects of such programs, including concepts, materials, and media used in such programs and the placement and allocation thereof. The Brand Fund is intended to maximize general public recognition, acceptance, and use of the System and Proprietary Marks, and we are not obligated, in administering the Brand Fund, to make expenditures for you which are equivalent or proportionate to your contribution, to make expenditures in your geographical area, or to ensure that you benefit directly or on a pro rata basis from expenditures or activities of the Brand Fund.

12.4.2. The Brand Fund is used, in our discretion, to pay for developing and conducting activities that we believe will enhance the goodwill associated with the Proprietary Marks and the image of the System and to pay for the administration of the Brand Fund and its

programs (up to 15% of the total Brand Fund annually may be used to cover our or our designee's costs and overhead for activities reasonably related to the administration of the Brand Fund, including, among other things, costs and salaries of our or our designee's personnel who perform services for the Brand Fund). The Brand Fund's activities may include, among other things, conducting and preparing advertising, marketing, public relations, customer surveys, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including: preparing and conducting radio, television, print, and Internet-based advertising campaigns; utilizing social media and other emerging media or promotional tactics; developing, maintaining, and updating Our Website on the Internet; direct mail advertising; marketing surveys; employing advertising and/or public relations agencies to assist therein; purchasing promotional items; purchasing point-of-purchase items; providing promotional and other marketing materials and services to the businesses operating under the System; and up to 10% for advertising for the sale of franchises to help expand the brand.

12.4.3. We will maintain separate bookkeeping accounts for the Brand Fund and may, but will not be required to, cause Brand Fund contributions to be deposited into one or more separate bank accounts. The Brand Fund is not a trust, and we are not a fiduciary with respect to, or a trustee of, the Brand Fund or the monies therein.

12.4.4. It is anticipated that at least 80% of contributions to and earnings of the Brand Fund will be expended for advertising and/or promotional purposes during the taxable year within which the contributions are made. We reserve the right to accumulate funds from one year to the next for anticipated expenditures requiring more than what is in the Fund. Any excess amounts remain in the Brand Fund at the end of such taxable year will carry over to the following year, such amounts shall be expended no later than the end of the 2nd taxable year following the year of receipt.

12.4.5. We reserve the right to terminate and to thereafter re-institute the Brand Fund in our discretion. The Brand Fund shall not be terminated, however, until all monies in the Brand Fund have been expended for advertising and/or promotional purposes or, at our option, returned to its contributors on the basis of their respective contributions.

12.5 Advertising Materials. All of your advertising and promotion shall be in such media and of such type and format as we may approve, shall be conducted in a professional manner and shall conform to such standards and requirements as we may specify. You shall not use any advertising or promotional plans or materials unless and until you have received our approval, pursuant to the procedures and terms set forth in Section 12.6. We may make available to you from time to time, at your expense, such advertising and promotional materials, including merchandising materials, point-of-purchase materials, and materials for special promotions as we determine.

12.6 Approval of Advertising Materials. You shall submit for our prior review and approval all advertising and promotional plans and materials for any print, broadcast, cable, electronic, computer or other media (including the Internet) that you desire to use and that we did not prepare or previously approve (and not subsequently disapprove) within the preceding six (6) months. You shall not use such plans or materials until we have approved them. If we do not

provide you with our approval within 15 days of our receipt of samples or materials, they will be deemed to have been approved.

12.7 Online Directories and Search Engines. You shall, in addition to all other expenditures required under this Section 12, list and advertise your School on all major internet search engines (for example, Google or Bing) as set forth in the Manual and in several recommended online directories (for example, Yelp and Facebook) within the market area of your School.

13. INSURANCE

13.1 Minimum Insurance Requirements. You shall procure, prior to the commencement of any activities or operations under this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement) an insurance policy or policies protecting you, us, and your and our respective officers, directors, partners, agents and employees against any demand or claim with respect to personal injury, death or property damage, business interruption, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the School, including comprehensive general liability insurance, property insurance (including fire, vandalism, and malicious mischief insurance for the replacement value of the School and its contents), casualty insurance, business interruption insurance, statutory workers' compensation insurance and employer's liability insurance. We strongly recommend, but do not require, sexual molestation coverage. Such policy or policies shall be written by a responsible carrier or carriers, shall name us and our designated affiliates as additional named insureds, and shall provide at least the types and minimum amounts of coverage specified in the Manual. We shall have the right, from time to time, to make such changes in minimum insurance policy limits and endorsements as we may determine in our reasonable discretion. Prior to the commencement of any operations under this Agreement, and thereafter at least 30 days prior to the expiration of any policy, you must deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates shall expressly provide that we receive no less than 30 days' prior written notice in the event of modification to or cancellation of the coverages evidenced by such Certificates.

14. TRANSFER OF INTEREST

14.1 Our Right to Transfer. We may transfer or assign this Agreement and all or any part of our rights or obligations herein to any person or legal entity, and any designated assignee shall become solely responsible for all of our obligations under this Agreement from the date of assignment. You must execute such documents as we may request.

14.2 Your Right to Transfer. The rights and duties set forth in this Agreement are personal to you, and we have granted this franchise in reliance on your business skill, financial capacity and personal character. Accordingly, neither you nor any immediate or remote successor to any part of your interest in this Agreement, nor any of your owners (if you are a legal entity) of more than 50%, shall sell, assign, transfer, convey, pledge, encumber, merge or give away its interest in this Agreement or any direct or indirect interest in you or in all or substantially all of the assets of the School, or your Premises lease (collectively, "**transfer**")

without our prior written consent, which we will not unreasonably withhold or delay. You may not advertise or make any offer for the transfer of the School without our prior written consent. Any purported assignment or transfer not having our written consent will be null and void and shall constitute a material breach of this Agreement, for which we may immediately terminate without opportunity to cure. The foregoing remedies shall be in addition to any other remedies we may have under this Agreement or at law or in equity.

14.3 Conditions to Transfer. You must notify us in writing of any proposed transfer at least 60 days before such transfer is proposed to take place. We will assess the proposed transfer and proposed transferee and may condition our consent (if we decide to grant consent) on such conditions that we determine are appropriate to protect the System, the Proprietary Marks and the School, including:

14.3.1. That all of your accrued monetary obligations and all other outstanding obligations to us and our affiliates have been satisfied;

14.3.2. That you are not in default of any provision of this Agreement or any other agreement between you and us or our affiliates;

14.3.3. That the transferor and your owners and, if the transferee owns other theCoderSchool Businesses, the transferee and its owners shall have executed a general release, in a form we prescribe, of any and all claims against us and our affiliates, and our and their respective officers, directors, agents, shareholders, and employees;

14.3.4. That the transferee (and, as applicable, its owners) either (a) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge all of your obligations under this Agreement, or (b) execute our current form of franchise agreement and other ancillary agreements as we may require for the School, which agreements shall supersede this Agreement in all respects, and the terms of which may differ materially from the terms of this Agreement, including a higher royalty fee and advertising contribution, except that the transferee will not be required to pay an initial franchise fee and the Territory will remain the same.

14.3.5. That the transferee (and its owners) demonstrate to our satisfaction that it meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the School; has adequate financial resources and capital to operate the School; is not currently operating a business in competition with us; and is not subject to any non-competition agreement that would bar its operation of the School;

14.3.6. That you remain liable for all of the obligations to us in connection with the School which arose prior to the effective date of the transfer and execute any and all instruments we reasonably request to evidence such liability;

14.3.7. That the transferee and any new approved manager, successfully complete any training programs then in effect upon such terms and conditions as we may reasonably require;

14.3.8. That the terms and conditions of the transfer agreement between the transferee and you be acceptable to us; and

14.3.9. That you pay to us a transfer fee in an amount equal to one-third (1/3) of our then-current initial franchise fee at the time of transfer.

