## FRANCHISE DISCLOSURE DOCUMENT



Soccer Shots Franchising, LLC A Pennsylvania Limited Liability Company 1020 South Eisenhower Blvd. Middletown, PA 17057 (717) 616-8587 www.soccershotsfranchising.com

Soccer Shots Franchising, LLC offers franchises for an elective youth soccer education program that teaches and promotes soccer and character development to children, primarily ages 2 to 8 at various locations, including childcare centers, preschools, parks and community centers, camps or after school or summer programs (the "Soccer Shots Businesses").

The total investment necessary to begin operation of a Soccer Shots franchise ranges from \$42,950 to \$54,300. This includes \$36,508.33 to \$36,600 that must be paid to the franchisor or an 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 different formats, contact us, Attn: Franchise Department at 1020 South Eisenhower Blvd., Middletown, PA 17057, 717-616-8587.

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 more 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.

The issuance date of this Disclosure Document is April 2, 2024

# 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 F and F-1.
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 A 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 SOCCER SHOTS 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 SOCCER SHOTS franchisee?	Item 20 or Exhibits F and F-1 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

<u>Continuing responsibility to pay fees</u>. 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.

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

**<u>Renewal</u>**. 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 D.

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:

- 1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Pennsylvania. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Pennsylvania than in your own state.
- 2. <u>Mandatory Minimum Payments</u>. You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
- 3. <u>Mandatory Minimum Sales Levels</u>. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

#### THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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

1. Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

2. A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause shall include the failure of the franchise to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

3. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchise is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

4. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

5. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

6. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(a) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(b) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(c) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(d) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

7. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

8. A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, Oregon ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General CONSUMER PROTECTION DIVISION Attention: Franchise G. Mennen Williams Building 525 West Ottawa, 1st Floor Lansing, Michigan 48909 Telephone Number: (517) 373-7117

# **TABLE OF CONTENTS**

ITEM 1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND	
	AFFILIATES	1
ITEM 2	BUSINESS EXPERIENCE	4
ITEM 3	LITIGATION	5
ITEM 4	BANKRUPTCY	6
ITEM 5	INITIAL FEES	7
ITEM 6	OTHER FEES	7
ITEM 7	ESTIMATED INITIAL INVESTMENT	12
ITEM 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	15
ITEM 9	FRANCHISEE'S OBLIGATIONS	19
ITEM 10	FINANCING	20
ITEM 11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS,	
	AND TRAINING	20
ITEM 12	TERRITORY	27
ITEM 13	TRADEMARKS	29
ITEM 14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	31
ITEM 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE	
	FRANCHISE BUSINESS	32
ITEM 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	33
ITEM 17	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	34
ITEM 18	PUBLIC FIGURES	38
ITEM 19	FINANCIAL PERFORMANCE REPRESENTATIONS	38
ITEM 20	OUTLETS AND FRANCHISEE INFORMATION	54
ITEM 21	FINANCIAL STATEMENTS	61
ITEM 22	CONTRACTS	61
ITEM 23	RECEIPTS	61

# **EXHIBITS**

EXHIBIT A	FINANCIAL STATEMENTS
EXHIBIT B	FRANCHISE AGREEMENT
EXHIBIT C	STATE ADDENDA
EXHIBIT D	STATE ADMINISTRATORS & AGENTS FOR SERVICE OF PROCESS
EXHIBIT E	TABLE OF CONTENTS FOR BRAND STANDARDS MANUAL
EXHIBIT F	LIST OF FRANCHISEES
EXHIBIT F-1	LIST OF FORMER FRANCHISEES
EXHIBIT G	STATE EFFECTIVE DATES PAGE
EXHIBIT H	RECEIPTS

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

To simplify the language in this Disclosure Document, "we," "us," and "our" will mean Soccer Shots Franchising, LLC. "You" or "your" in this Disclosure Document means the person who acquires the franchise and shall include all partners, shareholders, members, managers, officers and directors of the entity, if the entity is a corporation, limited liability company, partnership or other entity.

#### The Franchisor

Jeremy Sorzano and Jason Webb are our founders. We were formed in Pennsylvania on January 15, 2005. Our principal business address is 1020 South Eisenhower Blvd., Middletown, PA 17057. We operate only under its corporate name and offers goods and services under the Soccer Shots trademarks and service marks and related logos (collectively, the "**Marks**"), as we may change and supplement over time.

We have offered Soccer Shots Franchises since February 1, 2005. We have never offered franchises in any other line of business. We do not conduct any business other than the operation of the Soccer Shots franchise system.

Exhibit D is the list of State Administrators and Agents for Service of Process.

## **Our Parents and Affiliates**

Our direct parent is SS Acquisition LLC, a Delaware limited liability company formed on December 8, 2021 and its principal business address is 401 E. City Avenue #220 Bala Cynwyd, PA 19004. SS Acquisition LLC has never offered franchises or licenses in any line of business and does not provide products or services to franchisees.

SS Acquisition LLC is wholly-owned by Stronger Youth Brands Holdings, LLC, a Delaware limited liability company formed on December 15, 2021 and its principal business address is 401 E. City Avenue #220, Bala Cynwyd, PA 19004. Stronger Youth Brands Holdings, LLC has never offered franchises or licenses in any line of business and does not provide products or services to franchisees.

Stronger Youth Brands Holdings, LLC is ultimately controlled by Susquehanna Private Capital Global Fund II, LLP, a Delaware limited liability partnership formed on December 9, 2019 ("Susquehanna"), which purchased a majority ownership interest in us through an investment in Stronger Youth Brands Holdings, LLC, SS Acquisition, LLC and certain of our affiliated entities effective December 31, 2021. The current principal business address for Susquehanna is 401 E. City Ave., Bala Cynwyd, PA 19004.

Susquehanna has never operated nor franchised any businesses, but is the indirect parent of Main Line Brands LLC, a Delaware limited liability company originally formed as Authority Franchising, LLC on September 10, 2020, and which changed its name to Main Line Brands LLC effective on March 18, 2021. Main Line Brands LLC has offered franchises for the "Mosquito Authority" and "Pest Authority" brands since October 2020.

In May 2022, Main Line Brands LLC purchased all the outstanding stock in both Proexco, LLC, a Pennsylvania limited liability company formed on October 14, 2011 ("Proexco"), and DP and Partners, LLC, a Pennsylvania limited liability company formed on April 28, 2020 ("DP"). Proexco was the franchisor for the Fitness Machine Technician franchise system in the United States from 2012 (originally under the name "Exertech" before rebranding in 2015 as "Fitness Machine Technicians FMT") ("FMT")

until May 2023 when Main Line Brands LLC became the franchisor for FMT franchises in the United States. FMT franchises are businesses that provide maintenance and repair services for exercise equipment under the name and mark "FMT" or "Fitness Machine Technicians FMT". DP was the franchisor for the FMT franchise system in Canada since from late 2020 to September 2023 when Main Line Brands LLC became the franchisor for FMT franchises in Canada. Main Line Brands, Proexco and DP share a principal business address at 134 Pennsylvania Ave., Malvern, Pennsylvania 19355.

Our wholly-owned subsidiary, Soccer Shots IP LLC, a Pennsylvania limited liability company, was formed on March 10, 2016 and its principal place of business is 1020 South Eisenhower Blvd., Middletown, PA 17057. Soccer Shots IP LLC is the owner of the Marks and has licensed to us the right to use, and sublicense the use of, the Marks. Soccer Shots IP LLC has never offered franchises or licenses in any line of business and does not provide products or services directly to franchisees.

Our affiliate, COUS, LLC, a Pennsylvania limited liability company, was formed on October 21, 2013. It is a wholly owned subsidiary of SS Acquisition, LLC with a principal place of business is 1020 South Eisenhower Blvd., Middletown, PA 17057. Effective as of December 31, 2021, COUS, LLC became the majority owner of 12 company-affiliated Soccer Shot Businesses in Maryland, Virginia, Washington D.C. and Tennessee.

On October 21, 2022, our affiliate, Little Kickers Canada Management ULC, a British Columbia unlimited liability company and wholly owned subsidiary of SS Acquisition, LLC with a principal place of business at 401 City Ave., Bala Cynwyd, PA 19004, purchased all of the issued and outstanding shares in the capital of Little Kickers International Holdings ULC, which with its subsidiaries and, following a post-closing reorganization, its affiliates, owns, operates and franchises the Little Kickers system in the United Kingdom, Canada and certain other countries in the world. Little Kickers is a youth soccer development franchise that offers classes, camps, leagues and parties for children ages 18 months to 9 years old. Our affiliate Little Kickers franchises in the United Kingdom and certain other countries in the world since 2004. Our affiliate Little Kickers franchises in the United Kingdom and certain other countries in the world since 2004. Our affiliate Little Kickers Canada Operations ULC, a British Columbia unlimited liability company formed on January 3, 2023, became the direct franchisor for Little Kickers franchises in Canada on January 6, 2023.

We have no predecessors or other parents or affiliates required to be disclosed in this Disclosure Document.

## **Soccer Shots Foundation**

Soccer Shots Foundation is a 501(c)(3), designed as a vehicle to receive and distribute funds to non-profit organizations and individuals working with children and for the benefit of children. Presently, our owners and vendor partners contribute to the Soccer Shots Foundation. From time to time, we may ask you to participate in fundraising for the Soccer Shots Foundation. However, the Soccer Shots Foundation is currently not consumer-facing.

## **The Franchise Offered**

We offer to qualified individuals or other entity a franchise granting the right to establish and operate a Soccer Shots Business that offers an elective youth soccer education program that teaches and promotes soccer and character development to children, primarily ages 2 to 8, at various locations, including childcare centers, preschools, parks and community centers, camps or after school or summer programs, as further defined in the Brand Standards Manual (as defined in Item 8) (collectively, the "**Franchise**"). You

will operate your Franchise within a defined territory (a, "**Territory**") and according to the terms of the franchise agreement attached to this Disclosure Document as Exhibit B (the "**Franchise Agreement**").

You will operate the Franchise according to our distinctive operating systems, marketing systems, business formats, business techniques, and methods, processes, standards, specifications, policies and procedures for providing youth soccer education programs with our proprietary curriculum that teaches and promotes soccer and features fun warm-ups, soccer skill lessons, games that apply the skills, scrimmages and words of the day, as well as teaching important life lessons such as teamwork and honesty, for children ages 2 to 8, using soccer equipment and program aids, including items of trade dress and sales, leadership and management training for the development and operation of Soccer Shots Businesses, all as the same may exist today or as the same may change from time to time, operating under the Marks and as specified in the Brand Standards Manual or as otherwise reasonably directed by us from time to time ("**System**").

## **Market and Competition**

We believe the market for soccer education, specifically to children ages 2 to 8, is growing, primarily due to the importance of developing active lifestyle habits at an early age. You will compete with other educational and sports-related programs in your area such as dance, gymnastics, foreign language, music, computer and other elective programs. These programs may be offered at childcare centers, preschools, community parks, churches, community gyms, summer camps, or other locations on a year-round basis. Your ability to offer the Program outdoors in some areas may be limited by seasonal weather conditions.

## **Industry-Specific Laws and Regulations**

You must comply with federal and state laws regarding the protection of children, including, without limitation, daycare and preschool regulations relating to employees and background checks. The laws vary from state to state and may require you to conduct a criminal or police record check on each instructor and/or require the instructor to be fingerprinted. We are unaware of any other laws or regulations specific to the soccer education program industry.

You must comply with all laws and regulations pertaining to the operation of a Business as well as those laws and regulations applicable to businesses in general, including those described above, labor laws, workers' compensation laws, business licensing laws and tax regulations, data protection (such as credit card data protection under the FACTA) and privacy laws.

We do not assume any responsibility for advising you on these regulatory or legal matters. You should consult with your attorney or other qualified advisor about laws and regulations that may affect your Franchise.

#### ITEM 2 BUSINESS EXPERIENCE

#### **Chief Executive Officer: Justin Bredeman**

Justin Bredeman has served as our CEO since October 2009, and previously served as our president from May 2009 to October 2009. Mr. Bredeman has also served as CEO of our parents SS Acquisition LLC and Stronger Youth Brands Holding, LLC and CEO of our affiliates COUS, LLC and Soccer Shots IP, LLC since January 2022, and as CEO of our affiliates Little Kickers Canada Management ULC and Little Kickers Franchising Ltd. since October 2022. Mr. Bredeman owned and operated Soccer Shots Business, in Lancaster/Lebanon/Berks County Pennsylvania from August 2005 to March 2014.

## President: Kevin Stumpf

Kevin Stumpf has been our President since August 2021. Mr. Stumpf has also served as President of our parents SS Acquisition LLC and Stronger Youth Brands Holding, LLC and President of our affiliates COUS, LLC and Soccer Shots IP, LLC since January 2022, and as President of our affiliates Little Kickers Canada Management and ULC Little Kickers Franchising Ltd. since October 2022. From December 2019 to August 2021, Kevin served as our Chief Financial Officer. From March 2018 to December 2019, Mr. Stumpf served as Vice President, Sports & Attractions with Hershey Entertainment & Resorts, in Hershey, Pennsylvania. From October 2011 to March 2018, Mr. Stumpf served as General Manager, Attractions & Entertainment for Hershey Entertainment & Resorts, in Hershey, Pennsylvania.

#### Founder, Vice President of Strategic Partnerships: Jason Webb

Jason Webb is our cofounder and has served as our Vice President of Strategic Partnerships since January 2015. Mr. Webb has also served as Vice President of Strategic Partnerships of our parents SS Acquisition LLC and Stronger Youth Brands Holding, LLC since January 2022. Since 2002, Mr. Webb has been the Managing Partner of Soccer Pals, LLC, which operates Soccer Shots Businesses in Harrisburg and York, Pennsylvania.

## Vice President: Kyle Squillario

Mr. Squillario has been our Vice President since January 2022. Mr. Squillario has also served as Vice President of our parents SS Acquisition LLC and Stronger Youth Brands Holding, LLC and Vice President of our affiliates COUS, LLC and Soccer Shots IP, LLC since January 2022, and as Director and Vice President of our affiliates Little Kickers Canada Management and ULC Little Kickers Franchising Ltd. since October 2022. Since January 2020, Mr. Squillario has also been a Partner at Susquehanna Private Capital in Bala Cynwyd, Pennsylvania. From March 2017 to December 2019, Mr. Squillario was a Director at Susquehanna Private Capital in Bala Cynwyd, Pennsylvania. From September 2013 to March 2017, Mr. Squillario was Vice President, Private Equity for TZP Group in New York, New York.

## **Executive Director: Camilo Beltran**

Mr. Beltran has been our Executive Director since January 2022. Mr. Beltran has also served as Executive Director of our parents SS Acquisition LLC and Stronger Youth Brands Holding, LLC and Executive Director of our affiliate Soccer Shots IP, LLC since January 2022. Mr. Beltran has also been Executive Director of our affiliate COUS, LLC since June 2012.

#### Vice President Marketing & Communications: Megan Bruton

Megan Bruton has been our Vice President of Marketing and Communications since June 2021, and beginning in January 2023 she began performing similar services for our affiliates Little Kickers Franchising Ltd and Little Kickers Canada Operations ULC. Since February 2018, Megan has also served as founder and Majority Owner of Charred Brands, LLC and Estrella Tacos y Mas in Downingtown, Pennsylvania. From March 2016 to June 2018, Megan served as Chief Marketing Officer for Insomnia Cookies in Newtown Square, Pennsylvania.

#### Director, Franchise Development: Matt Crist

Matt Crist has served as our Director of Franchise Development since December 2015, and beginning in January 2023 he began performing similar services for our affiliates Little Kickers Franchising Ltd and Little Kickers Canada Operations ULC.

#### ITEM 3 LITIGATION

#### Pending

None.

#### Concluded

In Re: Franchise No Poaching Provisions (Soccer Shots Franchising, LLC), Case N0. 19-2-28301-7 SEA. On or about October 28, 2019, we entered into an Assurance of Discontinuance with the State of Washington in which we agreed we (1) will no longer include no-poaching provisions in any of our future U.S. franchise agreements; (2) will continue not enforcing no-poaching provisions in any our existing franchise agreements, and will not seek to intervene or defend in any way the legality of any no-poaching provision in any litigation in which a franchisee may claim third-party beneficiary status rights to enforce an existing no-poaching provision; (3) we will notify all of our U.S franchisees of the entry into the Assurance of Discontinuance with the State, and provide them a copy of the AOD upon request; (4) notify the Attorney General's Office of any effort by a franchisee in Washington to enforce any existing no-poaching provision; and (5) exercise all reasonable commercial efforts to amend all existing franchise agreements with entities in Washington to remove any no-poaching provisions in our existing franchise agreements. On January 2, 2020, we confirmed in writing our compliance with the Assurance of Discontinuance to the State of Washington.

#### Disclosures Regarding an Affiliated Franchise Programs

The predecessor to our affiliate Main Line Brands, LLC (who offers franchises for Mosquito Authority and Pest Authority businesses) resolved actions brought against it with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

In the Matter of TMA Franchise Systems, Inc., Case No. 2013-0198. On August 21, 2013, TMA entered into a Consent Order with the Securities Division of the Office of the Attorney General of Maryland to resolve alleged violations of the Maryland Franchise Registration and Disclosure Law. Specifically, the Maryland Securities Division alleged that TMA sold two franchises in Maryland without being registered to sell franchises there, and in addition, that TMA did not provide the two franchisees with franchise disclosure documents prepared in accordance with the Maryland Franchise law. We cooperated fully with

the state's investigation of this matter. By the terms of the Consent Order, TMA agreed to i) permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law; ii) submit an initial franchise application in accordance with the Maryland Franchise law and diligently pursue the application's registration; and, iii) offer rescission to our Maryland franchisees in accordance with the terms of the Consent Order.

In the Matter of TMA Franchising, Inc. On October 9, 2013, TMA entered into a Consent Agreement with the Rhode Island Department of Business Regulation to resolve alleged violations of the Rhode Island Franchise Investment Act. Specifically, the Rhode Island Department of Business Regulation alleged that TMA sold two franchises in Rhode Island without being registered to sell franchises there, and in addition, that TMA did not provide the two franchisees with franchise disclosure documents prepared in accordance with the Rhode Island franchise law. We cooperated fully with the state's investigation of this matter. By the terms of the Consent Agreement, TMA agreed to submit an initial franchise application in accordance with Rhode Island franchise law, provide an offer of rescission to the two Rhode Island franchisees, and pay an administrative fee of \$5,000 to the Rhode Island Department of Business Regulation.

In the Matter of TMA Franchise Systems, Inc. d/b/a The Mosquito Authority and Joseph D. Osborne, Case No. SEC-2015-00002. On June 18, 2015, TMA entered into a Settlement Order with the Virginia State Corporation Commission Division of Securities and Retail Franchising to resolve alleged violations of the Virginia Retail Franchising Act. Specifically, the Division of Securities and Retail Franchising alleged that TMA sold eleven franchises in Virginia without being registered to sell franchises there, and in addition, that TMA did not provide the franchisees with franchise disclosure documents prepared in accordance with the Virginia Franchise Act. We cooperated fully with the state's investigation of this matter. By the terms of the Settlement Order, TMA agreed to pay a monetary penalty of \$20,000 and administrative costs of \$2,500 to the Division, provide a copy of the Order to each Virginia franchisee, and refrain from violating the Virginia Franchise Act in the future.

In the Matter of TMA Franchise Systems, Inc. d/b/a The Mosquito Authority, Case No. File No. 47341. On August 11, 2017, TMA entered into a Consent Order with the Minnesota Department of Commerce to resolve allegations that TMA offered and sold an unregistered franchise in Minnesota in violation of Minn. Stat. § 80C.02 (2016). We cooperated fully with the state's investigation in this matter. By the terms of the Consent Order, TMA agreed to pay a monetary penalty of \$1,000 to the Department of Commerce, disclose this Consent Order in this Franchise Disclosure Document for a period of one year, and cease and desist from further sales in Minnesota until registered.

Other than these 4 matters, no litigation is required to be disclosed in this Item.

## ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

#### ITEM 5 INITIAL FEES

The initial franchise fee for a Franchised Business is \$36,500 (the "**Initial Franchise Fee**"). The Initial Franchise Fee covers our administrative costs, overhead, counsel fees, accounting and other expenses in connection with the execution of the Franchise Agreement and includes a \$460 credit towards our merchandise shopping cart and a \$400 credit towards our marketing shopping cart to purchase initial marketing materials, supplies and equipment, on-site sales visit by us or our representative, access to the Marks for the duration of the Franchise Agreement, access to the Operating System for the duration of the Franchise Agreement and provision of the Initial Franchise Training to 2 people. During the 2023 fiscal year, we collected full Initial Franchise Fees of \$36,500 for each new franchise sale.

In addition to the Initial Franchise Fee, you must pay us, at the time you sign the Franchise Agreement, the prorated Franchise Advisory Council fees (as defined in Item 6) of \$100. This amount is due annually on April 1 of each year. However, your first payment will be prorated for your first year based on your "Operations Start Date", which is defined as the first calendar day of the month immediately following your completion of the Initial Franchise Training as required hereunder by which you must begin marketing, offering and selling the authorized programs and services included in the System.

Other than the prorated amount of certain of the fees listed above, each of these fees are uniform for all franchisees, except as noted below for an existing franchisee purchasing an additional Franchise. All fees are payable and deemed earned upon the signing of the Franchise Agreement and are non-refundable, in whole or in part, under any circumstances, except as expressly provided below.

If you request to send additional persons to Initial Franchise Training above the included 2 attendees, we reserve the right to charge you our then-current per attendee fee, which is currently up to \$350. This fee is uniform for all franchisees, non-refundable and payable upon attendance at the Initial Franchise Training.

If we determine that you are in good standing under your current Franchise Agreement and otherwise meet our criteria to purchase an additional Franchise, and you request the right to operate an additional Franchise, we may grant your request to open an additional Franchise. The Initial Franchise Fee for an <u>additional</u> Franchise is currently 85% of the then-current Initial Franchise Fee. If we award you the right to operate an additional Franchise Fee when you sign our then-current Franchise Agreement.

Name of Fee (See	Amount	Due Date	Remarks
Note 1)			
Royalty Fee	7% of your monthly Gross Sales (but in no event less than the Minimum Royalty Fee, as defined below in Note 3).	Due monthly on previous day's Gross Sales	We may increase the Royalty Fee at any time during the term of the Franchise Agreement by up to 2 percentage points (Royalty Fee will not exceed 9% of Gross Sales). See
			Notes 2, 3 and 4.

## ITEM 6 OTHER FEES

Name of Fee (See Note 1)	Amount	Due Date	Remarks
Transfer Fee	20% of our then-current Initial Franchise Fee.	Before the assignment and consent of the Franchise Agreement is executed.	See Note 5.
Renewal Fee	<b>v</b>		See Note 6.
Additional Training or Assistance	\$0 - \$350 per diem for additional assistance, plus trainer's costs and expenses.	As incurred	See Note 7.
Attendee Additional Training Fee	\$0 - \$350 per attendee	As incurred	If you request to send additional persons to additional training programs, we reserve the right to charge you our then- current per attendee fee, which is currently up to \$350.
Local Advertising Requirement	Up to 2% of your Gross Sales.	As incurred	We reserve the right to require a local marketing spend in an annual amount up to 2% of your Gross Sales. See Note 8.
Advertising Cooperative Contribution	Up to 2% of your Gross Sales.	As incurred	We have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative advertising and marketing programs in your designated local advertising market in an annual amount up to 2% of your Gross Sales.
Brand Fund Fee	1% of your Gross Sales.	As incurred	We reserve the right to increase the fee, not to exceed 2% of your Gross Sales, and change the payment time period, which may then be due with your Royalty Fee payment.
Software License Fee	2% on first \$50,000 of Gross Sales in each calendar year; 1.75% on next \$200,000 in Gross Sales of each calendar year; 1% on next \$250,000 of Gross Sales in each	Due monthly on previous day's Gross Sales	The sliding scale begins at \$0 on January 1 of each year. We reserve the right to change the Software License Fee, but in no event will it exceed 3% of Gross Sales. See Notes 4 and 9.

Name of Fee (See Note 1)	Amount	Due Date	Remarks
	calendar year; 0.5% on next \$500,000 of Gross Sales in each calendar year; 0.25% on any Gross Sales over \$1,000,000 in each calendar year		
Franchise Advisory Council Fee	Annual fee of \$100 per Franchise.	Invoiced yearly and due upon receipt. Annual fee is prorated during the first year of operation based on the Operations Start Date, with the prorated amount due upon signing of Franchise Agreement, and full annual fee due by April 1st of each year thereafter	You must participate actively in our Franchise Advisory Council.
Non-Compliance Fees	\$250 to \$750 per contractual deviation or default.	When billed.	Due if you deviate from any contractual requirement, including our brand standards. Non-Compliance Fees compensate us for administrative and management costs, not for our damages due to your default. The fee is \$250 for the first violation, \$500 for the second violation, and \$750 for third and each subsequent violation.
Late P&L Upload Fee	\$50 for your first breach; \$100 for your second breach; \$150 for your third breach (in any consecutive 12 month period)	Payable on demand	We charge you this fee for your first, second or third breach, but may issue a Notice of Default with your fourth breach and a Notice of Termination with your fifty breach within any 12 month period.
Insurance	Cost of premium plus a reasonable fee for the expenses *only payable if we obtained required insurance coverage on your behalf	Payable on demand	We, at our option, may obtain required insurance coverage on your behalf and bill you for the corresponding amount if you fail to do so together with a reasonable fee for the expenses we incur in connection with obtaining the policies.

Name of Fee (See Note 1)	Amount	Due Date	Remarks
Audit costs	Costs incurred in conducting audit	As incurred	See Note 10.
Interest on late payments	Interest on overdue amounts from the due date until paid at the lesser of 12% interest per year or the highest lawful interest rate		Interest may be charged on any overdue payments, at the highest applicable legal rate for open account business credit in the state of your domicile, not to exceed 12.0% per annum, with that interest accruing on all late payments from the due date until all sums are fully paid.
Collection Costs	Our costs of collection for any amounts owed to us that are unpaid and overdue (including attorneys' fees and court costs)	As incurred	See Note 11.
Attorneys' Fees	Reimbursement for our attorneys' fees	As incurred	See Note 12.
Late Fee for Reports	\$50 for the first month of delinquency and \$50 for each month of delinquency thereafter	As incurred	Payable on any report not submitted by the 12 <sup>th</sup> day of each month
Returned Check and Insufficient Electronic Funds Fee	\$50 per occurrence	As incurred	You must pay this fee for any checks returned to us by our depository for lack of funds or any occurrence of insufficient electronic funds in your account.
Convention Fees	Up to \$500 for each attendee who attends our Convention		We may require your attendance at our Convention. We may also require you to pay the Convention fee regardless of attendance.

## Notes:

<sup>1</sup> All fees are imposed uniformly by, collected and are payable only to us, except as noted in the table or these notes. All fees are non-refundable. We may require you to (a) remit any or all fees via ACH or another form of electronic funds transfer (an authorization is included as Schedule B to the Franchise Agreement) or other electronic means; and (b) maintain a minimum balance on the account to allow the appropriate amount to be deducted from the account. Any charges to you by your banking institution for services relating to the ACH or other form of electronic funds transfer are your sole responsibility. We reserve the right to modify the timing, manner and method of delivery of payments due to us upon delivery of written notice to you.

- <sup>2</sup> **"Gross Sales"** include the total revenues and receipts from whatever source (whether in the form of cash, credit, barter, trade or other consideration), less any other bona fide refunds, rebates or discounts, that arise, directly or indirectly, from the operation of or in connection with your Franchised Business whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority.
- <sup>3</sup> Our Royalty Fee is currently 7% of your monthly Gross Sales. However, on the annual anniversary of the Operations Start Date, the sum of your Royalty Fees paid during the prior 12-month period must be equal to or greater than the minimum royalty fee for that period, or you will pay us the difference on or prior to 12th of the next month immediately following the end of the 12-month period. Our minimum royalty fee is as follows (the "**Minimum Royalty Fee**"):

First year of operations:	\$4,550
Second year of operations:	\$5,670
Third year of operations:	\$7,560
Fourth year of operations:	\$9,450
Fifth year of operations:	\$11,340

If we grant you the right to exercise any renewal terms, we reserve the right to increase the Minimum Royalty Fee.

- <sup>4</sup> We must receive your Royalty Fee monthly by ACH or other form of electronic funds transfer (or other similar method we designate). You must provide your monthly profit and loss statements by the 12<sup>th</sup> day of the month outlining the previous month's results. Prior to accepting enrollments at your Franchise, you must provide via our designated method the valid and accurate bank account and routing information for fee collection of Royalty Fees, Brand Fund Fees and Software License Fees, as we may designate from time to time. We are not responsible for delayed billing, and we will not extend the deadline for payment if the foregoing information is not provided in a timely manner in the form that we designate.
- <sup>5</sup> The Transfer Fee is for the training, supervision, administrative costs, overhead, counsel fees, accounting and other expenses relating to the transfer of the Franchise Agreement. The Transfer Fee does not apply to transfers from you to a wholly-owned entity where you remain the no less than the majority shareholder of such corporation or to the heirs, beneficiaries, legal successors or devises if you become deceased or incapacitated, subject to compliance with other transfer conditions outlined in the Franchise Agreement.
- <sup>6</sup> The Renewal Fee is for each renewal term of the Franchise Agreement and is for the administrative costs, overhead, counsel fees, accounting and other expenses we must pay in connection with the renewal of the Franchise Agreement, a license to use the Marks for the duration of the Franchise Agreement, and a license to use the System in connection with the operation of the Franchise for the duration of the Franchise Agreement.
- <sup>7</sup> Our then-current additional training fee is subject to change. In addition to the per diem rate, you are responsible for all our expenses incurred in providing additional assistance, including travel, lodging, and food expenses if said training is provided in your Territory. You must pay your and your attendees' expenses, including travel, lodging, and food charges, in connection with any additional training we provide at our corporate franchise support center in Middletown, Pennsylvania or another location of our choice. There also may be scheduled training sessions or events, and the fees for such sessions or events will be posted in the calendar in the Brand Standards Manual (as defined in Item 8).

- <sup>8</sup> You must aggressively advertise, market and promote your Franchise on a local basis. Accordingly, you must use best efforts to promote your Territory through local advertising, marketing and promotion and agree to expend the funds which may be necessary to accomplish this result. Payable to our approved supplier. May include posters, signs, marketing materials, flyers, and collection envelopes.
- <sup>9</sup> The Software License Fee is used to pay our costs associated with maintaining the Soccer Shots website, your individual web page, offering and maintaining the online enrollment system, and other website, technology and internet-related costs. The Software License Fee is due the same day and is paid in the same manner as the Royalty Fee.
- <sup>10</sup> You must maintain accurate business records, reports, accounts, books and data relating to the operation of the Franchise. We have the right to inspect and/or audit your business records during normal business hours. If any audit reveals that you have understated Gross Sales by 2% or more, or if you have failed to submit reports and/or remittances for any 2 reporting periods or you do not make them available when requested, you must pay the reasonable cost of the audit, including the cost of auditors and attorneys, together with amounts due for Royalty Fees, Software License Fees and other fees as a result of the understated Gross Sales, including interest from the date when the Gross Sales should have been reported.
- <sup>11</sup> If we engage an attorney to collect any unpaid amounts (whether or not arbitration or formal judicial proceedings are initiated), you must pay all of our reasonable attorneys' fees, court costs and collection expenses.
- <sup>12</sup> If you are in breach or default of any non-monetary material obligation and we engage an attorney to enforce our rights (whether or not arbitration or formal judicial proceedings are initiated), you must pay all reasonable attorneys' fees, arbitration, court costs and litigation/arbitration expenses. If you institute any legal action to interpret or enforce the terms of the Franchise Agreement, and your claim in the action is denied or the action is dismissed or we are otherwise successful in the case, we may recover our reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against the suit. In addition to legal fees for collection matters, you must reimburse us for any expenses, including actual legal fees, incurred by it to enforce any of your obligations under the Franchise Agreement, or to defend any claim, demand, action or proceeding brought against us, or based on your failure to perform your obligations under the Franchise Agreement or under an indemnification claim.

## ITEM 7 ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Estimate	High Estimate	Method Of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$36,500	\$36,500	Lump sum	Upon signing of Franchise Agreement	Us

## YOUR ESTIMATED INITIAL INVESTMENT<sup>1</sup>

Type of Expenditure	Low Estimate	High Estimate	Method Of Payment	When Due	To Whom Payment Is To Be Made
Expenses While Attending Training <sup>2</sup>	\$500	\$2,500	As incurred	As arranged	Transportation lines, hotels, restaurants, and/or other businesses
Insurance <sup>3</sup>	\$1,000	\$2,000	As arranged	As arranged	Insurance Company
Office Equipment and Office Supplies	\$0	\$2,000	As arranged	As purchased	Varies
On Field Equipment <sup>4</sup>	\$500	\$1,000	As arranged	As purchased	Us and Approved Suppliers
Branded Apparel	\$400	\$1,000	As incurred	As incurred	Approved Suppliers
Prepaid Expenses and Deposits <sup>5</sup>	\$100	\$500	As incurred	As incurred	City, county, and state governments; utility companies
Organizational Costs/ Professional Fees <sup>6</sup>	\$500	\$2,000	As incurred	As incurred	Third-party vendors
Season Prizes and Jersey Costs <sup>7</sup>	\$1,000	\$2,500	As incurred	As incurred	Approved Suppliers
Marketing Expenses <sup>8</sup>	\$100	\$100			
Additional Funds – 3 months <sup>9</sup>	\$2,350	\$4,200	As incurred	As incurred	Varies
TOTAL ESTIMATED START-UP COSTS <sup>9</sup>	\$42,950	\$54,300			

## Notes:

<sup>1</sup> We do not offer financing directly or indirectly for any part of the initial investment except as outlined in Item 10. There are no other fees to be paid by you to us to commence operation of the Franchise. Any fees paid to us are not refundable. Fees paid to any third party may be refundable, depending on the contracts, if any, between you and such third party.

<sup>2</sup> You must attend the Initial Franchise Training, which is generally 4 to 5 days in duration at our discretion, at our franchise support center in Middletown, Pennsylvania or at another location of

our choice. You and your Manager (as defined in Item 15) must attend and complete the Initial Franchise Training prior to the Operations Start Date. Training for up to 2 people is included in the Initial Franchise Fee; however, you are responsible for all expenses incurred in attending such training, including travel, lodging, and food expenses, and your employees' salaries. You are responsible for arranging transportation and paying the expenses for meals and lodging for yourself and your attendees attending the Initial Franchise Training. The amount expended will depend on several factors, including the distance you must travel and the type of accommodation you chose. Training requirements are further described in Items 6 and 11 of this Disclosure Document. The estimate assumes you will send 2 people to Initial Franchise Training lasting between 4 to 5 days. If you request to send additional persons to Initial Franchise Training above the included 2 attendees, we reserve the right to charge you our then-current per attendee fee, which is currently \$350. This charge is subject to change at our discretion.

<sup>3</sup> Prior to operating your Franchise you must purchase, and maintain at all times during the term of your Franchise Agreement, insurance that complies with our requirements. With respect to individual locations, if the insurance amount required for any location exceeds the amount specified as the maximum amount required by us for any type of insurance, that higher amount is required. If you fail to purchase or maintain the required insurance, we may, but are not obligated to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so.

The figure given is an estimate of an annual installment. The costs may vary depending on a variety of factors.

- <sup>4</sup> You may need to purchase additional on-field equipment beyond what is covered by the credits to towards our merchandise shopping cart and marketing shopping cart.
- <sup>5</sup> Prepaid expenses include security deposits, business licenses, permit costs, utility deposits and similar items.
- <sup>6</sup> Organizational costs include legal and accounting fees, incorporation costs, and other miscellaneous expenses incurred before opening.
- <sup>7</sup> The estimate in this table is for the first Season (as defined in Item 15). You can expect to incur similar costs each Season you are in operation. You must purchase and provide a jersey for every enrollment received annually and provide a Season ending prize for every enrollment at the conclusion of a Season.
- <sup>8</sup> The estimate includes the \$100 Franchise Advisory Council fee.
- <sup>9</sup> This expenditure estimates your expenses over the first 3 months of operations and assumes you will earn some revenue to cover your ongoing expenses. The amount of money for additional funds will depend heavily on the amount of revenue you earn during this initial period. These expenses include payroll costs but not any draw or salary for you. This estimate assumes you already own a vehicle and have an automobile insurance policy for that vehicle and, therefore, does not include costs related to the purchase of a vehicle and any insurance policy. The estimate also assumes that no vehicle maintenance costs will be attributed to the operation of the Franchised Business.

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We and our affiliate have spent considerable time, effort and money to develop the System. You must conform to our high and uniform standards of quality, safety, appearance and service. We anticipate that our standards will change over time. You are expected to adhere to these changes. To ensure that you maintain the highest degree of consistency, quality and service, you must operate and develop your Franchise in strict conformance with our methods, standards and specifications and obtain certain goods, services, supplies, materials, equipment and other products, only from Approved Suppliers (as defined below). Our methods, standards and specifications are prescribed in our confidential brand standards manuals and various other confidential manuals and communications prepared by us for your use in operating the Franchise (together, the "**Brand Standards Manual**").

All inventory, equipment, products and materials, and other items and supplies used in the operation of the Franchise that are not specifically required to be purchased in accordance with our Approved Suppliers List (as defined immediately below) shall conform to the specifications and quality standards in the Brand Standards Manual or as established by us. We have developed and will in the future, from time to time, continue to develop and modify these standards in order to enhance the System. Under federal and state law, background checks must be conducted on any individual who works in, or offers services to, daycare centers and preschools or works with any children signed up for your Franchise. You must provide us an official copy of a current background check conducted on you by state officials, at your expense, or we will provide you with an approved background check company that you must use, at your expense, to conduct a check before the signing of the Franchise Agreement (Section 5.D of Franchise Agreement) and again each year, as we require.

#### **Approved Supplies and Approved Suppliers**

The Initial Franchise Fee includes a credit towards our merchandise shopping cart and a credit towards our marketing shopping cart to purchase initial marketing materials, supplies and other equipment. Currently, if you need additional equipment, services or supplies, you must purchase them from us or our approved designated supplier at the then-current price in effect. In the future, we may periodically provide you with a list of manufacturers, suppliers and distributors ("**Approved Suppliers**") and inventory, products, equipment, signs, stationery, supplies, and other items or services necessary to operate the Franchise ("**Approved Supplies**") that we have approved to be carried or used in the System. We may revise the Approved Supplies and the Approved Suppliers in our discretion. None of our officers own any interest in any of our suppliers.

We reserve the right to designate a primary or single source of supply for certain products, services and supplies, and we or our affiliates may be that single source. In the event we elect to sell products to you directly, we may require payment via ACH or other form of electronic funds transfer.

The cost of equipment, marketing materials and supplies purchased in accordance with specifications or from approved suppliers constitutes 80-100% of your total purchases in connection with the establishment of your Franchise and 30-60% of the operation of your Franchise.

If you wish to purchase from suppliers other than the Approved Suppliers, or propose to use in the operation of the Franchise any brand or supply which is not then approved by us as meeting our minimum specifications and quality standards, you must follow our supplier/supply approval procedures, as set forth in the Brand Standards Manual, and obtain our prior written approval. You must give us at least 30 days' prior written notice. We may require that samples be delivered to us or our designee before our approval is given. You must pay upon demand our (or the third party's) actual costs of the testing and any related

costs/expenses (regardless of whether we grant an approval). We will usually notify you of our decision within 30 days after we receive the test results. Additional or different procedures may be required for approval of services, software or other special items. We reserve the right to revoke our approval at any time upon the supplier's failure to meet our then-current criteria. Under any circumstances, we reserve the right, at our option, to re-inspect the facilities and products of any supplier of an approved item and to revoke its approval of any item that fails to continue to meet any of our criteria.

We apply the following general criteria in approving a proposed supplier:

- 1. Product quality;
- 2. Production and delivery capability;
- 3. Integrity of supplier;
- 4. Financial condition of the supplier; and
- 5. Ability to provide a competitive price.

#### Revenue

We have not created, and are not involved in, any purchasing or distribution cooperatives. We negotiate price arrangements with our suppliers for the benefit of our franchisees. We do not provide material benefits to franchisees based on the franchisee's purchase of particular products or services or use of particular suppliers. Our suppliers do not currently make payments to us based on the purchases of franchisees but we reserve the right to receive rebates or other payments from approved suppliers, or from other suppliers, manufacturers, distributors, packagers or other service providers based on sales to Franchises and company owned Businesses. In the year ending December 31, 2023, we derived \$7,935,611 in revenue based on sales to Franchises, which was 46% of our overall revenue of \$17,199,413 according to our audited financial statements attached to this Disclosure Document.

#### **Computer System; Software; Email**

You must use or purchase a computer system (including all future updates, supplements and modifications) that meets our standards and requirements outlined in the Brand Standards Manual (the "**Computer System**"), which currently includes a laptop computer with the Internet, email, and Microsoft Office. We assume that you already own a computer that is in good working order and that you will use such computer in, and will not need to purchase a computer and/or Microsoft Office specifically for, the operation of your Franchise.

We will supply you with a certain number of Soccer Shots email accounts. Your Soccer Shots email accounts are to be used for business purposes only and such use must comply with the use restrictions outlined in the Brand Standards Manual or as otherwise provided by us in writing. We will have access to and reserve the right to monitor your email account and all messages in our sole discretion.

You will have an online enrollment system to manage online registrations for your Soccer Shots programs and a page on our website, www.soccershots.com that is dedicated to your particular Franchise. Certain information for your online enrollment account and the webpage can be customized for you; however, the template and a majority of the content will be determined by us. We own the online enrollment system and website and maintains full control of their content, including all customer contact information and customer lists which it may use for its own marketing purposes. You will be given a password to access the online enrollment system and enter information specific to your account. We may require you to use a password to have access to and edit the content on your individual webpage in the future.

We require you to use the customer satisfaction rating system that we approve, as well as to meet certain customer satisfaction ratings as outlined in the Brand Standards Manual. You must achieve a passing customer satisfaction rating for a Season, then you will be deemed in default of the Franchise Agreement and will constitute grounds for termination of the Franchise Agreement unless you cure the defaults by satisfying the customer satisfaction rating for the next Season. If you fail to meet a passing customer satisfaction rating for 2 consecutive Seasons, then we may immediately terminate this Agreement (subject to applicable law).