Our consent to a transfer shall not constitute a waiver of any claims we may have against you nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by you or transferee.

14.4 No Security Interest. You shall not grant a security interest in your rights under this Agreement, the School, or any of the assets of the School without our prior consent. We may impose such conditions on our consent (if we decide to grant it) that we believe are necessary to protect our rights under this Agreement and in and to the System and the Proprietary Marks.

14.5 Our Right of First Refusal. If any transfer is proposed, you shall notify us and shall provide such information and documentation relating to the proposed transfer (including any prospective transferee's offer) and transferee as we may require. We will have the right and option, exercisable within 30 days after our receipt of such written notification and information, to notify you that we intend to purchase the interests on the same terms and conditions offered by the third party. If we elect to purchase the interests, closing on such purchase shall occur within 30 days from the date of our notice of our election to purchase. If the consideration, terms and/or conditions offered by a third party are such that we are not reasonably able to furnish the same types of consideration, terms and/or conditions, then we may purchase the interests proposed to be transferred for the reasonable equivalent in cash. If you and we cannot agree within 30 days on the reasonable equivalent in cash, an independent appraiser shall be designated by us at our expense, and the appraiser's determination shall be binding. If we elect not to purchase the interests or fail to timely notify you of our election, you may proceed, subject to our consent and satisfaction of any conditions we impose on such consent to conclude the transfer on the terms set forth in your notice to us. Any material change in the terms of the offer from a third party shall constitute a new offer subject to our same rights of first refusal as in the case of the third party's initial offer. Our failure to exercise the option afforded by this Section shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 14, with respect to a proposed transfer.

14.6 Death or Incapacity. Upon your death, physical, or mental incapacity or that of any of your owners, the executor, administrator, or personal representative of such person shall transfer such interest to a third party we approve within six (6) months after such death or incapacity. Such transfers, including transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 14, the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party we approve within six (6) months, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement.

14.7 Transfer to a Wholly Owned Legal Entity. If you are in full compliance with this Agreement, you may, with 30 days' prior notice to us, transfer this Agreement and the School to

a corporation or limited liability company which conducts no business other than your School and, if applicable, other theCoderSchool Businesses, in which you maintain management control, and of which you own and control at least 51% of the equity and voting power of all issued and outstanding ownership interests, provided that all of the assets of your School are owned, and the business of your School is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement, and you must agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur. You will not be required to pay a transfer fee in connection with a transfer under this Section.

15. DEFAULT AND TERMINATION

15.1 Automatic Termination. You shall be deemed to be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice or opportunity to cure, if: you become insolvent or make a general assignment for the benefit of creditors; a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; you are adjudicated bankrupt or insolvent; a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your business or assets is filed and consented to by you; a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law should be instituted by or against you; a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed); you are dissolved; execution is levied against your business or property; suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within 30 days; or the real or personal property of the School is sold after levy thereupon by any sheriff, marshal, or constable.

15.2 Termination Without Opportunity to Cure. In addition to the foregoing, upon the occurrence of any of the following events of default, we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon notice to you, if:

15.2.1. you fail to locate an approved site or to construct and open the School within the time limits provided in Section 5;

15.2.2. you at any time cease to operate or otherwise abandon the operation of the School, or lose the right to possession of the Premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the School is located; however, if, through no fault of yours, the Premises are damaged or destroyed by an event such that repairs or reconstruction cannot be completed within 60 days thereafter, then you shall have 30 days (you may request a reasonable extension) after such event in which to apply for our approval to relocate and/or reconstruct the Premises within the Territory, which approval shall not be unreasonably withheld;

15.2.3. you or any of your owners, officers, or directors, or approved manager, are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks,

the goodwill associated therewith or our interest therein; or if you or any of your owners, officers, or directors commit any acts or engage in any behavior that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or our interest therein, including conduct that is fraudulent, unfair, unethical, or deceptive;

15.2.4. a threat or danger to public health or safety results from the construction, maintenance, or operation of the School;

15.2.5. any purported transfer is made to any third party without our prior written consent, or otherwise contrary to the terms of Section 14 hereof;

15.2.6. an approved transfer is not effected within the time provided following death or mental incapacity, as required by Section 14 hereof;

15.2.7. you fail to comply with the covenants in Section 17 (in-term covenants) or fail to obtain execution of the covenants required under Section 10;

15.2.8. you or your owners disclose or divulge the contents of the Manual or other Confidential Information contrary to the terms of Section 10;

15.2.9. you underreport Gross Sales after we have identified such underreporting previously, or you underreport by any amount and fail to correct the underreporting by submitting correct Gross Sales and all amounts due on such sales, within 30 days of our identifying the same;

15.2.10. you knowingly maintain false books or records or submit to us any false reports or other documentation (including your application for the franchise);

15.2.11. you misuse or make any unauthorized or improper use of the Proprietary Marks or any other identifying characteristics of the System, or otherwise materially impair the goodwill associated therewith or our rights therein; or if you fail to utilize the Proprietary Marks solely in the manner and for the purposes we direct;

15.2.12. you refuse to allow us to inspect the Premises or your books, records or accounts upon demand as provided for herein;

15.2.13. upon receiving a notice of default under Section 15.3, you fail to initiate immediately a remedy to cure such default;

15.2.14. after curing any default pursuant to Section 15.3, you commit the same default again, whether or not cured after notice;

15.2.15. you offer or sell products, programs or services that we have not approved or purchased any product or service from a supplier we have not approved; or

15.2.16. you fail to comply with any loan agreements pursuant to which you have granted a security interest, regardless of whether or not we have consented to such grant.

15.3 Notice With Opportunity to Cure. Except as otherwise provided in Sections 15.1 and 15.2 of this Agreement, upon any other default by you, we will give you written notice of such default and an opportunity to substantially cure such default within 60 days of your receipt of such notice (or such longer time period as required by applicable law). We will have the right to terminate this Agreement immediately upon notice to you if you fail to cure any default to our satisfaction, and provide proof thereof, within the 60 day period. Defaults which are curable hereunder include, but are not limited to, the following illustrative events:

15.3.1. If you fail to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Manual, or to carry out the terms of this Agreement in good faith;

15.3.2. If you and/or an approved manager fails to complete the Initial Training Program to our satisfaction;

15.3.3. If you fail, refuse or neglect promptly to pay any monies owing to us or our affiliates or any third party when due, or to submit the financial or other information required by us under this Agreement;

15.3.4. If you fail to maintain or observe any of the standards or procedures prescribed by us in this Agreement, the Manual or otherwise in writing;

15.3.5. If you fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement;

15.3.6. If you act, or fail to act, in any manner which is inconsistent with or contrary to its lease or sublease for the Premises, or in any way jeopardizes its right to renewal of such lease or sublease;

15.3.7. If you engage in any business or markets any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks; or

15.3.8. If you fail to comply with all applicable laws, rules and regulations related to the operation of the School.

15.4 Limitation of Services or Benefits. If we issue you a notice of default and you fail to cure such default within any applicable time period, we may, without waiving our right to terminate this Agreement as a result of such failure, temporarily or permanently limit, curtail, or remove certain services or benefits provided or required to be provided to you hereunder, including restricting your or any of your staff's attendance at any training, meetings, workshops, or conventions; refusing to sell or furnish to you any advertising or promotional materials; refusing to provide you with ongoing advice about the operation of the School; terminating your right to use any Required Software.

You shall hold us harmless with respect to any action we take pursuant to this Section; and you agree that we shall not be liable for any loss, expense, or damage you incur because of any action we take pursuant to this Section. Nothing in this Section constitutes a waiver of any of our rights or remedies under this Agreement or any other agreement between us and you,

including the right to terminate this Agreement. You agree that our exercise of our rights pursuant to this Section shall not be deemed a constructive termination of this Agreement or of any other agreement between us and you, and shall not be deemed a breach of any provision of this Agreement. We may, in our discretion, reinstate any services or benefits removed, curtailed, or limited pursuant to this Section, and you agree to accept immediately any such reinstatement of services or benefits so removed, curtailed, or limited. If we limit any services or benefits under this Section, you shall continue to pay timely all fees and payments required under this Agreement and any other agreement between us and you, including any fees associated with services or benefits limited by us. You shall have no right to a refund of any fees paid in advance for such services or benefits.

15.5 Cross-Default. Any default by you under any other agreement between us or our affiliates as one party, and you or any of your owners or affiliates as the other party, that is so material as to permit us or our affiliates to terminate such other agreement, shall be deemed to be a default of this Agreement, and we shall have the right, at our option, to terminate this Agreement without affording you an opportunity to cure, effective immediately upon notice to you.

16. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you shall immediately terminate, and:

16.1 Cease Operations. You shall immediately cease to operate the School, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as our present or former franchisee.

16.2 Cease Use of and Return Confidential Information and Proprietary Marks. You shall immediately and permanently cease to use, in any manner whatsoever, and return to us, at your expense, any Confidential Information (and any copies thereof, even if such copies were made in violation of this Agreement), the Proprietary Marks and any other distinctive forms, slogans, signs, symbols and devices associated with the System, including all signs, advertising materials, displays, stationery, forms, products and any other articles which display the Proprietary Marks. You shall retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law

16.3 Cancellation of Registrations. You shall take such action as may be necessary to cancel any assumed name registration or equivalent registration you obtained, which contains any Proprietary Mark.

16.4 Assignment of Lease. You shall, at our option, assign to us or our designee any interest which you have in any Lease for the Premises. In the event we do not elect to exercise our option to have you assign the Lease, you shall make such modifications or alterations to the Premises (including assigning to us the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of the Premises from that of the School under the System, and shall make such specific additional changes

thereto as we may reasonably request for that purpose. If you fail or refuse to comply with the requirements of this Section, we have the right to enter upon the Premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your expense, which expense you agree to pay upon demand.

16.5 Payment. You shall promptly pay all sums owing to us and our affiliates. If the termination is due to your default, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, we incur as a result of the default.

16.6 Subsequent Use of Proprietary Marks Prohibited. You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which, in our discretion, is likely to cause confusion, mistake or deception, or which is likely to dilute our rights in and to the Proprietary Marks. You further agree not to utilize any designation of origin, description or representation (including reference to us, the System or the Proprietary Marks), which, in our discretion, suggests or represents a present or former association or connection with us, the System or the Proprietary Marks.

16.7 Return Manual. You shall immediately deliver to us the Manual and all other records, correspondence and instructions containing confidential information relating to the operation of the School (and any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be our property, and shall retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.

16.8 Websites/Telephone numbers. You shall immediately irrevocably assign and transfer to us or our designee any and all interests you may have in any websites, domains and telephone numbers you maintain in connection with the School. You shall immediately execute any documents and perform any other actions we require to effectuate such assignment and transfer and otherwise ensure that all rights in such website, domains, telephone numbers revert or transfer to us or our designee, and hereby appoint us as your attorney-in-fact to execute such documents on your behalf if you fail to do so. You shall cease use of any theCoderSchool domain name, URL, or home page address, and shall not establish any website using any similar or confusing domain name, URL, and/or home page address.

16.9 Our Option to Purchase Equipment. We shall have the option, to be exercised within 30 days after termination, to purchase from you any or all of the furnishings, equipment, signs, fixtures, supplies, and inventory related to the operation of the School at fair market value or at your depreciated book value, whichever is less. No value shall be given to the franchise or the Marks. If you and we are unable to agree as to a purchase price and terms, the fair market value of such equipment and property shall be determined by an independent appraiser. The cost shall be shared equally by us and you. You may hire your own independent appraiser to supplement the jointly hired independent appraiser. If we elect to exercise our option to purchase, we shall have the right to set off all amounts due from you, including your half cost of the appraisal, against any the price we pay you according to the appraisal. If we take over your

lease pursuant to section 16.4 above, or otherwise prevent you from maintaining control over the location, we will have the obligation, not the option to purchase your equipment, etc., as provided in this section.

16.10 Compliance With Covenants. You, your owners and members of your and their immediate families shall comply with the covenants contained in Section 17.

16.11 Student Contracts. On our written request, you shall either assign existing student contracts to us or our designee, or immediately refund to existing customers any and all monies paid to you by such customers for services that have not been rendered and, as a result of the termination or expiration of this Agreement, will not be rendered to such customers. You shall provide us with all current and prospective customer lists and information in your possession.

16.12 Evidence of Compliance. You shall furnish us with evidence satisfactory to us of compliance with the obligations of this Section 16 within 30 days after termination or expiration of this Agreement.

17. COVENANTS

17.1 Best Efforts. You covenant that, during the Term, except as we might otherwise approve, you and your owners, and a full-time approved manager, shall devote best efforts to the management and operation of the School.

17.2 In-Term Covenants. You acknowledge that you will receive valuable, specialized training and confidential information, including information regarding us and the operational, sales, promotional, and marketing methods and techniques of the System. You covenant that during the Term of this Agreement, except as we might otherwise approve, you, your owners and members of your and their immediate families shall not, either directly or indirectly, or through, on behalf of, or in conjunction with any person or legal entity:

17.2.1. Divert or attempt to divert any present or prospective business or customer of any theCoderSchool Business 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 Proprietary Marks and the System;

17.2.2. Employ or seek to employ any person who is at that time employed by us or by any other theCoderSchool Business, or otherwise directly or indirectly induce such person to leave his or her employment without the employer's prior written consent;

17.2.3. Own, maintain, operate, engage in, be employed by, provide any assistance or advice to, or have any interest in (as owner or otherwise) any business that: (a) is substantially similar to theCoderSchool Business; or (b) offers or sells services that are the same as or similar to the services being offered by the School under the System.

17.3 Post-Term Covenants. Unless otherwise regulated under your state's laws, you covenant that, except as we might otherwise approve, you, your owners and the members of your and their immediate families shall not, for a continuous uninterrupted period of two (2) years commencing upon the date of: (a) a transfer permitted under Section 14 of this Agreement; (b)

expiration of this Agreement; (c) termination of this Agreement (regardless of the cause for termination); (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction or (e) any or all of the foregoing; either directly or indirectly, or through, on behalf of, or in conjunction with any person or legal entity, or cause or direct any 3rd party or entity own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any business that: (i) is substantially similar to theCoderSchool Business; or (ii) offers or sells services that are the same as or similar to the services being offered by the School under the System:

17.3.1. In the Territory;

17.3.2. Within Ten (10) miles of the Premises; or

17.3.3. Within Ten (10) miles of any theCoderSchool Business; provided however, that Sections 17.2.3 and this Section 17.3 shall not apply to the authorized operation by you of theCoderSchool Business under the System pursuant to this Agreement or another franchise agreement with us. You agree that, except where state law provides otherwise, the covenants contained in this Section are a reasonable restriction on post-term activities regarding the scope of the restrictions; however, if such restrictions are held to violate state, such restrictions shall be read to reduce the scope of restrictions to comply with state, and such decision shall be final and binding upon the parties. You shall not engage in any competitive activities in violation of this Section pending resolution of the dispute. Any violation of the activity restrictions may be enforced in a court of law by injunction where appropriate in accordance with Section 26 of this Agreement.

17.4 No Application to Public Company. Sections 17.2.3 and 17.3 shall not apply to ownership of a less than five percent (5%) beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934.

17.5 Reduction of Scope of Covenants. We shall have the right, in our discretion, to reduce the scope of any covenant set forth in Sections 17.2 and 17.3, or any portion thereof, without your consent, effective immediately upon your receipt of written notice thereof; and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 24 hereof.