#### Advertising

You may only use the Marks on advertisements and promotional materials in relation to the Franchise. You must use only such marketing materials (including any print, radio, television, electronic, on-line or other media forms that may become available in the future) as we furnish, approve in writing or make available, and the materials must be used only in the manner we prescribe and in compliance with all trademark usage and branding standards as outlined in the Brand Standards Manual or otherwise. At our request, you must prominently display or disseminate to customers at all times the materials we provide to promote the Soccer Shots franchise system. You must use, and maintain an inventory of, Soccer Shots marketing materials that we design. Materials may be submitted to us for our approval at least 5 business days before publication. If you do not receive our approval within that timeframe, the material is deemed disapproved. The Initial Franchise Fee includes a credit towards our marketing shopping cart, which includes start-up materials like marketing materials, yard signs, and lobby posters. You may not use any advertising or promotional materials that we do not approve. If your materials do not display the Marks accurately or otherwise are unacceptable, you must change them at your expense.

If you desire to associate the Soccer Shots brand, marks or operations with a local non-profit, we will require you to submit a written request seeking approval for such a partnership. You must participate in all partnerships that we deem mandatory, including fundraising. This may include, but is not limited to, including allowing Soccer Shots customers to make charitable donations during the online enrollment process.

## <u>Vehicle</u>

You must acquire and maintain, at your sole expense, a vehicle as specified by us for use in the Franchise. The vehicle shall be equipped, outfitted (including any vehicle wrap we may require), insured and maintained in accordance with the Brand Standards Manual (if applicable). You must maintain the interior, exterior and mechanical parts of the vehicle in good repair and condition and regularly service and maintain the vehicle in good working order. No advertising, sales or other information may be displayed on the vehicle unless provided by us or approved by us in writing. We reserve the right to require you to wrap your vehicle with a vinyl application utilizing our branding, at your expense.

## **Insurance**

Upon execution of your Franchise Agreement and prior to the Operations Start Date, you must purchase and maintain at least the following insurance coverage:

(1) Commercial General Liability insurance with limits not less than \$1,000,000 each occurrence and \$5,000,000 in the aggregate. Such insurance must include coverage for Franchise operations, participant legal liability (for participants in athletic or sports activities), premises liability, products-completed operations, personal and advertising injury, damage to premises rented to you, property damage and bodily injury liability (including death). Such insurance shall include sexual abuse and

molestation coverage with full limits or with sublimits not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate;

(2) Automobile Liability insurance covering liability arising out of the use, operation and/or maintenance of any automobile (including owned, hired, and non-owned vehicles), in connection with your Franchise, with limits not less than \$1,000,000 combined single limit each accident for bodily injury and property damage;

(3) Workers' Compensation insurance covering your employees with limits as required by statutory law in the jurisdiction(s) where your Franchise is located, including Employer's Liability coverage with limits not less than \$1,000,000 each accident, \$1,000,000 disease-each employee and \$1,000,000 disease-policy limit. This requirement only applies to the extent you have employees and are required by law to carry such coverage;

(4) Participant Accident insurance with an accident medical limit of not less than \$25,000 and an accidental death and dismemberment limit of not less than \$10,000; and

(5) Any other types of policies that we determine are necessary for the operation of the Franchise, as communicated in the Brand Standards Manual or otherwise in writing, or as required by applicable law.

All such insurance shall be (1) primary and non-contributing with respect to any claims arising out of the operation of your Franchise and your responsibilities and obligations under the Franchise Agreement; and (2) written by insurance companies with ratings of "A-VIII" or better in the latest edition of the A.M. Best key rating guide. You must provide us with at least 30 days' prior written notice if any of the required insurance is going to be materially changed, reduced or canceled.

With respect to Commercial General Liability and Auto Liability insurance, the respective policy(ies) must name us, our subsidiaries and affiliated companies and our and their respective officers, directors, governors, trustees, agents, employees, servants and volunteers as additional insureds with respect to any claims arising out of operations of the Franchise or any alleged negligent acts or omissions of you or the Franchise.

If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate the Franchise Agreement for cause if you fail to comply with our insurance requirements. We also may request copies of all insurance policies. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request.

The standards and specifications for insurance coverage as set forth in the Brand Standards Manual are intended as "minimum" standards and you must review your insurance coverage and policies, and you should consult with your insurance agents, brokers, attorneys or other insurance advisors, to determine if additional coverage is necessary, desired or appropriate for your Franchise in addition to the coverage and limits required by us.

## 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	Item in Franchise Disclosure Document
(a)	Site selection and acquisition/lease	2, 5(A) and Schedule A	Items 11 and 12
(b)	Pre-opening purchases/leases	5(A) – (F); 9(C)	None
(c)	Site development and other pre-opening requirements	5(A) – (F); 9(C)	Items 5, 6, 7, 8, 9, 11, and 12
(d)	Initial and ongoing training	6	Items 6, 7 and 11
(e)	Opening	5(A) – (F); 9(C); 6; Schedule A	Item 11
(f)	Fees	8; 10(C); Schedule A	Items 5, 6, 7, and 11
(g)	Compliance with standards and policies/Operating Manual	2(A), (B); 3; 5; 6; 8(H), (I); 9;	Items 8 and 11
(h)	Trademarks and proprietary information	3; 5(G), 5(J), Schedule F	Items 13 and 14
(i)	Restrictions on products/services offered	2(A); 3(A) - (C); 5(C), (D), (K), (L) and (M)	Items 8, 11, 12, 15 and 16
(j)	Warranty and customer service requirements	5(N)	None
(k)	Territorial development and sales quotas	2(A), (B); Schedule A	Item 12
(1)	Ongoing product/service purchases	5(A)-(F)	Items 8 and 11
(m)	Maintenance, appearance and remodeling requirements	5(A) and (B)	None
(n)	Insurance	9(C)	Item 7
(0)	Advertising	7	Item 11
(p)	Indemnification	9(B)	Item 6
(q)	Owner's participation/ management/staffing	6	Item 15
(r)	Records and reports	8(H) and (I)	Items 6 and 11
(s)	Inspections and audits	5(H); 8(J)	Items 6 and 11
(t)	Transfer	10	Items 6 and 17
(u)	Renewal	4(B) and (C)	Item 17
(v)	Post-termination obligations	13	Item 17

Obligation	Section in Franchise Agreement	Item in Franchise Disclosure Document
(w) Non-competition covenants	9(D); Schedule F	Item 17
(x) Dispute resolution	11	Item 17

## ITEM 10 FINANCING

We may offer approved applicants financing on a portion of the Initial Franchise Fee. Current financing terms are defined below. Financing terms are subject to change. We reserve the right to change these terms on an individual basis.

Item Financed	Initial Franchise Fee	
Source of Financing	Soccer Shots Franchising, LLC	
Minimum Down Payment Required	50% of Franchise Fee	
Amount Financed	Up to 50% of Initial Franchise Fee	
Term (Months)	15 months	
Interest Rate	12% per annum.	
Monthly Payment	Dependent on terms	
Prepay Penalty	None	
Security Required	You must execute a Promissory Note provided by us	
	(which is attached to Schedule B-2 of the Franchise	
	Agreement as Schedule 1).	
Liability Upon Default	Acceleration of unpaid principal and interest, the	
	maximum allowable interest rate on late payments, late	
	fees, termination of the Franchise Agreement and court	
	costs and attorneys' fees incurred in collecting the debt.	
Loss of Legal Right on Default	Termination of the Franchise Agreement	

Except as disclosed above, we do not offer financing that requires franchisees to waive defenses or other legal rights such as confession of judgment, or bars franchisees from asserting such defenses against us. Except as disclosed above, it is not our practice or intent to sell, assign, or discount to a third party all or part of the financing arrangement outlined above. Except as disclosed above, we do not receive any consideration for placing financing.

## **ITEM 11**

## FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

## A. <u>Our Obligations Before the Opening of the Franchise</u>

We will loan to you during the term of the Franchise Agreement, one or more numbered copies of an Brand Standards Manual (Section 5.F of Franchise Agreement), which we will make available to you online or in such other manner and format as we approve. We will also make updates available to you online. The Table of Contents of the most recent Brand Standards Manual is attached as Exhibit E. The Brand Standards Manual consists of a total of approximately 350 pages. At a time to be determined by us after your signing of the Franchise Agreement, we will provide you with the Initial Franchise Training as further detailed in this Item 11. (Section 6.B of Franchise Agreement)

As part of your payment of the Initial Franchise Fee, we will provide you with credits to use toward the purchase of your initial marketing materials, supplies, and equipment (Section 5.D of Franchise Agreement). For other purchases you must make in connection with the opening of the Franchise, we will provide you with the lists of Approved Suppliers and Approved Supplies and other general specifications for the items. We do not deliver or install these items.

After Initial Franchise Training, we will furnish you with, in your Territory and at our expense, 1 of our representatives for 1 day for the purpose of facilitating the commencement of operations of your Franchise. (Section 6.C of Franchise Agreement)

We do not provide assistance with finding site selection for your classes. We do not generally own the premises where your classes are offered. Similarly, we do not provide any assistance with respect to conforming the premises to local ordinances or building codes, obtaining any required permits, or constructing or remodeling the premises. We do not provide any assistance with respect to hiring or training your employees.

## B. <u>Our Obligations During the Operation of the Franchise</u>

We may introduce new products, services and supplies and change previously approved products, services and supplies from time to time and comply with our new or changed requirements. Such materials may be provided to you in written form and online video format. We will state whether you must implement these developments, and expenses associated with them for which you will be responsible. (Section 5.D of Franchise Agreement)

In our sole discretion, we will provide you advice and assistance on improvements to the Franchise and resolution of other operating problems for the Franchise. (Section 5.F of Franchise Agreement)

We may periodically prescribe a uniform system of accounting/bookkeeping and recordkeeping including standardized reporting formats, methodologies and time schedules. These forms and templates are our proprietary property and may be periodically changed at our discretion. When submitting monthly Gross Sales, through a profit and loss statement, and other requested information, you must submit the information in the then-current form if we have provided such form to you. (Section 8.J of Franchise Agreement)

We have established and manage the Brand Fund. (Section 7.A of Franchise Agreement)

In our discretion, we may offer subsequent training classes, both mandatory and non-mandatory, from time to time. (Section 6.C of Franchise Agreement)

We will provide you with given a certain number of Soccer Shots email accounts that are owned and maintained by us for use in connection with the operation of the Franchise. (Section 5.J of Franchise Agreement)

We may, in our discretion, hold an annual convention. (Section 6.C of Franchise Agreement)

We do not provide any assistance with respect to hiring or training your employees or pricing for the Program.

## Franchise Advisory Council

The Franchise Advisory Council ("FAC") is a group of 5 individuals that own a Franchise (each, a "FAC Member"). FAC Members are elected by franchisees and communicate with our leadership team on a monthly basis to review plans, give input on proposals and provide perspective on decisions. The FAC is designed to promote constructive, positive, two-way communication between us and our franchisees. The FAC serves in an advisory capacity only and does not have the authority to directly modify the policies of us. As noted in Item 6, each Franchise will pay a yearly FAC fee of \$100 (which is prorated during the first year based on the Operations Start Date) (the "FAC Fee"). The FAC Fee will be invoiced annually and is due upon receipt. FAC Fees are used for FAC meeting expenses including, but not limited to, FAC Member travel and lodging. The FAC Fee will be waived for Franchises owned by FAC Members during their elected term. (Section 6.E of Franchise Agreement)

# C. <u>Computer Requirements</u>

You must use or purchase the Computer System (including all future updates, supplements and modifications) that meets our standards and requirements outlined in the Brand Standards Manual. Currently, the Computer System consists of a laptop computer with Internet access and Microsoft Office. The Computer System will be used to develop a database of customers and prospective customers and other related Customer Information (as defined in Item 14), maintain communications over the Internet, and produce your accounting records. We will have direct independent access to your computer data uploaded onto our software platforms but not the operating system of your laptop. There are no contractual limitations on our access to this data. You must update, at your cost, your computer hardware and software as we direct. There are no contractual limitations on the frequency or cost of the computer System to be approximately \$0 to \$1,500. The low end of the range assumes you already have a computer that can be used in connection with the operation of the Franchise. We estimate the annual cost of optional and/or required maintenance, updating, upgrading or support contracts for the Computer System will range from \$0 to \$250.

You are responsible for purchasing and maintaining all required equipment, hardware and/or software that we do not provide to you directly. We will not permit or accommodate the use of any equipment, hardware and/or software that we have not required or approved in writing.

We will review our required computer hardware and software periodically in order to assess its functionality and operating efficiency. We may require you to upgrade as needed.

You must comply with all federal, state and local laws and all industry standards regarding the use of computer systems, data storage and electronic communications, including without limitation the CAN-SPAM Act (15 U.S.C § 7701 et seq.), the Payment Card Industry Data Security Standard (PCI-DSS), and the Telephone Consumer Protection Act (47 U.S.C. § 227). If you know or suspect a security breach, you must immediately notify both your credit card transaction acquirer and us. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected customers of your Franchise. (Section 5.E of Franchise Agreement)

# D. <u>Training Programs</u>

You must attend and successfully complete to our satisfaction prior to the Operations Start Date our initial training program in the management and operation of the Franchise (the "Initial Franchise

**Training**"). This Initial Franchise Training will take place at our franchise support center in Middletown, Pennsylvania or at another location of our choice and will last approximately 4 to 5 days, at our discretion. Currently, we intend to conduct the initial training upon the sale of a Franchise or in conjunction with one of our 5 annually scheduled training dates. The number of annually scheduled training dates are subject to change. (Section 12 of Franchise Agreement). Due to COVID-19, we may provide portions of the Initial Franchise Training to you virtually.

Your training and training materials for up to 2 people are included in the Initial Franchise Fee and your attendees must complete the Initial Franchise Training to our satisfaction (in our sole discretion). We may charge you a per attendee charge in an amount up to \$350 (subject to change) for any additional attendees you wish to send to Initial Franchise Training. You must pay all of your living expenses and travel, lodging, and sustenance. (Section 12 of Franchise Agreement). Any training we provide to any of your employees will be limited to training or guidance regarding the delivery of approved services to customers in a manner that reflects the customer service standards of the System.

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

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON- THE-JOB TRAINING	LOCATION
Back Office/Admin	5.5	0	Franchisor's Headquarters or another location selected by Franchisor
Brand/Marketing	1.25	0	Franchisor's Headquarters or another location selected by Franchisor
Coaching	5.25	0	Franchisor's Headquarters or another location selected by Franchisor
Company Information	1.25	0	Franchisor's Headquarters or another location selected by Franchisor
Customer Service	1	0	Franchisor's Headquarters or another location selected by Franchisor
Leadership Development	1	0	Franchisor's Headquarters or another location selected by Franchisor
Operations	2.5	0	Franchisor's Headquarters or another location selected by Franchisor
Our Product	5.25	0	Franchisor's Headquarters or another location selected by Franchisor

## TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON- THE-JOB TRAINING	LOCATION
Sales	3	0	Franchisor's Headquarters or another location selected by Franchisor
Sales	0	8	Your Location
TOTAL	26	8	

Taryn Baumann, Director of Franchise Operations and/or other trained representatives designated and approved by us will teach the topics outlined above using the Brand Standards Manual and other written materials. Our trainers' experience is summarized as follows:

Name of Trainer	# of years of experience with us or our affiliates	# of years of experience in industry
Taryn Baumann	3	14
Jeff Fowler	6	13
Sarah Murray	3	11
Matt Crist	8	9
Kaitlyn Havrilak	5	5
Kyle Gesser	4	7
•		

The minimum experience of any other instructor in the field that is relevant to the subject taught and our operations will be one year of experience in the topic he/she will be teaching. You must complete training to our satisfaction in our sole discretion.

After your successful completion of the Initial Franchise Training, we will furnish you with, in your territory and at our expense, one of our representatives for 1 day for the purpose of facilitating the commencement of operations of your Franchise. During this period, our representative will also assist you in local marketing activities, visiting potential customers, establishing and standardizing procedures and techniques essential to the operation of a Franchise.

Additional training classes, both mandatory and non-mandatory, may be periodically offered. You must pay all costs of travel, food and lodging. You or a key staff member are required to attend training every 3 years or at the time of renewal or any time we determine that you are in default of the Franchise Agreement and the cure for the default requires you to re-attend and complete training to our satisfaction. If you request special training, and we agree, a charge for the instructor(s) may be added. (Section 6.B of Franchise Agreement)

You will agree in your Franchise Agreement that we are not joint employers of your employees and other personnel. We do not and will not share or codetermine any of your employees' essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions

related to the safety and health of employees. You alone have sole authority to determine any or all your employees' essential terms and conditions of employment.

#### E. Advertising and Promotion

#### Advertising Materials

You must use only such marketing materials (including any print, radio, television, electronic, online or other media forms that may become available in the future) as we furnish, approve in writing or make available, and the materials must be used only in the manner we prescribe and in compliance with all trademark usage and branding standards as outlined in the Brand Standards Manual or otherwise. Furthermore, any promotional activities you conduct for the Franchise are subject to our approval. From time to time, we may permit you to submit advertising and promotional materials to us for approval at least 5 business days before planned publication. If we do not respond within 5 business days of your submission, the materials will be deemed <u>not</u> approved. It is solely your responsibility to conduct your promotional activities in accordance with all applicable laws. (Section 7.D of Franchise Agreement)

We may promote Soccer Shots Franchise opportunities on any and all equipment and supplies, marketing collateral, websites, blogs, social media services, registration forms, online registration pages and any other materials, including any items that you may be required to use under the Franchise Agreement or that you submit to us for approval. (Section 7.D of Franchise Agreement)

#### Brand Fund

Currently, you are required to contribute 1% of your Gross Sales to the Brand Fund as your Brand Fund Fee (Section 7.A and 8.D of Franchise Agreement). We reserve the right to increase the Brand Fund Fee to an amount that doesn't exceed 2% of your Gross Sales. (Section 8.D of Franchise Agreement and Data Sheet). Our company-owned and affiliate-owned Businesses offering products and services similar to the Franchise will be required to make contributions to the Brand Fund. The Brand Fund will be accounted for separately but said funds may be commingled in our general operating accounts and will be expended in accordance with our general marketing activities.

We have the sole right to determine the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs (including account acquisition program as we or an affiliate may administer). We have the right to use Brand Fund contributions, at our discretion, to meet any and all costs of maintaining, administering, directing, conducting, and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including the costs of preparing and conducting radio, television, electronic and print advertising campaigns in any local, regional or national medium; utilizing networking media sites, such as Facebook, X, LinkedIn, Snapchat, Instagram, TikTok, Pinterest, and on-line blogs and forums; developing, maintaining, and updating a World Wide Web or Internet site for the System; direct mail advertising; deploying social networking promotional initiatives through online media channels; marketing surveys; employing advertising and/or public relations agencies to provide assistance; purchasing promotional items; conducting and administering promotions and "mystery shopper" program(s); and providing promotional and other marketing materials and services to the Businesses operating under the System. Our decisions in all aspects related to the Brand Fund will be final and binding. We are not required, under the Franchise Agreement, to spend any amount of Brand Fund Fees in your Territory and not all System franchisees will benefit directly or on a pro-rata basis from these expenditures. We may charge the Brand Fund for the costs and overhead, if any, we incur in activities reasonably related to the implementation of the Brand Fund and the advertising and marketing programs

for franchisees. These costs and overhead include the proportionate compensation of our employees who devote time and render services in the formulation, development and production of advertising, marketing and promotion programs or who administer the Brand Fund. (Section 7.A of Franchise Agreement). These funds will not be used to defray any of our general operating expenses, except as described above.

We do not anticipate that any part of your contributions to the Brand Fund will be used for advertising that is principally a solicitation for the sale of additional Franchises, but we reserve the right to include a message or statement in any advertisement indicating that Franchises are available for purchase and related information.

Although we anticipate that all advertising contributions will be spent in the fiscal year in which they accrue, any remaining amounts will be carried over for use during the next fiscal year. Currently, the Brand Fund is not audited and we will prepare an unaudited annual accounting of the Brand Fund no later than 120 days after the fiscal year end and will provide it to you within 30 days' of your written request.

Although we intend the Brand Fund to be of perpetual duration, we maintain the right to terminate the Brand Fund. The Brand Fund shall not be terminated, however, until all monies in the Brand Fund have been expended for advertising and promotional purposes.

In the 2023 calendar year, we spent 100% of the Brand Fund on production of marketing and promotional materials. We did not spend any of the Brand Fund monies on administrative expenses or other uses.

#### Cooperative

We have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative advertising and marketing programs in your designated local advertising market. If established, you must contribute to the advertising cooperative the amount designated by the cooperative, but such contribution amount shall not exceed 2% of your Gross Sales. If established, each Business, including those operated by us or our affiliates within a designated local advertising market, will be a member of the local advertising cooperative and each business has one vote on all matters requiring a vote. Each advertising cooperative will be required to adopt governing bylaws that meet our approval. You must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Each advertising cooperative will be required to all members of the cooperative and to us upon request. Also, each advertising cooperative must submit to us its meeting minutes upon our request. We have the right to require advertising cooperatives to be formed, changed, dissolved or merged. (Section 7.E of Franchise Agreement).

We or our designee will administer the Cooperatives.

## Marketing Advisory Council

We formed a marketing advisory council in November 2022 that provides advice to us on various advertising matters. The marketing advisory council serves in an advisory capacity only and has no operational or decision-making power. The marketing advisory council is currently composed of 10 franchisee members and 1 corporate representative; however, this may expand based on our discretion. We retain the right and power to change this voting arrangement as well as all other aspects of the marketing advisory council at our sole discretion.

## F. Location and Opening

You must establish the site of your office location for managing the operation of your Franchise (the "Franchise Office Location"). You may request that your Franchise Office Location be your residential home. We do not select the site for your Franchise Office Location, but as further discussed below your Franchise Office Location must be located within your Territory unless it is your primary residence. Your Franchise Office Location must at all times conform to our then-current specifications as set forth in the Brand Standards Manual, which at a minimum currently require you have continuing access to the Franchise Office Location and have enough interior space to hold your required computer system and store your on-field equipment and supplies. You may also request to establish a Franchise Office Location outside of your home. Although your Franchise Office Location is subject to our written acceptance, you are solely responsible for selecting the location and purchasing or leasing the property. We have no responsibility for any lease or purchase, and it is your sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Franchise Office Location. Our approval does not constitute a guarantee of success at the Franchise Office Location. You may not open additional Franchise Office Locations within your Territory without our prior written approval. Your Franchise Office Location must be located within your Territory unless it is your primary residence, in which case you may not use any signage or other indicia reflecting that it is a Soccer Shots business located at the Franchise Office Location and you may not permit customers in the Franchise Office Location to discuss or purchase approved Soccer Shots programs and services. You must obtain our consent for your Franchise Office Location no later than the Operations Start Date. Your failure to obtain our consent for your Franchise Office Location before the Operations Start Date may result in the termination of the Franchise Agreement by us. If you own the right to operate Franchises in multiple Territories, you do not need to obtain a separate office for each Franchise. (Section 5.A(ii) of Franchise Agreement)

You must begin operating your Franchise in your Territory by marketing, offering and selling the authorized programs and services included in the System no later than the Operations Start Date. The factors that affect the timing of your opening may include seasonal and market readiness. Your failure to open and operate the Franchise by marketing, offering and selling the authorized programs and services included in the System before the Operations Start Date may result in the termination of the Franchise Agreement by us. (Section 12 of Franchise Agreement)

## ITEM 12 TERRITORY

#### **Location**

When you sign your Franchise Agreement, you will receive a defined Territory as set forth in the Data Sheet to the Franchise Agreement. Your Territory will consist of a population area of approximately 500,000 people. The borders of your Territory will be defined by natural and artificial boundaries, including zip codes, county and town lines and rivers, in your local area. You may use alternative channels, such as the Internet, telemarketing, or other direct marketing, to solicit customers in your Territory but you do not have the right to sell and distribute the authorized programs and services through those channels. You are prohibited from soliciting and accepting customers outside of your Territory, even if the customers are located in a market that has not yet been assigned to either another Franchise or a company-owned Business, unless you receive prior written permission from us.

#### **Territory**

During the term of the Franchise Agreement and provided that you are in compliance with the terms and conditions contained in the Franchise Agreement, we will not (i) establish either a company-owned or

affiliate-owned Business, or grant a franchise to a third party for the right to operate a Business, that will solicit customers within the Territory, or (ii) modify the Territory without your written permission. Another franchisee may locate its office within your Territory but it cannot solicit customers within your Territory. Because of this, 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. We and our affiliates retain all other rights, including without limitation, the unrestricted rights to do the following without payment of any compensation to you:

(i) the right to establish and/or license others to establish Franchises or company/affiliate-owned Businesses at any location outside the Territory, regardless of the proximity of such business to the Territory;

(ii) the right to merge with, acquire or become acquired by any businesses, including competitive businesses, which businesses operate under trademarks other than the Marks and may offer or sell products and services that are the same as or similar to the products and services offered at or from your Franchise, and which may be located anywhere inside or outside the Territory;

(iii) the right to sell and distribute for ourselves and/or license others to sell and distribute through alternative channels of distribution, including the Internet, within and outside the Territory, products or services the same as or different from the products and services offered from your Franchise, and which are offered and distributed under marks the same as or different than the Marks;

(iv) the right to establish and operate, and to grant to others the right to establish and operate similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate; and

(v) if (a) you refuse or, in our sole judgment, are not qualified, interested or available to perform services or otherwise cannot or do not perform services for any customer located within the Territory, or (b) a customer, orally or in writing, specifically requests services within the Territory from a different franchisee or another third party, we have the right to authorize another franchisee (or designate or authorize a corporate employee or any other third party) to perform services for the applicable customers inside the Territory. You agree that you will not be entitled to any compensation for sales or services performed inside the Territory by someone other than you as contemplated under this subparagraph.

As noted in Item 1, our affiliate Little Kickers Canada Management ULC and its subsidiaries own, operate and franchise the Little Kickers system in the United Kingdom, Canada and certain other countries in the world. Neither we nor our affiliate Little Kickers Canada Management ULC plan to operate or franchise the Little Kickers system in the United States, but we and they reserve the right to do so.

## **Minimum Performance Standards**

Continuation of your territorial rights depends on your achievement of certain minimum performance standards as set forth in your Franchise Agreement ("**Minimum Performance Standards**"). During the term of the Franchise Agreement, you must meet or exceed the Minimum Performance Standards listed below (these minimums are in no way any type of financial performance representation):

First year of operations starting on the Operations Start Date:	\$65,000 in Gross Sales
Second year of operations starting on the Operations Start Date:	\$81,000 in Gross Sales
Third year of operations starting on the Operations Start Date:	\$108,000 in Gross Sales
Fourth year of operations starting on the Operations Start Date:	\$135,000 in Gross Sales
Fifth year of operations starting on the Operations Start Date:	\$162,000 in Gross Sales

Failure to attain or exceed the Minimum Performance Standards in any given year will result in the Minimum Royalty Fee, less Royalty Fees paid by you during said period of operation, becoming due and payable. If you fail to meet the Minimum Performance Standards for 2 consecutive years, we may elect to terminate the Franchise Agreement or reduce the size of your Territory. We reserve the right to update the Minimum Performance Standards for any renewal term.

#### **Strategic Accounts**

We reserve the right to establish and administer a Strategic Accounts program. "Strategic Accounts" means national, regional or other customers of Businesses located within and/or outside the Territory with whom we have entered or plan to enter into contracts, programs or other arrangements (i) for servicing of multiple locations of such customers; and/or (ii) that we determine are designed to benefit Businesses by gaining otherwise unavailable business; and/or (iii) with customers that may require specific terms or provisions of our arrangement with them, including without limitation special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals. If such a program is established and you opt to participate in it, you must comply with all Strategic Accounts standards and procedures set forth in the Brand Standards Manual and/or as we may otherwise communicate to you, as well as the specific terms of our arrangement with each applicable Strategic Account, which terms may include, without limitation, the procurement of certain insurance and other products and services, special pricing, payment terms, turnaround on services, and other requirements.

You have no right of first refusal, option rights, or similar contractual rights to an additional territory. We may change our expansion policies periodically with the evolution of our business. You must follow our then-current policies.

#### ITEM 13 TRADEMARKS

We grant you the non-exclusive right to open and operate the Franchise under the Marks listed in the charts below, which are owned by our affiliate Soccer Shots IP LLC and registered or applied for on the Principal Register of the United States Patent and Trademark Office (the "USPTO"). Soccer Shots IP LLC has filed or intends to file all required affidavits and renewals of the Marks with the USPTO.

Mark	Registration Number	<b>Registration Date</b>
SOCCER SHOTS	3,108,088	June 20, 2006
SOCCER SHOTS (and Design)	7,020,606	April 4, 2023

SOCCER SHOTS (and Design)	3,431,250	May 20, 2008
Seccer Shots		
THE CHILDREN'S SOCCER	4,751,591	June 9, 2015
EXPERIENCE ®		
SOCCER SHOTS ON THE GO	6,178,577	October 10, 2020
STRONGER YOUTH. BEYOND	4,712,112	March 31, 2015
THE GAME.		
GLOBAL GOALS	4,982,909	June 21, 2016

Soccer Shots IP LLC also claims common law rights to these Marks. There currently are no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks. No agreement limits our right to use or license the Marks, other than the Trademark License Agreement between us and Soccer Shots IP LLC, dated April 26, 2017, under which we have been licensed to the right to use, and sublicense the use of, the Marks. The term of this License Agreement is for 20 years and after that it is renewed for an additional 20-year period unless either party gives notice of termination before the end of such extension. The Trademark License Agreement can also be terminated for failure to maintain quality standards, breach of the Trademark License Agreement or bankruptcy.

Your rights to the Marks are derived solely from your Franchise Agreement. You must follow our rules when you use the Marks, including following all standards in the Brand Standards Manual, which may be modified from time to time. You may not use any Mark: (1) as part of a corporate name, if you incorporate, (2) with modifying words, designs, or symbols, (3) in selling unauthorized products or services, (4) as part of any website, homepage, domain name, or electronic address you maintain on the Internet, World Wide Web, or any other similar proprietary or common carrier electronic delivery system, or (5) in any other manner we have not authorized in writing. All contracts executed by you will list your corporate name and will not be entered into under the "Soccer Shots" name. You will give such notices of trademark and service mark registrations as we specify and obtain such fictitious or assumed name registrations as may be required under applicable law.

When your Franchise Agreement expires or terminates, all rights for you to use the Marks shall cease and you shall not maintain any rights to use any Mark.

We are not aware of superior prior rights or infringing uses that could materially affect your use of the Marks in any state in which we are offering and selling Franchises. In the event of any infringement of, or challenge to, your use of any of the Marks, you must immediately notify us, and we will have sole discretion to take such action as deemed appropriate (if any). We will indemnify and hold you harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark law arising solely from your use of the Marks in accordance with the Franchise Agreement or as otherwise set forth by us in writing, if you have notified us promptly of the claim. We reserve the right, under the Franchise Agreement, to substitute different Marks for use in identifying the System and the businesses operating under the System if the current Marks no longer can be used, or if we, in our sole discretion, determine that substitution of different Marks will be beneficial to the Soccer Shots franchise system. If we substitute any of the Marks, you must bear the cost and expense of all substitutions at your business (for example, changing signage, stationary, business cards, etc.).

### ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

#### Patents and Copyrights

No patents or patent applications are material to the Franchise.

We claim copyrights in our Brand Standards Manual, printed materials, marketing materials, newsletters, videotapes, DVDs, and similar items used in operating the Program. We have not yet registered these copyrights with the Copyright Office but we reserve the right to do so in the future. You may use these items only as we specify while operating the Franchise.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding the copyrighted materials. No agreement limits our right to use or allow franchisees to use the copyrighted materials. We do not actually know of any infringing uses, which could materially affect your using the copyrighted materials in any state. We need not protect or defend our copyrights, although we reserve the right to do so if we believe it is in our Program's best interests. You must notify us of any copyright infringements of which you are aware. We may control all proceedings involving copyrights. We need not participate in your defense of, or indemnify you for expenses incurred in, a proceeding involving a copyright.

We may develop additional copyrightable materials relating to the Program. You may only use these materials in accordance with the Franchise Agreement and as may be further described in the Brand Standards Manual or otherwise provided by us.

#### **Brand Standards Manual**

You must operate your Franchise according to the standards and specifications ("Brand Standards") contained in the Brand Standards Manual. We may revise the contents of the Brand Standards Manual and you must comply with each new or changed Brand Standard, at your own expense. You must make sure that the Brand Standards Manual is kept current at all times. If there is any dispute as to the contents of the Brand Standards Manual, the terms of the master copy maintained by us at our corporate office will be controlling.

The Brand Standards Manual will remain our sole property and must be kept in a secure place at your business.

#### **Confidential Information**

You must treat our "Confidential Information" as confidential and use all reasonable efforts to maintain this information as secret and confidential. "**Confidential Information**" means any proprietary and confidential information, data, materials and know-how owned by us relating to the development or operation of a Business, whether contained in the Brand Standards Manual or otherwise, including, but not limited to: (1) soccer related education and training programs and materials and methods of implementing the curriculum and programs, including, without limitation, contents of videos, trainings, lesson plans, seminars and workshops; (2) Customer Information (as defined below) and information relating to potential customers as well as information regarding arrangements with daycare facilities and other host entity venues; (3) sales and marketing programs and techniques for Businesses; (4) knowledge of the System and programs, results and financial performance of Businesses; and (5) computer systems, technology and

software programs, including all password-protected portions of our website, intranets and extranets and the information they contain and the email addresses of our franchisees.

You may not, during the term of the Franchise Agreement or thereafter, communicate, divulge or use any Confidential Information for the benefit of any other person or entity; provided, however, you may communicate Confidential Information to such employees as must have access to it in order to operate the Franchise. Any and all Confidential Information, including, without limitation, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than operating the Franchise. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from your owners (if franchisee is an entity), your Manager and other key employees. You must provide executed copies of these agreements to us upon our request. A copy of the current Confidentiality, Non-Solicitation and Non-Competition Agreement form is included as Schedule F, which you may use as a template. Further, the spouse of each of the Franchisee entity must execute the Confidentiality and Non-Competition Agreement attached to this Agreement as Schedule G.

All Customer Information you collect from student, parents, daycares, schools or other data collected through the operation of your Franchise is deemed to be owned exclusively by us and/or our affiliates. "**Customer Information**" means contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any person (students and parents) or entity (including any host entity for any of the programs or services): (1) included on any marketing or customer list provided by us to you; (2) who has purchased or purchases programs or services from you during the term (even if you have solicited the person and/or established a relationship independent of us and without our assistance) or who you have solicited to purchase any programs or services; (3) for whom you provide services on our behalf or at our direction, including any Strategic Accounts; and (4) if any of the foregoing is an entity, all employees of such entity. However, you are solely responsible for implementing and maintaining security measures and devices necessary to protect the Customer Information from unauthorized access or disclosure, and you may not sell or disclose to anyone else any personal or aggregated information concerning any customers. You have the right to use the Customer Information only in connection with the Franchise and while the Franchise Agreement is in effect.

All ideas, business ventures, concepts, inventions, techniques, or materials concerning a Business ("**Creative Works**"), whether or not protectable intellectual property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and "works made-for-hire" for us. To the extent any Creative Work does not qualify as a "work made-for-hire", you agree to assign, and hereby assign, ownership of that Creative Work, and all related rights to that Creative Work, to us and agree to take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the Creative Work.

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

A person who has completed the Initial Franchise Training to our satisfaction must devote full-time attention to your Franchise (the "**Manager**"). This can be you, your Principal Owner or your employee. The Manager does not need to have an equity interest in the franchisee entity. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from your owners that own less than 5% (if franchisee is an entity), your Manager and other key employees. The Confidentiality, Non-Solicitation and Non-Competition Agreement is attached as Schedule F to the Franchise Agreement and is currently considered a satisfactory form. You must provide executed copies of these agreements to us upon

our request. The Manager may not engage in other outside activities which will interfere with his/her ability to participate fully in the Franchise. The Manager and owners of the franchisee entity may be required to obtain background checks each year, during the term of the Franchise Agreement. If you are a business entity, then (i) you must designate one principal owner that owns at least 25% of, and has the authority to act on behalf of, the Franchisee entity that will serve as our point of contact (the "**Principal Owner**"); and (ii) all persons and entities that, as of the date of this Agreement hold, or during the term of this Agreement, become holders of, 5% or more of your ownership interests must personally guarantee your performance under the Franchise Agreement to us, and be personally bound by your obligations, by executing the Personal Guarantee attached to the Franchise Agreement as Schedule C.

You must continuously promote and manage the Franchise, with only brief periods when you are not offering sessions. We typically refer to periods of continuous operation throughout the year as "Seasons". Unless otherwise agreed by us, you must not exceed 3 weeks between Seasons. If you fail to actively operate the Franchise in accordance with the foregoing requirements, we may terminate your Franchise Agreement.

At all times during which the authorized programs and services are offered to children (in-person or virtually), you must have at least 1 individual supervising the instruction who has either attended the Initial Franchise Training or who has received training according to the Brand Standards Manual from an individual who has attended the Initial Franchise Training.

You shall provide us with a list of current names, addresses and phone numbers of all coaches and key employees. You agree not to hire or have in your employment anyone who does not sign a Confidentiality, Non-Solicitation and Non-Competition Agreement in a form attached to the Franchise Agreement as Schedule F.

As required under federal and state law, background checks, including a criminal history, must be conducted on any individual who works in, or offers services to, daycare centers and preschools and you are solely responsible for complying with all federal, state and local laws in connection with background checks. You must provide us an official copy of a current background check conducted on you, your owners and Manager by state officials, at your expense, prior to the execution of the Franchise Agreement and again each year upon our request.

#### ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You can only offer for sale, and sell to customers, those authorized programs and services as described in the Brand Standards Manual and only in accordance with our standards outlined therein. You acknowledge and agree that we may change any of our authorized programs and services (including online programs) periodically and you agree to conform to any such changes. You must implement any new curriculums, programs, products, services or systems that we develop and must make any reasonable expenditures that are necessary for you to implement the new curriculum, programs products, services or systems. You must immediately cease all use of any curriculums, programs, products, services and systems that we advise you are no longer offered as part of the System. All programs, customer service materials, equipment, techniques, and promotional items of all descriptions and types.

You may suggest new services or products to us for use in your Franchise and other Businesses. However, you have no right to offer any new services to your customers until we have had the opportunity to test the new services or merchandise and provide you our written approval for their use and standards and specifications with respect to their use.

## 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.

	Section in Franchise Agreement (unless	
Provision	otherwise specified)	Summary
a. Length of the franchise term	4(A)	Initial term is 5 years.
b. Renewal or extension of the term	4(B), (C)	If you are in good standing and meet the conditions for renewal specified in the Franchise Agreement, you may renew your franchise on our then-current terms for 3 consecutive renewal terms of 5-years each.
c. Requirements to renew or extend	4(B), (C)	For each renewal, you cannot be in default the Franchise Agreement you wish to renew, or any other franchise agreement with us; you must give us written notice; you and your guarantors must sign a general release; you must pay us a renewal fee of \$5,000; you must complete our then current training requirements; and you must sign our then- current version of franchise agreement for each renewal, which may have terms, conditions and fees that could be materially different as compared with the Franchise Agreement.
d. Termination by you	12(C)	You may terminate the Franchise Agreement as a result of our breach of a material provision of the Franchise Agreement, provided that you give us written notice of the breach and we fail to cure the breach within 30 days after our receipt of your written notice. If we fail to cure the breach, the termination will become effective 60 days after our receipt of your written notice of breach.
e. Termination by us without Cause	Not Applicable	We cannot terminate your Franchise Agreement without cause.
f. Termination by us with Cause	12(A)	We can terminate your franchise agreement only if you default.