17.6 No Defense. You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by us of the covenants in this Section 17. You agree to pay all costs and expenses (including reasonable attorneys' fees) we incur in connection with the enforcement of this Section 17.

17.7 Independent Covenants. Each of the foregoing 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, arbitrator, or agency having valid jurisdiction in an unappealed final decision to which we are a party, you shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 17.

17.8 Irreparable Injury. Certain violation of any of the terms of this Section 17 could result in irreparable injury to us for which no adequate remedy at law may be available, and you accordingly consent to the issuance of an injunction prohibiting any conduct in violation of the terms of this Section 17.

17.9 Our Costs and Expenses. You shall pay us all damages, costs, and expenses, including reasonable attorneys' fees, we incur in obtaining injunctive or other relief for the enforcement of any provision of this Section 17 as well as enforcement of this Agreement.

17.10 Confidentiality and Non-Competition Agreements. You shall require your approved manager, and other employees having access to any of our Confidential Information to execute confidentiality and non-competition covenants in the form attached as Exhibit D as a condition of their employment or hire.

18. CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY

18.1 Legal Entity. If you are a corporation, partnership, limited liability company or other legal entity, then all of your owners and their spouses shall execute a Guarantee, Indemnification, and Acknowledgment in the form attached hereto as Exhibit E.

19. TAXES, PERMITS, AND INDEBTEDNESS

19.1 Payment of Taxes. You shall promptly pay when due all taxes levied or assessed, including unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred in the operation of the School. You shall pay to us an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on us with respect to any payments to us required under this Agreement.

19.2 Contesting Tax Liability. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event shall you permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the Premises, or any improvements thereon.

19.3 Permits and Licenses. You shall comply with all federal, state, and local laws, rules, and regulations and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the School, including licenses to do business, fictitious name registrations, occupancy licenses, sales tax permits, construction permits, health permits, building permits, handicap permits and fire clearances.

19.4 Notification of Adverse Action. You shall immediately notify us in writing of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the School.

20. INDEPENDENTLY OWNED BUSINESS; INDEMNIFICATION

20.1 Independent Owner. This Agreement does not create a fiduciary relationship between us and you for any purpose. You are an independent owner, and nothing in this Agreement is intended to constitute either a branch office, a partnership, joint venture, or employment relationship for any purpose whatsoever, and you shall not hold yourself out as an agent or representative of Us. During the Term, upon our request, you shall hold yourself out to the public and post a sign at your Premises and on literature with "*your legal name as franchisee, operating as theCoderSchool, an Independently Owned Franchise*".

20.2 No Authority to Contract. You are not authorized to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name; and we shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall we be liable by reason of any of your acts or omissions in the development or operation of the School or for any claim or judgment arising therefrom.

20.3 Indemnification. You shall indemnify and hold us and our affiliates, and their respective officers, directors and employees (the "**Indemnitees**") harmless against any and all claims, losses, costs, expenses, liabilities and damages arising directly or indirectly from, as a result of, or in connection with the development and operation of the School, the business conducted under this Agreement, or your breach of this Agreement, including those alleged to be caused by an Indemnitee's negligence, unless (and then only to the extent that) the claims, obligations, and damages are determined to be caused solely by the Indemnitee's gross negligence or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction, as well as the costs, including reasonable attorneys' fees, of defending against them. In the event we incur any costs or expenses, including legal fees, travel expenses, and other charges, in connection with any proceeding involving you in which we are not a party, you shall reimburse us for all such costs and expenses promptly upon presentation of invoices. Your indemnification and hold harmless obligations under this Section shall survive the termination or expiration of this Agreement. Nothing herein shall preclude an Indemnitee from choosing its own legal counsel to represent it in any lawsuit, arbitration, or other dispute resolution.

21. APPROVALS AND WAIVERS

21.1 Approval and Consent. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us therefor. Wherever our consent or approval is required or we are authorized to make a determination, such consent, approval or determination will be valid only if in writing signed by us, or via an email validly sent by a duly authorized officer. Except where this Agreement expressly obligates us reasonably to approve, consent or determine or not unreasonably to withhold our approval of or consent to any action or request, we have the absolute right to make the determination or to grant, grant subject to conditions we impose, or refuse to grant our approval or consent.

21.2 No Warranties or Guarantees. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval,

consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

21.3 No Waiver. No failure to exercise any power reserved to us by this Agreement, or to insist upon your strict compliance with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our right to demand exact compliance with any of the terms hereof. Our waiver of any of your defaults shall not affect or impair our rights with respect to any subsequent default of the same, similar, or different nature; nor shall our delay or failure to exercise any power or right arising out of any of your defaults of any of the terms, provisions, or covenants hereof, affect or impair our right to exercise the same, nor shall such constitute a waiver by us of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its Term. Our subsequent acceptance of any payments due to us hereunder shall not be deemed to be our waiver of any preceding breach by you of any terms, covenants, or conditions of this Agreement.

22. GRANT OF SECURITY INTEREST

As security for the payment of all amounts from time to time owing by you to us or our affiliates under this Agreement and all other agreements, and performance of all obligations to be performed by you, you hereby grant to us a security interest in all of your assets, including all equipment, furniture, fixtures, signs, customer lists used in the operation of the School, as well as all proceeds of the foregoing (the "Collateral"). You warrant and represent that the security interest granted hereby is prior to all other security interests in the Collateral except bona fide purchase money security interests, or security interests held by financial institutions, if any, to which we have provided a written subordination. You agree not to remove the Collateral, or any portion thereof, from the Premises without our prior written consent. Upon the occurrence of any event entitling us to terminate this Agreement or any other agreement between the parties, we shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the State in which the School is located, including the right to take possession of the Collateral. You authorize us to file one or more financing statements to perfect our security interest in and to the Collateral and agree to execute and deliver to us financing statements or such other documents as we reasonably deem necessary to perfect our interest in the Collateral within 10 days of your receipt of such documents from us.

23. NOTICES

Except as permitted in Section 21.1 above, any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, private delivery, courier service, to the respective parties at the addresses shown in the opening paragraph of this Agreement, unless and until a different address has been designated by written notice to the other party, if to us, at our corporate address, and if to you, at the School address, or to the address in your application if the School address has not been determined or such other address as either party may notify the other in writing. All notices shall be deemed, delivered, if by U.S. Mail, on the 3rd day after mailing, or on the date of actual receipt if proof of receipt is available, and if by courier, on the date of indicated delivery by the courier.

24. ENTIRE AGREEMENT

This Agreement, the attachments hereto, and the documents referred to herein constitute the entire Agreement between us and you concerning the subject matter hereof, and supersede any prior agreements, no other representations having induced you to execute this Agreement. Except for those permitted to be made unilaterally by us hereunder, no amendment, change, or variance from this Agreement shall be binding on either of us unless mutually agreed to and executed by you and our authorized officers or agents in writing. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

25. SEVERABILITY AND CONSTRUCTION

25.1 Severability. If, for any reason, any section, part, term, provision, and/or covenant herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, provisions, and/or covenants of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, provisions, and/or covenants shall be deemed not to be a part of this Agreement.

25.2 Survival. Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration, termination or assignment of this Agreement (regardless of cause for termination), shall survive such expiration, termination or assignment, including Sections 10, 17, and 26.

25.3 No Rights or Remedies Conferred. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than us and you any rights or remedies under or by reason of this Agreement.

25.4 Promises and Covenants. You agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court, arbitrator, or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order. Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

25.5 Captions and Headings. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

25.6 Construction. Wherever we have reserved the right to take action "in our discretion," we may do so in our "sole" discretion unless otherwise provided. References in this Agreement to "including" mean "including, without limitation" or "including but limited to," as the context requires, unless otherwise provided. This Agreement may be executed in multiple

copies, each of which will be deemed an original. Signatures delivered by facsimile or electronically shall be deemed and have the same force as an original.

26. APPLICABLE LAW

26.1 Applicable Law. This Agreement shall be interpreted and construed exclusively under the laws of the State of California without regard to the application of California conflict-of- law rules. If, however, any provision of this Agreement would not be enforceable under the laws of California and if you are located outside of California and such provision would be enforceable under the laws of the state in which you are located, then such provision shall be interpreted and construed under the laws of that state.

26.2 Arbitration. Except as otherwise provided herein, any dispute, claim or controversy arising out of or relating to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the entry, making, interpretation, or performance of either party under this Agreement shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. Such arbitration shall take place before a sole arbitrator in Santa Clara County, California, or in any other county as our corporate offices re-locate, or in a county where your School is located, at our discretion, and you agree not to file an objection to such locale. Judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. The arbitrator shall award all of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party, against the party who did not prevail. This agreement to arbitrate shall survive any termination or expiration of this Agreement. A party who is related to you, or a current or former employee, (or an entity owned by a party related to you, or a current or former employee) is involved in a dispute under this Agreement may be added as a party to the arbitration, to the extent it would facilitate a more expeditious proceeding, if such other party has specific involvement with the facts being disputed. The arbitrator shall not have the power to vary or change the terms of the royalty or Brand Fund or other required payments for use of our trademarks and proprietary information.

26.3 Jurisdiction and Venue. Notwithstanding the above, we reserve the right to bring any actions for trademark infringement, or enforcement of the prohibitive covenants, at our discretion, by way of in the Courts of Santa Clara County, California, or the County you are located in. You waive all objections to personal jurisdiction or venue for purposes of this Section, and agree that nothing in this Section shall be deemed to prevent us from removing an action brought by you from state court to federal court, or from bringing a motion to compel arbitration.

26.4 No Exclusivity. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

26.5 Injunctive Relief. Nothing in this Agreement shall bar our right to obtain injunctive relief from any court of competent jurisdiction against threatened conduct that will

cause us loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, restraining orders, and preliminary injunctions.

26.6 Limitation of Claims. You agree that any and all claims you have against us arising out of, or relating to, this Agreement may not be commenced unless you bring them before the earlier of (a) the expiration of one (1) year after the act, transaction, or occurrence upon which such claim is based; or (b) one (1) year after this Agreement expires or is terminated for any reason. You agree that any claim or action not brought within the periods required under this Section shall forever be barred as a claim, counterclaim, defense, or set off.

26.7 WAIVER OF RIGHT TO A JURY AND PUNITIVE DAMAGES. YOU AND WE KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE OUR RESPECTIVE RIGHTS TO A TRIAL BY JURY AND WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT WE SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.

27. REPRESENTATIONS AND ACKNOWLEDGEMENTS

27.1 You acknowledge that under applicable U.S. law, including Executive Order 13224, signed on September 23, 2001 (the "**Anti-Terrorism Order**"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, acts of terrorism, as defined in the Anti-Terrorism Order, the text of which is published at the Internet website address, www.ustreas.gov/offices/enforcement/ofac. Accordingly, you represent and warrant to us that as of the date of this Agreement, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you, is designated under the Anti-Terrorism Order as a person with whom business may not be transacted by us, and that you (a) do not, and hereafter shall not, engage in any terrorist activity; (b) are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (c) are not acquiring the rights granted under this Agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement to be effective upon the signature of the Franchisor.

FRANCHISEE:

Name:_____	Name:_____
Signature:_____	Signature:_____
Date: _____	Date: _____

If a corporation or LLC,

Name of Entity:_____
By: _____
Title: _____
Date: _____

FRANCHISOR:

THE CODER SCHOOL SAN FRANCISCO, LLC

By:_____

Title: _____

Date: _____

EXHIBIT 1

TO

THECODERSCHOOL FRANCHISE AGREEMENT

APPROVED LOCATION; TERRITORY; OWNERS

Approved Location. The Approved Location under this Agreement shall be:

_____

_____

Territory. The Territory under this Agreement shall consist of the geographic area shown on the following page.

Owners. The following is a complete list of all of your shareholders, partners, or members ("**Owners**") and the percentage interest of each individual:

Name	Position	Interest (%)

EXHIBIT 2

TO

THECODERSCHOOL FRANCHISE AGREEMENT

LEASE RIDER

[The following language must be included in your Lease pursuant to Section 5.2 of the Franchise Agreement.]

If Lessee, a franchisee of The Coder School San Francisco, LLC (the "Company"), shall be in default under any of the provisions of its lease and Lessor has the right to terminate the same; or if such Lessee is in default under any of the provisions of its Franchise Agreement with the Company, and the Company has the right to terminate said Franchise Agreement; or if the lease or Franchise Agreement is terminated for any reason; or if Lessee desires to assign its lease to the Company, Lessor and Lessee agree that the Company shall have the right, subject to applicable law, but not the obligation, to assume the obligations of the Lessee under said lease upon the same terms and conditions, in which event, and upon the exercise of such right, the Company shall take immediate possession of the subject premises as if it was the tenant named in said lease. Lessor shall notify the Company of any default of Lessee at the same time notice is given to Lessee, and the Company may, but is under no obligation to, cure such default.

EXHIBIT 3

TO

THECODERSCHOOL FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This Agreement is between The Coder School San Francisco, LLC ("Franchisor") and the undersigned, (Franchisee").

In consideration of my being a franchisee of theCoderSchool franchise system, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

By agreement dated _____ 20__ ("Franchise Agreement") between the Franchisee and The Coder School San Francisco, LLC, the Franchisee has acquired the right and obligation to establish and operate theCoderSchool business (the "School") under the Franchisor's trade names, service marks, trademarks, trade dress, logos, emblems, and indicia of origin (the "Proprietary Marks") and the Franchisor's unique and distinctive format and system relating to the establishment and operation of theCoderSchool businesses (the "System"), as they may be changed, improved and further developed from time to time in the Franchisor's sole discretion.

1. The Franchisor possesses certain confidential information, knowledge or know-how concerning the methods of operation of the School, including operating manuals and teaching programs, methods and materials, which may be communicated to the Franchisee or of which the Franchisee may be apprised by virtue of the Franchisee's operation under the terms of the Franchise Agreement (the "Confidential Information"). Any and all information, knowledge, know-how, and techniques which the Franchisor specifically designates as confidential shall be deemed to be Confidential Information for purposes of the Franchise Agreement and this Agreement.

2. I understand and acknowledge that, as a Franchisee, the Franchisor will disclose Confidential Information to me in furnishing to me initial and ongoing training, the operating manual, and other general assistance during the term of the Franchise Agreement.

3. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchisee's business and the School during the term of the Franchise Agreement, and I understand and acknowledge that the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

4. I understand and acknowledge that the Confidential Information is proprietary to the Franchisor, involves trade secrets of the Franchisor, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I will hold in strict confidence all Confidential Information and all other information designated by the Franchisor as confidential. Unless the

Franchisor otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my owning and operating the School.

5. Except as otherwise approved in writing by the Franchisor, I will not, during the term of the Franchise Agreement, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any business which: (a) is substantially similar to theCoderSchool business; or (b) offers or sells services that are the same as or similar to the services being offered by theCoderSchool business under the System, including computer programming instruction, and for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner or otherwise) any business which: (a)(i) is substantially similar to theCoderSchool business; or (ii) offers or sells services that are the same as or similar to the services being offered by theCoderSchool business under the System, including computer programming instruction, and (b) is, or is intended to be, located at or within: (i) the Territory, which I acknowledge has been described to me; or (ii) ten (10) miles of any theCoderSchool business operating under the System and the Proprietary Marks.

6. The prohibitions in this Section 6 do not apply to my interests in or activities performed in connection with theCoderSchool business. This restriction does not apply to my ownership of less than five percent beneficial interest in the outstanding securities of any publicly-held corporation.