	Section in	
	Franchise	
	Agreement	
	U	
	(unless	
Decembrican	otherwise	S
Provision	specified)	Summary
g. "Cause" defined – curable defaults	12(A)(3)	You have 10 days (subject to local state law)
		to cure if you fail to pay amounts due or fail
		to submit required reports.
		You have 30 days to cure all other defaults of
		the Franchise Agreement except for the non-
		curable defaults described below.
h. "Cause" defined – non-curable	12(A)(3)	You made material misrepresentations to us
defaults		in the application for the franchise or other
		reports or information provided to us; you
		voluntarily abandon performance of the
		Franchise Agreement (including by failing to
		operate the Franchise for longer than
		permitted); state or local authority closes the
		Business for safety reasons; you register any
		domain name containing our Marks or use
		Confidential Information in unauthorized
		manner; misconduct relevant to the operation
		of the Franchise; misconduct that impairing
		your reputation or the goodwill associated
		with the Marks or the Franchise; you or your
		guarantor become insolvent or make an
		assignment for the benefit of creditors or
		other similar arrangements; you or your
		guarantor are convicted of (or plead no
		contest to) any misdemeanor bringing the
		Marks into disrepute or impairing your
		reputation or goodwill of the Marks or of the
		Franchise; you or your guarantor are
		convicted of (or plead no contest to) any
		felony; you intentionally understate or
		underreport Gross Sales, Royalty Fees, or
		Brand Fees; any understatement or 2%
		variance on a subsequent audit within a 2-
		year period; any transfer or assignment
		without our consent as provided in the
		Franchise Agreement; any default by you that
		is the second default of any type within any
		12-month consecutive period; or you fail to
		timely provide your profit and loss statements
		in accordance with the Franchise Agreement
		a fifth time in any consecutive 12 month
· Vous abligations an	12	period.
i. Your obligations on	13	Your obligations include complete de-
termination/non-renewal		identification of the Business (including any

	Section in	
	Franchise	
	Agreement	
	(unless	
	otherwise	
Provision	specified)	Summary
		vehicle) and immediate discontinuation of
		advertising or any other use of the Marks or
		any other promotional materials furnished by
		us; return to us of the Brand Standards
		Manual, software, customer lists and ongoing
		customer contracts; assignment to us of all
		right in the telephone numbers, websites, and
		domain names for the Business and
		cancelation or assignment, at our option, of
		any assumed name rights or equivalent
		registrations; assignment to us, upon our
		demand, of your remaining interest in any
		lease for the Business; and payment of any
		amounts due to us or to third parties for
		amounts guaranteed by us; compliance with
	10(0)	non-competition covenants (see r., below).
j. Assignment of contract by us	10(G)	We may assign your Franchise Agreement to
		any 3rd party without prior notice to you and
1. ((Turner C. 2) has seen 1. Current	10(A)	without your consent.
k. "Transfer" by you – defined	10(A)	Includes any sale, lease, pledge, management
		agreement, contract for deed, option agreement, bequest, gift, any arrangement in
		which you turn over all or part of the
		operation of the Business to someone who
		shares in the losses or profits of the Business
		other than an employee; any 20% or more
		change in the ownership of the franchisee
		entity; or any change in the general partner of
		a franchisee that is a partnership entity.
1. Franchisor approval of transfer by	10(B)	We have the right to approve all transfers but
Franchisee		will not unreasonably withhold approval.
m. Conditions for Franchisor approval	10(B) - (D)	You give us written notice at least 30 days
of transfer		before any proposed Transfer, with a copy of
		proposed sales contract; the transferee must
		be approved under our standards for financial
		condition, character, managerial commitment,
		and other conditions we apply to new
		franchisees; payment terms must not be
		unreasonable; the transferee must complete or
		agree to complete our training, assume your
		obligations under the Franchise Agreement, and sign our then-current Franchise
		Agreement; you must not be in default; all
		your money and other obligations to us, our
		your money and other obligations to us, our

	Q 4	
	Section in	
	Franchise	
	Agreement	
	(unless	
	otherwise	
Provision	specified)	Summary
	· · · · ·	affiliates and suppliers (or upon which we
		have contingent liability) must be satisfied;
		your Franchise must comply with all our
		standards; you may not transfer until after
		you open your Franchise; you and the
		transferee sign our form of consent to transfer
		agreement; you and each owner and
		guarantor sign our general release, to the
		extent not prohibited by law; you have
		provided all required reports; new franchisee
		agrees to be bound by all your customer
		obligations.
n. Franchisor's right of first refusal to	10(F)	We can match any offer for your Franchise or
acquire the Business		an ownership interest in you provided that we
		may substitute cash for any form of payment;
		our credit will be deemed equal to that of any
		proposed purchaser; we will have no less than
		30 days to prepare for closing; and we receive
		all customary representations and warranties,
		as we specify.
o. Franchisor's option to purchase the	Not	N/A
Business	Applicable	
p. Death or disability of Franchisee	10(E)	Your personal representative must, within
1 5		120 days, tender the right of first refusal,
		apply for our consent to the transfer, pay the
		transfer fee and satisfy the transfer conditions
		(provided that no right of first refusal or
		transfer fee is applicable if the transferee is
		your spouse or child).
q. Non-competition covenants during	9(D)	You (including your guarantors, owners,
the term of the Franchise		managers, or officers if you are an entity, or
Agreement		your spouse, children, parents, or siblings if
		you are an individual) cannot be involved in a
		Competitive Business.
		A "Competitive Business" is any business
		that offers or sells any product or service or
		component thereof which composes a part of
		our System or which competes directly or
		indirectly with our System.
r. Non-competition covenants after the	9(D)	For 2 years, no Competitive Business in your
Franchise Agreement is terminated		Territory, within a 25-mile radius of the outer
or expires		boundary of your Territory, or inside the
		territory of another Soccer Shots Business or

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary within a 25-mile radius of any Soccer Shots
s. Modification of the Franchise Agreement	14(B)	Business. No modification of the Franchise Agreement except by written agreement of both parties.
t. Integration/merger clause	14(B)	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	11	The parties must attempt to first resolve disputes through internal dispute resolution. If a dispute is not resolve through internal dispute resolution, most disputes must be mediated. If a dispute is not resolved through the mediation process described in the Franchise Agreement, most disputes must be settled by binding arbitration (subject to state law).
v. Choice of venue	14(H)	Unless local law supersedes this provision, venue for mediation, arbitration, and litigation is in the county of our corporate headquarters (subject to state law).
w. Choice of law	14(G)(1)	Pennsylvania law applies unless local state law supersedes this provision.

#### ITEM 18 PUBLIC FIGURES

We do not currently use any public figure to promote our franchise, but reserve the right to do so in the future.

## 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.

This Item 19 includes revenue information for those franchisees with one Territory ("Single Territory Franchisees") and franchisees with more than one Territory ("Multi-Territory Franchisees") who were open for at least 75% of each of the year ended December 31, 2023 as well as Company-Owned Territories. The information below represents the financial and operating information for the 2023 calendar year (the "2023 Calendar Year").

Of the 151 franchisees operating in 320 "Territories" as of December 31, 2023, we are excluding 10 franchisees operating in 13 Territories from the 2023 Calendar Year financial data because they were not open/being operated for at least 75% of the 2023 Calendar Year. We are including the financial information for 60 Single Territory Franchisees and 81 Multi-Territory Franchisees that operated in a total of 307 "Territories" during the 2023 Calendar Year (the "**Reporting Franchisees**" or "**Reporting Franchisee**"). We are separately displaying the financial information for the 30 **Company-Owned Territories**.

Each "Territory" described in this Item 19 consists of a population size of approximately 500,000. Some of the older Soccer Shots franchisees have single territories in excess of 500,000 people. For those franchisees, we have broken down their "single territory" into Territories of approximately 500,000 people making the number of Territories in this Item 19 different from the number of franchised outlets in Item 20.

Schedule 1 includes the Gross Sales information for the Reporting Franchisees that own a single Territory. Schedule 2 includes Gross Sales information for the Reporting Franchisees with two Territories. Schedule 3 includes the Gross Sales information for the Reporting Franchisees with three Territories. Schedule 4 includes the Gross Sales information for the Reporting Franchisees with four or more Territories. Schedule 5 includes Gross Sales information per Reporting Franchisee and Company-Owned Territories. Schedule 6 includes Gross Sales information for each of the Territories. Schedule 7 includes Gross Sales for Reporting Franchisees whose Territories were open for less than 23 months as of December 31, 2023 and who are not operated by individuals who already operate a Franchise ("**Early-Stage Reporting Franchisees**").

SCHEDULE 1
Reporting Franchisees Gross Sales with Single Territory

	2023
High	\$973,895.95
Low	\$45,642.06
Median	\$211,899.17
Average	\$261,772.88
Reporting Franchisees	60
<b>Reporting Franchisees Exceeding Average</b>	23
Percentage of Reporting Franchisees Exceeding Average	38.3%

## SCHEDULE 2 Reporting Franchisees Gross Sales with Two Territories

	2023
High	\$2,394,355.59
Low	\$81,951.00
Median	\$594,701.25
Average	\$687,112.47
<b>Reporting Franchisees</b>	46
<b>Reporting Franchisees Exceeding Average</b>	18
Percentage of Reporting Franchisees Exceeding Average	39.1%

## SCHEDULE 3 Reporting Franchisees Gross Sales with Three Territories

	2023
High	\$3,116,788.63
Low	\$150,658.98
Median	\$1,068,619.23
Average	\$1,209,521.00
<b>Reporting Franchisees</b>	15
<b>Reporting Franchisees Exceeding Average</b>	6
Percentage of Reporting Franchisees Exceeding Average	40.0%

## SCHEDULE 4 Reporting Franchisees Gross Sales with Four or More Territories

	2023
High	\$4,580,046.68
Low	\$212,151.00
Median	\$1,102,885.81
Average	\$1,332,372.76
<b>Reporting Franchisees</b>	20
<b>Reporting Franchisees Exceeding Average</b>	7
Percentage of Reporting Franchisees Exceeding Average	35.0%

2023

## **SCHEDULE 5**

## Gross Sales per Single Territory Reporting Franchisee

	2023
High	\$973,895.95
Low	\$45,642.06
Median	\$211,899.17
Average	\$261,772.88
<b>Reporting Franchisees</b>	60
<b>Reporting Franchisees Exceeding Average</b>	23
Percentage of Reporting Franchisees Exceeding Average	38.3%

Gross Sales per Multi-Territory Reporting Franchisee

2023	
High	\$4,580,046.68
Low	\$150,658.98
Median	\$708,913.19
Average	\$943,178.32
Reporting Territories Counted	247
Reporting Franchisees	81
Reporting Franchisees Exceeding Average	30
Percentage of Reporting Franchisees Exceeding Average	37.0%

	2023	
Gross Sales for Company-Owned Territories	\$7,465,330.61	

## SCHEDULE 6 Gross Sales Performance per Territory

2023	
	<b>Reporting Franchisees</b>
High	\$1,197,177.80
Low	\$39,142.69
Median	\$252,610.51
Average	\$298,998.91
Reporting Franchisees	141
Reporting Franchisees Exceeding Average	53
Percentage of Reporting Franchisees Exceeding Average	37.6%

	2023	
	Company-Owned	
	Territories	
Average	\$248,844.35	

## SCHEDULE 7 Single Territory Gross Sales Performance of Early-Stage Reporting Franchisees

	2023
High	\$156,846.25
Low	\$45,642.06
Median	\$78,524.96
Average	\$83,664.49
<b>Reporting Franchisees</b>	6
<b>Reporting Franchisees Exceeding Average</b>	3
Percentage of Reporting Franchisees Exceeding Average	50.0%

## Multi Territory Gross Sales Performance of Early-Stage Reporting Franchisees

	2023
High	\$425,585.50
Low	\$98,336.09
Median	\$157,329.11
Average	\$279,526.60
<b>Reporting Territories Counted</b>	6
<b>Reporting Franchisees</b>	3
<b>Reporting Franchisees Exceeding Average</b>	2
Percentage of Reporting Franchisees Exceeding Average	66.7%

For Schedules 8-10, we are presenting separate data for Single Territory Reporting Franchisees and Multi-Territory Reporting Franchisees. The number of Territories the Multi-Territory Reporting Franchisees were operating in are also outlined in the Schedules below.

Schedule 8 includes information regarding the number of registrations per each Reporting Franchisee and Company-Owned Territories.

#### **SCHEDULE 8**

#### Total Registrations Per Single Territory Reporting Franchisee

	2023
High	5,402
Low	250
Median	1,432
Average	1,787
Reporting Franchisees	60
<b>Reporting Franchisees Exceeding Average</b>	26
Percentage of Reporting Franchisees Exceeding Average	43.3%

Total Registrations Per Multi-Territory Reporting Franchisee

	2023
High	22,999
Low	358
Median	4,285
Average	5,806
<b>Reporting Territories Counted</b>	247
<b>Reporting Franchisees</b>	81
<b>Reporting Franchisees Exceeding Average</b>	29
Percentage of Reporting Franchisees Exceeding Average	35.8%

	2023
Total Registrations for Company-Owned Territories	43,838

Schedules 9 and 10 were prepared using data submitted from Reporting Franchisees. We have not audited or verified the information submitted to us. Schedule 9 is a summary of the average percentage of EBITDA of Gross Sales of the Reporting Franchisees and Company-Owned Territories. Schedule 10 is a more detailed summary of revenue, expense and net income data of the Reporting Franchisees and Company-Owned Territories.

#### **SCHEDULE 9**

#### Owner Discretionary Profit / EBITDA per Single Territory Reporting Franchisee

	2023
High	66.3%
Low	-96.4%
Median	21.1%
Average	22.8%
Reporting Franchisees	60
Reporting Franchisees Exceeding Average	30
Percentage of Reporting Franchisees Exceeding Average	50.0%

#### Owner Discretionary Profit / EBITDA per Multi-Territory Reporting Franchisee

	2023
High	55.5%
Low	-36.9%
Median	17.6%
Average	17.7%
<b>Reporting Territories Counted</b>	247
<b>Reporting Franchisees</b>	81
<b>Reporting Franchisees Exceeding Average</b>	27
Percentage of Reporting Franchisees Exceeding Average	33.3%

	2023
Owner Discretionary Profit / EBITDA for Company-Owned Territories	15.5%

## Schedule 10

	2023		
Gross Sales	\$261,772.88	100.0%	
Variable Expenses			
Staff-Wages - Coaches	\$64,369.13	24.6%	
Facility/Rental/School Fees	\$9,926.24	3.8%	
Season Prizes	\$2,042.43	0.8%	
Jersey Costs	\$9,900.02	3.8%	
Merchant Provider	\$6,634.22	2.5%	
Royalty	\$19,176.60	7.3%	
Software Fees	\$3,289.63	1.3%	
Total Variable Expenses	\$115,338.26	44.1%	
Variable Profit	\$146,434.62	55.9%	
Fixed Expenses			
Franchise Fees	\$1,022.66	0.4%	
Staff - Admin Wages/Benefits	\$21,159.47	8.1%	
Staff - Payroll Taxes, Management	\$17,955.47	6.9%	
Owners Salary	\$8,526.07	3.3%	
Equipment and Gear	\$6,890.40	2.6%	
General Liability Insurance	\$2,349.55	0.9%	
Professional, Bank & Accounting Fees	\$3,368.84	1.3%	
Miscellaneous	\$6,490.29	2.5%	
Marketing/Advertising	\$5,821.73	2.2%	
Meetings/Travel/Auto/Gas	\$6,625.98	2.5%	
Business Entertainment and Meal	\$2,953.48	1.1%	
Donations	\$479.30	0.2%	
Business Income Taxes	\$2,036.97	0.8%	
Office - Rent, Utilities & Supplies	\$9,745.54	3.7%	
Depreciation & Amortization	\$1,556.63	0.6%	
Interest	\$721.11	0.3%	
Total Fixed Expenses	\$97,703.49	37.3%	
Net Income	\$48,731.13	18.6%	
Add Backs	\$12,840.77	4.9%	
<b>Owner's Discretionary Profit/EBITDA</b>	\$61,571.90	23.5%	

## Average Income Statement per Single Territory Reporting Franchisee

	2023	
Gross Sales	\$943,178.32	100.0%
Variable Expenses		
Staff-Wages - Coaches	\$220,112.69	23.3%
Facility/Rental/School Fees	\$49,890.34	5.3%
Season Prizes	\$8,511.40	0.9%
Jersey Costs	\$33,765.42	3.6%
Merchant Provider	\$22,818.59	2.4%
Royalty	\$68,092.89	7.2%
Software Fees	\$8,153.92	0.9%
Total Variable Expenses	\$411,345.26	43.6%
Variable Profit	\$531,833.06	56.4%
Fixed Expenses		
Franchise Fees	\$4,824.49	0.5%
Staff - Admin Wages/Benefits	\$141,454.96	15.0%
Staff - Payroll Taxes, Management	\$65,255.28	6.9%
Owners Salary	\$31,510.39	3.3%
Equipment and Gear	\$13,758.36	1.5%
General Liability Insurance	\$7,621.06	0.8%
Professional, Bank & Accounting Fees	\$9,792.87	1.0%
Miscellaneous	\$17,762.50	1.9%
Marketing/Advertising	\$17,146.87	1.8%
Meetings/Travel/Auto/Gas	\$18,069.81	1.9%
Business Entertainment and Meal	\$7,038.32	0.7%
Donations	\$1,206.74	0.1%
Business Income Taxes	\$4,710.30	0.5%
Office - Rent, Utilities & Supplies	\$39,065.41	4.1%
Depreciation & Amortization	\$1,964.03	0.2%
Interest	\$1,022.37	0.1%
Total Fixed Expenses	\$382,203.76	40.5%
Net Income	\$149,629.31	15.9%
Add Backs	\$39,207.10	4.2%
<b>Owner's Discretionary Profit/EBITDA</b>	\$188,836.40	20.0%

## Average Income Statement per Multi-Territory Reporting Franchisee

	2023	
Gross Sales	\$7,465,330.61	100.0%
Variable Expenses		
Staff-Wages - Coaches	\$705,422.59	9.4%
Facility/Rental/School Fees	\$542,773.67	7.3%
Season Prizes	\$56,711.73	0.8%
Jersey Costs	\$390,155.76	5.2%
Merchant Provider	\$198,851.64	2.7%
Royalty	\$518,899.59	7.0%
Software Fees	\$61,002.86	0.8%
Total Variable Expenses	\$2,473,817.84	33.1%
Variable Profit	\$4,991,512.77	66.9%
Fixed Expenses		
Franchise Fees	\$37,121.43	0.5%
Staff - Admin Wages/Benefits	\$2,783,592.26	37.3%
Staff - Payroll Taxes, Management	\$336,204.30	4.5%
Owners Salary	\$0.00	0.0%
Equipment and Gear	\$46,385.03	0.6%
General Liability Insurance	\$32,343.94	0.4%
Professional, Bank & Accounting Fees	\$2,415.50	0.0%
Miscellaneous	\$39,071.48	0.5%
Marketing/Advertising	\$106,674.69	1.4%
Meetings/Travel/Auto/Gas	\$151,819.25	2.0%
Business Entertainment and Meal	\$47,180.23	0.6%
Donations	\$12,170.00	0.2%
Business Income Taxes	\$0.00	0.0%
Office - Rent, Utilities & Supplies	\$242,605.63	3.2%
Depreciation & Amortization	\$1,368,343.44	18.3%
Interest	\$0.00	0.0%
Total Fixed Expenses	\$5,205,927.18	69.7%
Net Income	-\$214,414.41	-2.9%
Add Backs	\$1,368,343.44	18.3%
<b>Owner's Discretionary Profit/EBITDA</b>	\$1,153,929.03	15.5%

## Average Income Statement for Company-Owned Territories

Variable Expen	nses per Sing	gle Territory	Reporting	Franchisee

	2023
High	\$644,849.37
Low	\$20,734.90
Median	\$92,607.16
Average	\$115,338.26
Reporting Franchisees	60
<b>Reporting Franchisees Exceeding Average</b>	23
Percentage of Reporting Franchisees Exceeding Average	38.3%

## Variable Expenses per Multi-Territory Reporting Franchisee

	2023
High	\$1,985,493.20
Low	\$39,695.14
Median	\$321,269.77
Average	\$411,345.26
<b>Reporting Territories Counted</b>	247
Reporting Franchisees	81
<b>Reporting Franchisees Exceeding Average</b>	32
Percentage of Reporting Franchisees Exceeding Average	39.5%

## Variable Profit per Single Territory Reporting Franchisee

	2023
High	\$436,199.20
Low	-\$14,835.35
Median	\$114,264.34
Average	\$146,434.62
<b>Reporting Franchisees</b>	60
<b>Reporting Franchisees Exceeding Average</b>	23
Percentage of Reporting Franchisees Exceeding Average	38.3%

## Variable Profit per Multi-Territory Reporting Franchisee

	2023
High	\$2,594,553.48
Low	\$40,693.91
Median	\$403,355.81
Average	\$531,833.06
<b>Reporting Territories Counted</b>	247
<b>Reporting Franchisees</b>	81
<b>Reporting Franchisees Exceeding Average</b>	27
Percentage of Reporting Franchisees Exceeding Average	33.3%

## Fixed Expenses per Single Territory Reporting Franchisee

	2023
High	\$322,498.89
Low	\$10,869.36
Median	\$70,375.40
Average	\$97,703.49
<b>Reporting Franchisees</b>	60
<b>Reporting Franchisees Exceeding Average</b>	22
Percentage of Reporting Franchisees Exceeding Average	36.7%

## Fixed Expenses per Multi-Territory Reporting Franchisee

	2023
High	\$1,686,608.67
Low	\$16,491.34
Median	\$288,485.03
Average	\$382,203.76
<b>Reporting Territories Counted</b>	247
Reporting Franchisees	81
<b>Reporting Franchisees Exceeding Average</b>	29
Percentage of Reporting Franchisees Exceeding Average	35.8%

#### Net Income per Single Territory Reporting Franchisee

	2023
High	\$292,181.56
Low	-\$48,823.55
Median	\$35,461.33
Average	\$48,731.13
<b>Reporting Franchisees</b>	60
<b>Reporting Franchisees Exceeding Average</b>	23
Percentage of Reporting Franchisees Exceeding Average	38.3%

#### Net Income per Multi-Territory Reporting Franchisee

	2023
High	\$1,151,204.18
Low	-\$128,636.32
Median	\$85,750.08
Average	\$149,629.31
<b>Reporting Territories Counted</b>	247
<b>Reporting Franchisees</b>	81
<b>Reporting Franchisees Exceeding Average</b>	25
Percentage of Reporting Franchisees Exceeding Average	30.9%

#### Notes:

1."Gross Sales" means the entire amount of the sale price, whether for cash or credit (and regardless of collection in the case of credit), of all sales of products and services and all other receipts or receivables whatsoever of all business conducted from the enrolments, or revenues from any source arising out of the operation of Reporting Franchisee's Franchise during a Measurement Period, but does not include (a) the amount of any sales tax or similar tax imposed by any federal, state, municipal or other government authority that the franchisee collects from clients and properly remits to the taxing authority; and (b) all returns, refunds and allowances if any.

2. The Variable Expense numbers are based on each Reporting Franchisee's actual unaudited financial statements submitted to us. Variable Expenses includes everything to produce the products offered by each Reporting Franchisee including, but not limited to, staff coaching payroll, facility/rental costs, school fees, Season prizes, jersey costs, merchant provider fees, and royalty fees.

3. "Variable Profit" equals a Reporting Franchisee's Gross Sales minus its Variable Expenses.

4. "Fixed Expenses" is a sum of all of the fixed expense categories for each Reporting Franchisee.

- a) Professional, Bank and Accounting includes bank charges & credit card merchant fees, accounting services, bad debt & write-offs, postage & courier, and professional services.
- b) Miscellaneous expenses include business licenses, business software and programs, fees & files, dues and subscriptions, taxes / tax penalty fees, legal, and other uncategorized expenses.
- c) Business Entertainment and Gifts includes business events, gifts for directors and teachers and business meals and entertainment.
- d) Equipment and Gear includes soccer balls, cones, goals, coaches branded gear, stickers and stamps, and miscellaneous coaching supplies.
- e) Business Travel expenses include meals & entertainment, and travel expenses for System national and regional meetings.
- f) Office Rent and Utilities includes office Internet, postage, phone, rent, up-fit, repairs, small equipment, supplies and utilities.
- 5. "Net Income" equals a Reporting Franchisee's Variable Profit minus its Fixed Expenses.
- 6. "Add Backs" equal Amortization, Depreciation, Interest, Owner's Payroll.

# Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

The information presented in this Item 19 is unaudited and is based on all financial information reported by franchisees. The information presented does not reflect or include the initial investment costs and expenses you will incur in operating your Franchise. We will provide you with written substantiation of the information contained in this Item 19, upon written request from you and subject to your signing an agreement to maintain the confidentiality of the information.

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing 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 our CEO Justin Bredeman at Soccer Shots Franchising, LLC, 1020 South Eisenhower, Middletown, PA 17057, (717) 616-8587, the Federal Trade Commission, and the appropriate state regulatory agencies.

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## ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	235	241	+6
Outlets	2022	241	263	+22
	2023	263	298	+35
Company-Owned	2021*	0	12	+12
Outlets*	2022**	12	19	+7
	2023	19	21	+2
Total Outlets	2021	235	253	+18
	2022	253	282	+29
	2023	282	319	+37

## Table No. 1 SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2021 to 2023

\*Effective as of December 31, 2021, our affiliate COUS, LLC became the majority owner of 12 company-affiliated Soccer Shot Businesses in Maryland, Virginia, Washington D.C. and Tennessee. See Item 1.

\*\*Effective as of November 1, 2022, two franchised Soccer Shot Businesses were reacquired from Franchisees by our affiliate, COUS, LLC and these two Soccer Shot Businesses were split into 7 Soccer Shot Businesses.

## Table No. 2 TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2021 TO 2023

State	Year	Number of Transfers
Alabama	2021	1
	2022	0
	2023	0
Arizona	2021	0
	2022	1
	2023	0
California	2021	3
	2022	0
	2023	0
Colorado	2021	1
	2022	0
	2023	0
Florida	2021	0
	2022	0
	2023	3
Hawaii	2021	0
	2022	2
	2023	0
Illinois	2021	0
	2022	1
	2023	0

State	Year	Number of Transfers
Indiana	2021	1
	2022	0
	2023	0
Iowa	2021	0
	2022	1
	2023	1
Louisiana	2021	0
	2022	1
	2023	0
Maryland	2021	0
	2022	1
	2023	0
Massachusetts	2021	0
	2022	1
	2023	0
Michigan	2021	0
ç	2022	1
	2023	1
New Jersey	2021	0
,	2022	0
	2023	2
North Carolina	2021	0
	2022	0
	2023	1
Ohio	2021	0
	2022	1
	2023	0
Pennsylvania	2021	1
	2022	2
	2023	0
Tennessee	2021	4
	2022	0
	2023	0
Texas	2021	1
	2022	1
	2023	1
Washington	2021	0
C	2022	1
	2023	0
Total	2021	12
	2022	14
	2023	9

## Table No. 3 STATUS OF FRANCHISED OUTLETS FOR YEARS 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2021	3	1	0	0	0	0	4
Alabama	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2021	1	0	0	0	0	0	1
Arkansas	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2021	4	0	0	0	0	0	4
Arizona	2022	4	5	0	0	0	0	9
	2023	9	0	0	0	0	0	9
	2021	27	3	1	1	0	0	28
California	2022	28	0	0	0	0	0	28
	2023	28	7	0	0	0	0	35
	2021	6	0	0	0	0	0	6
Colorado	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2021	2	1	0	0	0	0	3
Connecticut	2022	3	2	0	0	0	0	5
	2023	5	1	0	0	0	0	6
	2021	1	0	0	0	0	0	1
Delaware	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2021	22	4	0	0	0	0	26
Florida	2022	26	2	0	0	2	0	26
	2023	26	0	0	0	0	0	26
	2021	7	0	0	0	0	0	7
Georgia	2022	7	2	0	0	0	0	9
	2023	9	2	0	0	0	0	11
	2021	2	0	0	0	0	0	2
Hawaii	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2021	0	0	0	0	0	0	0
Idaho	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2021	5	0	0	0	0	0	5
Illinois	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Indiana	2021	6	0	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2021	2	0	0	0	0	0	2
Iowa	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2021	1	0	0	0	0	0	1
Kansas	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2021	2	0	0	0	0	0	2
Kentucky	2022	2	0	0	0	0	0	2
-	2023	2	1	0	0	0	0	3
	2021	4	0	0	0	0	0	4
Louisiana	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
	2021	7	0	0	0	6	0	1
Maryland	2022	1	0	0	0	0	0	1
-	2023	1	0	0	0	0	0	1
	2021	2	0	0	0	0	0	2
Massachusetts	2022	2	5	0	0	0	0	7
	2023	7	1	0	0	0	0	8
	2021	3	1	0	0	0	0	4
Michigan	2022	4	1	0	0	0	0	5
-	2023	5	0	0	0	0	0	5
	2021	4	1	0	0	0	0	5
Minnesota	2022	5	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2021	1	1	0	0	0	0	2
Mississippi	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2021	2	0	0	0	0	0	2
Missouri	2022	2	0	0	0	0	0	2
	2023	2	2	0	0	0	0	4
	2021	0	1	0	0	0	0	1
Nebraska	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2021	3	1	0	0	0	0	4
Nevada	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
New	2021	1	0	0	0	0	0	1
Hampshire	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2023	1	0	0	0	0	0	1
	2021	9	1	0	0	0	0	10
New Jersey	2022	10	1	0	0	0	0	11
-	2023	11	3	0	0	0	0	14
	2021	0	0	0	0	0	0	0
New Mexico	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2021	13	2	0	0	0	0	15
New York	2022	15	1	0	0	0	0	16
	2023	16	2	1	0	2	0	15
	2021	9	0	0	0	0	0	9
North Carolina	2022	9	0	0	0	0	0	9
	2023	9	2	0	0	0	0	11
	2021	9	0	0	0	0	0	9
Ohio	2022	9	0	0	0	0	0	9
	2023	9	3	0	0	0	0	12
	2021	3	0	0	0	0	0	3
Oklahoma	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Oregon	2022	3	0	0	0	0	0	3
C	2023	3	0	0	0	0	0	3
	2021	18	0	0	0	0	0	18
Pennsylvania	2022	18	0	0	0	0	0	17
5	2023	17	0	0	0	0	0	17
	2021	3	0	0	0	0	0	3
South Carolina	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2021	6	0	0	0	3	0	3
Tennessee	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2021	21	2	0	0	0	0	23
Texas	2022	23	1	0	0	0	0	24
	2023	24	3	0	0	0	0	27
	2021	1	0	0	0	0	0	1
Utah	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2021	8	0	0	0	2	0	6
Virginia	2022	6	0	0	0	0	0	6
5	2023	6	0	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2021	5	0	0	0	0	0	5
Washington	2022	5	0	0	0	0	0	5
	2023	5	3	0	0	0	0	8
	2021	1	0	0	0	1	0	0
Washington D.C.	2022	0	0	0	0	0	0	0
D.C.	2023	0	0	0	0	0	0	0
	2021	2	0	0	0	0	0	2
Wisconsin	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2021	235	20	1	1	12	0	241
Totals	2022	241	24	0	0	2	0	263
	2023	263	38	1	0	2	0	298

\*Two territories were re-structured, resulting in a change in majority state occupied.

\*\*Effective as of November 1, 2022, two franchised Soccer Shot Businesses were reacquired from Franchisees by our affiliate, COUS, LLC and these two Soccer Shot Businesses were split into 7 Soccer Shot Businesses. \*\*\*As of our fiscal year ends 2021, 2022 and 2023, we also had 6, 8 and 8 outlets open in Canada (British Columbia and Ontario).

## Table No. 4 STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Florida**	2021	0	0	0	0	0	0
	2022	0	0	7	0	0	7
	2023	7	0	0	0	0	7
Maryland	2021	0	0	6	0	0	6
	2022	6	0	0	0	0	6
	2023	6	0	0	0	0	6
New York	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	0	0	2
Tennessee	2021	0	0	3	0	0	3
	2022	3	0	0	0	0	3
	2023	3	0	0	0	0	3
Virginia	2021	0	0	2	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Washington	2021	0	0	1	0	0	1
D.C.	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total	2021*	0	0	12	0	0	12
	2022	12	0	7	0	0	19
	2023	19	0	2	0	0	21

\*Effective as of December 31, 2021, our affiliate COUS, LLC became the majority owner of 12 company-affiliated Soccer Shot Businesses in Maryland, Virginia, Washington D.C. and Tennessee. See Item 1. \*\*Effective as of November 1, 2022, two franchised Soccer Shot Businesses were reacquired from Franchisees by our affiliate, COUS, LLC and these two Soccer Shot Businesses were split into 7 Soccer Shot Businesses.

#### Table No. 5 PROJECTED OPENINGS AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company- Owned Outlets in the Next Fiscal Year
Arkansas	0	1	0
California	0	3	0
Illinois	0	2	0
Massachusetts	0	2	0
New York	1	2	0
Total	1	10	0

Exhibit F lists the names of all current franchises and the addresses and telephone numbers of their outlets as of December 31, 2023.

Exhibit F-1 lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us in the 10 weeks of the issuance date of this Disclosure Document.

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

There are no trademark specific franchisee organizations associated with the franchise system being offered which we have created, sponsored or endorsed.

During the last 3 fiscal years, we have signed confidentiality clauses with current or former franchisees. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all franchisees will be able to communicate with you.

## ITEM 21 FINANCIAL STATEMENTS

Exhibit A to this Disclosure Document contains our audited financial statements for the years ended December 31, 2023, 2022, and 2021. Our fiscal year end is December 31<sup>st</sup>.

## ITEM 22 CONTRACTS

Included in this Disclosure Document are the following contracts or agreements:

Exhibit B - Franchise Agreement

Schedule A.	Data Sheet
Schedule B.	Addenda to Franchise Agreement
B-1	Addendum for Additional Territory
B-2	Financing Addendum
Schedule C.	Personal Guarantee
Schedule D.	Telephone Number and Internet Listings Assignment Agreement
Schedule E.	Confidentiality, Non-Solicitation and Non-Competition Agreement (Franchisee Employees)
Schedule F.	Confidentiality and Non-Competition Agreement (Owner Spouse)

### ITEM 23 RECEIPTS

Attached at the very end of this Disclosure Document contains the detachable receipts that the prospective franchisee received a copy of this Disclosure Document. You must sign both copies of the receipt pages and return one copy to us.

## EXHIBIT A

## FINANCIAL STATEMENTS

## SOCCER SHOTS FRANCHISING, LLC

## FINANCIAL STATEMENTS

## FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# SOCCER SHOTS FRANCHISING, LLC

## **TABLE OF CONTENTS**

Independent Auditors' Report	
Financial Statements	
Balance Sheets	3
Statements of Operations and Changes in Member's Equity	4
Statements of Cash Flows	5
Notes to Financial Statements	6-16

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors Soccer Shots Franchising, LLC

## **Opinion**

We have audited the financial statements of Soccer Shots Franchising, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and changes in member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Soccer Shots Franchising, LLC as of December 31, 2023 and 2022, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Soccer Shots Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Soccer Shots Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### Auditors' 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 auditors' 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, 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 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 Soccer Shots Franchising, 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 Soccer Shots Franchising, 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.

Philadelphia, Pennsylvania March 27,2024

## **BALANCE SHEETS**

### **DECEMBER 31, 2023 AND 2022**

	2023	2022
Assets		
Current assets:		
Cash	\$ 1,368,817	\$ 1,016,779
Accounts receivable, net	1,104,764	1,017,449
Franchise loan receivable	24,080	43,438
Inventories	1,442,251	1,787,101
Due from related parties	10,213,883	2,921,731
Prepaid expenses and other current assets	839,298	440,675
Total current assets	14,993,093	7,227,173
Other assets:		
Property and equipment, net	55,040	47,065
Right of use, net	761,960	873,205
Goodwill, net	2,923,277	3,288,687
Intangibles, net	46,809,001	49,409,500
Total other assets	50,549,278	53,618,457
Total assets	\$ 65,542,371	\$ 60,845,630
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable	\$ 1,050,524	\$ 204,696
Accrued liabilities	742,197	528,031
Due to related parties	1,729,397	43,576
Deferred revenue	493,900	1,047,576
Current portion of operating lease liability	96,778	87,477
Total current liabilities	4,112,796	1,911,356
Long-term liabilities:		
Operating lease liability, net	688,656	785,728
Total liabilities	4,801,452	2,697,084
Member's equity	60,740,919	58,148,546
Total liabilities and member's equity	\$ 65,542,371	\$ 60,845,630

### STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Net sales Cost of sales	\$ 17,199,413 6,173,501	\$ 13,289,216 4,179,391
Gross profit	11,025,912	9,109,825
Operating Expenses	8,353,704	7,968,446
Income from operations	2,672,208	1,141,379
Other expense Other expense	(79,835)	(14,324)
Total other expense, net	(79,835)	(14,324)
Net income	2,592,373	1,127,055
Member's Equity - Beginning of Year	58,148,546	57,021,491
Member's Equity - End of Year	\$ 60,740,919	\$ 58,148,546

### STATEMENTS OF CASH FLOWS

### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Net income	\$ 2,592,373	\$ 1,127,055
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,986,337	2,989,674
Amortization of operating lease right of use asset	111,245	83,198
Bad debt expense	8,897	-
Changes in operating assets and liabilities		
Accounts receivable, net	(96,212)	(449,386)
Franchise loan receivable	19,358	(21,878)
Inventories	344,850	(657,351)
Prepaid expenses and other current assets	(398,623)	(70,506)
Accounts payable	845,828	(372,081)
Accrued liabilities	214,166	180,884
Deferred revenue	(553,676)	601,937
Operating lease liability	(87,771)	(83,198)
Net cash provided by operating activities	5,986,772	3,328,348
Cash flows from investing activities:		
Purchase of property and equipment	(28,403)	(7,604)
Net cash used in investing activities	(28,403)	(7,604)
Cash flows from financing activities:		
Related party activity, net	(5,606,331)	(2,703,131)
Net cash used in financing activities	(5,606,331)	(2,703,131)
Net increase in cash	352,038	617,613
Cash - beginning of year	1,016,779	399,166
Cash - end of year	\$ 1,368,817	\$ 1,016,779

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

#### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### NATURE OF BUSINESS

Soccer Shots Franchising, LLC ("the Company") is a wholly owned subsidiary of SS Acquisition LLC ("Parent"). Headquartered in Middletown, PA, the Company is a franchisor of youth soccer programs with franchises in PA, OH, DE, and FL.

#### **BASIS OF ACCOUNTING**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("GAAP").

#### **ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

#### CASH

The Company does not have any cash equivalents. The Company maintains substantially all of its cash accounts at one financial institution which is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At year-end and throughout the year, the Company had amounts in excess of FDIC limits. The Company also collects funds from its franchisees to be used solely for future advertising and marketing (branding) expenditures. Included with cash was \$190,498 of restricted cash related to these branding expenditures.

The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash.

#### ACCOUNTS RECEIVABLE, NET

In June 2016, the Financial Accounting Standards Board issued an Accounting Standards Update ("ASU") ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments which changes the methodology for measuring credit losses on financial instruments and the timing of when such losses are recorded. This update replaces the existing incurred loss impairment model with an expected loss model, known as the Current Expected Credit Loss model (CECL).

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### ACCOUNTS RECEIVABLE, NET (CONTINUED)

CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and held-to-maturity debt securities, and some off-balance sheet credit exposures such as unfunded commitments to extend credit. The model does not have a minimum threshold for recognition of impairment losses. The Company adopted this guidance as of January 1, 2023 using a modified retrospective transition approach, with the cumulative impact being immaterial to the financial statements. The cumulative effect upon adoption has not had a significant impact on the Company's financial position, results of operations and related disclosures.

Accounts receivable are stated at the amount the Company expects to collect. The Company maintains an allowance for credit losses for estimated losses resulting from the potential inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: credit-worthiness, past transaction history with the customer, current economic industry trends and changes in customer payment terms. Past due balance amounts are reviewed individually for collectability. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. The Company generally provides credit without requiring collateral in the normal course of business to customers. Franchisees are required to sign a personal guarantee securing accounts receivable. As all fees are contractually obligated with continuing long-term relationships with franchise partners, the Company has historically minimal write-offs. Bad debt expense for the years ended December 31, 2023 and 2022 amounted to approximately \$9,000 and \$0, respectively. As of December 31, 2023 and 2022, the Company determined that all amounts were fully collectable. As of January 1, 2022, accounts receivable amounted to \$568,063.

#### FRANCHISE LOAN RECEIVABLE

Certain franchisees pay between 25% and 50% of the franchise fee at the time the franchise agreement is signed, and agree to pay the remainder under a 12 to 15 month unsecured loan agreement at 0% to 12% interest. Franchise loans receivable are stated at the amount management expects to collect. When necessary, management establishes an allowance for doubtful accounts.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### FRANCHISE LOAN RECEIVABLE (CONTINUED)

The allowance amount is based on management's periodic assessment of franchisee creditworthiness and other factors. As of December 31, 2023 and 2022, management determined that no allowance was necessary. Franchise loans receivable are personally guaranteed by franchisees responsible to repay the loans. As of January 1, 2022, franchise loans receivable amounted to \$21,560.

#### INVENTORY

Inventory, which consists of various soccer equipment, is valued at the lower of cost or net realizable value and is calculated using the first-in, first-out method.

#### **PROPERTY AND EQUIPMENT, NET**

Property and equipment are stated at cost less accumulated depreciation. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of operations and changes in member's equity.

Depreciation is provided by use of the straight-line method over the estimated useful lives ranging from 3 to 7 years. Depreciation expense amounted to \$20,428 and \$23,764 for the years ended December 31, 2023 and 2022, respectively.

#### Revenue

Revenue is recognized when, or as, control of a promised product or service transfers to a customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring those products or services.

Revenue recognition is evaluated through the following five-step process:

- 1) identification of the contract with a customer;
- 2) identification of the performance obligations in the contract;
- 3) determination of the transaction price;
- 4) allocation of the transaction price to the performance obligations in the contract; and
- 5) recognition of revenue when or as a performance obligation is satisfied.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **REVENUE (CONTINUED)**

The Company derives its revenue primarily from their franchise agreements, equipment sales, and franchise royalty fees. Revenue excludes taxes that have been assessed by governmental authorities and that are directly imposed on revenue-producing transactions between the Company and its customers, including sales and use taxes.

The Company generates revenue from the sale of franchises, which requires a series of performance obligations to be completed in order to recognize revenue in accordance with Accounting Standards Codification (ASC) 606. The new franchise owner is required to attend an operator training, as well as receive an on-site visit from the Company's operations team. When both of these performance obligations are fulfilled, a portion of the revenue is recognized at the time of the operator's training.

The third performance obligation requires the Company to provide licensing for intellectual property over the term of the contract, and a portion of the revenue is recognized evenly over the term of the contract. The licensing fee for intellectual property is recognized over time as the franchisees have rights to the intellectual property over the life of the franchise agreement. The deferred revenue is recorded as a liability. The Company has deferred a portion of the bonuses paid to employees related to the acquisition of new franchises since these costs should be recognized when the related revenue is recognized. The deferred costs are recorded as an asset under prepaid expenses and other current assets and are recognized over the life of the contract. As of December 31, 2023 and 2022, deferred revenue and deferred costs are included in prepaid expenses and other current assets on the balance sheets as of December 31, 2023 and 2022. As of January 1, 2022, deferred revenue amounted to \$445,639.

During 2022, the Company implemented a jersey buyback program, in which franchisees were given credit to be applied against future purchases. Customer credits are included in deferred revenue on the balance sheet. Customer credits totaled \$0 and \$232,950 as of December 31, 2023 and 2022, respectively.

For equipment and merchandise sales, revenue is recognized when the order is shipped since the performance obligation is satisfied when "control" of the promised good or service is transferred to the customer.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **REVENUE (CONTINUED)**

The Company receives franchise royalty revenue on a monthly basis based upon a percentage of the franchise's gross sales. Franchise royalty revenue is variable and earned as a part of the franchise agreement. Additionally, the Company also charges a franchise software and brand fee. Software fees are recognized on a tiered structure ranging from 0.25% to 2% of the franchisee's gross sales. Brand fees are variable based on the franchise agreement signed by each franchisee. Royalty revenue, franchise software and brand fees are recognized on a monthly basis.