7. I agree that each of the foregoing 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 Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Franchisor is a party, I expressly agree 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 resulting covenant were separately stated in and made a part of this Agreement.

8. I understand and acknowledge that the Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. I am aware that my violation of this Agreement will cause the Franchisor irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Franchisor may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisor all the costs it/they incur(s), including legal fees and expenses, if this Agreement is enforced against me.

10. This Agreement shall be construed under the laws of the State of California.

Franchisor:

The Coder School San Francisco, LLC

By:_____
Jackson Hansel Lynn, President

Date: _____

Franchisee: (if company print name):

_____

By:_____
Print Name

_____
Signature

Date: _____

Franchisee: (if company print name):

_____

By:_____
Print Name

_____
Signature

Date: _____

Franchisee: (if company print name):

_____

By:_____
Print Name

_____
Signature

Date: _____

EXHIBIT 4

TO

THECODERSCHOOL FRANCHISE AGREEMENT

GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

As an inducement to The Coder School San Francisco, LLC (the "Company") to execute the Franchise Agreement between the Company and _____ (the "Franchisee") dated _____, 20___ (the "Agreement"), the undersigned (the "Guarantors"), jointly and severally, hereby unconditionally guarantee to the Company and its successors and assigns that all of the Franchisee's obligations under the Agreement will be punctually paid and performed.

Upon demand by the Company, the Guarantors will immediately make each payment to the Company required of the Franchisee under the Agreement. The Guarantors hereby waive any right to require the Company to: (a) proceed against the Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from the Franchisee; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against the Franchisee. Without affecting the obligations of the Guarantors under this Guarantee, the Company may, without notice to the Guarantors, extend, modify, or release any indebtedness or obligation of the Franchisee, or settle, adjust, or compromise any claims against the Franchisee. The Guarantors waive notice of amendment of the Agreement and notice of demand for payment by the Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement.

The Guarantors hereby agree to defend, indemnify, and hold the Company harmless against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by the Franchisee to perform any obligation of the Franchisee under the Agreement, any amendment thereto, or any other agreement executed by the Franchisee referred to therein.

The Guarantors hereby acknowledge and agree to be individually bound by all of the confidentiality provisions and non-competition covenants contained in of the Agreement.

This Guarantee shall terminate upon the termination or expiration of the Agreement or upon the transfer or assignment of the Agreement by the Franchisee, except that all obligations and liabilities of the Guarantors which arose from events which occurred on or before the effective date of such termination, expiration, transfer, or assignment of the Agreement shall remain in full force and effect until satisfied or discharged by the Guarantors, and all covenants which by their terms continue in force after the termination, expiration, transfer, or assignment of the Agreement shall remain in force according to their terms. This Guarantee shall not terminate upon the transfer or assignment of the Agreement or this Guarantee by the Company. Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee,

but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with Section 26 of the Agreement. This Guarantee shall be interpreted and construed under the laws of California. In the event of any conflict of law, the laws of California shall prevail, without regard to, and without giving effect to, the application of the Commonwealth of Pennsylvania conflict of law rules.

The Guarantors agree that the dispute resolution and attorney fee provisions in Section 26 of the Agreement are hereby incorporated into this Guarantee by reference, and references to the Franchisee and the Franchise Agreement therein shall be deemed to apply to the Guarantors and this Guarantee, respectively, herein.

Any and all notices required or permitted under this Guarantee shall be in writing and shall be personally delivered, sent by registered mail, or sent by other means which affords the sender evidence of delivery or rejected delivery (including private delivery, courier service, or facsimile), which shall not include electronic communication, such as e-mail, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to the Company:

The Coder School San Francisco, LLC
3441 Alma Street, Suite 150
Palo Alto, CA 94306
Phone: 650-488-3388
Attention: CEO

Notices to the Guarantors:

_____
_____
_____
Attention: _____

Any notice by a means, which affords the sender evidence of delivery or rejected delivery shall be deemed to have been given and received at the date and time of receipt or rejected delivery.

IN WITNESS WHEREOF, each of the Guarantors have signed this Guarantee as of the date of the Agreement.

GUARANTORS

Signature	Signature
Print Name	Print Name
Signature	Signature
Print Name	Print Name

EXHIBIT G

TO

FRANCHISE DISCLOSURE DOCUMENT

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

(See Attached)

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

(For Managers And Certain Employees Of Franchisee)

This Confidentiality and Non-Disclosure Agreement is entered into this _____ day of _____, 20__ by and between _____, (hereinafter referred to as the "Company") which is a franchisee under a franchise agreement with The Coder School San Francisco, LLC (the "Franchisor") and _____, who is or is about to become a Manager or employee, or a contractor of the Company, (hereinafter referred to as the "Recipient").

WHEREAS, the Company possesses certain confidential information pertaining to its businesses, and the Franchisor's business; and,

WHEREAS, the Recipient may, from time to time, receive a disclosure of such confidential information from the Company or its agents, consultants or affiliates or the Franchisor for the purpose of enabling the Recipient to perform its duties, and,

THEREFORE, the Recipient agrees to hold in confidence and to refrain from the unauthorized use of Confidential Information (as hereinafter defined) as set forth below:

1. Confidential Information.

(a) As used herein, "Confidential Information" means information about the Company, and the franchised business, and all information received from the Franchisor, in whatever format, furnished to the Recipient pursuant to his or her employment or as a result of such employment, by or on behalf of the Company, including, but not limited to, information regarding policies and procedures; concepts; tools; techniques; contracts; business records; marketing information and plans; demographic information; operations; basic store inventory; sales; costs; employees; vendors; suppliers; expansion plans (e.g. existing, and entry into new, geographic and/or product markets); location of stores and offices (including proposed locations); lawsuits and/or claims; management philosophy; customer lists; rental activity reports; sell-through activity reports; and confidential information received from third parties pursuant to a confidential disclosure agreement,

(b) Confidential Information does not include information that (i) was available to the public prior to the time of disclosure, (ii) becomes available to the public through no act or omission of the Recipient, or (iii) communicated rightfully to Recipient free of any obligation of nondisclosure and without restriction as to its use. Recipient shall bear the burden of demonstrating that the information falls under one of the above-described exceptions.

2. Non-Use and Non-Disclosure.

Recipient agrees to (i) hold the Confidential Information in confidence and refrain from disclosing Confidential Information, or transmitting any documents or copies containing Confidential Information, to any other party except as permitted under the terms of this Agreement, (ii) use the Confidential Information only to assist the Recipient in performing such Recipient's duties, and will not disclose any of it except to the Recipient's directors, officers,

employees and representatives (including outside attorneys, accountants and consultants) (collectively its "Representatives") who need such information for the purpose of performing the Recipient's duties (and the Recipient shall require such Representatives to agree to be bound by the provisions of this Agreement and the Recipient shall be responsible for any breach of the terms of this Agreement by its Representatives). Recipient shall use at least the standard of care with respect to protecting the Confidential Information that it accords or would accord its own proprietary and confidential information.

3. Ownership and Implied Rights.

All Confidential Information shall remain the exclusive property of the Company or the Franchisor and nothing in this Agreement, or any document, or any course of conduct between the Company and the Recipient, shall be deemed to grant the Recipient any rights in or to the Confidential Information, or any part thereof.

4. Restrictions on Copying.

Recipient shall not make any copies of any Confidential Information, except as may be strictly necessary for Recipient to perform its duties. Any copies made by Recipient shall bear a clear stamp or legend indicating their confidential nature. Recipient shall not remove, overprint or deface any notice of copyright, trademark, logo, or other notices of ownership from any originals or copies of Confidential Information.