The following table disaggregates revenue based on a point in time or over time for the year ended December 31, 2023 and 2022:

		2023	2022
Over Time	Royalties	\$ 6,995,942	\$ 5,887,328
Over Time	Franchise fees	142,413	113,917
Over Time	Software fees	1,011,457	891,567
Over Time	Brand fees	-	181,975
		8,149,812	7,074,787
Point in Time	Merchandise sales	7,935,611	5,309,877
Point in Time	Franchise fees	1,036,929	774,214
Point in Time	Other	77,061	130,338
		9,049,601	6,214,429
	Total	\$ 17,199,413	\$ 13,289,216

#### INTANGIBLE ASSETS

Intangible assets with finite lives are amortized over their useful lives. Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually or more frequently if events or change in circumstances indicate the carrying value may be impaired, either individually or at the cash generating unit level. There were no triggering events as of December 31, 2023 and 2022.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### INTANGIBLE ASSETS (CONTINUED)

As of December 31, 2023 and 2022, intangible assets consist of the following:

		Useful
2023	2022	Life
\$ 8,810,000	\$ 8,810,000	20.0
43,200,000	43,200,000	20.0
(5,201,000)	(2,600,500)	
\$ 46,809,000	\$ 49,409,500	
	\$ 8,810,000 43,200,000 (5,201,000)	\$ 8,810,000         \$ 8,810,000           43,200,000         43,200,000           (5,201,000)         (2,600,500)

For the years ended December 31, 2023 and 2022, amortization expense amounted to \$2,600,500 for both periods.

The following table shows the future amortization of intangible assets for each of the next five years ending December 31,

For the Years Ending	
December 31,	Amount
2024	\$ 2,600,500
2025	2,600,500
2026	2,600,500
2027	2,600,500
2028	2,600,500
Thereafter	33,806,500
Total	\$ 46,809,000

#### GOODWILL

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets of the business acquired at the date of acquisition. The Company accounts for goodwill in accordance with ASC 350, *Intangibles - Goodwill and Other* (ASC 350). The Company follows the Private Company Council alternative guidance for private companies where entities amortize goodwill on the straight-line method over 10 years or less than 10 years, if the Company demonstrates that another useful life is more appropriate. The Company has elected to amortize goodwill over a ten year period.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### GOODWILL (CONTINUED)

The Company will perform an impairment test if an event occurs or circumstances change that indicate that the fair value of the reporting unit may be below its carrying amount (a triggering event). There were no triggering events as of December 31, 2023 and 2022.

Goodwill consists of the following as of December 31, 2023 and 2022:

	2023	2022
Goodwill	\$ 3,654,097	\$ 3,654,097
Less: Accumulated Amortization	(730,820)	(365,410)
Goodwill, Net	\$ 2,923,277	\$ 3,288,687

For the years ended December 31, 2023 and 2022, amortization expense amounted to \$365,410 for both periods.

The following table shows the future amortization of goodwill for each of the next five years ending December 31,

For the Years Ending	
December 31,	Amount
2024	\$ 365,410
2025	365,410
2026	365,410
2027	365,410
2028	365,410
Thereafter	1,096,227
Total	\$ 2,923,277

#### **INCOME TAXES**

The Company is a Limited Liability Company ("LLC") for both federal and state income tax purposes; therefore, income is not taxable to the Company. The Company reports all income and losses to the member of the LLC based upon the allocation of profit and loss provided by its operating agreement. Consequently, the Company has made no provision or liability for income taxes in the accompanying financial statements. Management has reviewed tax positions taken in filings with federal, state, and local jurisdictions and believes those positions would be sustained should the filing be examined by the relevant taxing authority.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **INCOME TAXES**

Should settlement of an examination, or other event, result in a change in management's evaluation of a tax position taken, or expected to be taken, in filings that have not been closed by statute or examination, any tax, interest and penalties related to an unrecognized tax benefit, as a result of an uncertain tax position, would be in a provision for income tax, interest expense, and operating expenses, respectively.

The Company files income tax returns in the United States (federal), and various state and local jurisdictions, and is subject to audit by various taxing authorities. Federal and state income tax returns are generally subject to examination for a period of three years after filing of the respective return. The Company's tax returns are not currently under examination in any jurisdictions.

#### **ADVERTISING**

Advertising and marketing costs are expensed as incurred. For the years ended December 31, 2023 and 2022, advertising and marketing expense totaled \$177,135 and \$218,560, respectively.

#### **NOTE 2 – VARIABLE INTEREST ENTITY**

The Company is considered to be the primary beneficiary of the Parent. In accordance with ASC 810-10, the Company has determined they are exempt from the variable interest entity reporting requirements. Accordingly, the activities of the Parent have not been included in these financial statements.

The Company's Parent obtained a term loan in the amount of \$22,500,000 which is due in 20 quarterly installments of fixed principal and interest, at a rate based on the Parent's election of the Base Rate plus Applicable Margin per the loan agreement or the Secured Overnight Financing Rate (SOFR) plus Applicable Margin (11.86% and 10.75% as of December 31, 2023 and 2022, respectively). There is a balloon payment due at maturity of the Loan Agreement in December 2026. The Company is a guarantor of the loan.

Additionally, the Parent has the ability for a delayed draw term loan of up to \$15 million and a revolving loan commitment of \$2,500,000. On October 21, 2022, the Parent made a draw on the delayed draw term of \$10 million with the same repayment terms on the original term loan. On January 6, 2023, the Company made an additional draw on the delayed draw term loan of \$2 million with the same repayment terms as the original loan.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

#### **NOTE 2 – VARIABLE INTEREST ENTITY (CONTINUED)**

As of December 31, 2023 and 2022, the total amount outstanding under the term and delayed term loans totaled \$33,237,000 and \$32,250,000, respectively. As of December 31, 2023 and 2022, there were no amounts outstanding on the revolving loan commitment. The Company is a guarantor of the revolving loan commitment.

#### NOTE 3 – RELATED PARTY TRANSACTIONS

Soccer Pals, LLC is a franchisee that is partly owned by one of the minority members. The only relationship between this entity and the Company are franchisee fees which amounted to \$103,371and \$65,455 for the years ended December 31, 2023 and 2022, respectively.

Soccer Shots Charlotte, LLC is a franchisee that is partly owned by one of the minority members. The only relationship between this entity and the Company are franchisee fees which amounted to \$155,029 and \$130,293 for the years ended December 31, 2023 and 2022, respectively.

COUS, LLC is a franchisee under common ownership of the Company. Revenue received from COUS, LLC amounted to \$1,073,061 and \$947,162 for the years ended December 31, 2023 and 2022, respectively. Included in accounts receivable as of December 31, 2023 and 2022 is \$55,491 due from COUS, LLC. Included in due to related parties as of December 31, 2023 and 2022 is \$3,005 and (30,975), due from (to) COUS, LLC.

From time to time, the Company's Parent and other related entities (through ownership) provide working capital advances to the Company or the Company provides working capital advances to these entities.

	2023		202	2
	Due from	Due to	Due from	Due to
Parent	\$ 10,080,638	\$ -	\$ 2,921,466	\$ -
Stronger Youth Brands Holdings	-	-	265	-
COUS LLC	3,005	-	-	30,975
Soccer Shots Foundation	-	7,555	-	4,862
Franchise Advisory Council	-	19,123	-	4,760
Soccer Shots IP, LLC	-	1,720	-	2,979
Little Kickers Franchising UK	-	1,700,999	-	-
Little Kickers Canada Holdings	130,240	-	-	-
	\$ 10,213,883	\$1,729,397	\$2,921,731	\$ 43,576

Amounts due to/from related parties as of December 31, 2023 and 2022 are as follows:

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

#### NOTE 3 – RELATED PARTY TRANSACTIONS (CONTINUED)

The Company leases office space from a related party, SYB Property Group, LLC, which is partly owned by one of the minority members. Total related party rent expense was \$159,000 and \$146,933 for the years ended December 31, 2023 and 2022, respectively. (See Note 4).

#### **NOTE 4 - LEASES**

The Company leases office space under a non-cancellable operating lease expiring December 2029.

While all of the agreements provide for minimum lease payments, some include payments adjusted for variable common area maintenance charges. Variable payments that are not determinable at the lease commencement are not included in the measurement of the lease assets and liabilities. The lease agreement does not include any material residual value guarantees or restrictive covenants.

The components of operating lease costs that are included in the statement of operations and changes in member's equity for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Operating lease cost - amortization	\$ 111,245	\$ 83,198
Operating lease cost - variable	61,337	63,735
	\$ 172,582	\$ 146,933

The following summarizes the cash flow information related to operating leases for the years ended December 31, 2023 and 2022:

	2023	2022
Cash paid for amounts included in the measurement of lease		
liabilities:		
Operating cash flows for operating leases	\$ 172,582	\$ 146,933

Weighted average lease term and discount rate as of December 31, 2023 and 2022 were as follows:

	2023	2022
Weighted average remaining lease term	6 years	7 years
Weighted average discount rate	8%	8%

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

#### **NOTE 4 - LEASES (CONTINUED)**

The maturities of operating lease liabilities as of December 31, 2023, were as follows:

2024	\$ 155,081
2025	158,958
2026	162,932
2027	167,005
2028	171,181
Thereafter	175,460
Total Lease Payments	990,617
Less: Amounts representing interest	(117,412)
Present Value of Lease Liability	\$ 873,205

#### NOTE 5 - RETIREMENT PLAN

The Company sponsors a Savings Incentive Match Plan for Employees (SIMPLE). Under the plan, the Company has the ability to match contributions made by the eligible employees, and makes matching contributions of 3% of compensation. To be eligible for SIMPLE, an employee must have earned more than \$5,000 in any plan year. Total expense for the plan was \$59,600 and \$48,833 for the years ended December 31, 2023 and 2022, respectively.

#### NOTE 6 - RISKS AND UNCERTAINTIES

From time to time, the Company is a party to litigation arising in the normal course of its business operations. In the opinion of management and the Company's legal counsel, there is no open litigation or settlements of any such matters as of December 31, 2023 and 2022 that would have a material adverse impact on the Company's financial condition, liquidity or results of operations.

#### **NOTE 7 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events and determined there were no maters that required recognition or disclosure in these financial statements through March 27, 2024, the date the financial statements were available to be issued.

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

### **TABLE OF CONTENTS**

Independent Auditors' Report	
Financial Statements	
Balance Sheet	3
Statement of Operations and Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6-16



#### **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors Soccer Shots Franchising, LLC

#### **Opinion**

We have audited the financial statements of Soccer Shots Franchising, LLC, which comprise the balance sheet as of December 31, 2022, and the related statements of operations and changes in member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Soccer Shots Franchising, LLC as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Soccer Shots Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Soccer Shots Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### Auditors' 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 auditors' 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, 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 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 Soccer Shots Franchising, 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 Soccer Shots Franchising, 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.

Marcun LLP

Philadelphia, Pennsylvania March 28, 2023

### **BALANCE SHEET**

#### **DECEMBER 31, 2022**

#### Assets

Current assets:	
Cash	\$ 1,016,779
Accounts receivable, net	1,017,449
Franchise loan receivable	43,438
Inventories	1,787,101
Due from related parties	2,921,731
Prepaid expenses and other current assets	440,675
Total current assets	7,227,173
Other assets:	
Property and equipment, net	47,065
Right of use, net	873,205
Goodwill, net	3,288,687
Intangibles, net	49,409,500
Total other assets	53,618,457
Total assets	\$ 60,845,630
Liabilities and Member's Equity	
Current liabilities:	
Accounts payable	\$ 204,696
Accrued liabilities	528,031
Due to related parties	43,576
Deferred revenue	1,047,576
Current portion of operating lease liability	87,477
Total current liabilities	1,911,356
Long-term liabilities:	
Operating lease liability, net	785,728
Total liabilities	2,697,084
Member's equity	58,148,546
Total liabilities and member's equity	\$ 60,845,630

## STATEMENT OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY

### FOR THE YEAR ENDED DECEMBER 31, 2022

Net sales Cost of sales	\$ 13,289,216 4,179,391
Gross profit	9,109,825
Operating Expenses	7,968,446
Income from operations	1,141,379
Other income (expense) Other income (expense), net	(14,324)
Total other expense, net	(14,324)
Net income	1,127,055
Member's Equity - Beginning of Year	57,021,491
Member's Equity - End of Year	\$ 58,148,546

### STATEMENT OF CASH FLOWS

# FOR THE YEAR ENDED DECEMBER 31, 2022

Cash flows from operating activities:	
Net income	\$ 1,127,055
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	2,989,674
Amortization of operating lease right of use asset	83,198
Accretion of operating lease liability	63,735
Changes in operating assets and liabilities	
Accounts receivable, net	(449,386)
Franchise loan receivable	(21,878)
Inventories	(657,351)
Prepaid expenses and other current assets	(70,506)
Accounts payable	(372,081)
Accrued liabilities	180,884
Deferred revenue	601,937
Operating lease liability	 (146,933)
Net cash provided by operating activities	 3,328,348
Cash flows from investing activities:	
Purchase of property and equipment	 (7,604)
Cash flows from financing activities:	
Related party activity, net	 (2,703,131)
Net increase in cash	617,613
Cash - beginning of year	 399,166
Cash - end of year	\$ 1,016,779

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

#### NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### NATURE OF BUSINESS

Soccer Shots Franchising, LLC ("the Company") is a wholly owned subsidiary of SS Acquisition LLC ("Parent"). Headquartered in Middletown, PA, the Company is a franchisor of youth soccer programs with franchises in PA, OH, DE, and FL.

#### **BASIS OF ACCOUNTING**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("GAAP").

#### **ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

#### CASH

The Company does not have any cash equivalents. The Company maintains substantially all of its cash accounts at one financial institution which is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At year-end and throughout the year, the Company had amounts in excess of FDIC limits.

The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash.

#### ACCOUNTS RECEIVABLE, NET

Accounts receivable are stated at the amount the Company expects to collect. The Company generally provides credit without requiring collateral in the normal course of business to customers. Franchisees are required to sign a personal guarantee securing accounts receivable. The Company provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The Company's estimate is based on historical collection experience and a review of the current status of accounts receivable.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### ACCOUNTS RECEIVABLE, NET (CONTINUED)

As all fees are contractually obligated with continuing long-term relationships with franchise partners, the Company has historically minimal write-offs. As of December 31, 2022, the Company determined that all amounts were fully collectable. There was no bad debt expense during the year ended December 31, 2022. As of January 1, 2022, accounts receivable amounted to \$568,063.

#### FRANCHISE LOAN RECEIVABLE

Certain franchisees pay a portion (half or greater) of the franchise fee at the time the franchise agreement is signed, and agree to pay the remainder under a 15-month unsecured loan agreement with payments beginning after the operator's training. Loans to franchisees bear interest at 10% to 12% with principal and interest payments due monthly. Interest income is recognized as it accrues on the outstanding balances. Franchise loans receivable are stated at the amount management expects to collect. When necessary, management establishes an allowance for doubtful accounts. The allowance amount is based on management's periodic assessment of franchisee credit-worthiness and other factors. As of December 31, 2022, management determined that no allowance was necessary. Franchise loans receivable are personally guaranteed by franchisees responsible to repay the loans. As of December 31, 2022, and January 1, 2022 franchise loans receivable outstanding amounted to \$43,438 and \$21,560, respectively.

#### INVENTORY

Inventory, which consists of various soccer equipment, is valued at the lower of cost or net realizable value and is calculated using the first-in, first-out method.

#### **PROPERTY AND EQUIPMENT, NET**

Property and equipment are stated at cost less accumulated depreciation. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of operations and changes in member's equity.

Depreciation is provided by use of the straight-line method over the estimated useful lives ranging from 3 to 7 years. Depreciation expense amounted to approximately \$24,000 for the year ended December 31, 2022.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue

Revenue is recognized when, or as, control of a promised product or service transfers to a customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring those products or services.

Revenue recognition is evaluated through the following five-step process:

- 1) identification of the contract with a customer;
- 2) identification of the performance obligations in the contract;
- 3) determination of the transaction price;
- 4) allocation of the transaction price to the performance obligations in the contract; and
- 5) recognition of revenue when or as a performance obligation is satisfied.

The Company derives its revenue primarily from their franchise agreements, equipment sales, and franchise royalty fees. Revenue excludes taxes that have been assessed by governmental authorities and that are directly imposed on revenue-producing transactions between the Company and its customers, including sales and use taxes.

The Company generates revenue from the sale of franchises, which requires a series of performance obligations to be completed in order to recognize revenue in accordance with Accounting Standards Codification (ASC) 606. The new franchise owner is required to attend an operator training, as well as receive an on-site visit from the Company's operations team. When both of these performance obligations are fulfilled, a portion of the revenue is recognized at the time of the operator's training.

The third performance obligation requires the Company to provide licensing for intellectual property over the term of the contract, and a portion of the revenue is recognized evenly over the term of the contract. The licensing fee for intellectual property is recognized over time as the franchisees have rights to the intellectual property over the life of the franchise agreement. The deferred revenue is recorded as a liability. The Company has deferred a portion of the bonuses paid to employees related to the acquisition of new franchises since these costs should be recognized when the related revenue is recognized. The deferred costs are recorded as an asset under prepaid expenses and other current assets and are recognized over the life of the contract. As of December 31, 2022, deferred revenue and deferred costs amounted to \$814,626 and \$98,782, respectively. Deferred costs are included in prepaid expenses and other current assets on the balance sheet as of December 31, 2022. As of January 1, 2022, deferred revenue amounted to \$445,639.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **REVENUE (CONTINUED)**

During the year, the Company implemented a jersey buyback program, in which franchisees were given credit to be applied against future purchases. Customer credits amounted to \$232,950 as of December 31, 2022. Customer credits are included in deferred revenue on the balance sheet as of December 31, 2022.

For equipment and merchandise sales, revenue is recognized when the order is shipped since the performance obligation is satisfied when "control" of the promised good or service is transferred to the customer.

The Company receives franchise royalty revenue on a monthly basis based upon a percentage of the franchise's gross sales. Franchise royalty revenue is variable and earned as a part of the franchise agreement. Additionally, the Company also charges a franchise software and brand fee. Software fees are recognized on a tiered structure ranging from 0.25% to 2% of the franchisee's gross sales. Brand fees are variable based on the franchise agreement signed by each franchisee. Royalty revenue, franchise software and brand fees are recognized on either a daily or monthly basis.

The following table disaggregates revenue based on a point in time or over time for the year ended December 31, 2022:

Over Time	Royalties	\$ 5,887,328
Over Time	Franchise fees	113,917
Over Time	Software fees	891,567
Over Time	Brand fees	181,975
		7,074,787
Point in Time	Merchandise sales	5,309,877
Point in Time	Franchise fees	774,214
Point in Time	Other	130,338
		6,214,429
	Total	\$ 13,289,216

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **INTANGIBLE ASSETS**

Intangible assets with finite lives are amortized over their useful lives. Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually or more frequently if events or change in circumstances indicate the carrying value may be impaired, either individually or at the cash generating unit level. There were no triggering events as of December 31, 2022.

As of December 31, 2022, intangible assets consist of the following:

\_

		Useful
	Amount	Life
Tradenames	\$ 8,810,000	20.0
Franchise Agreements	43,200,000	20.0
Less: Accumulated Amortization	(2,600,500)	
Intangible Assets, Net	\$ 49,409,500	

For the year ended December 31, 2022, amortization expense amounted to approximately \$2,600,500.

The following table shows the future amortization of intangible assets for each of the next five years ending December 31,

For the Years Ending	
December 31,	Amount
2023	\$ 2,600,500
2024	2,600,500
2025	2,600,500
2026	2,600,500
2027	2,600,500
Thereafter	36,407,000
Total	\$ 49,409,500

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### GOODWILL

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets of the business acquired at the date of acquisition. The Company accounts for goodwill in accordance with ASC 350, *Intangibles - Goodwill and Other* (ASC 350). The Company follows the Private Company Council alternative guidance for private companies where entities amortize goodwill on the straight-line method over 10 years or less than 10 years, if the Company demonstrates that another useful life is more appropriate. The Company has elected to amortize goodwill over a ten year period.

The Company will perform an impairment test if an event occurs or circumstances change that indicate that the fair value of the reporting unit may be below its carrying amount (a triggering event). There were no triggering events as of December 31, 2022.

Goodwill consists of the following as of December 31, 2022:

Goodwill, beginning of year	\$ 3,654,097
Less: Accumulated Amortization	(365,410)
Goodwill, Net	\$ 3,288,687

For the year ended December 31, 2022, amortization expense amounted to approximately \$365,000.

The following table shows the future amortization of goodwill for each of the next five years ending December 31,

For the Years Ending	
December 31,	Amount
2023	\$ 365,410
2024	365,410
2025	365,410
2026	365,410
2027	365,410
Thereafter	1,461,637
Total	\$ 3,288,687

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **INCOME TAXES**

The Company is a Limited Liability Company ("LLC") for both federal and state income tax purposes; therefore, income is not taxable to the Company. The Company reports all income and losses to the member of the LLC based upon the allocation of profit and loss provided by its operating agreement. Consequently, the Company has made no provision or liability for income taxes in the accompanying financial statements. Management has reviewed tax positions taken in filings with federal, state, and local jurisdictions and believes those positions would be sustained should the filing be examined by the relevant taxing authority.

Should settlement of an examination, or other event, result in a change in management's evaluation of a tax position taken, or expected to be taken, in filings that have not been closed by statute or examination, any tax, interest and penalties related to an unrecognized tax benefit, as a result of an uncertain tax position, would be in a provision for income tax, interest expense, and operating expenses, respectively.

The Company files income tax returns in the United States (federal), and various state and local jurisdictions, and is subject to audit by various taxing authorities. Federal and state income tax returns are generally subject to examination for a period of three years after filing of the respective return. The Company's tax returns are not currently under examination in any jurisdictions.

#### **ADVERTISING**

Advertising and marketing costs are expensed as incurred. For the year ended December 31, 2022, advertising and marketing expense totaled approximately \$219,000.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

# NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **NEW ACCOUNTING STANDARD**

Effective January 1, 2022, the Company adopted Financial Accounting Standards Board ASC 842, *Leases* (ASC 842). The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and circumstances. The Company elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification. The Company elected the short-term lease recognition exemption for all leases that qualify. Consequently, for those leases that qualify, the Company will not recognize right-of-use assets or lease liabilities on the balance sheet. The Company utilizes its incremental borrowing rate as the discount rate. The adoption of ASC 842, with respect to leases for which the Company is the lessee, resulted in the recognition of right-to-use assets of \$956,403 and operating lease liabilities of \$956,403 as of January 1, 2022. See Note 4.

#### NOTE 2 – VARIABLE INTEREST ENTITY

The Company's Parent obtained a term loan in the amount of \$22,500,000 which is due in 20 quarterly installments of fixed principal and interest, at a rate based on the Parent's election of the Base Rate plus Applicable Margin per the loan agreement or LIBOR plus Applicable Margin (10.75% as of December 31, 2022). There is a balloon payment due at maturity of the Loan Agreement in December 2026. The Company is a guarantor of the loan.

Additionally, the Parent has the ability for a delayed draw term loan of up to \$15 million and a revolving loan commitment of \$2,500,000. On October 21, 2022, the Parent made a draw on the delayed draw term of \$10 million with the same repayment terms on the original term loan. As of December 31, 2022, the total amount outstanding under the term and delayed term loans totaled \$32,250,000. As of December 31, 2022, there were no amounts outstanding on the revolving loan commitment. The Company is a guarantor of the revolving loan commitment.

The Company is considered to be the primary beneficiary of the Parent. In accordance with ASC 810-10, the Company has determined they are exempt from the variable interest entity reporting requirements. Accordingly, the activities of the Parent have not been included in these financial statements.

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

#### NOTE 3 – RELATED PARTY TRANSACTIONS

Soccer Pals, LLC is a franchisee that is partly owned by one of the minority members. The only relationship between this entity and the Company are franchisee fees which amounted to \$65,455 for the year ended December 31, 2022.

Soccer Shots Charlotte, LLC is a franchisee that is partly owned by one of the minority members. The only relationship between this entity and the Company are franchisee fees which amounted to \$130,293 for the year ended December 31, 2022.

COUS, LLC is a franchisee under common ownership of the Company. Revenue received from COUS, LLC amounted to \$947,162 for the year ended December 31, 2022. Included in accounts receivable as of December 31, 2022 is \$38,061 due from COUS, LLC. Included in due to related parties as of December 31, 2022 is \$30,975 due to COUS, LLC.

From time to time, the Company's Parent and other related entities (through ownership) provide working capital advances to the Company or the Company provides working capital advances to these entities.

Amounts due to/from related parties as of December 31, 2022 are as follows:

Due from		Due to
\$ 2,921,466	\$	-
265		-
-		30,975
-		4,862
-		4,760
 -		2,979
\$ 2,921,731	\$	43,576
\$	\$ 2,921,466 265 - -	\$ 2,921,466 \$ 265 - - -

The Company leases office space from a related party, SYB Property Group, LLC, which is partly owned by one of the minority members. Total related party rent expense was \$146,933 for the year ended December 31, 2022. (See Note 4).

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

#### **NOTE 4 - LEASES**

The Company leases office space under a non-cancellable operating lease expiring December 2029.

While all of the agreements provide for minimum lease payments, some include payments adjusted for variable common area maintenance charges. Variable payments are not determinable at the lease commencement are not included in the measurement of the lease assets and liabilities. The lease agreement does not include any material residual value guarantees or restrictive covenants.

The components of operating lease costs that are included in the statement of operations and changes in member's equity for the year ended December 31, 2022 were as follows:

Operating lease cost - amortization	\$ 83,198
Operating lease cost - variable	 63,735
	\$ 146,933

The following summarizes the cash flow information related to operating leases for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases	\$ 146,933

Weighted average lease term and discount rate as of December 31, 2022 were as follows:

Weighted average remaining lease term	7 years
Weighted average discount rate	8%

The maturities of operating lease liabilities as of December 31, 2022, were as follows:

2023	\$ 151,299
2024	155,081
2025	158,956
2026	162,932
2027	167,005
Thereafter	 346,641
Total Lease Payments	 1,141,914
Less: Amounts representing interest	 (268,709)
Present Value of Lease Liability	\$ 873,205

#### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

#### NOTE 5 - RETIREMENT PLAN

The Company sponsors a Savings Incentive Match Plan for Employees (SIMPLE). Under the plan, the Company has the ability to match contributions made by the eligible employees, and makes matching contributions of 3% of compensation. To be eligible for SIMPLE, an employee must have earned more than \$5,000 in any plan year. Total expense for the plan was \$48,833 in 2022.

#### NOTE 6 – RISKS AND UNCERTAINTIES

From time to time, the Company is a party to litigation arising in the normal course of its business operations. In the opinion of management and the Company's legal counsel, there is no open litigation or settlements of any such matters as of December 31, 2022 that would have a material adverse impact on the Company's financial condition, liquidity or results of operations.

#### **NOTE 7 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events and determined there were no maters that required recognition or disclosure in these financial statements through March 28, 2023, the date the financial statements were available to be issued.

### EXHIBIT B

### FRANCHISE AGREEMENT



Soccer Shots Franchise Agreement

#### --TABLE OF CONTENTS--

#### Soccer Shots Franchise Agreement

<u>SECTION</u> <u>PA</u>	AGE
1. <u>DEFINITIONS</u>	1
2. <u>GRANT OF LICENSE</u>	4
3. TRADEMARK STANDARDS AND REQUIREMENTS	6
4. <u>TERM AND RENEWAL</u>	7
5. OPERATIONS STANDARDS AND REQUIREMENTS	8
6. <u>PERSONNEL AND SUPERVISION STANDARDS</u>	15
7. <u>MARKETING</u>	18
8. <u>FEES, REPORTING AND AUDIT RIGHTS</u>	20
9. YOUR OTHER OBLIGATIONS; NONCOMPETITION COVENANTS	23
10. <u>TRANSFER OF FRANCHISE</u>	26
11. <u>DISPUTE RESOLUTION</u>	29
12. <u>DEFAULT AND TERMINATION</u>	31
13. <u>POST-TERM OBLIGATIONS</u>	32
14. <u>GENERAL PROVISIONS</u>	33

### **SCHEDULES**

- B. Addenda to Franchise Agreement
  - B-1 Addendum for Additional Territory
  - B-2 Financing Addendum
- C. Personal Guarantee
- D. Telephone Number and Internet Listings Assignment Agreement
- E. Confidentiality, Non-Solicitation and Non-Competition Agreement (Franchisee Employees)
- F. Confidentiality and Non-Competition Agreement (Owner Spouse)

#### SOCCER SHOTS FRANCHISE AGREEMENT

This Soccer Shots Franchise Agreement (the "Agreement") is made as of the Effective Date by and between Soccer Shots Franchising, LLC, a Pennsylvania limited liability company, having its principal place of business at 1020 South Eisenhower Blvd, Middletown, PA 17057 ("Soccer Shots", "Franchisor", "we," or "us"), and the person or entity ("Franchisee" or "you") identified as Franchisee on the Data Sheet attached as Schedule A (together with addenda attached thereto, the "Data Sheet"). If Franchisee is a corporation, partnership, limited liability company or other legal entity, the provisions of this Agreement shall also apply to each of its owners, jointly and severally.

### RECITALS

A. We have developed a system for establishing and operating businesses owned by our affiliates or third parties identified by the Marks relating to youth soccer education programs marketed to children between ages 2 and 8 primarily through daycare centers, preschools, parks, and other community programs, which use curriculum, coaching, and communications to positively impact children's lives (each, a "Soccer Shots Business").

B. Our affiliate, Soccer Shots IP LLC, owns the Marks used in connection with the operation of Soccer Shots Businesses and has granted to us a license to use, and sublicense the use of, the Marks in connection with the Soccer Shots Businesses and System.

C. You desire to develop and operate a single Soccer Shots Business, and we have agreed to grant you a franchise to operate a single Soccer Shots Business, referred to as your Franchise, subject to the terms and conditions of this Agreement.

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

### **DEFINITIONS**

1. For purposes of this Agreement, the terms below have the following definitions (other terms are defined in the body of this Agreement):

- A. "AAA" is defined in Section 11.A.
- B. "Agreement" is defined in the preamble.
- C. "approved products and supplies" is defined in Section 5.D.
- D. "Assignee" is defined in Section 10.A.

E. "Brand Fund" shall mean the marketing, advertising and promotion fund for Soccer Shots Businesses.

F. "Brand Fund Fee" is defined in Section 8.D.

G. "Brand Standards Manual" means any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our agents produce and which contain specifications, standards, policies, procedures and recommendations for operating Soccer Shots Businesses, all of which we may change from time to time. The term "Brand Standards Manual" includes all methods of communicating such information, regardless of format.

H. "Competitive Business" shall mean any organized program that provides instruction, education, training, or mentoring relating to soccer, other sports, performing arts, or other programs involving organized physical activity whether on a team or individual basis that is offered or marketed to children under the age of 10, or that offers or sells any service or product or component thereof which composes a part of our System or which competes directly or indirectly with Soccer Shots Businesses. The parties understand and agree that the participation in the coaching of a public or private school-sponsored soccer team or club will not be deemed to be a "Competitive Business."

I. "Confidential Information" means any proprietary and confidential information, data, materials and know-how owned by us relating to the development or operation of a Soccer Shots Business, whether contained in the Brand Standards Manual or otherwise, including, but not limited to: (1) soccer related education and training programs and materials and methods of implementing the curriculum and programs, including, without limitation, contents of videos, trainings, lesson plans, seminars and workshops; (2) Customer Information and information relating to potential customers as well as information regarding arrangements with daycare facilities and other host entity venues; (3) sales and marketing programs and techniques for Soccer Shots Businesses; (4) knowledge of the System and programs, results and financial performance of Soccer Shots Businesses; and (5) computer systems, technology and software programs, including all password-protected portions of our website, intranets and extranets and the information they contain and the email addresses of our franchisees.

J. "Creative Works" is defined in Section 3.F.

K. "Customer Information" means contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any person (students and parents) or entity (including any host entity for any of the programs or services): (1) included on any marketing or customer list provided by us to you; (2) who has purchased or purchases programs or services from you during the term (even if you have solicited the person and/or established a relationship independent of us and without our assistance) or who you have solicited to purchase any programs or services; (3) for whom you provide services on our behalf or at our direction, including any Strategic Accounts; and (4) if any of the foregoing is an entity, all employees of such entity.

- L. "Computer System" is defined in Section 5.E.
- M. "Data Sheet" is defined in the preamble.

N. "Effective Date" means the date designated as the Effective Date on the Data Sheet. If no Effective Date is designated on the Data Sheet, the Effective Date is the date when we sign this Agreement.

- O. "FAC" is defined in Section 6.E.
- P. "FAC Fee" is defined in Section 8.E.
- Q. "FAC Member" is defined in Section 6.E.

R. "Franchise" means the Soccer Shots Business you develop and operate pursuant to this Agreement.

S. "Franchise Office Location" shall mean the approved office from which you manage the operation of your Franchise, which location we must accept in writing.

T. "Franchisee" or "you" is defined in the preamble.

U. "Gross Sales" include the total revenues and receipts from whatever source (whether in the form of cash, credit, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with your Franchise whether under any of the Marks or otherwise. Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

- V. "IDR" is defined in Section 11.A.
- W. "IDR Period" is defined in Section 11.A.
- X. "Initial Equipment Package" is defined in Section 5.D.
- Y. "Initial Franchise Training" is defined in Section 6.B.
- Z. "Initial Franchise Fee" is defined in Section 8.A.
- AA. "Interim Period" is defined in Section 4.C.

BB. "Internet" means all communications between computers and television, telephone, facsimile and any other communication or communication capable devices and another such device or machine, including the World Wide Web, proprietary online services, social media platforms, blogs, E-mail, news groups and electronic bulletin boards and forums.

CC. "Manager" is defined in Section 6.A.

DD. "Marks" means the "Soccer Shots" mark, logo, and such other trade names, trademarks, service marks, logos and commercial symbols as we may from time to time expressly authorize or direct you to use in connection with the operation of your Franchise.

EE. "Merger/Acquisition Activity" is defined in Section 2.C.(ii).

FF. "Minimum Performance Standards" shall mean the annual minimum performance standards as set forth in Section 5.Q.

GG. "Minimum Royalty Fee" is defined in Section 8.B.

HH. "Operations Start Date" shall mean the first calendar day of the month immediately following your completion of the Initial Franchise Training as required hereunder by which you must begin marketing, offering and selling the authorized programs and services included in the System.

II. "Personnel" is defined in Section 6.C.

- JJ. "Principal Owner" is defined in Section 6.A.
- KK. "Royalty Fee" is defined in Section 8.A.
- LL. "Soccer Shots", "Franchisor", "we," or "us" is defined in the preamble.
- MM. "Soccer Shots Business" is defined in the Recitals.
- NN. "Software License Fee" is defined in Section 8.C.

OO. "Strategic Accounts" means national, regional or other customers of Soccer Shots Businesses located within and/or outside the Territory with whom we have entered or plan to enter into contracts, programs or other arrangements (i) for servicing of multiple locations of such customers; and/or (ii) that we determine are designed to benefit Soccer Shots Businesses by gaining otherwise unavailable business; and/or (iii) with customers that may require specific terms or provisions of our arrangement with them, including without limitation special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals.

PP. "System" means our distinctive operating systems, marketing systems, business formats, business techniques, and methods, processes, standards, specifications, policies and procedures for providing youth soccer education programs with our proprietary curriculum that teaches and promotes soccer and features fun warm-ups, soccer skill lessons, games that apply the skills, scrimmages and words of the day, as well as teaching important life lessons such as teamwork and honesty, for children ages 2 to 8, using soccer equipment and program aids, including items of trade dress and sales, leadership and management training for the development and operation of Soccer Shots Businesses, all as the same may exist today or as the same may change from time to time, operating under the Marks and as specified in the Brand Standards Manual or as otherwise reasonably directed by us from time to time.

QQ. "Territory" means the area designated on the Data Sheet. If the Territory is not designated at the time you and we sign this Agreement, we will notify you of the Territory within 30 days of the Effective Date.

RR. "Transfer Fee" is defined in Section 10.C.

### **GRANT OF LICENSE**

2. The following provisions control with respect to the license granted hereunder:

A. <u>Rights Granted</u>. Subject to the terms and conditions of this Agreement and during the term of this Agreement, we hereby grant you the right and license to engage in and conduct in the Territory a Soccer Shots Business identified by the Marks and operated in accordance with the Brand Standards Manual and the System.

You hereby accept said license and undertake the obligation to operate your Franchise faithfully, honestly and diligently, using the System and in compliance with this Agreement, the Brand Standards Manual and our standards and requirements. You may not subfranchise, sublicense, assign or transfer your rights under this Agreement, except as specifically provided herein.

B. <u>Rights to Territory</u>. During the term of this Agreement, and provided that you are in compliance with the terms and conditions contained herein, we will not (i) establish either a

company-owned or affiliate-owned Soccer Shots Business, or grant a franchise to a third party for the right to operate a Soccer Shots Business, that will solicit customers within the Territory or (ii) modify the Territory without your written permission; provided, however, another franchisee may locate its Franchise Office Location within the Territory if their primary residence. For the avoidance of doubt, you may not modify the Territory without our written permission.

You may not advertise, solicit customers, perform services or sell products related to the Franchise outside the Territory without our prior written consent, which consent we may give, condition or withdraw as we deem appropriate. If you receive a request for services or products from outside the Territory, you must refer that request to the franchisee, if any, that operates within the applicable territory. If no franchisee operates within that area, you must seek our written permission to process such a request if you wish to do so.

C. <u>Our Reservation of Rights</u>. Except as expressly limited by the rights granted to you in Section 2.B, we and our affiliates retain all rights and may engage in any activity whatsoever on any terms and conditions we deem advisable whenever and wherever we or our affiliates desire, including, but not limited to, the following:

(i) the right to establish and/or license others to establish franchised or company-owned Soccer Shots Businesses at any location outside the Territory;

(ii) the right to merge with, acquire or become acquired by ("Merger/Acquisition Activity") any business(es), including competitive businesses, which businesses operate under trademarks other than the Marks and may offer or sell products and services that are the same as, or similar to, the products and services offered at or from your Franchise, and which may be located anywhere inside or outside the Territory;

(iii) the right to sell and distribute for ourselves, and/or license others to sell and distribute, through alternate channels of distribution, including, without limitation, the Internet, within and outside the Territory, products or services that are the same as or different from the products and services offered from your Franchise, and which are offered and distributed under marks that are the same as or different than the Marks;

(iv) the right to establish and operate, and to grant to others the right to establish and operate, similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate; and

(v) if (a) you refuse or, in our sole judgment, are not qualified, interested or available to perform services or otherwise cannot or do not perform services for any customer located within the Territory, including a Strategic Account, or (b) a customer, orally or in writing, specifically requests services within the Territory from a different franchisee, us, our affiliate or another third party, we have the right to authorize another franchisee (or designate or authorize a corporate employee or any other third party) to perform services for the applicable customers inside the Territory. You agree that you will not be entitled to any compensation for sales or services performed inside the Territory by someone other than you as contemplated under this subparagraph.

### TRADEMARK STANDARDS AND REQUIREMENTS

3. We hereby grant you the right to use the Marks in connection with the operation of the Franchise hereunder, subject to the following terms and conditions:

A. <u>Mark Ownership</u>. The Marks are our affiliate's valuable property, and it is the owner of all rights, titles and interests in and to the Marks and all past, present or future goodwill garnered from the operation of the Franchise. Your use of the Marks will inure to our benefit and the benefit of our affiliate. You may not, during or after the term of this Agreement, engage, directly or indirectly, in any conduct that would infringe upon, harm or contest our or our affiliate's rights in any of the Marks, or the goodwill associated therewith, including any use of the Marks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media, any challenge to our use of the Marks or the use of any trademark that is confusingly similar to the Marks.

B. <u>Use of Marks</u>. You may not use, or permit the use of, any trademarks, trade names, logos, service marks or any other names or marks in connection with the Franchise except those we authorize or direct in writing. You may use the Marks only in the form and manner we prescribe in writing and only in connection with the products and services that (i) we specify; and (ii) meet our standards and requirements with respect to quality, production and sale. You must comply with all trademark, trade name and service mark notice marking requirements.

C. Business Identification. You must use the name Soccer Shots and the city, county or region we designate for you as the trade name of the Franchise (e.g., Soccer Shots of Waco). You may not use the words "Soccer Shots" or any other Mark as part of the name of your corporation, partnership, limited liability company or other business entity. You may not use any other mark or words to identify the Franchise without our prior written consent. You may use the Marks on various materials associated with the Franchise, such as business cards, stationery and checks; provided that you (i) accurately depict the Marks on the materials as we direct, (ii) use the Marks in accordance with all of our trademark usage and branding standards, (iii) include a statement on the materials indicating that the Franchise is independently owned and operated by you, (iv) do not use the Marks in connection with any other trademarks, trade names, logos, service marks or any other names or marks unless we specifically approve in writing prior to such use, and (v) make available to us, upon our request, a copy of any materials depicting the Marks. You must put your customers on notice (by language in your contracts) identifying you as a Soccer Shots franchisee in a format we deem acceptable, including an acknowledgment that you independently own and operate the Franchise. All contracts executed by you will list your corporate name and will not be entered into under the "Soccer Shots" name.

D. <u>Litigation</u>. If any person or entity improperly uses or infringes the Marks or challenges your use or our or our affiliate's use or ownership of the Marks, we or our affiliate will control all litigation and other proceedings. We or our affiliate have the right to determine whether suit or other proceeding will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you become aware or any challenge or claim arising out of your use of any Mark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We and our affiliate will be responsible for our fees and expenses incurred in connection with any such action, unless the challenge or claim results from your misuse of the Marks in violation of this

Agreement, in which case you must pay us or our affiliate, as applicable, for our or our affiliate's costs and expenses including, without limitation, attorneys' fees.

E. <u>Changes</u>. Unless we direct you to do so in writing, you may not make any changes or substitutions to the Marks. If we deem it necessary for you to modify or discontinue use of any of the Marks, and/or use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols, you shall comply with our directions within 10 business days after notice to you by us. We will not be required to reimburse you for your expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by you to promote a modified or substitute Mark.

F. <u>Creative Works</u>. All ideas, business ventures, concepts, inventions, techniques, or materials concerning a Soccer Shots Business ("Creative Works"), whether or not protectable intellectual property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and "works made-for-hire" for us. To the extent any Creative Work does not qualify as a "work made-for-hire", you agree to assign, and hereby assign, ownership of that Creative Work, and all related rights to that Creative Work, to us and agree to take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the Creative Work.

## TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. <u>Term</u>. The initial term of this Agreement commences on the Effective Date and expires on the 5-year anniversary of the Operations Start Date, unless terminated earlier as provided herein.

B. Renewal Term and Conditions of Renewal. You may request to renew this Agreement, and we may grant such request, for three (3) consecutive renewal terms of five (5) years each, provided that, for each renewal: (i) you have given us written notice of your request to renew at least 90 days prior to the end of the then-expiring term, (ii) you sign our then-current form of franchise agreement (modified to reflect that the agreement relates to the grant of a renewal) for each renewal, the terms of which may differ substantially from this Agreement, including, without limitation, higher fees; however, your rights in the Territory shall remain the same for as long as the original majority owner of the Franchise continues to be the majority owner, (iii) you are not currently in default of this Agreement, any other franchise agreement with us, or any other agreement pertaining to this or other franchise(s) granted, you have satisfied all monetary and other material obligations on a timely basis during the term and are otherwise in good standing, (iv) you are in compliance with all of our then-current training requirements and operational requirements, (v) you and your guarantors execute a general release of claims in a form we prescribe, of any and all existing claims against us and our affiliates and subsidiaries, and each of their respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law, and (vi) you pay a renewal fee of \$5,000.

C. <u>Interim Period</u>. If this Agreement expires without you properly exercising your renewal right and you continue to accept the benefits of this Agreement thereafter, then, at our option, we may treat this Agreement either as (i) expired as of the date of expiration, with you then illegally operating a business in violation of our rights; or (ii) continued on a month-to-month basis (the "Interim Period") until both parties agree to enter into our then-current form of franchise

agreement for a renewal term or until one party provides the other with written notice of termination, in which case the Interim Period will terminate 30 days (or such longer period required by applicable state law) after receipt of the notice of termination. In the latter case, all of your obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired. All obligations and restrictions imposed on you upon expiration of this Agreement shall take effect upon termination of the Interim Period.

#### **OPERATIONS STANDARDS AND REQUIREMENTS**

5. The following provisions control with respect to operation of your Franchise:

A. <u>Commencement of Continuous Operations</u>. You must commence operations and continuously operate the Franchise in accordance with the following conditions:

(i) You must complete the Initial Franchise Training, comply with all other preopening obligations listed herein, and begin operating your Franchise by holding yourself out to the public as a Soccer Shots franchisee and marketing, offering and selling the authorized programs and services included in the System no later than the Operations Start Date. We are not responsible or liable for any losses or expenses, including those you might incur for your failure to comply with these obligations or your failure to open by a particular date.

(ii) You must establish your Franchise Office Location for managing the operation of your Franchise. Your Franchise Office Location must at all times conform to our then-current specifications as set forth in the Brand Standards Manual. You may request that your Franchise Office Location be your residential home. However, after the first year we may require you to establish a Franchise Office Location outside of your home. Although your Franchise Office Location is subject to our written acceptance, you are solely responsible for selecting the location and purchasing or leasing the property. We have no responsibility for any lease or purchase, and it is your sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Franchise Office Location. Our approval does not constitute a guarantee of success at the Franchise Office Location. You may not open additional office sites within your Territory, without prior written approval from us. Your Franchise Office Location must be located within your Territory unless it is your primary residence, in which case you may not use any signage or other indicia reflecting that it is a Soccer Shots business located at the Franchise Office Location and you may not permit customers in the Franchise Office Location to discuss or purchase approved Soccer Shots programs and services. If you own the right to operate Franchises in multiple Territories, you do not need to obtain a separate office for each Franchise.

(iii) You must continuously promote and manage your Franchise and operate throughout the year in accordance with our minimum standards for "Seasons". Unless otherwise agreed by us, you must not exceed three (3) weeks between Seasons. Failure to actively promote, manage and operate your Franchise in accordance with the foregoing requirements shall be a default of this Agreement.

B. <u>Vehicle Acquisition and Maintenance</u>. You must acquire and maintain, at your sole expense, a vehicle as specified by us for use in the Franchise. The vehicle shall be equipped, outfitted (including any vehicle wrap we may require), insured and maintained in accordance with the Brand Standards Manual (if applicable). You must maintain the interior, exterior and

mechanical parts of the vehicle in good repair and condition and regularly service and maintain the vehicle in good working order. No advertising, sales or other information may be displayed on the vehicle unless provided by us or approved by us in writing.

C. <u>Authorized Programs and Services</u>. You can only offer for sale, and sell to customers, those authorized programs and services as described in the Brand Standards Manual and only in accordance with our standards outlined therein. We may change any of our authorized programs and services (including online programs) periodically, or develop and/or implement new authorized programs and services (including online programs) and you agree to conform to any such changes, developments or implementations. You must implement any new curriculums, programs, products, services or systems that we develop and must make any reasonable expenditures that are necessary for you to implement the new curriculum, programs, products, services or systems that we advise you are no longer offered as part of the System. All programs, customer service materials, equipment, techniques, and promotional items of all descriptions and types.

D. Approved Products and Supplies. You must use only approved programs, products, jerseys, prizes, services, signs, advertising materials, and other items (collectively "approved products and supplies") in the Franchise. You may not resell any merchandise or other goods (such as jerseys or prizes) to your customers or to the general public, inside or outside of your Territory. We may introduce new products, services and supplies and change previously approved products, services and supplies from time to time and comply with our new or changed requirements. Although we do not currently do so for every item, we have the right to approve the supplier of approved products and supplies and other services. You acknowledge and agree that certain approved products and supplies and services may only be available from one approved supplier source, and we or our affiliates may be that source. You will pay the then-current price in effect for any approved products and supplies and services you must purchase from us or our affiliates. All products, materials, services and other items and supplies used in the operation of the Franchise must conform to the specifications and standards we establish from time to time in the Brand Standards Manual. We may furnish to you from time to time lists of approved products and supplies and services and/or approved suppliers, which lists we may amend from time to time. We may elect to collect payments for all equipment, supplies, services and products purchased directly from us or our affiliates via electronic funds transfer or any other payment method.

WE AND OUR AFFILIATES MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS WE APPROVE AND WE EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, OR OTHER APPROVED ITEMS.

If you wish to purchase from suppliers other than our approved suppliers, or propose to use in the operation of the Franchise any brand or supply which is not then approved by us as meeting our minimum specifications and quality standards, you must follow our supplier/supply approval procedures, as set forth in the Brand Standards Manual, and obtain our prior written approval. You must give us at least 30 days' prior written notice. We may require that samples be delivered to us or our designee before our approval is given. You must pay upon demand our (or the third party's) actual costs of the testing and any related costs/expenses (regardless of whether we grant an approval). We will usually notify you of our decision within 30 days after we receive the test results. Additional or different procedures may be required for approval of services, software or other special items. We reserve the right to revoke our approval at any time upon the supplier's failure to meet our then-current criteria. Under any circumstances, we reserve the right, at our option, to re-inspect the facilities and products of any supplier of an approved item and to revoke its approval of any item that fails to continue to meet any of our criteria.

As part of your payment of the Initial Franchise Fee, we will provide you with a \$460 credit towards our merchandise shopping cart and \$400 credit towards our marketing shopping cart (the "Initial Equipment Package").

Computer System; Customer Information. You must use or purchase a computer E. system (including all future updates, supplements and modifications) that meets our standards and requirements outlined in the Brand Standards Manual (the "Computer System"). The Computer System will be used to develop a database of customers and prospective customers and other related Customer Information, maintain communications over the Internet, and produce your accounting records. We will have access to all such Customer Information and related items through the Computer System. We own all Customer Information and may use the Customer Information as we deem appropriate (subject to applicable law). You may only use Customer Information to the extent necessary to perform your obligations under this Agreement during the term hereof and subject to such restrictions as we may from time to time impose and subject to compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, you agree to comply with applicable law in connection with your collection, storage and your use and our use of such Customer Information. You must install and maintain security measures and devices necessary to protect the Customer Information from unauthorized access or disclosure, and you may not sell or disclose to anyone else any personal or aggregated information concerning any customers. You shall exert your best efforts to prevent the unauthorized use, dissemination or publication of Customer Data, subject in all instances to applicable law. It is your responsibility to determine the data privacy laws applicable to you and your Franchise. We expressly disclaim knowledge of the data privacy laws applicable to you. You shall promptly notify us if you become aware of or suspect any unauthorized access to the Customer Data, or if you become the subject of any governmental, regulatory or other enforcement or private proceeding relating to your data handling practices. You shall promptly carry out any request from us with respect to Customer Data that is reasonably necessary to allow us to comply with data privacy laws applicable to us regarding processing, storage, handling, collection, use, transfer and transmission of Customer Data. All data that you collect from student, parents, daycares, schools or other data collected through the operation of your Franchise is deemed to be owned exclusively by us and/or our affiliates.

You may be required to license software from us, our affiliate, or a third party and you also may be required to sign software license agreements and pay an additional software licensing or user fee(s) (for the avoidance of doubt, including software subscriptions) in connection with your use of said software. All right, title and interest in and to the software will remain with the licensor of the software. You will be liable for all damages (under this Agreement, any other software license agreement you execute and under applicable law) and problems caused by your use of any software in connection with the Computer System. You acknowledge and agree that we will have direct independent access to the information and data entered into our designated software platform and produced by the Computer System and we can use the same in any way we deem appropriate. You must have Internet access and you must only use the dedicated Franchise email account in connection with the operation of the Franchise that is provided by us or our designee. You must purchase any upgrades, enhancements and/or replacements to the Computer System and/or related hardware and software as we may from time to time require. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Franchise, including, without limitation, all federal, state and local laws and all industry standards regarding the use of computer systems, data storage and electronic communications, including without limitation, the CAN-SPAM Act (15 U.S.C § 7701 et seq.), the Payment Card Industry Data Security Standard (PCI-DSS), the Telephone Consumer Protection Act (47 U.S.C. § 227), all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect a security breach, you must immediately notify your credit card transaction acquirer, insurance carrier and us. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected customers of your Franchise.

We will not permit or accommodate the use of any equipment, hardware and/or software that we have not required or approved in writing. As to any malfunctioning of the Computer System or any website as further described in Section 5.J, neither we nor any affiliate will be liable to you for any consequential, incidental, indirect, economic, special, exemplary or punitive damages, such as, but not limited to, loss of revenue or anticipated profits or lost business, even if you have advised us that such damages are possible as a result of any breach or malfunction.

F. Operating Procedures; Brand Standards Manual. We will loan you a copy of our Brand Standards Manual, which we will make available to you online or in such other manner and format as we approve. You acknowledge that the Brand Standards Manual is at all times our sole property. You must, at all times, treat the Brand Standards Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as strictly secret and confidential. The Brand Standards Manual specifies the guidelines for identifying target daycare, preschool, and community-based sites, contacting and selling the programs of the Franchise to those sites, marketing the programs to parents and children, managing the enrollment and reenrollment processes, and organizing your enrollment and attendance records. The Brand Standards Manual contains our proprietary curriculum that describes in detail our teaching methodology, as well as gives you our entire program including skill lessons, games, and words of the day. You must promptly comply with all changes we make to the Brand Standards Manual. We will notify you of any such updates or revisions and you expressly agree to comply with each new or changed requirement at your sole expense. In our sole discretion, we will provide you with advice and assistance on improvements to the Franchise and resolution of other operating problems for the Franchise. You must at all times ensure that you have access to, and use, the current and up to date Brand Standards Manual, and in the event of any dispute as to the contents of said Brand Standards Manual, the terms of the master copy of the Brand Standards Manual that we maintain are controlling.

The Brand Standards Manual will contain both mandatory standards and recommended standards. Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Brand Standards Manual. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and the Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

You acknowledge the importance of operating your Soccer Shots Business in full compliance with this Agreement and the Brand Standards Manual, and that any deviation from any contractual requirement, including any brand standard, is a violation of this Agreement and will trigger incalculable administrative and management costs for us to address the violation (separate and apart from any damages your violation might cause to the System, our business opportunities, or the goodwill associated with the Marks). Therefore, You agree to be pay us fees (\$250 for the first violation, \$500 for the second violation, and \$750 for third and each subsequent violation) ("Non-Compliance Fees") as and when applicable, which Non-Compliance Fees are a reasonable estimate of our administrative and management costs and not a penalty. We need not give you a cure opportunity before charging the Non-Compliance Fees, and charging the Non-Compliance Fee does not prevent us from seeking to recover damages to the System, our business opportunities, or the goodwill associated with the Marks due to your violation, seeking injunctive relief to restrain any subsequent or continuing violation, and/or formally defaulting You and terminating this Agreement in accordance with its terms.

G. <u>Evaluations</u>. We or our authorized representative have the right to visit and inspect your Office Franchise Location and where you render services at all reasonable times during normal business hours for the purpose of making periodic evaluations and to (i) ascertain your compliance with the provisions of this Agreement; and (ii) inspect and evaluate your services and other aspects of your Franchise. Your failure of an inspection constitutes a default under this Agreement. Further, if we determine that any condition in the Franchise presents a threat to customers or public health or safety, we may take whatever measures we deem necessary, including, without limitation, requiring you to immediately close the Franchise until the situation is remedied to our satisfaction. Any evaluation or inspection we conduct is not intended to exercise control over your day-to-day operation of your Franchise or to assume any responsibility for your obligations under this Agreement.

Confidential Information. You may not, during the term of this Agreement or H. thereafter, communicate, divulge or use any Confidential Information for the benefit of any other person or entity; provided, however, you may communicate Confidential Information to such employees as must have access to it in order to operate the Franchise. Any and all Confidential Information, including, without limitation, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than operating the Franchise hereunder. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from your owners (if franchisee is an entity), your Manager and other key employees. You must provide executed copies of these agreements to us upon our request. A copy of the current Confidentiality, Non-Solicitation and Non-Competition Agreement form is included as Schedule E, which you may use as a template. Further, the spouse of each owner of the Franchisee entity must execute the Confidentiality and Non-Competition Agreement attached to this Agreement as Schedule F. Notwithstanding the foregoing, we may modify the forms of Confidentiality, Non-Solicitation and Non-Competition Agreement and/or Confidentiality and Non-Competition Agreement as we deem necessary to comply with then currently applicable laws.

I. <u>Compliance with Laws; Licenses and Permits</u>. You must, at your expense and at all times, maintain, conduct and operate your Franchise in compliance with all applicable federal, state and local laws, regulations, codes and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to your Franchise. Without limiting the foregoing, if you or any of your owners is not a U.S. national, you represent that you and/or such owners have an immigration status that allows you and/or such owners to live and work in the United States, and you and/or such owners shall maintain such status during the term of this

Agreement. You shall investigate, keep informed of and comply with all applicable federal, state and local laws, ordinances and regulations regarding the Franchise, including, without limitation, (i) any personnel screening obligations involving background checks and criminal records checks, personnel credentials, age restrictions and training requirements; (ii) obligations to report evidence of child abuse and neglect; and (iii) record keeping requirements. If these legal requirements impose a greater standard or duty than we require in the Brand Standards Manual or elsewhere, you must comply with the greater standard or duty and notify us in writing promptly after you become aware of the discrepancy.

You acknowledge that you are an independent business and responsible for control and management of your Franchise, including, but not limited to, the hiring and discharging of your employees, tax withholdings, and setting and paying wages and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring or discharging of employees, tax withholdings or setting or paying of wages or related matters.

You must immediately notify us in writing of any claim, litigation or proceeding that arises from or affects the operation or financial condition of your Franchise or names us as a party.

J. Participation in Internet Websites or Other Online Communications. We may require you, at your expense, to participate in our Soccer Shots website on the Internet, our intranet/extranet system or other online communications as we may from time to time prescribe and/or develop. We have the right to determine the content and use of our website and intranet/extranet system and establish the rules under which franchisees may or must participate. We will post your Franchise contact information on our website. Unless you obtain our prior written approval, you may not separately register any domain name containing any of the Marks or operate a website for your Franchise. If you are approved to operate said website, we reserve the right to pre-approve, establish rules, procedures and policies relating to any website you create for the operation of your Franchise. We may immediately terminate this Agreement if you register any domain name containing any of the Marks without obtaining our prior written consent. We retain all rights relating to our website and intranet/extranet system and may alter or terminate our website or intranet/extranet system at any time. Your general conduct on our website, intranet/extranet system and any other online communications, and specifically your use of the Marks or any advertising, is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our website or intranet/extranet system may be considered Confidential Information. Your right to participate in our website and intranet/extranet system, or otherwise use the Marks or System on the Internet, will terminate when this Agreement expires or terminates. You acknowledge and agree that you do not have any right to use the Marks on any website or any social media platform except as expressly approved by us in writing. We reserve the right to establish guidelines for your use of social media platforms associated with the Franchise in the Brand Standards Manual. On your behalf, we may create an account on Facebook, X, LinkedIn, Snapchat, Instagram, TikTok, Pinterest, blog or other online, digital, or social media service or service account for use with your Franchise. In such cases, we will be the primary administrator and will reserve the right to control the template, content and existence of these online and digital services.

You agree to use the Soccer Shots online enrollment system to manage online registrations for your Soccer Shots programs. You will have an online enrollment account and a page on our website, <u>www.soccershots.com</u>, that is dedicated to your Franchise. You agree to assign and maintain a unique password to use when accessing the online enrollment system and your individual web page. You are solely responsible for oversight of your access to, and use of, your online enrollment account and web page. We reserve the right to require you to periodically change your password(s).

As outlined in the Brand Standards Manual, you will be given a certain number of Soccer Shots email accounts that are owned and maintained by us. You shall comply with the use restrictions for said email account outlined in the Brand Standards Manual or as otherwise provided by us in writing. You agree to use only the Soccer Shots email account for everything associated with the Franchise and that your use will not violate local, state or federal laws. You further agree not to send, forward, solicit or save messages or images that contain (i) sexually oriented or explicit content; offensive, threatening, or harassing statements or language, including disparagement of others based on their race, color, national origin, sex, sexual orientation, age, disability, religious or political beliefs, or any other protected classification; or (ii) chain letters. We will have independent access to and may monitor your email account and all messages at any time.

K. <u>System Modifications</u>. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices, technological innovations and other changes as we deem appropriate. You must comply with these modifications, additions or subtractions at your expense, subject to any express limitations set forth in this Agreement.

L. <u>Pricing Policies</u>. We have the right to establish and enforce prices to the extent permitted by applicable law. Without limiting the foregoing, we have the right to negotiate Strategic Account arrangements, which will bind all Soccer Shots Businesses, including your Franchise, regarding the provisions of services to such Strategic Accounts, subject to applicable law.

M. <u>Strategic Accounts</u>. We reserve the right to establish and administer a Strategic Accounts program. If such a program is established and you opt to participate in it, you must comply with all Strategic Accounts standards and procedures set forth in the Brand Standards Manual and/or as we may otherwise communicate to you, as well as the specific terms of our arrangement with each applicable Strategic Account, which terms may include, without limitation, the procurement of certain insurance and other products and services, special pricing, payment terms, revenue share, turnaround on services, and other requirements.

N. Customer Service. You must operate the Franchise in conformity with the highest ethical standards and sound business practices and in a manner which shall enhance the Marks and the Soccer Shots Businesses. You are solely responsible for the quality and results of the programs and services you offer and provide to customers and host entities and maintaining a continuing responsibility with respect to such programs and services. You must render, and must cause each of your employees to render, prompt, competent and courteous service to customers and host entities. You must respond to any dissatisfied customers or host entities within 24 hours after the complaint is received or as otherwise set forth in the Brand Standards Manual. If you are unable to equitably resolve the complaint within 3 days after the initial contact, you must contact us for assistance in handling the complaint. In no event shall our assistance be construed to make us liable to you or to a customer in connection with such complaint. You are solely responsible for satisfactorily and timely resolving all customer disputes, and online customer reviews. Should you fail to do so, and we are required to perform services on your behalf or otherwise refund a customer of the Franchise, you must reimburse us for our costs and expenses incurred in connection therewith. We and our designees have the right to enter and inspect the Franchise and the at all reasonable times and without notice to you, and have the right to (i) observe, photograph and videotape the operations of the Franchise and the methods of your personnel for such consecutive

or intermittent periods as we deem necessary; (ii) interview your personnel and customers of the Franchise concerning the quality of services you provide, the level of customer satisfaction, or other aspects of the Franchise that we deem relevant; and (iii) inspect facilities, equipment, products, supplies, reports, forms and documents and related data to ensure that you are operating the Franchise in accordance with the quality control provisions and performance standards established by us.

O. <u>Customer Satisfaction Ratings</u>. We require you to use the customer satisfaction rating system that we approve, as well as to meet certain customer satisfaction ratings as outlined in the Brand Standards Manual. You must achieve a passing customer satisfaction rating as further outlined in the Brand Standards Manual. If you fail to meet a passing customer satisfaction rating for a Season, then you will be deemed in default of this Agreement and will constitute grounds for termination of this Agreement unless you cure the defaults by satisfying the customer satisfaction rating for the next Season. If you fail to meet a passing customer satisfaction rating for two (2) consecutive Seasons, then we may immediately terminate this Agreement (subject to applicable law).

P. <u>Working Capital</u>. You must at all times maintain working capital as we may reasonably deem necessary to enable you to properly and fully carry out and perform all of your duties, obligations and responsibilities under this Agreement and to operate the Franchise in a businesslike, proper and efficient manner.

Q. <u>Minimum Performance Standards</u>. Commencing with your first year of operation starting on the Operations Start Date and continuing for each subsequent year of operation thereafter, you must meet or exceed the Minimum Performance Standards listed below. Failure to attain or exceed the Minimum Performance Standards in any given year will result in the Minimum Royalty Fee, less Royalty Fees paid by you during said period of operation, becoming due and payable as set forth Section 8.B. If you fail to meet the Minimum Performance Standards for two (2) consecutive years, we may elect to terminate this Agreement or reduce the size of your Territory. We reserve the right to update the Minimum Performance Standards for any renewal term.

First year of operations:	\$65,000 in Gross Sales
Second year of operations:	\$81,000 in Gross Sales
Third year of operations:	\$108,000 in Gross Sales
Fourth year of operations:	\$135,000 in Gross Sales
Fifth year of operations:	\$162,000 in Gross Sales

# PERSONNEL AND SUPERVISION STANDARDS

6. The following provisions and conditions control with respect to personnel, training and supervision:

A. <u>Supervision of the Franchise; Personal Guarantors</u>. If you are a business entity, then (i) you must designate one principal owner that owns at least 25% of, and has the authority to act on behalf of, the Franchisee entity that will serve as our point of contact (the "Principal Owner") as outlined in the Data Sheet; and (ii) all persons and entities that, as of the date of this Agreement hold, or during the term of this Agreement, become holders of, 5% or more of your ownership interests must personally guarantee your performance under the Franchise Agreement to us, and be personally bound by your obligations, by executing the Personal Guarantee attached hereto as Schedule C. If two (2) or more persons are the Franchisee or guarantors, their obligations and

liability to us shall be joint and several. A person who has completed the Initial Franchise Training to our satisfaction must devote full-time attention to your Franchise (the "Manager"). This can be you, your Principal Owner or your employee. At all times during which authorized programs and services are offered to children (in-person or virtually), you must have at least one (1) individual supervising the instruction who has either attended the Initial Franchise Training or who has received training according to the Brand Standards Manual from an individual who has attended the Initial Franchise Training. You must keep us apprised of the identity of the Principal Owner and Manager at all times.

B. <u>Training</u>. We will provide you initial training for the management and operation of the Franchise ("Initial Franchise Training"). You and your Manager must attend and complete the Initial Franchise Training prior to the Operations Start Date. This training will take place at our franchise support center in Middletown, Pennsylvania or at another location of our choice and last approximately four (4) to five (5) days, at our discretion. The Initial Franchise Fee (as defined in Section 8.A) covers the costs of up to two (2) individuals to attend the Initial Franchise Training. You are responsible for all travel, food and lodging expenses for all attendees. Any additional attendees must pay our then-current training fee outlined in the Brand Standards Manual. If we determine that any individual attending the Initial Franchise Training does not complete said training to our satisfaction, we may terminate this Agreement. If you request to send additional persons to Initial Franchise Training above the included two (2) attendees, we reserve the right to charge you our then-current per attendee fee, which is currently up to \$350. This fee is uniform for all franchisees, non-refundable and payable upon attendance at the Initial Franchise Training.

C. <u>Ongoing Training, Conventions, Meetings and Seminars</u>. After Initial Franchise Training, we will furnish you with, in your Territory and at our expense, one (1) of our representatives for one (1) day for the purpose of facilitating the commencement of operations of your Franchise. Our representative will assist you with local marketing activities, visiting potential customers, and establishing and standardizing procedures and techniques essential to the operation of your Franchise.

We may offer subsequent training classes, both mandatory and non-mandatory, from time to time, and you shall pay all expenses incurred in attending such training, including your and your employees' travel, lodging and food expenses, and salaries or wages. We will hold mandatory trainings from time to time as we determine is necessary. At a minimum, we will require you to re-attend Initial Franchise Training, or such other training session we deem necessary, every three (3) years, at the time of renewal or any time we determine that you are in default of this Agreement and the cure for said default requires you to re-attend and complete Initial Franchise Training, or such other training session we deem necessary, to our satisfaction. If we provide additional training at your request, you agree to pay us our then-current per diem charge as outlined in the Brand Standards Manual, plus all costs of travel, lodging, and food expenses. Any training we provide to any of your employees will be limited to training or guidance regarding the delivery of approved services to customers in a manner that reflects the customer service standards of the System.

We may hold, and require your attendance at, conventions, seminars and meetings for all Soccer Shots franchisees. We reserve the right to charge you a fee in connection with your and your attendees' attendance at said convention, seminar or meeting, in an amount not to exceed \$500 per attendee. You are responsible for all travel, food and lodging expenses for all attendees. We reserve the right to charge this fee even if you do not attend said convention, seminar or meeting.

D. Staffing. You shall be solely responsible for recruiting, training and developing all employees, independent contractors, and any other personnel or staff as may be needed ("Personnel"). You must employ a sufficient number of competent and trained Personnel to ensure efficient service to customers. You shall have the sole authority and control over the day-to-day activities of your Personnel. You are, and will remain, the sole employer of your Personnel at all times, including during all training programs. All coaches must complete training as outlined in the Brand Standards Manual before they may provide on the field coaching. At all times during which the Franchise is offering in-person or virtual authorized programs and services, you will ensure that at least one (1) individual who has either attended, and completed to our satisfaction, the Initial Franchise Training, or received training according to the Brand Standards Manual from an individual who has attended, and completed to our satisfaction, the Initial Franchise Training, supervising the instruction of the participants. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts any employee or employment related responsibility from you to us. You are solely responsible for all employment decisions and functions, including hiring, firing, discipline, supervision, setting terms of employment and compensation and implementing a training program for your Personnel. You must never represent or imply to your Personnel and prospective employees that they will be or are employed by us. We will not be responsible for payment of any compensation to you or your Personnel. At no time will you or your Personnel be deemed to be employees of us or our affiliates. You shall be responsible for income and other taxes required to be withheld and hereby assume full responsibility for payment of the employer's portion of any social security, federal and state taxes and any other taxes required to be withheld for your Personnel. You shall also pay and/or withhold taxes and premiums for unemployment and workers' compensation insurance for your Personnel, as required by state and/or federal law.

You shall ensure the Franchise shall at all times be under the direct supervision of your Manager. You shall keep us informed at all times of the name and contact information of the Manager of the Franchise. You shall provide us with a list of current names, addresses and phone numbers of all coaches and key employees. You agree not to hire or have in your employment anyone who does not sign a Confidentiality and Non-Competition Agreement in a form attached hereto as Schedule E, subject to then currently applicable laws.

Pursuant to federal and state law, background checks, including a criminal history, must be conducted on any individual who works in, or offers services to, daycare centers and preschools and you are solely responsible for complying with all federal, state and local laws in connection with background checks. You must provide us an official copy of a current background check conducted on you, your owners and Manager by state officials, at your expense, prior to the execution of this Agreement and again each year upon our request. We have the right to designate the company that will perform the background checks as outlined in the Brand Standards Manual.

We are you are not joint employers of your employees and other personnel. We do not and will not share or codetermine any of your employees' essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees': (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. You alone have sole authority to determine any or all your employees' essential terms and conditions of employment.

E. <u>Franchise Advisory Councils</u>. Currently, the Franchise Advisory Council ("FAC") is a group of five (5) individuals that own a Franchise (each, a "FAC Member"). FAC Members are elected by franchisees and communicate with our leadership team on a monthly basis to review plans, give input on proposals and provide perspective on decisions. The FAC is designed to promote constructive, positive, two-way communication between us and our franchisees. The FAC serves in an advisory capacity only and does not have the authority to directly modify the policies of us.

F. <u>Charitable Contributions</u>. Soccer Shots Foundation is a 501(c)(3), designed as a vehicle to receive and distribute funds to non-profit organizations and individuals working with children and for the benefit of children. Presently, our owners and vendor partners contribute to the Soccer Shots Foundation. From time to time, we may ask you to participate in fundraising events for the Soccer Shots Foundation. However, the Soccer Shots Foundation is currently not consumerfacing. In the event you wish to associate the brand, Marks or Franchise with a local non-profit, you must submit a written request seeking our approval for such a partnership. Additionally, we are partners with the U.S. Soccer Foundation (www.ussoccerfoundation.org). You must participate in all national programs promoting this partnership, including fundraising. This may include, but is not limited to, including allowing Soccer Shots® customers to make charitable donations to the US Soccer Foundation during the online enrollment process.

All sums you pay to the Soccer Shots Foundation shall be maintained in a separate account from our other funds and shall not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the Soccer Shots Foundation.

In the event that you make contributions to the Soccer Shots Foundation, we shall prepare an annual accounting of said contributions and expenditures no later than 120 days after our fiscal year end and make it available to you upon written request. We can require that any such annual accounting include an audit of the Soccer Shots Foundation and expenditures of the Soccer Shots Foundation account prepared by an independent certified public accountant selected by us and prepared at the expense of the Soccer Shots Foundation account.

# MARKETING

7. You agree to actively promote your Franchise, to abide by all of our marketing and advertising requirements and to comply with the following provisions:

A. <u>Brand Fund</u>. We have established and manage the Brand Fund. All Brand Fund Fees (as defined in Section 8.D) you pay to us hereunder will be placed in the Brand Fund. The Brand Fund will be accounted for separately but said funds may be commingled in our general operating accounts and will be expended in accordance with our general marketing activities. On behalf of our company and affiliate-owned Soccer Shots Businesses, we will pay the same Fund fee as similarly situated franchised Soccer Shots Businesses. The Brand Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees with respect to it. We have the sole right to determine the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs (including account acquisition for our Strategic Accounts program as we or an affiliate may administer). We have the right to use Brand Fund contributions, at our discretion, to meet any and all costs of maintaining, administering, directing, conducting, and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which we believe will enhance the image of the System, including the costs of preparing and conducting radio, television, electronic and print advertising campaigns in any local, regional or national medium; utilizing networking media sites, such as Facebook, X, LinkedIn, Snapchat, Instagram, TikTok, Pinterest, and on-line blogs and forums; developing, maintaining, and updating a World Wide Web or Internet site for the System; direct mail advertising; deploying social networking promotional initiatives through online media channels; marketing surveys; employing advertising and/or public relations agencies to provide assistance; purchasing promotional items; conducting and administering promotions and "mystery shopper" program(s); and providing promotional and other marketing materials and services to the Businesses operating under the System. Our decisions in all aspects related to the Brand Fund will be final and binding. We are not required, under this Agreement, to spend any amount of Brand Fund Fees in your Territory and not all System franchisees will benefit directly or on a pro-rata basis from these expenditures. We may charge the Brand Fund for the costs and overhead, if any, we incur in activities reasonably related to the implementation of the Brand Fund and the advertising and marketing programs for franchisees. These costs and overhead include the proportionate compensation of our employees who devote time and render services in the formulation, development and production of advertising, marketing and promotion programs or who administer the Brand Fund. These funds will not be used to defray any of our general operating expenses, except as described above. We do not anticipate that any part of your contributions to the Brand Fund will be used for advertising that is principally a solicitation for the sale of additional Franchises, but we reserve the right to include a message or statement in any advertisement indicating that Franchises are available for purchase and related information. Although we intend the Brand Fund to be of perpetual duration, we maintain the right to terminate the Brand Fund. The Brand Fund shall not be terminated, however, until all monies in the Brand Fund have been expended for advertising and promotional purposes.

B. We shall prepare an unaudited annual accounting of the Brand Fund no later than 120 days after said fiscal year end and make it available to you upon 30 days' written request. We can require that any such statements include an audit prepared by an independent certified public accountant selected by us and prepared at the expense of the Brand Fund account.

We assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the Brand Fund or related to our maintenance, direction or administration of the Brand Fund, including with respect to the efficiency or effectiveness, if any, of the Brand Fund in enhancing the Marks, brand or System or advancing the interests of a franchisee or franchisees in general.

C. <u>Required Local Expenditures</u>. You are required to promote and advertise the Franchise and participate in any local marketing and promotional programs we establish from time to time, however, we do not currently have a minimum amount you must spend on said local marketing and promotional programs. We have the right to require you to spend annually up to 2% of Gross Sales on approved local marketing activities. Upon our request, you must provide us with itemized documentation and proof of such expenditures.

D. <u>Approved Materials</u>. You must use only such marketing materials (including any print, radio, television, electronic, on-line or other media forms that may become available in the future) as we furnish, approve in writing or make available, and the materials must be used only in the manner we prescribe and in compliance with all trademark usage and branding standards as outlined in the Brand Standards Manual or otherwise. Furthermore, any promotional activities you conduct for the Franchise are subject to our approval. From time to time, we may permit you to submit advertising and promotional materials to us for approval at least five (5) business days before planned publication. If we do not respond within five (5) business days of your submission, the materials will be deemed <u>not</u> approved. Notwithstanding our approval, it is solely your

responsibility to conduct your promotional activities in accordance with all applicable laws. We may promote Franchise opportunities on any and all equipment and supplies, marketing collateral, websites, blogs, social media services, registration forms, online registration pages and any other materials, including any items that you may be required to use under this Agreement or that you submit to us for approval.

E. <u>Advertising Cooperatives</u>. We have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative advertising and marketing programs in your designated local advertising market. If established, you must contribute to the advertising cooperative the amount designated by the cooperative, but such contribution amount shall not exceed 2% of your Gross Sales. If established, each Business, including those operated by us or our affiliates within a designated local advertising market, will be a member of the local advertising cooperative and each business has one vote on all matters requiring a vote. Each advertising cooperative will be required to adopt governing bylaws that meet our approval. You must obtain our written approval of all promotional and advertising cooperative will be required to the required to prepare annual financial statements, which must be made available to all members of the cooperative and to us upon request. Also, each advertising cooperative must submit to us its meeting minutes upon our request. We have the right to require advertising cooperatives to be formed, changed, dissolved or merged.

# FEES, REPORTING AND AUDIT RIGHTS

8. You must pay the fees described below and comply with the following provisions:

A. <u>Initial Franchise Fee.</u> Upon execution of this Agreement, you must pay to us an initial franchise fee equal to \$36,500 (the "Initial Franchise Fee"), which is deemed earned upon receipt and is non-refundable. The Initial Franchise Fee covers our administrative costs, overhead, counsel fees, accounting and other expenses in connection with the execution of this Agreement and includes the Initial Equipment Package, on-site sales visit by us or our representative, a license to use the Marks for the duration of this Agreement, a license to use the System in connection with the operation of the Franchise for the duration of this Agreement and provision of the Initial Franchise Training to two (2) people.

B. <u>Royalty Fees</u>. From and after the Operations Start Date and continuing during the term of this Agreement, you must pay to us, monthly in the manner specified in Section 8.H, a fee (the "Royalty Fee") in the amount equal to the greater of (i) 7% of Gross Sales; or (ii) the applicable minimum royalty fee (if any) set forth below (the "Minimum Royalty Fee"):

First year of operations commencing on the Operations Start Date: \$4,550 Second year of operations commencing on the Operations Start Date: \$5,670 Third year of operations commencing on the Operations Start Date: \$7,560 Fourth year of operations commencing on the Operations Start Date: \$9,450 Fifth year of operations commencing on the Operations Start Date: \$11,340

If the sum of your Royalty Fees paid during an applicable 12-month period is less than the Minimum Royalty Fee, you agree to pay us the difference between the Royalty Fees paid during the applicable 12-month period and the Minimum Royalty Fee on or prior to 12th day of the next month immediately following the applicable annual anniversary of the Operations Start Date. We reserve the right to increase Section 8.B.(i) to an amount not to exceed 9% of Gross Sales. If we

grant you the right to exercise a renewal term, we reserve the right to increase the Minimum Royalty Fee for said renewal term.

C. <u>Software License Fee</u>. From and after the Operations Start Date, you must pay us a software license fee equal to (i) 2% on the first \$50,000 of Gross Sales each year; (ii) 1.75% on the next \$200,000 of Gross Sales; (iii) 1% on the next \$250,000 of Gross Sales; (iv) 0.5% on the next \$500,000 of Gross Sales; and (v) 0.25% on any Gross Sales over \$1,000,000 ("Software License Fee"). The sliding scale begins at \$0 every January 1 each year. We reserve the right to increase the Software License Fee to an amount not to exceed 3% of Gross Sales. The Software License Fee is used to pay our costs associated with maintaining the Soccer Shots website, your individual web page, offering and maintaining the online enrollment system, and other website, technology and internet-related costs. The Software License Fee is due the same day and is paid in the same manner as the Royalty Fee.

D. <u>Brand Fund Fees</u>. You must pay to us, monthly in the manner in which you pay the Royalty Fee, a Brand Fund fee equal to 1% of your Gross Revenues (the "Brand Fund Fee"). We reserve the right to change the Brand Fund Fee not to exceed 2% of Gross Sales. The first Brand Fund Fee will be prorated based on the Operations Start Date with the first prorated payment due upon execution of this Agreement.

E. <u>FAC Fee</u>. You agree to pay all expenses in connection with belonging to the FAC, including, but not limited to, annual dues. Currently, each Franchise will pay a yearly FAC fee of \$100 (which is prorated during the first year based on the Operations Start Date) (the "FAC Fee"). The FAC Fee will be invoiced annually and is due upon receipt. FAC Fees are used for FAC meeting expenses including, but not limited to, FAC Member travel and lodging. The FAC Fee will be waived for Franchises owned by FAC Members during their elected term. We reserve the right to vary the timing of payment, including, without limitation, billing you on a monthly basis for the pro-rata amount of the annual dues.

F. <u>Returned Check and Insufficient Electronic Funds Fee</u>. In addition to any other amounts otherwise due, you must pay us a fee of \$50 per occurrence for any checks returned to us by our depository for lack of funds or any occurrence of insufficient electronic funds in your account designated for payments hereunder.

G. <u>Late P&L Upload Fee</u>. If you fail to timely provide us your profit and loss reports in accordance with this Agreement, then we may charge you a fee equal to \$50 for your first breach; \$100 for your second breach and \$150 for your third breach (in any consecutive 12 month period), and then if you breach a fourth time in any 12 month period we may issue you a Notice of Default and then potentially terminate this Agreement if you breach fifth time during any 12 month period.

H. <u>Manner of Payment; Late Payments.</u> All payments of the Royalty Fees must be submitted to us monthly for the previous month's Gross Sales. Interest may be charged on any overdue payments, at the highest applicable legal rate for open account business credit in the state of your domicile, not to exceed 12% per annum, with that interest accruing on all late payments from the due date until all sums are fully paid. If you fail to timely submit the monthly reports required under Section 8.K, we will impose a late fee of \$50 for the first month of delinquency for said report, and \$50 for each month of delinquency thereafter for said report. You acknowledge and agree that this Section 8.H does not constitute our agreement to accept payments or reports after they are due or a commitment by us to extend credit to you or to otherwise finance your operation of the Franchise. You will not, on grounds of the alleged nonperformance by us of any of our obligations under this Agreement, withhold payment of any Royalty Fees or any other

amounts due to us, and you will not, on such grounds, discontinue providing services to customers of the Franchise in accordance with this Agreement. We reserve the right to modify the timing, manner and method of delivery of payments due to us upon delivery of written notice to you.

I. <u>Electronic Transfer of Funds</u>. Prior to accepting enrollments at your Franchise, you must submit through our computer software system your valid and accurate bank account and routing information for payment of Royalty Fees, Software License Fees and any other payments due to us or any affiliate. We are not responsible for delayed billing, and we will not extend the deadline for payment if the foregoing information is not provided in a timely manner in the form that we designate. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this Section. We may change the method of payment in our discretion upon notice to you.

J. <u>Application of Fees</u>. Notwithstanding any designation by you, we have the right to apply any payments received from you to any past due indebtedness to us or any affiliate in such amounts and in such order as we determine.

Κ. Financial Planning and Management. You must compile and keep books and records that accurately reflect the operations and condition of your Franchise, including, without limitation, detailed monthly sales, cost of sales, and other relevant records and information, maintained in an electronic media format and using the methods of bookkeeping and accounting as we periodically may prescribe. You must also retain check registers, purchase records, invoices, sales summaries and inventories, sales tax records and returns, payroll records, cash disbursement journals and general ledgers. You must submit to us such reports (which we can request be separated by Territory if you operate in more than one (1) Territory), statement of profit and loss, balance sheet, books and records as we may require, including those identified in Section 8.K below, all on the forms and according to reporting formats, methodologies and time schedules that we establish from time to time. You must preserve the books, records and reports for the longer of (i) five (5) years from creation; or (ii) such period as required under applicable law. You must allow us electronic and manual access to any and all records relating to your Franchise. Although we may provide assistance with financial planning you acknowledge that such assistance in no way may be construed as the assumption of any duty to control day-to-day operation and maintenance of the Franchise, or responsibility for financial performance.