5. Return of Materials.

At the request of the Company at any time, and upon termination of Recipient's employment or contractor relationship, the Recipient shall promptly return to the Company all Confidential Information that may be contained in printed, written, drawn, recorded, computer disk or any other form whatsoever which is in the possession or control of the Recipient or the location of which is known by the Recipient, including all originals, copies, reprints and translations thereof and any notes prepared by the Recipient or its Representatives in connection with the Confidential Information.

6. Breach.

(a) In the event of Recipient's breach of its obligations under this Agreement or any other agreement with the Company, Company shall have the right to (i) demand the immediate return of all Confidential Information, (ii) recover its actual damages incurred by reason of such breach, including, but not limited to, its attorneys' fees and costs of suit, (iii) obtain injunctive relief to prevent such breach or to otherwise enforce the terms of this Agreement, and (iv) pursue any other remedy available at law or in equity.

(b) The Recipient recognizes that the Company would suffer irreparable harm for which it would not have an adequate remedy at law if the Recipient were to violate the covenants and agreements set forth herein. Accordingly, the Recipient agrees that the Company shall be entitled to specific performance and injunctive relief as remedies for any such breach and that, in such event, no bond shall be required. This remedy shall be in addition to any other remedy available at law or in equity.

7. Governing Law.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN STRICT ACCORDANCE WITH THE SUBSTANTIVE LAW OF THE STATE OF CALIFORNIA (OR THE STATE THE COMPANY IS LOCATED IF NOT CALIFORNIA) WITHOUT REFERENCE TO CONFLICT OF LAW RULES. THE RECIPIENT HEREBY CONSENTS TO THE JURISDICTION OF SUCH **COURTS AND ANY PROCEEDING ARISING BETWEEN THE PARTIES HERETO IN ANY MANNER PERTAINING OR RELATED TO THIS AGREEMENT SHALL TO THE EXTENT PERMITTED BY LAW, BE HELD IN ACCORDINGLY.**

8. Waiver; Severability.

Any failure on the part of the Company to insist upon the performance of this Agreement or any part thereof, shall not constitute a waiver of any right under this Agreement. No wavier of any provision of this Agreement shall be effective unless in writing and executed by the party waiving the right. If any provision of this Agreement, or the application thereof to any person or circumstance shall, for any reason or to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

9. Accuracy of Confidential Information.

(a) The Company makes no representation or warranty as to the accuracy or completeness of the Confidential Information. Neither the Company nor any of the officers, directors, employees, agents, advisors, legal counsel or other representatives or affiliates thereof, shall be subject to any liability resulting from the use of the Confidential Information by the Recipient and its Representatives.

(b) The Recipient acknowledges that the restrictions set forth herein are fair and reasonable and are necessary in order to protect the business of the Company and the confidential nature of the Confidential Information. The Recipient further acknowledges that the Confidential Information is unique to the business of the Company and would not be revealed to Recipient were it not for its willingness to agree to the restrictions set forth herein.

10. Applicability.

The terms, conditions and covenants of this Agreement shall apply to all business dealings and relations between the Company and the Recipient.

RECIPIENT	THE COMPANY (FRANCHISEE):
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT H

TO

FRANCHISE DISCLOSURE DOCUMENT

GENERAL RELEASE

(See Attached)

GENERAL RELEASE

This General Release ("Release") is made and entered into on this _____ day of _____, 20__ by and between The Coder School San Francisco, LLC ("Franchisor") and _____ ("Franchisee") with regard to the following Recitals.

RECITALS

WHEREAS, Franchisor and Franchisee are parties to theCoderSchool Franchise Agreement (the "Franchise Agreement") dated _____, 20__, granting Franchisee the right to operate theCoderSchool business under Franchisor's proprietary marks and system at the following location: _____:

WHEREAS, Franchisee is requesting Franchisor's consent to a transfer, or requesting a renewal term or requesting Franchisor's consent to _____; and Franchisor is willing to grant such consent in consideration for Franchisee signing this Release.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Release, and other good and valuable consideration, receipt of which is hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

Franchisee, for itself and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasors"), irrevocably and absolutely releases and forever discharges Franchisor and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the "Releasees"), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Franchise Agreement, the business operated under the Franchise Agreement, and/or any other agreement between any of the Releasees and any of the Releasors.

The Releasors, and each of them, also covenant not to sue or otherwise bring a claim against any of the Releasees regarding any of the claims being released under this Release.

Franchisee hereby waives the provisions of California Civil Code section 1542, which provides:

> *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.*

And any other similar provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this Release as of the date first above written.

THE CODER SCHOOL SAN FRANCISCO, LLC	**FRANCHISEE**
By:_____	By:_____
Title:_____	Title:_____

EXHIBIT I

TO

FRANCHISE DISCLOSURE DOCUMENT

STATE ADDENDA

(See Attached)

THE CODER SCHOOL SAN FRANCISCO, LLC

MULTI-STATE ADDENDUM TO
DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

CALIFORNIA

Item 17. Item 17 of the disclosure document is amended to provide as follows:

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

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

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

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

The Franchise Agreement requires binding arbitration. The arbitration will occur in Orange County, California with the costs being borne equally by both parties. Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement that restricts venue to a forum outside of California.

YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31505). BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043).

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

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEB SITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEB SITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at **www.dfpi.ca.gov.**

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.

No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

HAWAII

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The Department of Commerce and Consumer Affairs has imposed a financial condition. The Franchisor has agreed to defer the collection of all initial fees in Hawaii until the Franchisor has performed all of its pre-opening obligations to the Franchisee and the Franchisee has commenced doing business. Therefore, you would instead pay the initial franchise fees described in Item 5 to the Franchisor when your business opens. However, you would still be required to enter into a franchise agreement in order to be granted a franchise.

ILLINOIS

Item 5 and Item 7 of the disclosure document and section 4.1 of the franchise agreement are hereby amended to add: The initial franchise fee is deferred until the Franchisor has completed all of its pre-opening obligations and the franchisee is open for business. The Illinois Attorney General imposed the deferral requirement because of the Franchisor's financial condition.

Pursuant to Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any Franchise Agreement to waive compliance with any provision of the Act or other law of the State is void.

Notwithstanding anything in the Disclosure Document or Franchise Agreement the conditions under which the Franchise can be terminated and your rights upon non-renewal may be affected by Illinois law, specifically the Illinois Franchise Disclosure Act (815 ILCS 705/1-44).

Notwithstanding the provisions of Franchise Agreement, any arbitration or litigation may be held in Illinois.

The Franchise Agreement, specifically including matters within the purview of the Illinois Franchise Disclosure Act (815 ILCS 705/1-44), is governed by and construed under the laws of the State of Illinois.

FRANCHISEE:

Individual(s)

By: _____

Its: _____

Date: _____

Franchisee entity, if any:

By: _____

Its: _____

Date: _____

FRANCHISOR:

THE CODER SCHOOL SAN FRANCISCO, LLC

By: _____

Its: _____

Date: _____

MARYLAND AMENDMENT TO FRANCHISE DISCLOSURE DOCUMENT

Item 5: Item 5 of the disclosure document and the franchise agreement are hereby amended to add: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Item 17: Item 17 of the disclosure document is amended to provide as follows:

The Franchise Agreement provides for termination if you are insolvent under any applicable state or federal law. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 et seq.).

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

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

MARYLAND AMENDMENT TO FRANCHISE AGREEMENT

Initial Fees. The franchise agreement is hereby amended to add: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Release. Sections 2 and 14 of the Franchise Agreement are amended to add, "Any release required as a condition of assignment or renewal will not apply to liability under the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law").

Consent to Jurisdiction. Section 26 of the Franchise Agreement is amended to add, " The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

Statute of Limitations. Section 26 of the Franchise Agreement is amended to add, "Notwithstanding the anything to the contrary herein, any limitation on the period of the time arbitration and/or litigation claims must be brought shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing claims arising under the Maryland Franchise Law."