L. <u>Reports</u>. No later than 12 days after the end of each calendar month, you must submit to us the following information for the preceding month: (i) copies of your most recent statement of profit and loss, including a summary of your costs for labor, rent and other material cost items; and (ii) if requested by us to verify your Gross Sales, all such books and records as we may require under our audit policies published from time to time. You also must, at your expense, submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year. All reports shall be provided in the form and include the content as we periodically prescribe. You must certify in writing all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirement on other Soccer Shots franchisees. We reserve the right to modify the timing, manner and method of delivery of reports due to us upon delivery of written notice to you. We may also require you to provide consolidated reports if you own and operate multiple Soccer Shots Businesses

M. <u>Audits</u>. We or our authorized representative have the right at all times (i) to enter the Franchise Office Location where your books and records relative to the Franchise are kept and

to evaluate, copy and audit such books and records, and (ii) to remotely access and evaluate, copy and audit your electronic records located on the Computer System. We also have the right to request information from your suppliers, vendors, and customers. If any such evaluation or audit reveals an understatement of 2% or more of your Gross Sales or you do not provide any requested information within 30 days from the date of our request, you must pay for the cost of the audit (including, without limitation, professional fees, travel, and room and board expenses directly related thereto), in addition to the past due amount owed (if any), plus interest and late fees as provided in Section 8.H. In addition to any other rights we may have in such an event, we have the right to conduct further periodic audits and evaluations of your books and records as we reasonably deem necessary and any further audits and evaluations conducted within two (2) years thereafter will be at your sole expense, including, without limitation, professional fees, travel, and room and board expenses directly related thereto. Furthermore, if you intentionally understate or underreport Gross Sales at any time, or if a subsequent audit or evaluation conducted within the two (2) year period reveals any understatement of your Gross Sales of 2% or more, in addition to any other remedies provided for in this Agreement, at law or in equity, we have the right to terminate this Agreement immediately. To verify the information that you supply, we have the right to reconstruct your sales through any reasonable method of analyzing and reconstructing sales. You agree to accept any such reconstruction of sales unless you provide evidence in a form satisfactory to us of your sales within a period of 14 days from the date of notice of understatement or variance.

#### YOUR OTHER OBLIGATIONS; NONCOMPETITION COVENANTS

9. You agree to comply with the following terms and conditions:

A. <u>Payment of Debts</u>. You agree to promptly (i) pay when due all payments, obligations, assessments and taxes due and payable to us and our affiliates, vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with your Franchise; (ii) discharge and remove all liens and encumbrances of every kind and character created or placed upon or against any of the property or assets used in connection with the Franchise; and (iii) pay all accounts and discharge other indebtedness of every kind incurred by you in the conduct of the Franchise. If you default in making any such payment, we are authorized, but not required, to pay and discharge the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

You also will pay all federal, state and local taxes, including, without limitation, taxes denominated as income or franchise taxes, that may be imposed on us as the result of our receipt or accrual of the Initial Franchise Fee, the Royalty Fees, or other fees referenced in this Agreement, whether assessed against you through withholding or other means or whether paid by us directly. In either case, you shall pay us (and to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required.

B. <u>Indemnification</u>. You waive any and all Claims (as defined below) against us for damages to property or injuries to persons arising in any way out of this Agreement, your servicing of customers under this Agreement or any other contracts, your actions or omissions, or the operation of your Franchise. You agree, at your sole expense, to defend, fully protect, indemnify and hold harmless, us, our affiliates, and our and their respective owners, directors, officers, members, managers, employees, attorneys, successors and assigns, as well as the customers and the owners, directors, officers, members, managers, employees, and every

property (such as childcare facilities, schools, recreation centers and parks) you use or service, from any and all Claims. "Claims" as used herein means any and all claims, demands, damages, assessments, violations, causes of action, lawsuits, liens, and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Franchise (regardless of cause or any concurrent, superseding or contributing fault, liability or negligence of us, our affiliates and the customers and the owners of any host venue you service), your actions or omissions, any breach by you or your failure to comply with any of the terms and conditions of this Agreement or any actual or alleged claim that we and you are joint employers of any of your employees or other personnel. We also reserve the right to select our own legal counsel to represent our interests, and you agree to reimburse us for our costs and attorneys' fees immediately upon our request as they are incurred.

It is the intention of the parties to this Agreement that we shall not be deemed a joint employer with you for any reason; however, if we incur any cost, liability, loss or damage as a result of any actions or omissions of you or your employees, including any that relate to any party making a finding of any joint employer status, you will fully indemnify us for any such cost, liability, loss and damage.

C. <u>Insurance</u>. Upon execution of this Agreement and prior to the Operations Start Date, you must purchase and maintain at least the following insurance coverage:

(i) Commercial General Liability insurance with limits not less than \$1,000,000 each occurrence and \$5,000,000 in the aggregate. Such insurance must include coverage for business operations, participant legal liability (for participants in athletic or sports activities), premises liability, products-completed operations, personal and advertising injury, damage to premises rented to you, property damage and bodily injury liability (including death). Such insurance shall include sexual abuse and molestation coverage with full limits or with sublimits not less than \$1,000,000 each occurrence and \$2,000,000 in the aggregate;

(ii) Automobile Liability insurance covering liability arising out of the use, operation and/or maintenance of any automobile (including owned, hired, and non-owned vehicles), in connection with your Franchise, with limits not less than \$1,000,000 combined single limit each accident for bodily injury and property damage;

(iii) Workers' Compensation insurance covering your employees with limits as required by statutory law in the jurisdiction(s) where your Franchise is located, including Employer's Liability coverage with limits not less than \$1,000,000 each accident, \$1,000,000 disease-each employee and \$1,000,000 disease-policy limit. This requirement only applies to the extent you have employees and are required by law to carry such coverage;

(iv) Participant Accident insurance with an accident medical limit of not less than \$25,000 and an accidental death and dismemberment limit of not less than \$10,000; and

(v) Any other types of policies that we determine are necessary for the operation of your Franchise, as communicated in the Brand Standards Manual or otherwise in writing, or as required by applicable law.

All such insurance shall be (1) primary and non-contributing with respect to any claims

arising out of your Franchise's operations and your responsibilities and obligations under this Agreement; and (2) written by insurance companies with ratings of "A-VIII" or better in the latest edition of the A.M. Best key rating guide. You shall provide us with at least 30 days prior written notice if any of the required insurance is going to be materially changed, reduced or canceled.

With respect to Commercial General Liability and Auto Liability insurance, the respective policy(ies) shall name us, our subsidiaries and affiliates and our and their respective officers, directors, governors, trustees, agents, employees, servants and volunteers as additional insureds with respect to any claims arising out of operations of the Franchise or any alleged negligent acts or omissions of the Franchise. You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section 8.C.

If you fail to purchase or maintain required insurance, we may, but are not obligated to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate this Agreement for cause if you fail to comply with our insurance requirements. Upon request, you must provide copies of all insurance policies to us. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request.

You must deliver to us at commencement and thereafter annually or at our request a proper certificate of insurance evidencing the existence of the required insurance coverage. You must provide evidence of annual renewal on or before June 1 of each calendar year (subject to change).

D. <u>Noncompetition Covenants</u>. You agree that you will receive valuable training and Confidential Information that you otherwise would not have received or had access to but for the rights licensed to you under this Agreement. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, the term "you" as used in this Section 9.D includes, collectively and individually, all guarantors, officers, directors, members, managers, partners, as the case may be, and holders of any ownership interest in you, if you are an entity, as well as any person in active concert or participation with you. We may require you to obtain from your Manager and other individuals identified in the preceding sentence a signed Confidentiality, Non-Solicitation and Non-Competition Agreement in the form attached hereto as Schedule E, subject to then currently applicable law.

2. You promise that during the term of this Agreement, and during any Interim Period (if applicable), you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with, any person or entity, own, manage, operate, maintain, engage in, be employed by, consult with or have any interest in any Competitive Business (as defined below).

3. You promise that you will not, for a period of two (2) years after the expiration or termination of this Agreement, or after the expiration or termination of any Interim Period (as applicable), regardless of the cause of termination, or within two (2) years after the sale or transfer of the Franchise or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, be employed by, advertise, promote in any

media including social media platforms, or consult with or have any interest in a Competitive Business (as defined below) that is located:

- a. In the Territory;
- b. Within 25 miles of the outer boundary of the Territory;
- c. Inside the territory of another Soccer Shots Business, whether franchised or owned by us or our affiliates; or
- d. Within 25 miles of the outer boundary of the territory of any Soccer Shots Business, whether franchised or owned by us or our affiliates.

4. You agree that the length of time in paragraphs 3 and 5 of Section 9.D will be tolled for any period of time during which you are in breach of those respective paragraphs.

5. In addition, you agree that you will not, for a period of two (2) years after the expiration or termination of this Agreement, or after the expiration or termination of any Interim Period (as applicable), regardless of the cause of termination, or within two (2) years after the sale or transfer of the Franchise or any interest in you, without our prior written consent, directly or indirectly, for yourself or on behalf of any other person divert, or attempt to divert, any business or customer of the Franchise or any other Soccer Shots® Business to any competitor by direct or indirect inducement or otherwise.

6. You agree that any breach of Section 9.D would cause serious and irreparable damage to the Franchisor, the exact amount of which would be difficult to ascertain. Consequently, you agree that in the event of such a breach, the Franchisor shall be entitled as a matter of right to obtain immediate injunctive relief or specific performance without the posting of a bond, and that these remedies shall be in addition to, and not in lieu of, any other remedies which may be available to the Franchisor in law or in equity, including actual damages.

7. The parties agree that each of the foregoing covenants in this Section 9.D will be construed as independent of any other covenant or provision of this Agreement. If any provision of this Section 9.D is held to be invalid by any court or arbitrator with competent jurisdiction, the parties expressly agree that the court or arbitrator shall modify such provision to the least possible extent to make the provision valid and shall enforce the provision as so modified.

### TRANSFER OF FRANCHISE

10. You agree that the following provisions govern any transfer or proposed transfer:

A. <u>Transfers</u>. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Franchise. Consequently, neither your interest in this Agreement, nor in the Franchise, nor in the Franchisee entity, may be transferred or assigned to or assumed by any other person or entity (at times referred to as the "Assignee"), in whole or in part, unless (i) you have first tendered to us the right of first refusal in accordance with Section 10.F, and we do not

exercise such right; (ii) our prior written consent is obtained; (iii) the transfer fee provided for in Section 10.C is paid; and (iv) the transfer conditions described in this Section 10 are satisfied. Any sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turnover all or part of the daily operation of the Franchise to a person or entity who shares in the losses or profits of the Franchise in a manner other than as an employee will be considered a transfer for purposes of this Agreement.

In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the Franchise, such person first must notify us, tender the right of first refusal provided for in Section 10.F, and if we do not exercise such right, must apply for and obtain our consent to the transfer, pay the transfer fee provided for in Section 10.C, and satisfy the transfer conditions described in Section 10. In addition, you or the Assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

You may not place in any communication media or any form of advertising, any information relating to the sale of the Franchise or the rights under this Agreement, without our prior written consent.

Consent to Transfer. We will not unreasonably withhold our consent to a transfer; B. provided, that we determine that all of the conditions described in this Section 10 have been satisfied. Application for our consent to a transfer, and tender of the right of first refusal provided for in Section 10.F, must be made by submission on our form of application for consent to transfer, which must be accompanied by the required documents (including a copy of the proposed purchase or other transfer agreement) and other required information, and must be submitted at least 30 days before any proposed transfer. The application must indicate whether you or an owner will retain an interest in the property to be transferred. No interest may be retained or created without our prior written consent and only upon conditions acceptable to us. Any agreement used in connection with a transfer shall be subject to our prior written approval, which approval will not be withheld unreasonably. You immediately must notify us of any proposed transfer and must submit promptly to us the application for consent to transfer. Any attempted transfer by you without our prior written consent or that is otherwise not in compliance with the terms of this Agreement will be void and will provide us with the right to elect either to terminate this Agreement or to collect from you and the guarantors a transfer fee equal to two (2) times the transfer fee provided for in Section 10.C. The payment terms of any purchase or other transfer agreement must not be unreasonable. You may not transfer until after the Operations Start Date. You and Assignee must sign our form of consent to transfer agreement. Assignee must agree to be bound by all of your customer obligations.

C. <u>Transfer Fee</u>. Prior to the consummation of the transfer, you must pay to us a transfer fee (the "Transfer Fee") in the amount equal to 20% of our then-current Initial Franchise Fee. The Transfer Fee is nonrefundable. You will not be required to pay a Transfer Fee if you are an individual and wish to transfer this Agreement to a newly formed legal entity wholly owned by you and established solely for purposes of the convenience of ownership and the operation of the Franchise; provided that you must become a guarantor of the Franchise as required under Section 6.A.

D. <u>Conditions of Transfer</u>. We condition our consent to any proposed transfer, whether to an individual, a corporation, a partnership or any other entity, on your timely providing

us with an executed copy of the purchase agreement related to the proposed transfer in addition to the following:

1. <u>Assignee Requirements.</u> Assignee must meet all of our then-current requirements to become an owner of a Soccer Shots Business and sign our then-current form of franchise agreement all Schedules attached thereto.

2. <u>No Default; Payment of Amounts Owed.</u> You must not be in default under this Agreement or any other agreement with us. All amounts owed by you to us, or any of our affiliates or your suppliers, or upon which we or our affiliates have any contingent liability, must be paid in full.

3. <u>Reports.</u> You must have provided all required reports to us.

4. <u>Guarantee.</u> In the case of an installment sale for which we have consented to you or any owner retaining an interest or other financial interest in this Agreement, franchisee or the Franchise, you or such owner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

5. <u>Assumption of Obligations</u>. Assignee must assume, qualify for and agree to be bound by all of your customer obligations; satisfactorily complete the application process; and satisfactorily complete, at the Assignee's own expense, the training required of new Soccer Shots franchisees on the then-current terms, or as otherwise necessary, as determined by us;

6. <u>General Release.</u> You and each personal guarantor must sign a general release of all claims arising out of or relating to this Agreement, your Franchise or the parties' business relationship, in the form we designate, releasing us and our affiliates.

7. <u>Financial Reports and Data.</u> We have the right to require you to prepare and furnish to Assignee and/or us such financial reports and other data relating to the Franchise and its operations as we deem reasonably necessary or appropriate for Assignee and/or us to evaluate the Franchise and the proposed transfer. You agree that we have the right to confer with proposed Assignees and furnish them with information concerning the Franchise and proposed transfer without being held liable to you, except for intentional misstatements made to an Assignee by us. Any information furnished by us to proposed Assignees is for the sole purpose of permitting the Assignees to evaluate the Franchise and proposed transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

8. <u>Training and Operational Requirements.</u> Assignee has complied with all of our then-current training requirements and operational requirements, as well as all requirements with respect to the modernization or replacement of your Franchise Office Location (if applicable).

9. <u>Other Conditions.</u> You must have complied with any other conditions that we reasonably require from time to time as part of our transfer policies. You acknowledge and agree that following any transfer hereunder, you and your owners will continue to be subject to the noncompetition covenant under Section 9.D.3.

Qualifying a proposed Assignee is fundamentally different from qualifying a new business owner, since new business owners budget start-up costs that are typical for Soccer Shots Businesses against a typical but conservative anticipated cash flow, whereas a transferee budgets a widely-varying start-up cost (the sales price, different for every business) against a widely-varying cash flow (the known financial statements, different for every business). The prospective Assignee must meet our financial, business, and other requirements for franchise applicants.

E. <u>Death, Disability or Incapacity</u>. In the event of the death, disability or incapacity of Franchisee (or of Franchisee's Principal Owner if Franchisee is a legal entity), if the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as the Franchisee or the Principal Owner of the Franchisee entity, such person or entity must tender the right of first refusal provided for in Section 10.F, apply for our consent under Section 10.B, pay the applicable transfer fee under Section 10.C, and satisfy the transfer conditions under Section 10.D, as in any other case of a proposed transfer, all within 120 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Franchise still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent, disabled, or incapacitated person is the spouse or child of such person, no transfer fee will be payable to us and we will not have a right of first refusal as set forth in Section 10.F.

Right of First Refusal. If you propose to transfer or assign this Agreement, your F. interest herein, in the Franchise entity, or in the Franchise, in whole or in part, to any third party, as contemplated by Section 10.A, you first must offer to sell to us your interest. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver to us a statement, in writing, signed by the offeror and by you, of the terms of the offer. We then have 20 days from our receipt of the statement setting forth the third-party offer and all other requested information to accept the offer by delivering written notice of acceptance to you. We will have an additional 45 days to complete the purchase if we elect to exercise our right of first refusal. Our acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to us; provided, however, we have the right to substitute equivalent cash for any noncash consideration included in the offer, we will have no less than 30 days to prepare for closing, and we will receive all customary representations and warranties, as we specify. If we fail to accept the offer within the 20-day period, you must complete the transaction no later than 60 days immediately following such period to effect the disposition described in the statement delivered to us provided such transfer is in accordance with this Section 10. You may effect no other sale or assignment of you, this Agreement or the Franchise without first offering the same to us in accordance with this Section 10.F.

G. <u>Transfer by Us</u>. We have the right to sell or assign, in whole or in part, our interest in this Agreement without prior notice to you and without your consent.

### **DISPUTE RESOLUTION**

### 11. The following provisions apply with respect to dispute resolution:

A. <u>Internal Dispute Resolution</u>. You must first bring any claim or dispute between you and us to our CEO, after providing notice as set forth in accordance with the terms of this Agreement. We must respond to your notice inquiry within 10 business days of receipt or otherwise it is deemed denied. You must exhaust this internal dispute resolution procedure before you may bring your dispute before a third party ("IDR"). You agree that we have 60 days to attempt to resolve your claim or dispute with IDR (the "IDR Period"). This agreement to first

attempt resolution of disputes internally through IDR will survive termination or expiration of this Agreement.

B. <u>Mediation</u>. Before any party may bring an action in court against the other, or commence an arbitration proceeding (except as noted in Section 11.D below), the parties must first mediate the dispute in accordance with this Section. The mediation will be held in the county in which our headquarters are located at the time of the mediation. Any such mediation shall be non-binding and shall be administered by the American Arbitration Association (the "AAA") in accordance with its then-current rules for mediation of commercial disputes. The mediator will be appointed in accordance with the Rules and Regulations of the AAA unless the parties agree on a mediator in writing within 10 days after either party gives written notice of a request for mediation. The mediation hearing will be held within 20 days after the mediator has been appointed. Each party will bear its own costs and expenses for the mediation and will be responsible to pay 50% of the mediator's costs and expenses.

С. Arbitration. Except as qualified below, any dispute between you and us or any of our or your affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or your Franchise that is not resolved through mediation within 90 days of the request for mediation must be submitted to binding arbitration pursuant to the Federal Arbitration Act and must be determined by arbitration administered by the AAA pursuant to its then-current commercial arbitration rules and procedures. The arbitration must take place in the county where our headquarters is located at the time of the dispute. The arbitration must be conducted by a single arbitrator. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five (5) years of significant experience in franchise law. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or a group or consolidated proceeding or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. If a court determines that this limitation on consolidated, joined, or class action claims is unenforceable, then this entire commitment to arbitrate shall become null and void and the parties shall submit all claims to the jurisdiction of the courts. A judgment may be entered upon the arbitration award in any court of competent jurisdiction. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award that extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. Each party will bear its own costs and expenses for the arbitration and will be responsible to pay 50% of the arbitrator's fees and costs; provided that the prevailing party will be entitled to reimbursement of its fees and costs under Section 11.E.

D. <u>Exceptions to Arbitration</u>. Notwithstanding Section 11.C, the parties agree that the following claims will not be subject to arbitration and may be brought in any court of competent jurisdiction: any action for temporary, preliminary or permanent injunctive relief, specific performance, writ of attachment, or other equitable relief necessary to enjoin any harm or threat of harm to such party's tangible or intangible property, including trademarks, service marks and other intellectual property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder.

E. <u>Attorneys' Fees</u>. If you are in breach or default of any non-monetary material obligation under this Agreement and we engage an attorney to enforce our rights (whether or not arbitration or formal judicial proceedings are initiated), you must pay all of our reasonable attorneys' fees, arbitration, court costs and litigation/arbitration expenses; provided, however, the

prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement or the Franchise will be entitled to recover its reasonable attorneys' fees and costs (including arbitrator's and AAA's fees and costs).

## **DEFAULT AND TERMINATION**

12. The following provisions apply with respect to default and termination:

A. <u>Termination by Us</u>. You are in default if we determine that you or any guarantor has breached any of the terms of this Agreement or any other agreement between you, on the one hand, and us or our affiliates, on the other hand, and we have the right to terminate this Agreement in accordance with the following provisions:

Immediate Termination With No Opportunity to Cure. If any of the 1. following defaults occur, you will have no right to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination to you (or your refusal to accept said notice): (i) any material misrepresentation or omission in your franchise application or other reports or information provided to us; (ii) your voluntary abandonment of this Agreement (which includes your failure to operate the Franchise for any period beyond what is permitted under Section 5.A(iii)); (iii) the closing of the Franchise by any state or local authorities for public safety reasons; (iv) your registration of any domain name, website or social media page or account containing the Marks; (v) any unauthorized use of the Confidential Information; (vi) the filing of voluntary or involuntary bankruptcy by or against you or any guarantor, insolvency, making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors; (vii) misconduct relevant to the operation of the Franchise; (viii) misconduct that impairs your reputation or the goodwill associated with the Marks or the Franchise (ix) conviction of you or any guarantor of (or pleading no contest to) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of the Marks or the Franchise or any felony; (x) intentionally understating or underreporting Gross Sales or Royalty Fees or any understatement or 2% variance on a subsequent audit within a 2year period thereafter; (xi) any actual or attempted unauthorized transfer or assignment in violation of Section 10; (xii) any default by you that is the second default of any type within any 12-month consecutive period (regardless of whether the initial default was cured); or (xiii) you fail to timely provide your profit and loss statements in accordance with this Agreement a fifth time in any consecutive 12 month period.

2. <u>Immediate Termination After No More than 24 Hours to Cure.</u> If a default under this Agreement occurs that materially impairs the goodwill associated with any of the Marks, violates any health or safety law or regulation, violates any System standard as to cleanliness, health and safety, or if the operation of your Franchise presents a health or safety hazard to the public, customers (or their children) or employees: (i) you will have no more than 24 hours after we provide written notice of the default to cure the default; and (ii) if the default is not timely cured, this Agreement will terminate effective immediately on our issuance of written notice of termination.

3. <u>Termination After Opportunity to Cure.</u> Except as otherwise provided in this Section 12.A: (i) you will have 10 days from the date of our issuance of a written notice to cure a default for failure to pay amounts due or submit required reports; (ii) you will have until the end of the immediately following Season to cure a default for failure to meet

a passing customer satisfaction score (as outlined in the Brand Standards Manual) for a Season; and (iii) you will have 30 days from the date of our issuance of a written notice of default to cure any other default under this Agreement. Your failure to cure a default within the applicable foregoing period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by mailing or delivering to you, or your refusal to accept, written notice of termination that will identify the grounds for the termination; and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

4. <u>Effect of Other Laws.</u> The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise supersede any provision of this Agreement that is less favorable to you.

B. <u>Cross Default</u>. If you, its owners, or any partnership, joint venture, or corporation in which one or more of you or your owners has a controlling interest, is a franchisee under another franchise agreement with us respecting another Franchise, or any addendum to this Agreement, or if you and us have entered into any direct or indirect financing agreement, a default under such other franchise agreement, financing agreement or addendum shall constitute a default under this Agreement, and should such other franchise agreement, financing agreement or addendum for any reason be terminated, we may, at our option, terminate this Agreement.

C. <u>Termination by You</u>. If you are in full compliance with all of the terms of this Agreement, you may terminate this Agreement as a result of a breach by us of a material provision of this Agreement; provided, that: (i) you provide us with written notice of the breach that identifies the grounds for the breach; and (ii) we fail to commence reasonable efforts in good faith to cure such breach within 90 days after our receipt of the written notice unless the breach cannot reasonably be cured within such 90 days; and in that case, if the breach cannot reasonably be cured in such 90 days, Franchisee may elect to terminate this Agreement only if we do not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish you with reasonable proof of such efforts. Your termination of this Agreement under this Section will not release or modify your post-term obligations under Section 13 of this Agreement.

### POST-TERM OBLIGATIONS

13. Upon the expiration or termination of this Agreement, or the expiration or termination of any Interim Period:

A. <u>Reversion of Rights: Discontinuation of Mark Use</u>. All of your rights to the use of the Marks and all other rights and licenses granted herein and the right and license to conduct business under the Marks will revert to us without further act or deed of any party. All of your right, title and interest in, to and under this Agreement will become our property. Upon our demand and at our sole option, you must assign to us or our assignee your remaining interest in any lease then in effect for the Franchise (although we will not assume any past due obligations). You must surrender all Soccer Shots branded gear and equipment to us at your expense.

You must immediately comply with the post-term noncompetition obligations under Section 9.D, cease all use and display of the Marks and of any proprietary material (including the Brand Standards Manual) and of all or any portion of promotional materials furnished or approved by us, assign all right, title and interest in the telephone numbers and social media or digital marketing accounts used at any time for the Franchise and cancel any assumed name rights or equivalent registrations filed with authorities. You are solely responsible for removing and ceasing use of the Marks on any social media or digital marketing accounts that you set up for the Franchise. You must pay all sums due to us, our affiliates or designees and to third parties. You must immediately deliver to us, at your expense, all copies of the Brand Standards Manual, customer lists and ongoing customer contracts then in your possession or control or previously disseminated to your employees and continue to comply with the confidentiality provisions of Section 5.H. You must promptly, at your expense, remove or destroy all Soccer Shots Franchise signage, displays or other materials in your possession that bear any of the Marks or names or material confusingly similar to the Marks, including all such signage and displays on any vehicles, and so alter the appearance of the Franchise Office Location as to differentiate the Franchise unmistakably from duly licensed Soccer Shots Businesses identified by the Marks. You must cease any and all advertising and use of any identifying materials generated during the term of this Agreement, including, but not limited to, terminating all business listings in electronic and print format, cancellation of all websites, domain names, and telephone numbers (if not assigned to us) used at any time in connection with the Franchise.

In the event of expiration or termination of this Agreement (or the expiration or termination of any Interim Period), you will remain liable for your obligations pursuant to this Agreement or any other agreement between you, on the one hand, and us or our affiliates, on the other hand, that expressly or by their nature survive the expiration or termination of this Agreement, including your indemnification obligations under Section 9.B.

В. Claims. ANY AND ALL CLAIMS ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP AMONG YOU AND US MUST BE MADE BY WRITTEN NOTICE TO THE OTHER PARTY WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM (REGARDLESS OF WHEN IT BECOMES KNOWN); EXCEPT FOR CLAIMS ARISING FROM: (A) UNDER-REPORTING OF GROSS SALES; (B) UNDER-PAYMENT OF AMOUNTS OWED TO US OR OUR AFFILIATES; (C) CLAIMS FOR INDEMNIFICATION; AND/OR (D) UNAUTHORIZED USE OF THE MARKS OR CONFIDENTIAL **INFORMATION** OR BREACH OF ANY NONCOMPETITION COVENANT; PROVIDED THAT WHERE THE ONE-YEAR LIMITATION OF TIME IS PROHIBITED OR INVALID BY OR UNDER ANY APPLICABLE LAW, THEN AND IN THAT EVENT ONLY, NO SUIT OR ACTION MAY COMMENCED OR MAINTAINED UNLESS COMMENCED WITHIN THE BE APPLICABLE STATUTE OF LIMITATIONS. HOWEVER, THIS PROVISION DOES NOT LIMIT THE RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

### **GENERAL PROVISIONS**

14. The parties agree to the following provisions:

A. <u>Severability</u>. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each party that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each party agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy. B. <u>Waiver/Integration</u>. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Brand Standards Manual and/or standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement, together with the addenda and appendices hereto and any application form or similar document executed by you requesting us to enter into this Agreement, constitutes the entire agreement between the parties and supersedes any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Disclosure Document we furnished to you.

C. <u>Notices</u>. All notices with regard to this Agreement will be in writing and will be considered given when hand delivered or sent by registered mail, certified mail, DocuSign (or other similar electronic signature/delivery service) or courier showing proof of delivery: If to you, at the address noted on the Data Sheet. If to us, at Soccer Shots Franchising LLC, 1020 South Eisenhower Blvd., Middletown, PA 17057 or such other addresses as may be specified by you or us by notice to the other.

D. <u>Authority</u>. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by our authorized officers.

E. <u>References</u>. If the franchisee is two or more individuals, the individuals are jointly and severally liable hereunder, and references to you in this Agreement include all of the individuals. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement.

F. <u>Successors/Assigns</u>. Subject to the terms of Section 10 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and permitted assigns of the parties.

G. <u>Interpretation of Rights and Obligations</u>. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. <u>Applicable Law and Waiver.</u> Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 11 of this Agreement, the parties' rights under this Agreement, and the relationship between the parties is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the Commonwealth of Pennsylvania (excluding any conflicts of laws principles).

2. <u>Our Rights.</u> Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the requirements of Section 5.A(ii) and other express limitations set forth in this Agreement.

3. <u>Our Reasonable Business Judgment.</u> Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "Reasonable Business Judgment" (as defined below) in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of "Reasonable Business Judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

H. <u>Venue</u>. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Section 12 must be brought in the state or federal district court located in the county encompassing our headquarters. Both parties hereto irrevocably submit themselves to, and consent to, the jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. You are aware of the purposes and needs underlying the language of this Section, and with a complete understanding thereof, agree to be bound in the manner set forth.

I. <u>Jury Waiver</u>. All parties hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.

J. <u>Waiver of Punitive and Consequential Damages</u>. Except with respect to indemnification obligations hereunder with respect to third party claims, you and us and our affiliates agree to waive, to the fullest extent permitted by law, the right to or claim for any consequential, indirect, special, punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained. Notwithstanding anything herein to the contrary, each party waives, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other.

K. <u>Relationship of the Parties</u>. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

L. <u>Force Majeure</u>. A party's failure of performance of this Agreement according to its terms will not be deemed a breach of this Agreement if it arose from a cause beyond the control of and without the negligence of said party. Such causes include, but are not limited to, strikes, wars, riots and acts of government except as may be specifically provided for elsewhere in this Agreement. Timely payment of any and all amounts due from one party to another shall not be excused by any of the foregoing circumstances or events.

M. <u>Adaptations and Variances</u>. You acknowledge that complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of Soccer Shots Businesses. Accordingly, we have the right to vary the standards, specifications, and requirements for any franchised business based on conditions we deem important to the operation of such business and/or the Soccer Shots Businesses, as more particularly set forth in the Brand Standards Manual. We are not required to grant you a like or other variation. You acknowledge that the obligations and rights of the parties to other agreements may differ materially from your rights and obligations under this Agreement.

N. <u>Notice of Potential Profit</u>. You acknowledge that we and/or our affiliates may from time to time make a profit on our sales of goods or services to you for use in your Franchise. Further, we and/or our affiliates may from time to time receive rebates and/or other consideration from suppliers and/or manufacturers in respect of sales of goods or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said rebates, profits and/or consideration. In our sole discretion, we may (but have no obligation to) return to you a portion of any such rebates, profits or consideration attributable to your purchases from suppliers and/or manufacturers (subject to your compliance with applicable terms and conditions, provision of certain information and execution of applicable documentation) and/or we may retain such consideration and use it as we deem appropriate for the benefit of the Soccer Shots Businesses.

O. <u>Anti-Terrorism Provision</u>. You and each of your owners represent and warrant to us that: (i) neither you nor any owner is named, either directly or by an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control currently located at <u>www.treas.gov/offices/enforcement/ofac/;</u> (ii) you and each owner will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the U.S. Patriot Act (currently located at <u>www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html</u>) or any similar laws; and (iii) you and each owner shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

P. <u>Required NASAA Statement</u>. The following only applies in *California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin*: No statement, questionnaire, or acknowledgment signed or agreed to by us 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 our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

# [REMAINDER OF PAGE LEFT INTENTIONALLY BLANK. SIGNATURE PAGE FOLLOWS.]

**IN WITNESS WHEREOF**, the parties have executed this Franchise Agreement as of the dates written below.

# **FRANCHISEE:**

# **FRANCHISOR:**

	Soccer Shots Franchising, LLC
Ву:	By:
Print Name:	Print Name:
Title (if applicable):	Title:
Date:	Date:

Schedule A to the Franchise Agreement

# Data Sheet

1.	Franchisee Name and Entity Type:		
	Franchisee's Address for Notice Purposes:		
	Franchisee's Email:		
	Franchisee's Phone:		
•	Effective Date:		
	<b>Operations Start Date:</b>		
	Manager:		
	Principal Owner:		
	Trade Name (if known):		
	<b>Owners.</b> You represent and warrant to us that the following the second	lowing persons are the only owners of	
	chisee:		

Owner Name	Owner Home Address	% Interest

[continued on the following page]

8. Territory (description below see map on the following page if needed):

Schedule B to the Franchise Agreement

# **ADDENDA TO FRANCHISE AGREEMENT**

#### Schedule B-1 to the Franchise Agreement

# ADDENDUM TO FRANCHISE AGREEMENT (ADDITIONAL TERRITORY)

This Addendum to Franchise Agreement ("Addendum") is made and entered into as of ("Addendum Effective Date") by and between Soccer Shots Franchising, LLC, a Pennsylvania limited liability company, having its principal place of business at 1020 South Eisenhower Blvd, Middletown, PA 17057 ("we," "our," or "us"), and the person or entity named in the signature block to this Addendum ("you" or "your").

## **RECITALS**

We and you are parties to a Franchise Agreement dated as of \_\_\_\_\_\_, 20\_\_\_\_ ("Existing Franchise Agreement") pursuant to which you are authorized to own and operate a business using a system owned by our affiliates or third parties identified by the Marks relating to youth soccer education programs marketed to children between ages 2 to 8 primarily through daycare centers, preschools, parks, and other community programs, which use curriculum, coaching, and communications to positively impact children's lives (each, a "Soccer Shots Business") in the Territory.

You have requested to purchase an additional territory and Soccer Shots Business, which will be operated pursuant to our then-current form of franchise agreement that is executed contemporaneously herewith (the "Additional Franchise Agreement").

We are willing to grant such request in accordance with the terms of this Addendum.

**NOW THEREFORE**, in consideration of the foregoing and the promises and consideration below, the parties agree as follows:

**1.** Incorporation of Recitals. You acknowledge and agree that the above recitals are true and correct and are incorporated into this Agreement for all purposes.

2. Defined Terms. All capitalized terms not defined in this Addendum will have the meaning assigned to them in the Franchise Agreement.

#### 3. Amendment.

- **a.** So long as you maintain the Franchise Office Location for the operation of the Soccer Shots Businesses, as outlined in the Existing Franchise Agreement, we hereby waive your requirement to obtain an additional Franchise Office Location as required under Section 5.A.(ii) of the Additional Franchise Agreement.
- **b.** Section 8.A of the Additional Franchise Agreement is hereby amended by deleting "\$36,500" and replacing it with "\$31,025".
- c. The parties hereby acknowledge and agree that you and the Manager under the Existing Franchise Agreement completed the Initial Franchise Training. As such, and so long as the Manager under the Existing Franchise Agreement is the same Manager under the Additional Franchise Agreement, you hereby waive our

obligation to provide, and we hereby waive your obligation to attend, the Initial Franchise Training prior to beginning operations of the second Soccer Shots Business.

#### 4. Miscellaneous.

**A. Captions.** All captions in this Addendum are intended solely for the convenience of the parties, and none will be deemed to affect the meaning or construction of any provision of this Addendum.

**B.** Counterparts and Signatures. This Addendum may be executed in counterparts, and each copy so executed and delivered will be deemed to be an original. This Addendum may be signed using electronic signatures, and such signatures will have full legal force and effect.

**C. Limited Modification; Amendment; Entire Agreement.** Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be changed only in a writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Addendum, the Existing Franchise Agreement and Additional Franchise Agreement represent the entire agreement and understanding among the parties in relation to the subject matter of this Addendum. All other agreements, writings or oral representations are hereby deemed merged into the terms of this Addendum.

**D.** Negotiated Changes. After negotiations, you and we have agreed to certain modifications to the Franchise Agreement at your request and for your benefit. This Addendum contains the agreements between you and us based on those negotiations.

**E.** Transfers and Assignment. Your rights granted under this Addendum are personal to you and may not be transferred or assigned under any circumstances, and any attempt to do so will render it void; although the remainder of the Franchise Agreement will remain in effect, the changes in this Addendum will no longer apply.

**F.** Dispute Resolution. Any disputes arising under or in respect of this Addendum will be subject to and resolved in accordance with the dispute resolution provisions of the Franchise Agreement.

# [SIGNATURES ARE ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties have duly executed this Addendum as of the Addendum Effective Date.

# **FRANCHISEE:**

# **FRANCHISOR:**

	Soccer Shots Franchising, LLC
By:	By:
Print Name:	Print Name:
Title (if applicable):	Title:
Date:	Date:

### Schedule B-2 to the Franchise Agreement

## ADDENDUM TO FRANCHISE AGREEMENT (FINANCING)

This Addendum to Franchise Agreement ("Addendum") is made and entered into as of ("Addendum Effective Date") by and between Soccer Shots Franchising, LLC, a Pennsylvania limited liability company, having its principal place of business at 1020 South Eisenhower Blvd, Middletown, PA 17057 ("we," "our," or "us"), and the person or entity ("you" or "your").

# **RECITALS**

We and you are parties to a Franchise Agreement of even date herewith (the "Franchise Agreement") pursuant to which we granted you the right, and you undertook the responsibility, to own and operate a business using a system owned by our affiliates or third parties identified by the Marks relating to youth soccer education programs marketed to children between ages 2 to 8 primarily through daycare centers, preschools, parks, and other community programs, which use curriculum, coaching, and communications to positively impact children's lives (each, a "Soccer Shots Business") in the Territory.

You have requested to finance the Initial Franchise Fee owed under the Franchise Agreement and we are willing to grant such request in accordance with the terms of this Addendum.

**NOW THEREFORE**, in consideration of the foregoing and the promises and consideration below, the parties agree as follows:

1. Incorporation of Recitals. You acknowledge and agree that the above recitals are true and correct and are incorporated into this Agreement for all purposes.

2. Defined Terms. All capitalized terms not defined in this Addendum will have the meaning assigned to them in the Franchise Agreement.

**3.** Amendment. Section 8.A of the Franchise Agreement is hereby amended by deleting the first sentence and replacing it with the following language: "You must pay to us an initial franchise fee equal to \$36,500 (the "Initial Franchise Fee"), which is deemed earned upon receipt and is non-refundable, and must be paid as follows: (i) \$\_\_\_\_\_\_ upon execution of this Agreement, and (ii) the remainder payable pursuant to the promissory note attached to Schedule B-2 as Exhibit 1."

#### 4. Miscellaneous.

A. <u>Captions</u>. All captions in this Addendum are intended solely for the convenience of the parties, and none will be deemed to affect the meaning or construction of any provision of this Addendum.

B. <u>Counterparts and Signatures</u>. This Addendum may be executed in counterparts, and each copy so executed and delivered will be deemed to be an original. This Addendum may be signed using electronic signatures, and such signatures will have full legal force and effect.

C. <u>Limited Modification, Amendment, Entire Agreement</u>. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. This Addendum may be changed only in a writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. This Addendum and the Franchise Agreement represent the

entire agreement and understanding among the parties in relation to the subject matter of this Addendum. All other agreements, writings or oral representations are hereby deemed merged into the terms of this Addendum.

D. <u>Negotiated Changes</u>. After negotiations, you and we have agreed to certain modifications to the Franchise Agreement at your request and for your benefit. This Addendum contains the agreements between you and us based on those negotiations.

E. <u>Transfers and Assignment</u>. Your rights granted under this Addendum are personal to you and may not be transferred or assigned under any circumstances, and any attempt to do so will render it void; although the remainder of the Franchise Agreement will remain in effect, the changes in this Addendum will no longer apply.

# [SIGNATURES ARE ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties have duly executed this Addendum as of the Addendum Effective Date.

# **FRANCHISEE:**

# FRANCHISOR:

	Soccer Shots Franchising, LLC
By:	By:
Print Name:	Print Name:
Title (if applicable):	Title:
Date:	Date:

# **PROMISSORY NOTE**

\$\_\_\_\_\_

Dated as of

\_\_\_\_\_\_\_, a(n) \_\_\_\_\_\_("Debtor"), for value received, hereby promises to pay to Soccer Shots Franchising, LLC, a Pennsylvania limited liability company, having its principal place of business at 1020 South Eisenhower Blvd, Middletown, PA 17057 ("Lender"), on or before [DATE] ("Maturity Date"), as herein provided, the principal sum of \$\_\_\_\_\_\_, and to pay interest on the unpaid principal amount of this Promissory Note ("Note") from the date hereof to the Maturity Date at the rate of 12.0% (*10% if Debtor is in California*) per annum on the basis of a 365-day year, such interest to be paid in immediately available funds and in lawful money of the United States.

2. <u>Principal and Interest</u>. Interest on the principal amount of this Note for the period commencing with the date such principal amount is advanced by Lender through the last day in the month in which this Note is dated shall be due and payable upon delivery of this Note. Thereafter, interest shall be payable in consecutive monthly installments in the amounts and on the dates indicated on the attached Loan Amortization Schedule, commencing on the first day of \_\_\_\_\_\_, and continuing on the first day of each month thereafter until the Maturity Date, at which time the outstanding principal and unpaid accrued interest shall be due and payable.

3. <u>Prepayment</u>. Debtor may prepay this Note, in whole or in part, at any time without penalty. Any prepayment shall be applied first, to accrued but unpaid interest, and the balance, if any, to principal then outstanding, and shall not postpone any monthly payment or the Maturity Date of this Note.

4. <u>Method of Payment</u>. Payments under this Note shall be made in the same manner as those recurring monthly fees owed by Debtor to Lender under that certain franchise agreement of even date herewith (the "Franchise Agreement").

5. <u>Event of Default; Remedies</u>. An "Event of Default" shall be deemed to have occurred under this Note if: (a) any principal, interest or other monetary sum due under this Note is not paid within 30 days after the date when due; or (b) an "Event of Default" or a breach or default, after the passage of all applicable notice and cure or grace periods, shall occur under the Franchise Agreement.

Upon the occurrence of an Event of Default under this Note, then, time being of the essence hereof, Lender may declare the entire unpaid principal balance of this Note, accrued interest, if any, and all other sums due under this Note or the Franchise Agreement, due and payable at once without notice to Debtor ("Acceleration").

All past due principal and/or interest shall bear interest from the due date to the date of actual payment at the lesser of the highest rate for which the undersigned may legally contract or the rate of 12.0% per annum (the "Default Rate"), and such Default Rate shall continue to apply following a judgment in favor of Lender under this Note. If Debtor fails to make any payment or installment due under this Note within 30 days of its due date, Debtor shall pay to Lender in addition to any other sum due Lender under this Note or any other Loan Document a late charge equal to 10.0% of such past due payment or installment.

All payments of principal and interest due hereunder shall be made: (a) without deduction of any present and future taxes, levies, imposts, deductions, charges or withholdings, which amounts shall be paid by Debtor; and (b) without any other right of abatement, reduction, setoff, defense, counterclaim, interruption, deferment or recoupment for any reason whatsoever. Debtor will pay the amounts necessary such that the gross amount of the principal and interest received by Lender is not less than that required by this Note.

No delay or omission on the part of Lender in exercising any remedy, right or option under this Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion.

Debtor hereby waives presentment, demand for payment, notice of dishonor, notice of protest, and protest, notice of intent to accelerate, notice of acceleration and all other notices or demands in connection with delivery, acceptance, performance, default or endorsement of this Note.

6. <u>Notices</u>. All notices, consents, approvals or other instruments required or permitted to be given by either party pursuant to this Note shall be made in accordance with the Franchise Agreement.

7. <u>Costs</u>. Should any indebtedness represented by this Note be collected at law or in equity, or in bankruptcy or other proceedings, or should this Note be placed in the hands of attorneys for collection after default, Debtor shall pay, in addition to the principal and interest due and payable hereon, all costs of collecting or attempting to collect this Note (the "Costs"), including reasonable attorneys' fees and expenses of Lender (including those fees and expenses incurred in connection with any appeal) and court costs whether or not a judicial action is commenced by Lender.

8. <u>Amendments</u>. This Note may not be amended or modified except by a written agreement duly executed by Debtor and Lender. In the event that any one or more of the provisions contained in this Note shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, and this Note shall be construed as if such provision had never been contained herein or therein.

9. <u>Interest Savings</u>. Notwithstanding anything to the contrary contained in any of the Loan Documents, the obligations of Debtor to Lender under this Note and any other Loan Documents are subject to the limitation that payments of interest and late charges to Lender shall not be required to the extent that receipt of any such payment by Lender would be contrary to provisions of applicable law limiting the maximum rate of interest that may be charged or collected by Lender. The portion of any such payment received by Lender that is in excess of the maximum interest permitted by such provisions of law shall be credited to the principal balance of this Note or if such excess portion exceeds the outstanding principal balance of this Note, then such excess portion shall be refunded to Debtor. All interest paid or agreed to be paid to Lender shall, to the extent permitted by applicable law, be amortized, prorated, allocated and/or spread throughout the full term of this Note (including, without limitation, the period of any renewal or extension thereof) so that interest for such full term shall not exceed the maximum amount permitted by applicable law.

10. <u>Relationship</u>. It is the intent of the parties hereto that the business relationship created by this Note and the other Loan Documents is solely that of creditor and debtor and has been entered into by both parties in reliance upon the economic and legal bargains contained in the Loan Documents. None of the agreements contained in the Loan Documents is intended, nor shall the same be deemed or construed, to create a partnership between Lender and Debtor, to make them joint venturers, to make Debtor an agent, legal representative, partner, subsidiary or employee of Lender, nor to make Lender in any way responsible for the debts, obligations or losses of Debtor. 11. <u>Construction</u>. Lender, by accepting this Note, and Debtor acknowledge and warrant to each other that each has been represented by independent counsel and Debtor has executed this Note after being fully advised by said counsel as to its effect and significance. This Note shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the instrument, the relative bargaining powers of the parties or the domicile of any party. Time is of the essence in the performance of each and every obligation under this Note.

12. <u>Jurisdiction; Governing Law</u>. For purposes of any action or proceeding arising out of this Note, the parties hereto hereby expressly agree that the dispute resolution procedures and choice of law provision outlined in Section 23 of the Franchise Agreement shall apply and control. Nothing in this Section shall limit or restrict the right of Lender to commence any proceeding in the federal or state courts located in the state in which the Collateral is located to the extent Lender deems such proceeding necessary or advisable to exercise remedies available under this Agreement or the other Loan Documents.

Waiver of Jury Trial. LENDER, BY ACCEPTING THIS NOTE, AND DEBTOR HEREBY 13. KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY AND ALL ISSUES PRESENTED IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR ITS SUCCESSORS WITH RESPECT TO ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS NOTE, THE RELATIONSHIP OF LENDER AND DEBTOR, DEBTOR'S USE OF THE EQUIPMENT CORRESPONDING TO THIS NOTE, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY. THIS WAIVER BY THE PARTIES HERETO OF ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY HAS BEEN NEGOTIATED AND IS AN ESSENTIAL ASPECT OF THEIR BARGAIN. FURTHERMORE, DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO SEEK PUNITIVE, CONSEQUENTIAL, SPECIAL AND INDIRECT DAMAGES FROM LENDER AND ANY OF LENDER'S AFFILIATES, OFFICERS, DIRECTORS, MEMBERS, MANAGERS OR EMPLOYEES OR ANY OF THEIR SUCCESSORS WITH RESPECT TO ANY AND ALL ISSUES PRESENTED IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY DEBTOR AGAINST LENDER OR ANY OF LENDER'S AFFILIATES, OFFICERS, DIRECTORS, MEMBERS, MANAGERS OR EMPLOYEES OR ANY OF THEIR SUCCESSORS WITH RESPECT TO ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS NOTE OR ANY DOCUMENT CONTEMPLATED HEREIN OR RELATED HERETO. THE WAIVER BY DEBTOR OF ANY RIGHT IT MAY HAVE TO SEEK PUNITIVE, CONSEQUENTIAL, SPECIAL AND INDIRECT DAMAGES HAS BEEN NEGOTIATED BY THE PARTIES HERETO AND IS AN ESSENTIAL ASPECT OF THEIR BARGAIN.

14. <u>Successors and Assigns</u>. This obligation shall bind Debtor and its successors and assigns, and the benefits hereof shall inure to Lender and its successors and assigns. Lender may assign its rights under this Note as set forth in the Franchise Agreement.

IN WITNESS WHEREOF, Debtor has executed and delivered this Note effective as of the date first set forth above.

DEBTOR: [INSERT]

By:

Name:

Title:		
THUC.		

Loan Amortization Schedule (attached)

#### Schedule C to the Franchise Agreement

### PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of all of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by \_\_\_\_\_\_ ("Franchisee"), including without limitation the arbitration and other dispute resolution provisions of the Franchise Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every of Franchisee's conditions, obligations, and terms contained in the Franchise Agreement, including the provisions in Section 9, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of the Franchise Agreement.

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

In addition, each of the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or any amendment or extension of the Franchise Agreement, with or without notice to the undersigned. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guarantee will inure to the benefit of our successors and assigns. The undersigned may not assign any of its rights hereunder without the prior written consent of Franchisor.

# [SIGNATURE PAGE FOLLOWS]

FRANCHISEE: \_\_\_\_\_

PERSONAL GUARANTORS:

	Individually			Individually		
	Print Nar	ne		Print Nar	ne	
	Address			Address		
City	State	Zip Code	City	State	Zip Code	
	Telephone	e		Telephon	e	
	Individua	ally		Individua	ılly	
	Print Nar	ne		Print Nar	ne	
	Address			Address		
City	State	Zip Code	City	State	Zip Code	
	Telephone	e		Telephon	e	

#### Schedule D to the Franchise Agreement

#### TELEPHONE NUMBER AND INTERNET LISTINGS ASSIGNMENT AGREEMENT

(Name of Telephone Company)

(Address)

(City, State, Zip)

This TELEPHONE AND INTERNET LISTINGS ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY ("Assignment") is made pursuant to the terms of the Franchise Agreement dated ("Agreement") by and between **Soccer Shots Franchising**, **LLC** ("Franchisor") and ("Franchisee"), authorizing Franchisee to use the Marks and System in the operation of offering youth soccer education programs, coaching services, and related curriculum and services business (the "Franchised Business") in and for the Territory. Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement.

For value received, Franchisee hereby irrevocably assigns to Franchisor all telephone listings and numbers at any time used by Franchisee in any printed or internet telephone directory in connection with the operation of the Franchised Business in the Territory, whether now-existing or adopted by Franchisee in the future, (collectively "Telephone Listings") and all email addresses, domain names, social media accounts and comparable electronic identities that use the Marks or any portion of them at any time used by Franchisee in connection with any Internet directory, website or similar item in connection with the operation of the Franchised Business, whether now-existing or adopted by Franchisee in the future, (collectively "Internet Listings" and with the Telephone Listings, collectively referred to herein as "Listings"). From time to time upon Franchisor's request, Franchisee agrees to promptly provide a complete list of all Listings to Franchisor (in such format and level of detail as required by Franchisor including the provision of any passwords associated therewith).

Franchisee shall have the right to use the Listings only in connection with advertising the Franchised Business in the Territory. Franchisee agrees to pay all amounts pertaining to the use of the Listings incurred by it when due. Upon expiration or termination of the Agreement for any reason, Franchisee's right of use of the Listings shall terminate. In the event of termination or expiration of the Agreement, Franchisee agrees to pay all amounts owed in connection with the Listings, including all sums owed under existing contracts for telephone directory advertising and to immediately at Franchisor's request, (i) take any other action as may be necessary to transfer the Listings and numbers to Franchisor or Franchisor's designated agent, (ii) install and maintain, at Franchisee's sole expense, an intercept message, in a form and manner acceptable to Franchisor, on any or all of the Listings; (iii) disconnect the Listings; and/or (iv) cooperate with Franchisor or its designated agent in the removal or relisting of any telephone directory or directory assistance listing, Internet directory, website or advertising, whether published or online.

Franchisee agrees that Franchisor may require that all telephone numbers and telephone and internet equipment and service must be owned or provided by Franchisor or a supplier approved by Franchisor and that Franchisor has the right to require Franchisee to "port" or transfer to Franchisor or an approved call routing and tracking vendor all phone numbers associated with the Franchised Business or

published in any print or online directory, advertisement, marketing or promotion associated with the Marks.

Franchisee appoints Franchisor as Franchisee's attorney-in-fact, to act in Franchisee's place, for the purpose of assigning any Listings covered by this Assignment to Franchisor or Franchisor's designated agent or taking any other actions required of Franchisee under this Assignment. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of the foregoing powers, including full power of substitution and execution or completion of any documents required or requested by any telephone or other company to transfer such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration, cancellation or termination of Franchisee's rights under the Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power of attorney is created to secure performance of a duty to Franchisor and is for consideration.

#### **FRANCHISEE:**

#### **FRANCHISOR:**

	Soccer Shots Franchising, LLC
By:	By:
Print Name:	Print Name:
Title (if applicable):	Title:
Date:	Date:

#### Schedule E to the Franchise Agreement

#### CONFIDENTIALITY, NON-SOLICITATION AND NON-COMPETITION AGREEMENT

 THIS
 CONFIDENTIALITY,
 NON-SOLICITATION
 AND
 NON-COMPETITION

 AGREEMENT ("Agreement") is entered into as of this \_\_\_\_\_\_\_\_\_\_ ("Effective Date"), by and between \_\_\_\_\_\_\_\_\_ (the "Company") and \_\_\_\_\_\_\_\_\_\_\_\_ (the "Employee") (collectively, the Company and Employee are herein referred to as the "Parties").

WHEREAS, the Parties have contemporaneously agreed that Employee shall provide soccer instructional services on behalf of the Company in exchange for certain agreed upon compensation, for the Company (the "Services");

WHEREAS, the Parties acknowledge that Soccer Shots Franchising, LLC ("Franchisor") (a) granted Company the right to open and operate a Soccer Shots business (the "Franchise") under the Soccer Shots system pursuant to a separate franchise agreement; and (b) is a third party beneficiary of certain rights as set forth below due in part to Franchisor's interest in protecting the goodwill of the "Soccer Shots" trademarks and the "Confidential Information" (as defined below) which it has licensed Company to use as a licensed franchisee of the Soccer Shots system; and

WHEREAS, the Company wishes to protect the Franchise of the Company and the Confidential Information, as defined below, which may be disclosed or otherwise made available by the Company to Employee, and

NOW THEREFORE, the Parties, intending to be legally bound and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

1. CONFIDENTIAL INFORMATION

(a) Employee acknowledges that the Company has a valuable property interest in all aspects of its Franchise. In the course of his/her instruction for, or engagement with, the Company, Employee will have access to, learn, be provided with, and continue to become aware of and familiar with secret and confidential information of Franchisor relating to its coaching and soccer training techniques and its internal business operations and processes.

(b) "Confidential Information" shall include any proprietary aspects regarding the operation of the Company, and shall include, but is not limited to, all the coaching techniques, soccer skill lessons, soccer training techniques and games; all details of the Franchise, know-how, practices, training methods, forms and programs; all proprietary newsletters and audio/visual training tapes; all lists, contacts and contact information of daycare centers, preschools and other potential venues for the services; all supplier information; all pricing and cost information; all prospect and customer lists; all marketing materials and plans; and any other information or materials furnished to the Employee, whether in written, oral, electronic, website-based, or other form, most of which is valuable and proprietary information that Franchisor licenses to Company and a duly authorized franchisee of Franchisor and the "Soccer Shots" system.

(c) Employee acknowledges that the Confidential Information is proprietary information, constitutes trade secrets of Franchisor or the Company, and is the sole and exclusive property of Franchisor or the Company. In view of the foregoing, Employee expressly agrees and acknowledges that the provisions

contained in this Agreement are reasonable and necessary and that the goodwill of Franchisor or the Company depends, among other things, on keeping such information confidential.

(d) Employee agrees that he/she will not, without the written consent of the Company, during the term of this Agreement or thereafter, disclose or make any use of the Confidential Information except as may be required in the performance of his/her duties during the term that he/she provides services to the Company.

(e) Employee agrees that he/she will not ever disclose any Confidential Information to any other individual or entity, and he/she will never use any Confidential Information in any manner.

(f) Immediately upon termination of Employee's services to the Company, Employee shall surrender to the Company, and not retain a copy of, all records and all paper and/or electronic copies made of those records that pertain to any aspect of the Company's business, including all Confidential Information.

# 2. COVENANT AGAINST COMPETITION

Employee agrees that he/she shall not at any time during his/her employment for the Company and, for a period of two (2) years beginning after the completion or termination of such employment (for any reason whatsoever) (the "Restricted Period"), without the express prior written consent of the Company and Franchisor, either directly or indirectly, for himself/herself, or by, through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, be employed by, advertise, promote in any media including social media platforms, or consult with or have any interest in any business that competes with the Company. A business that competes with the Company, for the purpose of this Agreement, is any organized program that is located inside the territory of or within a 25 miles of the outer boundary of the territory of any Soccer Shots® business that provides instruction, education, training, or mentoring relating to soccer, other sports, performing arts, or other programs involving organized physical activity whether on a team or individual basis that is offered or marketed to children under the age of 10, or that offers or sells any service or product or component thereof which composes a part of the Soccer Shots® system or which competes directly or indirectly with the Soccer Shots® system. The parties understand and agree that the participation in the coaching of a public or private school-sponsored soccer team or club will not be deemed to be a business that competes with the Company or Franchisor.

# 3. NON-SOLICITATION

(a) During the Restricted Period, the Employee will not directly or indirectly, for himself or herself, nor on behalf of any other person, partnership, company or corporation, communicate with, solicit, contact or receive remuneration from any current or prospective students or customers of the Company for any business purpose whatsoever, without the prior written consent of the Company. Students or customers serviced by the Company during the Employee's employment with the Company, regardless of the manner in which or through whom such students or customers were referred to the Employee or the Company, shall be considered as students or customers of the Company or Franchisor.

(b) Employee expressly acknowledges and agrees that the restrictive covenants set forth in Sections 1, 2 and 3 are reasonable and necessary to protect the legitimate business interests of the Company and Franchisor and that enforcement of these covenants will not prevent him/her from earning a livelihood. Employee further agrees and acknowledges that this restrictive covenant is intended by the Parties to be enforceable following termination of employment for any reason.

4. INVENTIONS. During the term of his or her employment with the Company, Employee agrees that with respect to Inventions made, authored or conceived by Employee, either solely or jointly with others, Employee will (i) keep accurate, complete and timely records of such Inventions, which records shall be Company property, (ii) promptly and fully disclose and describe such Inventions in writing to Company, and (iii) assign to Company any and all rights to such Inventions, and to applications for letters, patents, and/or copyrights granted upon such Inventions in all countries. For purposes of this Agreement, "Inventions" shall mean discoveries, improvements and ideas (whether or not shown or described in writing or reduced to practice) and works of authorship, whether or not patentable or copyrightable, (a) relating to the Franchise of Company, (b) which relates to Company's actual or demonstrably anticipated research or development, (c) which result from any work performed by Employee for Company, or (d) which is developed on Company time.

## 5. REMEDIES

(a) Employee agrees that any breach of the restrictive covenants set forth in Sections 1, 2 and/or 3 above would cause serious and irreparable damage to the Company or Franchisor, the exact amount of which would be difficult to ascertain. Consequently, Employee agrees that in the event of such a breach, the Company or Franchisor shall be entitled as a matter of right to obtain immediate injunctive relief or specific performance without the posting of a bond, and that these remedies shall be in addition to, and not in lieu of, any other remedies which may be available to the Company or Franchisor in law or in equity, including actual damages. If a court of competent jurisdiction determines that Employee violated this Agreement, the provisions of this Agreement shall begin again and continue in full force and effect for twenty-four (24) months following the date of the court's determination.

(b) In the event that the Company or Franchisor brings legal action to enforce or seek a remedy for any breach of the provisions of this Agreement and Employee is found by a court to have breached any of these provisions, Employee agrees to reimburse the Company or Franchisor, as applicable, for any and all expenses, including attorneys' fees and court costs, incurred by it in enforcing the terms of this Agreement.

6. ENTIRE AGREEMENT. This Agreement embodies the entire understanding between the Parties regarding the subject matter hereof and supersedes all prior agreements and understandings between the Parties (whether written or oral) relating thereto. No modification shall be effective unless made in writing and signed by a duly authorized representative of each party.

7. NONWAIVER. The failure of the Company to enforce any of its rights under this Agreement or to take action against Employee in the event of any breach by Employee hereunder shall not be deemed a waiver by the Company as to any subsequent enforcement of rights or subsequent actions or any other breach or future breach.

8. ASSIGNMENT. This Agreement is personal and may not be assigned by Employee. This Agreement shall inure to the benefit of and be binding upon Employee, his/her personal representatives, heirs, executors and administrators and upon the Company and its successors and assigns.

9. GOVERNING LAW. This Agreement shall be interpreted and construed in accordance with the laws of the jurisdiction where the Company has its principal place of business without regard to conflict of laws principles.

# 10. WAIVER OF JURY TRIAL. EACH PARTY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS

#### AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HEREWITH.

11. SEVERABILITY. This Agreement shall be deemed to be severable to the extent that, if any provision hereof substantively affecting the rights or obligations of a party hereto shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall remain valid and enforceable in accordance with their terms.

12. BLUE PENCILING. If any court determines that any restrictive covenants or any part thereof, is unenforceable because of the duration or geographic scope of such provision or otherwise, such court shall have the power to reduce the duration or scope of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable and shall be enforced.

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

If to Employee, at:

If to Company, at:

14. ASSIGNMENT. This Agreement may be assigned, in whole, or in part, by the Company. This Agreement may not be assigned, in whole, or in part, by the Employee, without the Company's prior written consent.

15. PRIOR AGREEMENT. Employee represents that he/she is not subject to any other restrictive covenant (i.e. confidentiality, non-competition or non-solicitation agreement) with any former employers or affiliates and that his/her employment with Company with not violate, breach or be contrary to any agreement or contract to which Employee maybe a party or subject. Employee agrees, to the fullest extent permitted by law, to indemnify and hold the Company harmless from and against all damages, liabilities or costs, including attorney's fees and costs, to the extent caused by or arising out of a restrictive covenant from or with any prior employment or business relationship of Employee.

16. NOTIFICATION. During Employee's employment, and following termination of his/her employment with Company, Employee shall inform any prospective employer (whether directly or indirectly contacted) of the existence of this Agreement and show a copy of this Agreement to any prospective employer.

17. EMPLOYEE-AT-WILL. This Agreement shall not be deemed to be a guarantee of employment. EMPLOYEE ACKNOWLEDGES THAT HE OR SHE IS AN EMPLOYEE-AT-WILL. EMPLOYEE UNDERSTANDS THAT EMPLOYEE OR THE COMPANY HAS THE RIGHT TO DISCONTINUE THE EMPLOYMENT RELATIONSHIP AT ANY TIME AND FOR ANY REASON OR NO REASON. THE TERM TERMINATION OF EMPLOYMENT AS USED IN THIS AGREEMENT MEANS BY THE EMPLOYEE OR COMPANY WITH OR WITHOUT CAUSE.

18. EMPLOYEE ACKNOWLEDGEMENT. Employee hereby acknowledges and agrees that

Employee is an employee of Company and not an employee of Franchisor and nothing in this Agreement or otherwise creates any type of joint employment relationship with Franchisor or creates any direct or indirect control by Franchisor over Employee's employment relationship with Company.

19. VOLUNTARY EXECUTION. Employee represents that he or she has read this Agreement in its entirety, fully understanding what is said and what rights Employee is relinquishing, has had the opportunity to inquire as to any questions he or she might have as to any provisions, and knowingly and voluntarily signs this Agreement.

IN WITNESS WHEREOF, intending to be legally bound, the authorized representatives of the parties hereto have set their hands as of the date first above written.

EMPLOYEE:

COMPANY:

Date:

Name:\_\_\_\_\_

(Please type or print)

Signature:\_\_\_\_\_

## Schedule F to the Franchise Agreement

# CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

WHEREAS, the Parties acknowledge that Soccer Shots Franchising, LLC ("Franchisor") (a) granted Company the right to open and operate a Soccer Shots business (the "Franchise") under the Soccer Shots system pursuant to a separate franchise agreement (the "Franchise Agreement"); and (b) is a third party beneficiary of certain rights as set forth below due in part to Franchisor's interest in protecting the goodwill of the "Soccer Shots" trademarks and the "Confidential Information" (as defined below) which it has licensed Company to use as a licensed franchisee of the Soccer Shots system;

WHEREAS, the Spouse is the spouse of an owner (the "Owner") of the Company; and

WHEREAS, the Company wishes to protect the Franchise and the Confidential Information, as defined below, which may be disclosed or otherwise made available by the Company to Spouse.

NOW THEREFORE, the Parties, intending to be legally bound and for good and valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

## 1. CONFIDENTIAL INFORMATION

(a) Spouse acknowledges that the Company has a valuable property interest in all aspects of its Franchise. In the course of the Owner's ownership of the Company, Spouse will have access to and continue to become aware of and familiar with secret and Confidential Information of Franchisor relating to its coaching and soccer training techniques and its internal business operations and processes.

(b) "Confidential Information" shall include any proprietary aspects regarding the operation of the Company and the Franchise, and shall include, but is not limited to, all the coaching techniques, soccer skill lessons, soccer training techniques and games; all details of the Franchise, know-how, practices, training methods, forms and programs; all proprietary newsletters and audio/visual training tapes; all lists, contacts and contact information of daycare centers, preschools and other potential venues for the services; all supplier information; all pricing and cost information; all prospect and customer lists; all marketing materials and plans; and any other information or materials furnished to the Spouse, whether in written, oral, electronic, website-based, or other form, most of which is valuable and proprietary information that Franchisor licenses to Company and a duly authorized franchisee of Franchisor and the "Soccer Shots" system.

(c) Spouse acknowledges that the Confidential Information is proprietary information, constitutes trade secrets of Franchisor, and is the sole and exclusive property of Franchisor. In view of the foregoing, Spouse expressly agrees and acknowledges that the provisions contained in this Agreement are reasonable and necessary and that the goodwill of Franchisor and the Company depends, among other things, on keeping such Confidential Information confidential.

(d) Spouse agrees that he/she will not, without the written consent of the Company, during the term of this Agreement or thereafter, disclose or make any use of the Confidential Information.

(e) Spouse agrees that he/she will never disclose any Confidential Information to any other individual or entity, and he/she will never use any Confidential Information in any manner.

# 2. COVENANT AGAINST COMPETITION

Spouse agrees that he/she shall not at any time during Owner's ownership of an interest in the Company and, for a period of two (2) years beginning after the earlier of (a) Owner's sale of its entire interest in the Company and cessation of any involvement with the Company; or (b) termination of the Franchise Agreement (for any reason whatsoever) (the "Restricted Period"), without the express prior written consent of the Company and Franchisor, either directly or indirectly, for himself/herself, or by, through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, be employed by, advertise, promote in any media including social media platforms, or consult with or have any interest in any business that competes with the Company. A business that competes with the Company, for the purposes of this Agreement, is any organized program that is located inside the territory of or within a 25 miles of the outer boundary of the territory of any Soccer Shots® business that provides instruction, education, training, or mentoring relating to soccer, other sports, performing arts, or other programs involving organized physical activity whether on a team or individual basis that is offered or marketed to children under the age of 10, or that offers or sells any service or product or component thereof which composes a part of the Soccer Shots® system or which competes directly or indirectly with the Soccer Shots® system. The parties understand and agree that the participation in the coaching of a public or private school-sponsored soccer team or club will not be deemed to be a business that competes with the Company or Franchisor.

#### 3. REMEDIES

(a) Spouse agrees that any breach of the restrictive covenants set forth in Sections 1 and/or 2 above would cause serious and irreparable damage to the Company or Franchisor, the exact amount of which would be difficult to ascertain. Consequently, Spouse agrees that in the event of such a breach, the Company or Franchisor shall be entitled as a matter of right to obtain immediate injunctive relief or specific performance without the posting of a bond, and that these remedies shall be in addition to, and not in lieu of, any other remedies which may be available to the Company or Franchisor in law or in equity, including actual damages. If a court of competent jurisdiction determines that Spouse violated this Agreement, the provisions of this Agreement shall begin again and continue in full force and effect for twenty-four (24) months following the date of the court's determination.

(b) In the event that the Company or Franchisor brings legal action to enforce or seek a remedy for any breach of the provisions of this Agreement and Spouse is found by a court to have breached any of these provisions, Spouse agrees to reimburse the Company or Franchisor, as applicable, for any and all expenses, including attorneys' fees and court costs, incurred by it in enforcing the terms of this Agreement.

4. ENTIRE AGREEMENT. This Agreement embodies the entire understanding between the Parties regarding the subject matter hereof and supersedes all prior agreements and understandings between the Parties (whether written or oral) relating thereto. No modification shall be effective unless made in writing and signed by a duly authorized representative of each party.

5. NONWAIVER. The failure of the Company to enforce any of its rights under this Agreement or to take action against Spouse in the event of any breach by Spouse hereunder shall not be deemed a waiver by the Company as to any subsequent enforcement of rights or subsequent actions or any other breach or future breach.

6. ASSIGNMENT. This Agreement is personal and may not be assigned by Spouse. This Agreement shall inure to the benefit of and be binding upon Spouse, his/her personal representatives, heirs, executors and administrators and upon the Company and its successors and assigns.

7. GOVERNING LAW. This Agreement shall be interpreted and construed in accordance with the laws of the jurisdiction where the Company has its principal place of business without regard to conflict of laws principles.

# 8. WAIVER OF JURY TRIAL. EACH PARTY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HEREWITH.

9. SEVERABILITY. This Agreement shall be deemed to be severable to the extent that, if any provision hereof substantively affecting the rights or obligations of a party hereto shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall remain valid and enforceable in accordance with their terms.

10. BLUE PENCILING. If any court determines that any restrictive covenants or any part thereof, is unenforceable because of the duration or geographic scope of such provision or otherwise, such court shall have the power to reduce the duration or scope of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable and shall be enforced.

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

If to Spouse, at:

If to Company, at:

12. ASSIGNMENT. This Agreement may be assigned, in whole, or in part, by the Company. This Agreement may not be assigned, in whole, or in part, by the Spouse, without the Company's prior written consent.

13. PRIOR AGREEMENT. Spouse represents that he/she is not subject to any other restrictive covenant (i.e. confidentiality, non-competition or non-solicitation agreement) with any former employers or affiliates and that his/her employment with Company with not violate, breach or be contrary to any agreement or contract to which Spouse may be a party or subject. Spouse agrees, to the fullest extent permitted by law, to indemnify and hold the Company harmless from and against all damages, liabilities or costs, including attorney's fees and costs, to the extent caused by or arising out of a restrictive covenant from or with any prior employment or business relationship of Spouse.

14. VOLUNTARY EXECUTION. Spouse represents that he or she has read this Agreement in its entirety, fully understanding what is said and what rights Spouse is relinquishing, has had the opportunity to inquire as to any questions he or she might have as to any provisions, and knowingly and voluntarily signs this Agreement.

IN WITNESS WHEREOF, intending to be legally bound, the authorized representatives of the parties hereto have set their hands as of the date first above written.

Spouse:

COMPANY:

Date: \_\_\_\_\_

Date:

Signature:

Name:\_\_\_\_\_\_(Please type or print)

Signature:

ACKNOWLEDGED BY: FRANCHISOR:

# Soccer Shots Franchising, LLC

By: \_\_\_\_\_

Print Name:

Title (if applicable):\_\_\_\_\_

Date:

# EXHIBIT C

# STATE ADDENDA

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR THE FRANCHISE REGISTRATION STATES

<u>Required NASAA Statement</u>. The following only applies in *California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin*:

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

# **CALIFORNIA**

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN CALIFORNIA ONLY

1. State Cover Page is amended by the addition of the following language that appears therein:

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

2. Item 3 is amended by the addition of the following language that appears therein:

"Additionally, neither Soccer Shots nor any person identified in Item 2 above 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 persons from membership in such association or exchange."

- 3. The following paragraphs shall be added to the end of Item 17:
  - A. "California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchisee. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control."
  - B. "FRANCHISE AGREEMENT PROVISIONS THAT PROVIDE FOR TERMINATION UPON BANKRUPTCY MAY NOT BE ENFORCEABLE UNDER FEDERAL BANKRUPTCY LAW (11 U.S.C.A. §101 ET SEQ)."
  - C. "FRANCHISE AGREEMENT PROVISIONS REGARDING COVENANTS NOT TO COMPETE, BINDING ARBITRATION AND THE APPLICATION OF LAWS OF THE COMMONWEALTH OF PENNSYLVANIA MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW."
- 4. The Item 19 financial performance representation figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the Gross Sales or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in the Disclosure Document may be one source of this information.
- 5. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- 6. The highest interest rate allowed by law in California is 10% annually.
- 7. The Franchise Agreement requires binding arbitration. The arbitration will occur at Dauphin County, Pennsylvania with the costs to be borne equally by the parties.

- 8. The Franchise Agreement requires application of the laws of Pennsylvania. This provision may not be enforceable under California law.
- 9. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
- 10. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act. (Business and Professions Code §§20000 through 20043).
- 11. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dpfi.ca.gov/.
- 12. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.
- 13. 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.

# CALIFORNIA

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN CALIFORNIA ONLY

The Soccer Shots Franchising, LLC Franchise Agreement for use in the state of California is modified in accordance with the following:

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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this	day of	202	•

Franchisor: Soccer Shots Franchising, LLC

By: \_\_\_\_\_\_Authorized Officer

Franchisee:

By: \_\_\_\_\_

#### HAWAII

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN HAWAII ONLY

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.

# **ILLINOIS**

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN ILLINOIS ONLY

The Soccer Shots Franchising, LLC Disclosure Document for use in the state of Illinois is modified in accordance with the following:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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.

# **ILLINOIS**

#### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN ILLINOIS ONLY

The Soccer Shots Franchising, LLC Franchise Agreement for use in the state of Illinois is modified in accordance with the following:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this \_\_\_\_\_\_ day of \_\_\_\_\_\_ 202\_.

Franchisor: Soccer Shots Franchising, LLC

By: \_\_\_\_

Authorized Officer

Franchisee:

By: \_\_\_\_\_

# MARYLAND

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN MARYLAND ONLY

The Soccer Shots Franchising, LLC Disclosure Document for use in the state of Maryland is modified in accordance with the following:

### Item 17

1. The general release required as a condition of renewal, sale and/or assignment/transfer of the franchise shall not apply to any liability 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.

2. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a franchise to agree to a release, estoppel or waiver of liability as a condition of purchasing a franchise.

3. None of the representations that you must make in purchasing the franchise are intended, or shall be construed, as a release, estoppel or waiver of claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The Maryland Franchise Registration and Disclosure Law Section requires the Company to file an irrevocable consent to be sued in the State of Maryland. The provisions in our contracts that require the venue of disputes outside of Maryland are not enforceable against a Maryland resident or against a non-resident who owns a franchise in the State of Maryland with respect to claims arising under the Maryland Franchise Registration and Disclosure Law. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after we grant you a franchise.

5. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law.

6. 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.

# MARYLAND

# SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN MARYLAND ONLY

The Soccer Shots Franchising, LLC Franchise Agreement for use in the state of Maryland is modified in accordance with the following:

1. Any provision in the Franchise Agreement, including Sections 2, 14 and 15, or in the Statement of Franchisee, that constitutes a general release of claims is amended to provide that, pursuant to COMAR 02.02.08.161, 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.

2. The Franchise Agreement is amended to provide that Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The Franchise Agreement is amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the date of the Franchise Agreement.

4. Section 14 of the Franchise Agreement is amended to provide that these representations are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

5. 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.).

6. All representations requiring prospective franchisees 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.

7. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

The undersigned does hereby acknowledge receipt of this addendum.

Franchisor: Soccer Shots Franchising, LLC

By: \_

Authorized Officer

Franchisee:

By: \_\_\_\_\_

# **MINNESOTA**

# SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN MINNESOTA ONLY

The Soccer Shots Franchising, LLC Disclosure Document for use in the state of Minnesota is modified in accordance with the following:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchise be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.
- A court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

### <u>NEW YORK</u> SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN NEW YORK ONLY

The Soccer Shots Franchising, LLC Disclosure Document for use in the state of New York is modified in accordance with the following:

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 D OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE 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 is added at the end of 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 Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; its debts under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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 Sections 687.4 and 687.5 be satisfied.

6. 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.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

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.

8. The following is added to the end of the "Summary" sections 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**

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN NORTH DAKOTA ONLY

1. Item 17(c) of this disclosure document is amended to reflect that the general release on renewal provisions in the Franchise Agreement are deleted in their entirety.

2. Items 6 and 17(i) of this disclosure document are amended to reflect that all liquidated damages provisions in the Franchise Agreement are deleted in their entirety.

3. Item 17(r) of this disclosure document is amended to reflect that covenants not to compete such as those mentioned in Item 17(r) are generally considered unenforceable in the State of North Dakota.

4. Item 17(u) of this disclosure document is amended to reflect that the site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.

5. Item 17(v) of this disclosure document is amended to reflect that the jury trial waiver provisions in the Franchise Agreement are deleted in their entirety.

6. Item 17(w) of this disclosure document is amended to reflect that choice of law provisions such as those mentioned in Item 17(w) are generally considered unenforceable in the State of North Dakota such that the Franchise Agreement will be subject to North Dakota law.

### **NORTH DAKOTA**

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN NORTH DAKOTA ONLY

The Soccer Shots Franchising, LLC Franchise Agreement for use in the state of North Dakota is modified in accordance with the following:

1. The North Dakota Securities Commissioner requires that certain provisions contained in franchise documents be amended to be consistent with North Dakota law, including the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17 (1993). To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If Franchisee is required in the Franchise Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate North Dakota Law, or a rule or order under North Dakota Law, such release shall exclude claims arising under North Dakota Law, and such acknowledgments shall be void with respect to claims under the Law.
- b. Covenants not to compete during the term of and upon termination or expiration of the Franchise Agreement are enforceable only under certain conditions according to North Dakota Law. If the Franchise Agreement contains a covenant not to compete which is inconsistent with North Dakota Law, the covenant may be unenforceable.
- c. If the Franchise Agreement requires litigation to be conducted in a forum other than the State of North Dakota, the requirement is void with respect to claims under North Dakota Law.
- d. If the Franchise Agreement requires that it be governed by a state's law, other than the State of North Dakota, to the extent that such law conflicts with North Dakota Law, North Dakota Law shall control.
- e. If the Franchise Agreement requires mediation or arbitration to be conducted in a forum other than the State of North Dakota, the requirement may be unenforceable under North Dakota Law. Arbitration involving a franchise purchased in the State of North Dakota must be held either in a location mutually agreed upon prior to the arbitration or if the parties cannot agree on a location, the location shall be determined by the arbitrator.
- f. Section 13(B) of the Franchise Agreement entitled "CLAIMS" is deleted in its entirety.
- g. Section 14(J) of the Franchise Agreement entitled "Waiver of Punitive and Consequential Damages" is deleted in its entirety.
- h. Section 14(I) of the Franchise Agreement entitled "Jury Trial Waiver" is deleted in its entirety.

2. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

The undersigned does hereby acknowledge receipt of this addendum.

Franchisor: Soccer Shots Franchising, LLC

By: \_\_\_\_

Authorized Officer

Franchisee:

By: \_\_\_\_\_

#### **WASHINGTON**

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE DISCLOSURE DOCUMENT FOR USE IN WASHINGTON ONLY

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. The undersigned does hereby acknowledge receipt of this addendum.

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.

### WASHINGTON

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN WASHINGTON ONLY

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. The undersigned does hereby acknowledge receipt of this addendum.

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.

Dated this	day of	 202_	
	5		

Franchisor: Soccer Shots Franchising, LLC

By: \_\_\_\_\_\_Authorized Officer

Franchisee:

By: \_\_\_\_\_

# **WISCONSIN**

### SOCCER SHOTS FRANCHISING, LLC ADDENDUM TO THE FRANCHISE AGREEMENT FOR USE IN WISCONSIN ONLY

The Soccer Shots Franchising, LLC Disclosure Document for use in the state of Wisconsin is modified in accordance with the following:

#### WISCONSIN LAW MODIFICATIONS

1. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement is hereby amended to add the following provision:

For all franchises sold in the State of Wisconsin, the Company will provide Franchisee at least 90 days' prior written notice of termination, cancellation, nonrenewal or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, nonrenewal or substantial change in competitive circumstances and will provide that Franchisee have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice will be void. These notice requirements shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Franchisee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between the Company and Franchisee inconsistent with the Law.

3. Each provision of this State Addendum shall be effective only to the extent that the jurisdictional requirements of Wisconsin law, with respect to each such provision are met independent of this State Addendum. This State Addendum shall have no force or effect if such jurisdictional requirements are not met.