Acknowledgments. Section 27 of the Franchise Agreement is amended to add, "All representations requiring a prospective franchisee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.'

The Franchise Disclosure Questionnaire is hereby amended to add: "All representations requiring a prospective franchisee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.'

FRANCHISEE:

Individual(s)

By: _____

Its: _____

Date: _____

FRANCHISOR:

THE CODER SCHOOL SAN FRANCISCO, LLC

By: _____

Its: _____

Date: _____

Franchisee entity, if any:

By: _____

Its: _____

Date: _____

MINNESOTA

Item 13. Item 13 of the disclosure document is amended to include the following language:

We will indemnify you for damages for which you are held liable in any proceeding arising out of the use of our marks provided you have used the Marks properly and have notified us of any claim against you within 10 days of your knowledge of the claim. Our indemnification obligation will not apply to any franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

Item 17. Item 17 of the disclosure document is amended to include the following: "Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes Section 80C.14, subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minnesota Statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. To the extent a dispute is subject to litigation, nothing in the disclosure document or Franchise Agreement can eliminate or reduce any of your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

The Franchise Disclosure Document and Franchise Agreement are amended as follows: “Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release."

Indemnification. The Franchise Agreement is amended to include the following language:

Franchisor will indemnify a Minnesota franchisee for damages for which such franchisee is held liable in any proceeding arising out of the use of the "Play N Trade" mark, provided that the franchisee has used the mark properly and has notified Franchisor of any claim against the franchisee within ten (10) days of the franchisee's knowledge of such claim. Franchisor's indemnification obligation will not apply to any franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

Application of Minnesota Law. The Franchise Agreement are amended by adding the following: "Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes Section 80C.14, subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement."

Limitations of Claims. The Franchise Agreement is amended to include the following language:

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

Governing Law and Consent to Jurisdiction. The Franchise Agreement are amended by adding the following provision at the end of each Section: "Under Minnesota Statutes Section 80C.21, this section will not in any way abrogate or reduce any rights of you as provided for in Minnesota Statutes, Chapter 80C, including the right to submit non-arbitrable matters to the jurisdiction of the courts in Minnesota. Minnesota statutes Section 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota."

No Statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 with the franchise

FRANCHISEE:

Individual(s)

By: _____

Its: _____

Date: _____

Franchisee entity, if any:

By: _____

Its: _____

Date: _____

FRANCHISOR:

THE CODER SCHOOL SAN FRANCISCO, LLC

By: _____

Its: _____

Date: _____

NEW YORK

The following information amends the Franchise Disclosure Document or Franchise Agreement, as indicated, for franchisees in New York.

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

> INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE OFFERING CIRCULAR IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINICIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following information is to be added to ITEM 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or

proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" section of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law": The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

Sections of the Franchise Disclosure Document and Franchise Agreement containing covenants restricting competition may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement require resolution of disputes to be outside North Dakota. The Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. As a result, these provisions may not be enforceable, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to the waiver of a trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damage not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to sign a general release upon renewal of the franchise agreement may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

The Franchise Disclosure Document and the Franchise Agreement require arbitration to be outside North Dakota. The Commissioner has held that requiring franchisees to consent to arbitration that is remote from the site of the franchisee's business is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. As a result, this provisions may not be enforceable, and is amended accordingly to the extent required by law.

VIRGINIA

Item 5. Item 5 of the disclosure document is amended to include the following:

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

The following statements are added to Item 17.h.:

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

The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial paymnts owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WASHINGTON

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND RELATED AGREEMENTS

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

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

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

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

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

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

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

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

Exhibit H to the Franchise Disclosure Document is amended to state that the General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

_____	_____
FRANCHISOR	FRANCHISEE

THE CODER SCHOOL SAN FRANCISCO, LLC

MULTI-STATE ADDENDUM TO DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

SIGNATURE PAGE

THIS MULTI-STATE ADDENDUM SHALL APPLY TO THE FRANCHISE AGREEMENT FOR ANY FRANCHISEE RESIDING IN ANY STATE WHICH THE ABOVE PROVISIONS AMEND.

FRANCHISEE:

Individual(s)

By:_____

Its:_____

Date:_____

Franchisee entity, if any:

By:_____

Its:_____

Date:_____

FRANCHISOR:

THE CODER SCHOOL SAN FRANCISCO, LLC

By:_____

Its:_____

Date:_____

EXHIBIT J

TO FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

State Effective Dates

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

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

California	Effective Date:	(Pending)
Hawaii	Effective Date:	(Pending)
Illinois	Effective Date:	(Pending)
Indiana	Effective Date:	(Pending)
Maryland	Effective Date:	(Pending)
Michigan	Effective Date:	(Pending)
Minnesota	Effective Date:	(Pending)
New York	Effective Date:	(Pending)
Virginia	Effective Date:	(Pending)
Washington	Effective Date:	(Pending)

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

EXHIBIT K

TO

FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

(See Attached)

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If The Coder School San Francisco, LLC offers you a franchise, it must provide this disclosure document to you at least 14 calendar days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale. New York, Michigan and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If The Coder School San Francisco, 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 your state agency listed in Exhibit A.

We authorize the agents listed in Exhibit B to receive service of process on its behalf. The franchise seller(s) offering this franchise is/are below:

- Jackson Hansel Lynn, 3441 Alma Street, Suite, Palo Alto, California 94306
- Wayne Teng, 3441 Alma Street, Suite, Palo Alto, California 94306

Issuance Date: March 1, 2023

I have received a Franchise Disclosure Document effective as set forth in the State Effective Dates exhibit that included the following exhibits:

A	List of State Administrators	E	Financial Statements
B	List of Agents for Service of Process	F	theCoderSchool Franchise Agreement (with exhibits 1-4)
C	Table of Contents for Manual	G	Confidentiality and Non-Disclosure Agreement
D-1	Current Franchisees	H	General Release
D-2	Franchise Agreements Signed But Units Not Open as of December 31, 2021	I	State Addenda
D-3	Former Franchisees	J	State Effective Dates
D-4	Company Owned Locations	K	Receipts

Date	Prospective Franchisee	Print Name
Date	Prospective Franchisee	Print Name

PLEASE SIGN AND DATE THIS PAGE AND RETAIN THIS PAGE IN YOUR POSSESSION AS PART OF YOUR RECORDS.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If The Coder School San Francisco, LLC offers you a franchise, it must provide this disclosure document to you at least 14 calendar days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale. New York, Michigan and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If The Coder School San Francisco, 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 your state agency listed in Exhibit A.

We authorize the agents listed in Exhibit B to receive service of process on its behalf. The franchise seller(s) offering this franchise is/are below:

- Jackson Hansel Lynn, 3441 Alma Street, Suite, Palo Alto, California 94306
- Wayne Teng, 3441 Alma Street, Suite, Palo Alto, California 94306

Issuance Date: March 1, 2023

I have received a Franchise Disclosure Document effective as set forth in the State Effective Dates exhibit that included the following exhibits:

A	List of State Administrators	E	Financial Statements
B	List of Agents for Service of Process	F	theCoderSchool Franchise Agreement (with exhibits 1-4)
C	Table of Contents for Manual	G	Confidentiality and Non-Disclosure Agreement
D-1	Current Franchisees	H	General Release
D-2	Franchise Agreements Signed But Units Not Open as of December 31, 2021	I	State Addenda
D-3	Former Franchisees	J	State Effective Dates
D-4	Company Owned Locations	K	Receipts

Date	Prospective Franchisee	Print Name
Date	Prospective Franchisee	Print Name

PLEASE REMOVE THIS PAGE, SIGN AND DATE ABOVE, AND RETURN IT TO: THE CODER SCHOOL SAN FRANCISCO, LLC, 3411 ALMA STREET, SUITE 150, PALO ALTO, CALIFORNIA 94306