4. Except as expressly modified by this Addendum, the Studio Agreement remains unmodified and in full force and effect.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this	day of	 202_	

Soccer Shots Franchising, LLC

By: \_\_\_\_\_\_Authorized Officer

Franchisee:

By: \_\_\_\_\_

#### EXHIBIT D

### STATE ADMINISTRATORS

#### California

Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 or (866) 275-2677 Website: http://www.dfpi.ca.gov/ Email: <u>Ask.DFPI@dfpi.ca.gov</u>

#### Florida

Department of Agriculture & Consumer Services Division of Consumer Services Attention: Business Opportunities Mayo Building, Second Floor Tallahassee, FL 32399-0800

#### Illinois

Franchise Division Illinois Attorney General 500 South Second Street Springfield, ILs 62706

#### Indiana

Securities Commissioner Securities Division 302 West Washington Street Room E111 Indianapolis, IN 46204

#### Maryland

Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020

### Michigan

Consumer Protection Division Attention: Franchise Section G. Mennen Williams Building, First Floor 525 West Ottawa Street Lansing, MIn 48933

#### Minnesota

Minnesota Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101-2198

### New York

NYS Department of Law Investor Protection Bureau 28 Liberty St. 21<sup>st</sup> Floor New York, NY 10005 212-416-8222

#### North Dakota

North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol 14<sup>th</sup> Floor Dept 414 Bismarck, ND 58505-0510 701-328-4712

#### Utah

Utah Department of Commerce Consumer Protection Division 160 East 300 South Salt Lake City, UT 84114-6704

#### Virginia

State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219

#### Washington

Securities Division, Department of Financial Institutions PO Box 41200 Olympia, WA 98504-1200

#### Wisconsin

Department of Financial Institutions Division of Securities 201 W. Washington Avenue, Suite 300 Madison, WI 53703

2024 Soccer Shots FDD

# EXHIBIT D

# AGENTS FOR SERVICE OF PROCESS

California	Minnesota
Commissioner of Financial Protection and	Minnesota Commissioner of Commerce
Innovation	85 Seventh Place East, Suite 280
Department of Financial Protection and	St. Paul, MN 55101-2198
Innovation	
320 West 4th Street, Suite 750	
Los Angeles, California 90013	
(213) 576-7505 or (866) 275-2677	
Website: http://www.dfpi.ca.gov/	
Email: Ask.DFPI@dfpi.ca.gov	
Florida	New York
Department of Agriculture & Consumer Services	Attention: New York Secretary of State
Division of Consumer Services	New York Department of State
Attention: Business Opportunities	One Commerce Plaza,
Mayo Building, Second Floor	99 Washington Avenue, 6th Floor
Tallahassee, FL 32399-0800	Albany, NY 12231-0001
Illinois	North Dakota
Illinois Attorney General	Securities Commissioner
500 South Second Street	600 East Boulevard Avenue
Springfield, IL 62706	State Capitol 14th Floor Dept 414
Springhold, H2 02700	Bismarck, ND 58505-0510
	701-328-4712
Indiana	Utah
Indiana Secretary of State	Utah Department of Commerce
201 State House	Consumer Protection Division
200 West Washington Street	160 East 300 South
Indianapolis, IN 46204	Salt Lake City, UT 84114-6704
Maryland	Virginia
Maryland Securities Commissioner	Clerk of the State Corporation Commission
Office of the Attorney General	1300 East Main Street, 1st Floor
Securities Division	Richmond, VA 23219
200 St. Paul Place	,
Baltimore, MD 21202-2020	
Michigan	Washington
Michigan Department of Commerce	Director, Dept. of Financial Institutions
Corporations and Securities Bureau	Securities Division
G. Mennen Williams Building, First Floor	150 Israel Rd S.W.
525 West Ottawa Street	Tumwater, WA 98501
Lansing, MI 48933	,
	Wisconsin
	Commissioner of Securities
	Division of Securities
	201 W. Washington Avenue, Suite 300
	Madison, WI 53703

# EXHIBIT E

# TABLE OF CONTENTS FOR BRAND STANDARDS MANUAL

Table of Contents

1.	Introductionp. 7
2.	About the Franchisor9
3.	About the Franchise Community13
4.	About the Franchise17
	a. Products (Programs) Offered18
	b. Business Setup, Maintenance and Financial Reporting27
	c. Personnel
5.	Brand Standards
6.	Supplies and Suppliers55
7.	Locations57
8.	Program Creation69
9.	Program Execution
10	Customer Service & Communication128
11	Computer System/Online Tools129
Со	nfigio Learning Path (online enrollment system)

(Total approximately 350 pages)

# EXHIBIT F

# LIST OF FRANCHISEES (AS OF DECEMBER 31, 2023)

State	Outlet	Franchisee	Address	Telephone
AL	Mobile, AL	Soccer Shots New Orleans LLC	8503 W Napolean Ave; Metairie LA 70006	5044419216
AL	North Alabama	J&J Sexton Missions LLC	1908 Resnik Dr SW; Decatur AL 35603	2563253940
AL	Alabama Central	Stryk3r, Inc	1776 Independence Court Ste 303; Birmingham AL 35216	
AL	Birmingham, AL	Stryk3r, Inc	1776 Independence Court Ste 303; Birmingham AL 35216	
AR	Little Rock, AR	MAC Concharraige Enterprises II LLC	600 Pine Forest Dr; Maumelle AR 72113	501-712-4292
AR	Northwest Arkansas	SMITH SPORTS AR INC	15 Floral Vista Dr; Tomball TX 77375	
AZ	North Tucson, AZ	Soccer Shots Tucson, LLC	13737 N High Mountain View Pl; Tucson AZ 85939	
AZ	Mesa, AZ	Soccer Shots East Valley, LLC	2738 East Mallor St; Mesa AZ 85213	480-980-5946
AZ	Tempe, Chandler, Gilbert, Ahwatukee AZ	Stark Athletics, LLC	5224 E Flower Ave; Mesa AZ 85206	602-397-1059
AZ	Greater Glendale, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
AZ	Phoenix Central Valley, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
AZ	Phoenix North Central, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
٩Z	Phoenix SW, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
AZ	Phoenix West Valley, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
AZ	Scottsdale, AZ	WAG PHX, LLC	121 St Emanuel St. Houston TX 77002	602-699-4087
British Columbia	Fraser Valley West, British Columbia	Arcari & Abreo Athletics Ltd	1588 Fawn Run Drive; Kelowna BC V1W 5M8	604-398-8856
British Columbia	Fraser Valley East, British Columbia	Arcari & Abreo Athletics Ltd	1588 Fawn Run Drive; Kelowna BC V1W 5M8	604-398-8856
British Columbia	Metro Vancouver Central, British Columbia	JSM Sports Inc.	2774 Westlake Drive; Coquitlam; British Columbia V3C 5K1; Canada	778-588-9559
CA	Vacaville/Fairfield, CA	Kickin It LLC	640 Henry Street; Folsom, CA 95630	(707) 999-3005
CA	Santa Rosa, CA	Kickin It LLC	640 Henry Street; Folsom, CA 95630	(707) 999-3005
CA	San Diego/East County, CA	East County San Diego Soccer Shots, LLC	5575 Lake Park Way #222; La Mesa CA 91942	619-741-1005
CA	San Diego South, CA	East County San Diego Soccer Shots, LLC	5575 Lake Park Way #222; La Mesa CA 91942	619-741-1005
CA	Central Orange County, CA	Soccer Shots Orange County, LLC	2321 E 4th Street Ste C446; Santa Ana CA 92705	9495728995
CA	Orange County 2, CA	Soccer Shots Orange County, LLC	2321 E 4th Street Ste C446; Santa Ana CA 92705	9495728995
CA	OC East, CA	Soccer Shots Orange County, LLC	2321 E 4th Street Ste C446; Santa Ana CA 92705	9495728995
CA	Orange County South, CA	Soccer Shots Orange County, LLC	2321 E 4th Street Ste C446; Santa Ana CA 92705	9495728995
CA	Sacramento North 1, CA	Soccer Shots Sacramento, LLC	6060 Sunrise Vista Dr. Ste 1300; Citrus Heights CA 95610	916-790-6160
CA	Sacramento North 2, CA	Soccer Shots Sacramento, LLC	6060 Sunrise Vista Dr. Ste 1300; Citrus Heights CA 95610	916-790-6160

CA	San Mateo, CA	Soccer Shots Bay Area, LLC	405 El Camino Real #205; Menlo Park CA 94025	
CA	Santa Clara County, CA	Soccer Shots Bay Area, LLC	405 El Camino Real #205; Menlo Park CA 94025	
CA	Alameda South, CA	Soccer Shots Bay Area, LLC	405 El Camino Real #205; Menlo Park CA 94025	
CA	North Inland Empire, CA	D.J. Fox Sports Management, LLC	7321 Henbane St; Etiwanda CA 91739	909-644-5562
CA	Riverside, CA	D.J. Fox Sports Management, LLC	7321 Henbane St; Etiwanda CA 91739	909-644-5562
CA	Central Coast San Diego, CA	S.K.T. Sports Group	1804 Garnet Ave #274; San Diego CA 92109	619-566-9566
CA	San Diego Northern Coast, CA	S.K.T. Sports Group	1804 Garnet Ave #274; San Diego CA 92109	619-566-9566
CA	Southeast Sacramento, CA	JK Groups, LLC	4013 Samuel Way; El Dorado Hills CA 95762	916-585-8964
CA	San Gabriel Valley North, CA	Bridgr Soccer, LLC	201 E Newman Ave; Arcadia CA 91006	626-470-3740
CA	Burbank/Glendale, CA	Bridgr Soccer, LLC	201 E Newman Ave; Arcadia CA 91006	626-470-3740
CA	Pasadena, CA	Bridgr Soccer, LLC	201 E Newman Ave; Arcadia CA 91006	626-470-3740
CA	West Los Angeles, CA	Bridgr Soccer, LLC	201 E Newman Ave; Arcadia CA 91006	626-470-3740
CA	The Valley, CA	Bridgr Soccer, LLC	201 E Newman Ave; Arcadia CA 91006	626-470-3740
CA	San Joaquin County, CA	Orozco Global LLC	2177 Wynngate Ct; Tracy CA 95376	
CA	Oakland, CA	Work Hard Play Hard LLC	2177 Wynngate Ct; Tracy CA 95376	(510) 773- 1156
CA	Fresno, CA	Soccer Shots Fresno, LLC	764 P Street Ste 020; Fresno CA 93721	
CA	Inland Empire East, CA	CC Athletics, LLC	337 Van Ness Lane; Redlands CA 92374	909-918-3130
CA	Long Beach, CA	The Educators LLC	3400 Cottage Way Ste G2 #10149; Sacramento CA 95825	714-716-2127
CA	Southeast Los Angeles, CA	The Educators LLC	3400 Cottage Way Ste G2 #10149; Sacramento CA 95825	714-716-2127
CA	Contra Costa County West, CA	Luna Sofia, LLC	2603 Camino Ramon Suite 230; San Ramon CA 94583	925-305-8082
CA	Contra Costa County, CA	Luna Sofia, LLC	2603 Camino Ramon Suite 230; San Ramon CA 94583	925-305-8082
CA	Ventura County, CA	HC Interests, LLC	3129 La Casa Court; Thousand Oaks CA 91362	805-263-4625
CA	Temecula, CA	Vega Perez, LLC	29041 Bent Tree Dr; Murrieta CA 92563	951-305-3375
CA	Marin County & Berkeley, CA	Velazquez Legacy LLC	850 Meridian Way Apt 47; San Jose CA 95121	510-736-4625
CA	San Francisco, CA	Velazquez Legacy LLC	850 Meridian Way Apt 47; San Jose CA 95121	510-736-4625
CO	Foothills, CO	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	303-946-5972
СО	Denver, CO	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	303-946-5972
CO	North Denver, CO	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	303-946-5972
СО	Aurora, CO	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	303-946-5972

СО	Boulder, CO	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	303-946-5972
СО	Colorado Springs, CO	CRKICKERS LLC	6282 Poudre Way; Colorado Springs CO 80923	
СТ	Southwest CT	ALFA MX LLC	1401 Kings Highway Unit 430B; Fairfield CT 06824	203-615-8225
СТ	Danbury, CT	ALFA MX LLC	1401 Kings Highway Unit 430B; Fairfield CT 06824	203-615-8225
СТ	CT South Coast	ALFA MX LLC	1401 Kings Highway Unit 430B; Fairfield CT 06824	203-615-8225
CT	Hartford, CT	Wingfield Group LLC	1 Linden Place #407; Hartford CT 06106	860-754-0200
CT	Connecticut Central	Wingfield Group LLC	1 Linden Place #407; Hartford CT 06106	860-754-0200
CT	New London, CT / Washington and Kent, RI	Soccer Goals LLC	5 Faulkner Dr; Niantic CT 06357	(860) 446-7242
DC	Washington, DC	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
DE	Dover DE/Salisbury MD	Outlar Enterprises LLC	8 The Green, Suite B; Dover DE 19901	302-760-9079
FL	Fort Lauderdale, FL	CVC SOCCER, LLC	8884 N.W. 185th St Hialeah, FL 33018	954-302-7607
FL	South Pinellas County, FL	CNB Group Enterprises, LLC	4625 East Bay Drive Suite 204; Clearwater FL 33764	
FL	Pinellas County North, FL	CNB Group Enterprises, LLC	4625 East Bay Drive Suite 204; Clearwater FL 33764	
FL	Sarasota, FL	CNB Group Enterprises, LLC	4625 East Bay Drive Suite 204; Clearwater FL 33764	
FL	Miami Downtown, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	Miami Homestead, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	NE Maimi, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	NW Miami, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	South Miami-Kendall, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	South Broward County N, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	South Broward County S, FL	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
FL	Tampa Bay 1, FL	Body On Demand Inc.	4023 N Armenia Ave Suite 250; Tampa FL 33607	
FL	Hillsborough County, FL	Body On Demand Inc.	4023 N Armenia Ave Suite 250; Tampa FL 33607	
FL	Pasco County, FL	Body On Demand Inc.	4023 N Armenia Ave Suite 250; Tampa FL 33607	
FL	Ft. Myers/Cape Coral, FL	Caloosa Football Club, LLC	1716 Maple Avenue; Fort Myers FL 33901	239-703-6369
FL	Bonita Springs/Naples, FL	Caloosa Football Club, LLC	1716 Maple Avenue; Fort Myers FL 33901	239-703-6369
FL	Florida Central North	Hamilton Family Enterprises	4911 NE 205th Ave; Williston FL 32696	
FL	North Palm Beach County, FL	K&J Johnson, LLC	210 2nd Court; Palm Beach Gardens, FL 33410	

FL	Jacksonville, FL	KickStart Enterprises, LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	904-494-6446
FL	Jacksonville 2, FL	KickStart Enterprises, LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	904-494-6446
FL	Florida Panhandle	SecondKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	904-494-6499
FL	Tallahassee/Capital Region FL	SecondKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	904-494-6499
FL	Central Florida East	3rdKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	386-244-9996
FL	Central Florida West	3rdKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	386-244-9996
FL	Orlando South, FL	3rdKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	386-244-9996
FL	Osceola County, FL	3rdKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	386-244-9996
FL	Polk County, FL	3rdKick Enterprises LLC	10475 Fortune Parkway Suite 205; Jacksonville FL 32256	386-244-9996
FL	Orlando 1, FL	TNC Sports LLC	452 Alinole Loop; Lake Mary FL 32746	407-353-3729
FL	Orlando 2 (Orange County), FL	TNC Sports LLC	452 Alinole Loop; Lake Mary FL 32746	407-353-3729
FL	Brevard County, FL	4M Sport LLC	452 Alinole Loop; Lake Mary FL 32746	
FL	Indian River, St. Lucie and Martin Counites, FL	4M Sport LLC	452 Alinole Loop; Lake Mary FL 32746	
FL	Palm Beach County, FL	D Villegas, LLC	9824 SW 154th Ct; Miami FL 33196	
FL	Broward County North, FL	D Villegas, LLC	9824 SW 154th Ct; Miami FL 33196	
GA	Macon, GA	RACHEL WRIGHT AND ASSOCIATES, LLC	8 Fording Island Rd Ext; Hilton Head Island SC 29926	762-333-1177
GA	SW Atlanta, GA	KSK Soccer, LLC	11601 Century Oaks Terrace Apt 4206; Austin, TX 78758	254-294-7864
GA	Forsyth and Cherokee Counties, GA	SS Forsyth and Cherokee Counties, LLC	695 Greystone Park NE; Atlanta GA 30324	
GA	Fulton County North, GA	Douglas Bartlett Enterprises, LLC	1040 W Marietta St NW; Atlanta GA 30318	205-504-6942
GA	Cobb County, GA	Douglas Bartlett Enterprises, LLC	1040 W Marietta St NW; Atlanta GA 30318	205-504-6942
GA	ATL East (North DeKalb County), GA	TKE Investments, LLC	695 Greystone Park NE; Atlanta GA 30324	
GA	NE Atlanta, GA	Soccer Shots Gwinnett LLC	3049 Bold Springs Rd; Dacula GA 30019	877-640-3048
GA	Gwinnett CO / Athens Expansion, GA	Soccer Shots Gwinnett LLC	3049 Bold Springs Rd; Dacula GA 30019	877-640-3048
GA	Greensboro, GA	MJ Soccer LLC	1100 Silverton Dr. Greensboro, GA 30642	706-707-8097
GA	Savannah GA/Hilton Head SC	RACHEL WRIGHT AND ASSOCIATES, LLC	8 Fording Island Rd Ext; Hilton Head Island SC 29926	762-333-1177
HI	Oahu 1, HI	B7 Oahu LLC	6184 e Paseo Rio Verde; Anaheim CA 92807	
HI	North Oahu, HI	B7 Oahu LLC	6184 e Paseo Rio Verde; Anaheim CA 92807	
IA	Central Iowa	DBM Soccer Holdings, LLC	3301 Mill Race Rd. Charlotte NC 28270	(208) 353-9200

ID	Boise, ID	DBM Soccer Holdings, LLC	3301 Mill Race Rd. Charlotte NC 28270	(208) 353-9200
IL	North Shore Chicago, IL	Burke Sanders Group, LLC	10 Beethoven St; Binghamton, NY 13905	
IL	Southern DuPage County, IL	Carly's Kickers LLC	23 N. Williams St; Westmont IL 60559	
IL	North DuPage County, IL	Carly's Kickers LLC	23 N. Williams St; Westmont IL 60559	
IL	SW Suburban Chicagoland, IL	Little Kickers, LLC	16533 W Courtside Dr; Lockport IL 60441	708-336-3567
IL	Lake County, IL	North Shore Sports Group, LLC	316 Seven Pines Circle; HighlandPark IL 60035	847-527-7401
IA	Peoria IL/Quad Cities IA	Dregits Popp Group, LLC	13506 Riggs Lake Ln; Louisville KY 40299	309-929-9220
IN	Northern Indiana	PHIL 413 Soccer Co, LLC	11366 Albany Ridge Dr; Osceola IN 46561	260-409-4809
IN	Fort Wayne, IN	PHIL 413 Soccer Co, LLC	11366 Albany Ridge Dr; Osceola IN 46561	260-409-4809
IN	Northwest Indiana	PHIL 413 Soccer Co, LLC	11366 Albany Ridge Dr; Osceola IN 46561	260-409-4809
IN	Tippecanoe, Clinton, Howard and Hamilton Counties, IN	EKK LLC	11261 Williams Court; Carmel IN 46033	814-380-8203
IN	Marion/Hendricks Counties, IN	EKK LLC	11261 Williams Court; Carmel IN 46033	814-380-8203
IN	Boone/Montgomery Counties, IN	EKK LLC	11261 Williams Court; Carmel IN 46033	814-380-8203
KS	Overland Park, KS	TJAA Sports	13929 Barkley St; Overland Park KS 66223	913-735-9192
KY	Louisville, KY	Popp Enterprises LLC	3808 Spring Willow Ct; Louisville KY 40299	502-822-0137
KY	Lexington, KY	Popp Enterprises LLC	3808 Spring Willow Ct; Louisville KY 40299	502-822-0137
KY	Northern KY	Brashear Popp Enterprises LLC	12700 Townepark Way Suite 339; Louisville KY 40243	859-583-5315
LA	New Orleans, LA	Soccer Shots New Orleans LLC	8503 W Napolean Ave; Metairie LA 70006	5044419216
LA	New Orleans Expansion, LA	Soccer Shots New Orleans LLC	8503 W Napolean Ave; Metairie LA 70006	5044419216
LA	Northwest Louisiana	Kiselov, LLC	22230 Orchard Dale Dr; Spring TX 77389	903-279-2603
LA	Alexandria/Lafayette, LA	Louisiana Enrichment and Growth Opportunities L.L.C.	6002 Settlers Dr; Alexandria LA 71303	(318) 623-3400
LA	Baton Rouge, LA	Soccer Shots Baton Rouge, Inc.	12270 Oak Alley Drive; Geismar LA 70734	
MA	North Coastal Boston, MA	AJM Soccer Group, Inc.	27 Silsbee Rd; North Andover MA 01845	833-774-6879
MA	Merrimack Valley, MA	AJM Soccer Group, Inc.	27 Silsbee Rd; North Andover MA 01845	833-774-6879
MA	Stoneham, MA	MCROCHES LLC	29 Lothrop Street Unit 2, Beverly MA 01915	617-379-3484
MA	Boston Metro NW, MA	MCROCHES LLC	29 Lothrop Street Unit 2, Beverly MA 01915	617-379-3484
MA	Boston Metro, MA	M&M Youth Sports Boston Inc.	108 Old Carriage House Rd; Grand Island, NY 14072	(781)906-0336

MA	Boston Metro SW, MA	M&M Youth Sports Boston Inc.	108 Old Carriage House Rd; Grand Island, NY 14072	(781)906-0336
MA	Greater Boston North, MA	M&M Youth Sports Boston Inc.	108 Old Carriage House Rd; Grand Island, NY 14072	(781)906-0336
MA	Greater Boston South, MA	M&M Youth Sports Boston Inc.	108 Old Carriage House Rd; Grand Island, NY 14072	(781)906-0336
MD	Baltimore, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MD	Howard County, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MD	Anne Arundel County, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MD	Frederick County, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MD	Montgomery County, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MD	Prince George County, MD	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
MI	Kalamazoo, MI	AJ Athletic, LLC	5111 E ML Ave. Ste A-90, Kalamazoo, MI 49048	269-365-1756
MI	Grand Rapids, MI	AJ Athletic, LLC	5111 E ML Ave. Ste A-90, Kalamazoo, MI 49048	269-365-1756
MI	Ann Arbor, MI	Roots Youth Sports of Michigan LLC	1936 Oakview Dr. Ann Arbor, MI 48108	734-263-5400
MI	Metro Detroit NW, MI	Roots Youth Sports of Michigan LLC	1936 Oakview Dr. Ann Arbor, MI 48108	734-263-5400
MI	Macomb Shore County, MI	JAS Sports, LLC	38637 Birch meadow Dr; Clinton Township MI 48036	586-783-7555
MN	Rochester, MN	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MN	Twin Cities Hennepin, MN	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MN	Twin Cities N Central, MN	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MN	Twin Cities South, MN	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MN	Twin Cities NW, MN	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MN	Twin Cities West/Southwest, MN	AJMJMC, LLC	9292 Bridle Way; Victoria MN 55386	612-470-7719
WI	Twin Cities East, MN/WI	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
MO	Kansas City North, MO	VB Sports LLC	7827 NW Roanridge Road, Apt H; Kansas City MO 64151	(816) 510-1171
MO	Kansas City South, MO	VB Sports LLC	7827 NW Roanridge Road, Apt H; Kansas City MO 64151	(816) 510-1171
MO	St. Charles County, MO	JN Cody, LLC	5933 Hwy 94; Weldon Springs MO 63304	636-697-7414
MO	St. Louis County, MO	JN Cody, LLC	5933 Hwy 94; Weldon Springs MO 63304	636-697-7414
MS	Hattiesburg-Meridian, MS	MW Sports Industries LLC	1830 August Bend; Madison MS 39110	(601) 521-0053
MS	Mississippi Gulf Coast, MS	Soccer Shots New Orleans LLC	8503 W Napolean Ave; Metairie LA 70006	5044419216
MS	Jackson, MS	Rooker Enterprises, LLC	P.O. Box 5661; Brandon MS 39047	769-233-7445
NC	RDU NE Wake Forest, NC	RFAIII LLC	2728 Southwinds Run; Apex NC 27502	919-699-8442

NC	RDU South Cary, NC	RFAIII LLC	2728 Southwinds Run; Apex NC 27502	919-699-8442
NC	RDU West, NC	RFAIII LLC	2728 Southwinds Run; Apex NC 27502	919-699-8442
NC	Greater Charlotte NE, NC	Rattlecat International LLC	9609 Northdowns Lane; Huntersville NC 28078	704-764-1575
NC	Greater Charlotte NW, NC	Rattlecat International LLC	9609 Northdowns Lane; Huntersville NC 28078	704-764-1575
NC	Winston-Salem, NC	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	336-451-7503
NC	Greensboro, NC	Kinder Kixx LLC	7707 McAdams Ct; Greensboro NC 27409	336-451-7503
NC	Wilmington, NC	KJ Soccer LLC	5 Silva Terra Dr; Wilmington NC 28412	910-386-3301
NC	Asheville, NC	Power Kicks, LLC	88 Sovereign Circle; Clyde NC 28721	828-333-9507
NC	Charlotte, NC	Soccer Shots Charlotte, LLC	8510 McAlpine Park Dr Ste 114; Charlotte NC 28211	704-890-0988
NC	Lancaster, York, Union NC/SC	Soccer Shots Charlotte, LLC	8510 McAlpine Park Dr Ste 114; Charlotte NC 28211	704-890-0988
NE	Omaha, NE	Hogan Ventures LLC	8734 Dupont St; Omaha NE 68124	402-954-3068
NH	Southern New Hampshire	AJM Soccer Group, Inc.	27 Silsbee Rd; North Andover MA 01845	833-774-6879
NJ	Hudson County, NJ	Winning Touch Partners LLC	8 Campus Drive; Parsipanny, NJ 07054	(551) 280-0544
NJ	Bergen County West/Passaic, NJ	Fox S.C. LLC	17 Rockaway Ave; Oakland NJ 07436	201-410-0644
NJ	East Bergen County, NJ	Fox S.C. LLC	17 Rockaway Ave; Oakland NJ 07436	201-410-0644
NJ	Burlington County, NJ	Soccer Shots of Burlington County LLC	75 Atsion Ct; Medford NJ 08055	609-287-3410
NJ	Gloucester County, NJ	Soccer Shots of Burlington County LLC	75 Atsion Ct; Medford NJ 08055	609-287-3410
NJ	Ocean County, NJ	Fighting Parsons Athletics, LLC	15 Cedar St; Barnegat NJ 08005	609-651-8141
NJ	Southern New Jersey	Fighting Parsons Athletics, LLC	15 Cedar St; Barnegat NJ 08005	609-651-8141
NJ	Hunterdon/Somerset, NJ	Fighting Parsons Athletics, LLC	15 Cedar St; Barnegat NJ 08005	609-651-8141
NJ	Mercer/Middlesex Counties, NJ	Fighting Parsons Athletics, LLC	15 Cedar St; Barnegat NJ 08005	609-651-8141
NJ	Morris County, NJ	Fighting Orange Athletics LLC	15 Cedar St. Barnegat, NJ 08005	973-370-5808
NJ	Essex, NJ	Kambal United LLC	53 Stocker Road; Essex Fells NJ 07021	17325001811
NJ	Union County, NJ	Raptor Ridings LLC	525 Rte 73 N Ste 104; Marlton NJ 08053	908-505-0332
NJ	Camden County, NJ	Mazelov Enterprises LLC	2531 W. Thompson St; Philadelphia PA 19121	267-630-1557
NJ	Monmouth County, NJ	One Love Soccer LLC	2 Ravenwood Court; Bayville NJ 08721	908-256-3140
NM	Albuquerque North, NM	WAG ABQ, LLC	121 St. Emanuel St, Houston, TX 77002	(505) 225-3095
NM	Albuquerque South Valley, NM	WAG ABQ, LLC	121 St. Emanuel St, Houston, TX 77002	(505) 225-3095
NV	NW Las Vegas, NV	REC-IT SPORTS CORP	7453 Painted Shadows Way; Las Vegas NV 89149	
NV	Henderson, NV	KML Youth Sports, LLC	264 Quail Ranch Dr; Henderson NV 89015	702-349-8608

NV	Reno, NV	Rich Sports LLC	1930 Covina Drive; Sparks, NV 89431	
NV	SW Las Vegas, NV	ABUSPORTS, LLC	2600 Seashore Drive; Las Vegas NV 89128	
NY	Long Island City, NY	AD Ignite LLC	418 BROADWAY, STE N; ALBANY, NY, 12207	(929) 888-7297
NY	Queens NE, NY	AD Ignite LLC	418 BROADWAY, STE N; ALBANY, NY, 12207	(929) 888-7297
NY	Syracuse, NY	EDPKGS, LLC	95 Allens Creek Rd Bldg #1 Suite 315; Rochester NY 14618	315-254-9034
NY	Rochester, NY	EDPKGS, LLC	95 Allens Creek Rd Bldg #1 Suite 315; Rochester NY 14618	315-254-9034
NY	Binghamton, NY	EDPKGS, LLC	95 Allens Creek Rd Bldg #1 Suite 315; Rochester NY 14618	315-254-9034
NY	NYC Central, NY	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
NY	Manhattan, NY	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
NY	Westchester, NY	Feeney Group, LLC	39 Griddle Lane; Levittown NY 11756	914-361-9856
NY	Upper Westchester County, NY	Feeney Group, LLC	39 Griddle Lane; Levittown NY 11756	914-361-9856
NY	Nassau County North Long Island, NY	AG Sports LLC	88 Abbott Dr; Halesite, NY 11743	516-558-2266
NY	Nassau County South, NY	AG Sports LLC	88 Abbott Dr; Halesite, NY 11743	516-558-2266
NY	Suffolk West County, NY	AG Sports LLC	88 Abbott Dr; Halesite, NY 11743	516-558-2266
NY	North Buffalo, NY	M&M Youth Sports LLC	108 Old Carriage House Rd; Grand Island NY 14072	716-408-3071
NY	South Buffalo, NY	M&M Youth Sports LLC	108 Old Carriage House Rd; Grand Island NY 14072	716-408-3071
NY	Rockland/Putnam, NY	J&T Russo LLC	3085 Uncas St; Mohegan Lake NY 10547	845-747-5757
NY	Central Suffolk County, NY	CSSS Inc	76 Sycamore Circle; Stony Brook NY 11790	631 438-1708
NY	Long Island Southeast, NY	CSSS Inc	76 Sycamore Circle; Stony Brook NY 11790	631 438-1708
OH	Akron NE, OH	TrueCut Soccer LLC	1963 State Road; Cuyahoga Falls OH 44223	(330) 802-3480
OH	Akron SW, OH	TrueCut Soccer LLC	1963 State Road; Cuyahoga Falls OH 44223	(330) 802-3480
ΟН	Youngstown, OH	TrueCut Soccer LLC	1963 State Road; Cuyahoga Falls OH 44223	(330) 802-3480
OH	Cincinnati Northern (Butler/Warren), OH	CKG Soccer Stars, LLC	6087 Chamblee Dr; Loveland OH 45140	
OH	Hamilton County East, OH	CKG Soccer Stars, LLC	6087 Chamblee Dr; Loveland OH 45140	
OH	Cincinnati West, OH	CKG Soccer Stars, LLC	6087 Chamblee Dr; Loveland OH 45140	
ОН	Toledo, OH	Brookhampton LLC	5915 Waterville Monclova Rd; Waterville OH 43566	419-360-0976
ОН	Cuyahoga East, OH	Scurry Enterprise, LLC	4427 Selhurst Rd; North Olmsted OH 44070	440-539-6907
ОН	Cuyahoga West, OH	Scurry Enterprise, LLC	4427 Selhurst Rd; North Olmsted OH 44070	440-539-6907

OH	Columbus North, OH	Uttley Group, LLC	4663 Executive Drive Suite 5; Columbus OH 43220	614-535-7082
ОН	Columbus South, OH	Uttley Group, LLC	4663 Executive Drive Suite 5; Columbus OH 43220	614-535-7082
ОН	Dayton, OH	Uttley Group, LLC	4663 Executive Drive Suite 5; Columbus OH 43220	614-535-7082
OK	North OKC/Edmond, OK	Sixty-Four Squares, LLC	1701 Grey Hawk Road; Edmond OK 73003	405-613-7114
OK	Oklahoma City, OK	Sixty-Four Squares, LLC	1701 Grey Hawk Road; Edmond OK 73003	405-613-7114
OK	Tulsa, OK	MTK SPORTS LLC	2604 Huntsville St; Broken Arrow OK 74011	918-720-4317
Ontario	Markham Richmond Hill, Ontario	Empower Youth Sports Inc.	27 Via Jessica Drive; Unionville; Ontario L3R 5W4; Canada	437-772-3300
Ontario	Ottawa, Ontario	13566382 Canada Inc.	228 avenue du bois-franc, J9J 2V3, Gatineau QC; Canada	
Ontario	Cambridge/Kitchener, Ontario	Reynolds Soccer Inc.	635 Saginaw Pwy Unit 51; Cambridge; Ontario N1T 0C1; Canada	833-722-0708
Ontario	Halton, Ontario	Soccer Shots Halton Inc.	231 McNichol Drive; Cambridge; Ontario N1P 1J3; Canada	800-674-3435
Ontario	West Mississauga, Ontario	Soccer Shots Halton Inc.	231 McNichol Drive; Cambridge; Ontario N1P 1J3; Canada	800-674-3435
OR	West Multnomah/Clackamas, OR	Rollicking Enterprises, LLC	818 SW 3rd Ave #116; Portland OR 97204	503-913-4542
OR	East Multnomah County, OR	Rollicking Enterprises, LLC	818 SW 3rd Ave #116; Portland OR 97204	503-913-4542
OR	Washington County, OR	Rollicking Enterprises, LLC	818 SW 3rd Ave #116; Portland OR 97204	503-913-4542
PA	Lehigh/Upper Bucks County, PA	Kick Bass Futbol LLC	2214-A Union Boulevard; Allentown PA 18109	
PA	Scranton/Wilkes Barre, PA	EDPKGS, LLC	95 Allens Creek Rd Bldg #1 Suite 315; Rochester NY 14618	315-254-9034
PA	Pittsburgh, PA	AAC RLC, LLC	1850 Sansa Dr.; Mechanicsburg PA 17055	412-615-5003
PA	Pittsburgh Central, PA	AAC RLC, LLC	1850 Sansa Dr.; Mechanicsburg PA 17055	412-615-5003
PA	Pittsburgh North, PA	AAC RLC, LLC	1850 Sansa Dr.; Mechanicsburg PA 17055	412-615-5003
PA	Montgomery County, PA	Colrom, LLC	352 Mourning Dove Dr; Newark DE 19711	484-329-7651
PA	Delaware County, PA	Colrom, LLC	352 Mourning Dove Dr; Newark DE 19711	484-329-7651
PA	Berks County, PA	Colrom, LLC	352 Mourning Dove Dr; Newark DE 19711	484-329-7651
PA	Lancaster/Lebanon, PA	EKS Soccer LLC	277 Delp Road; Lancaster PA 17601	717-390-5623
PA	Philly West Central. PA	Mazelov Enterprises LLC	2531 W. Thompson St; Philadelphia PA 19121	267-630-1557
PA	Philly North, PA	Mazelov Enterprises LLC	2531 W. Thompson St; Philadelphia PA 19121	267-630-1557
PA	Philly East Central, PA	Mazelov Enterprises LLC	2531 W. Thompson St; Philadelphia PA 19121	267-630-1557

PA	Lower Bucks County, PA	Mazelov Enterprises LLC	2531 W. Thompson St; Philadelphia PA 19121	267-630-1557
PA	State College, PA	RSD Holdings, LLC	PO Box 545; State College PA 16801	833-244-5425
PA	Laurel Highlands, PA RMW LLC		703 9th St; Windber PA 15963	814-808-5425
PA	Harrisburg, PA	Soccer Pals, LLC	1120 Chadwick Circle; Hummelstown PA 17036	717.350.8804
PA	York, PA	Soccer Pals, LLC	1120 Chadwick Circle; Hummelstown PA 17036	717.350.8804
DE	Chester County PA/New Castle County DE	DKS Sports Development, LLC	PO Box 1164; Hockessin DE 19707	484-321-3193
MD	Franklin, Adams, Berkeley & Washington Counties	Passion Athletics LLC	2339 New Franklin Rd; Chambersburg PA 17202	717-220-4341
SC	Charleston, SC	Gorman Soccer LLC	1444 Remount Rd; N. Charleston SC 29406	843-860-7409
SC	Greenville, SC	Small Kicks, LLC	714 N. Windowpane Way; Duncan SC 29334	864-621-1796
SC	Columbia, SC	MKS LLC	1704 Quail Valley E; Columbia SC 29212	803-999-7493
GA	Augusta SC/GA	Augusta Soccer Kids	4115 Columbia Road Ste 5 PMB139; Martinez GA 30907	7063923268
TN	Nashville South, TN	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
TN	Nashville North, TNCOUS, LLC312 Marshall Ave. Ste 1000; I 20707		312 Marshall Ave. Ste 1000; Laurel MD 20707	
TN	Nashville East/Murfreesboro, TN	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
TN	Tri-Cities, TN	Tri-Cities Sports, LLC	3549 Cherokee Road; Jonesborough TN 37659	423-302-0403
TN	Knoxville, TN	MPL Sr, LLC	9044 Middlebrook Pike #B; Knoxville TN 37923	
TN	Chattanooga, TN	DBM Soccer Holdings, LLC	3301 Mill Race Rd. Charlotte NC 28270	(208) 353-9200
TN	East Memphis, TN	Rock Enterprises I LLC	815 N McLean Blvd; Memphis, TN 38107	901-355-5430
TX	Central Texas	KSK Soccer, LLC	11601 Century Oaks Terrace Apt 4206; Austin, TX 78758	254-294-7864
TX	College Station, TX	KSK Soccer, LLC	11601 Century Oaks Terrace Apt 4206; Austin, TX 78758	254-294-7864
TX	Harris County, TX	Kiselov, LLC	22230 Orchard Dale Dr; Spring TX 77389	903-279-2603
TX	East Texas	Kiselov, LLC	22230 Orchard Dale Dr; Spring TX 77389	903-279-2603
TX	DFW South, TX	Kiselov, LLC	22230 Orchard Dale Dr; Spring TX 77389	903-279-2603
TX	Austin/San Antonio, TX	EBR Sports, LLC	8820 Business Park Dr Ste 400; Austin TX 78759	512-420-9450
TX	Montgomery County/The Woodlands, TX	Smith Sports, Inc.	18603 Jaya Loch Court; Spring TX 77379	
TX	Houston G7, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
TX	Houston A1, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208

ΤХ	Houston E5, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
TX	Houston H8, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ΤХ	Houston F6, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ΤX	Houston D4, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ΤХ	Houston I9, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ГХ	Houston B2, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ГΧ	Houston C3, TX	Woods Sports, LLC	121 St. Emanuel Street; Houston TX 77002	281-995-7208
ТΧ	NW Dallas County, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
TX	Tarrant County North, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ΤХ	Plano, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ΤХ	Frisco/McKinney, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ΤХ	Northeast Dallas, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ГХ	Dallas City Center East, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ГХ	Dallas City Center West, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ГХ	DFW Northwest, TX	WAG DFW, LLC	121 St. Emanuel St; Houston TX 77002	214-245-5144
ГХ	SW Tarrant, TX	Wubbena Company, LLC	10501 Silver Fox Ct; Fort Worth TX 76108	817-201-5980
ГХ	Parker/NW Tarrant, TX	Wubbena Company, LLC	10501 Silver Fox Ct; Fort Worth TX 76108	817-201-5980
ГХ	SE Tarrant, TX	Wubbena Company, LLC	10501 Silver Fox Ct; Fort Worth TX 76108	817-201-5980
UT	Utah County, UT	FJ SPORTS LLC	5995 W 9600 N; Highland UT 84003	(385) 375-7272
UT	North Salt Lake City, UT	OAM LLC	418 E Braidhill Dr; Draper UT 84020	7723608041
UT	Salt Lake South, UT	OAM LLC	418 E Braidhill Dr; Draper UT 84020	7723608041
VA	6 7 7		916 Eastern Shore Rd; Virginia Beach VA 23454	757-377-5986
VA	Hampton Roads (CPNS), VA	Soccer Shots-Virginia Beach, VA LLC	916 Eastern Shore Rd; Virginia Beach VA 23454	757-377-5986
VA	Fairfax/Loudoun Counties, VA	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
VA	Prince William County, VA	COUS, LLC	312 Marshall Ave. Ste 1000; Laurel MD 20707	
VA	Northwestern Virginia	Ganzhorn, LLC	126 Cabbage White Drive; Lake Frederick VA 22630	540-336-8620
VA	Richmond, VA	Soccer Enterprises LLC	4840 Waller Rd #400; Richmond VA 23230	804-415-8952
VA	Albemarle County, VA	Soccer Enterprises LLC	4840 Waller Rd #400; Richmond VA 23230	804-415-8952
VA	Virginia Southwest	JLM LLC	1110 Oakwood Dr; Roanoke VA 24015	540-512-9757

NY	Queens SE, NY	AD Ignite LLC	418 BROADWAY, STE N; ALBANY,	(929) 888-7297
State	Outlet	Franchisee	Address	Telephone
	FRANCHISEES WITH SIG	NED FRANCHISE AGREEM	ENTS BUT WERE UNOPENED AS OF 12	2/31/2023
WI	Madison, WI	SOCCER SHOTS MADISON LLC	4970 Silo Prairie Dr; Westport WI 53597	608-400-5645
WI	Waukesha/Wauwatosa, WI	WAUK SPORTS LLC	W131N8112 Country Terrace Ln; Menomonee Falls, WI 53051	(262) 345-2209
WA	Clark County, WA	Rollicking Enterprises, LLC	818 SW 3rd Ave #116; Portland OR 97204	503-913-4542
WA	Tacoma, WA	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
WA	Olympia, WA	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
WA	Federal Way/Tacoma North, WA	Larson Youth Soccer, LLC	347 138th Ave; Houlton WI 54082	651-300-0134
	WA	LLC	WA 98007	
WA	North Seattle Shoreline,	LLC LA CANTERA SPORTS	WA 98007 1420 156th Ave NE Suite A; Bellevue	
WA	Seattle Metro, WA	LA CANTERA SPORTS	1420 156th Ave NE Suite A; Bellevue	
WA	Seattle East, WA	LA CANTERA SPORTS	1420 156th Ave NE Suite A; Bellevue WA 98007	
<b>XX</b> 7 A		LLC	WA 98007	
WA	Seattle, WA	LA CANTERA SPORTS	1420 156th Ave NE Suite A; Bellevue	

## **EXHIBIT F-1**

# LIST OF FORMER FRANCHISEES (as of DECEMBER 31, 2023)

State	Franchisee	Address	Reason
FL	SR Brazil LLC	3135 Dark Sky Dr; St. Cloud, FL 34773	Transfer
IA	Soccer Shots Iowa, LLC	1401 NE Polk Dr; Grimes, IA 50111	Transfer
MI	Soccer Sprouts Grand Rapids, LLC	2031 Eastern Ave NE; Grand Rapids, MI 49505	Transfer
NC	Saxton Soccer, LLC	101 MacKenzie Drive; Wilmington, NC 28409	Transfer
NC	Saxton Soccer, LLC	101 MacKenzie Drive; Wilmington, NC 28409	Transfer
NJ	SSCJ LLC	67 Columbia Ave; Hopewell, NJ 08525	Transfer
NY	GWPezon, LLC	271 Cadman Plz E Ste 2, PO Box 26212; Brooklyn, NY 11201	Termination
TX	NK Soccer, Inc	818 Winterwood Ct; Garland, TX 75044	Transfer

There are no franchisees who have not communicated with us in the ten weeks prior to the effective date of this Disclosure Document.

### EXHIBIT G

# **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:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Exempt
Indiana	Exempt
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Exempt
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	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 H

RECEIPTS

### RECEIPT

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

If Soccer Shots Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar- days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires 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. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Soccer Shots Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit D. The franchisor is Soccer Shots Franchising, LLC located at 1020 South Eisenhower Blvd., Middletown, PA 17057. Its telephone number is 717-616-8587. Additional franchise sellers, if any, are:

Soccer Shots Franchise Sellers are Kevin Stumpf, Matt Crist and Benji Kennel, who can all be contacted at 1020 South Eisenhower Blvd., Middletown, PA 17057; phone 717-616-8587, and the following persons (if applicable): \_\_\_\_\_ who can be contacted at \_\_\_\_\_\_.

The issuance date of this disclosure document is April 2, 2024. See the State Effective Date Page to determine if your state's Effective Date varies from the Issuance Date. Soccer Shots Franchising, LLC authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state. See Exhibit D for a list of our agents for service of process in the franchise registration states.

I have received a Franchise Disclosure Document dated April 2, 2024, that included the following Exhibits:

- A Financial Statements
- B Franchise Agreement
- C State Addenda
- D State Administrators/ Agents for Service of Process
- E Table of Contents For Brand Standards Manual
- F List of Franchisees
- F-1 List of Former Franchisees
- G State Effective Dates Page
- H Receipt

Dated:

Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name

### of

(Name of Company)

PLEASE RETURN THIS FORM TO: Soccer Shots Franchising, LLC at 1020 South Eisenhower Blvd., Middletown, PA 17057, via e-mail to frandev@soccershots.com.

#### 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 Soccer Shots Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar- days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires 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. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Soccer Shots Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit D. The franchisor is Soccer Shots Franchising, LLC located at 1020 South Eisenhower Blvd., Middletown, PA 17057. Its telephone number is 717-616-8587. Additional franchise sellers, if any, are:

Soccer Shots Franchise Sellers are Kevin Stumpf, Matt Crist and Benji Kennel, who can all be contacted at 1020 South Eisenhower Blvd., Middletown, PA 17057; phone 717-616-8587, and the following persons (if applicable): \_\_\_\_\_ who can be contacted at \_\_\_\_\_\_.

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- F-1 List of Former Franchisees
- G State Effective Dates Page
- H Receipt

Dated:

Individually and as an Officer of the company designated below or of a company to be formed and designated below on formation

Printed Name

of

(Name of Company)

#### PLEASE RETAIN THIS COPY FOR YOUR RECORDS