



**BUSINESS COACH**  
**FRANCHISE DISCLOSURE DOCUMENT**  
MINNESOTA AND WISCONSIN

## FRANCHISE DISCLOSURE DOCUMENT

### Master Licensee (subfranchisor):

**Buji, LLC**  
an Ohio limited liability company  
10496 Red Fox Street  
Canal Winchester, OH 43110  
(614) 778-0120  
www.gobigactioncoach.com



As a franchisee (also known as a Business Coach), you will operate a business providing business and executive coaching, mentoring and training to business owners, executives and their teams to help them achieve their personal and business goals using the ActionCOACH system.

The total investment necessary to begin operation of a Business Coach franchise ranges from \$64,000 to \$139,259. This amount includes \$62,500, which must be paid to the Master Licensee, for the initial franchise fee and franchisee training fee. The balance is made up of items estimated in **Item 7** under The Partner Franchise Disclosure.

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 master licensee, 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 to you. To discuss the availability of disclosures in different formats, contact:

Annette Hohnberger  
10496 Red Fox Street  
Canal Winchester, OH 43110  
(614) 778-0120  
annette@getnaction.com

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: May 1, 2025

## How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	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 or Exhibit K.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit L includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only ActionCOACH franchise business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor or master licensee have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management and the master licensee or its management team have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be an ActionCOACH franchisee?</b>	Item 20 or Exhibit K lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## **What You Need To Know About Franchising Generally**

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

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

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

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

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

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

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

## **Some States Require Registration**

Your state may have a franchise law, or other law, that requires franchisors and/or master licensees 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 I.

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 master licensee by mediation and arbitration only in Ohio. The franchise agreement requires you to resolve disputes with the franchisor by mediation in Las Vegas, Nevada and by arbitration in the city or county in which the franchisor's principal business office is located. Out-of-state mediation and arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to mediate and arbitrate with the master licensee in Ohio, and it may also cost more to mediate with the franchisor in Nevada or to arbitrate with the franchisor in the city or county where its principal business office is located than in your state.
2. **Mandatory Minimum Payments.** You must make mandatory minimum royalty and marketing payments regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
3. **Sales Performance Requirement.** 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" (if any) to see whether your state requires other risks to be highlighted.

## **TABLE OF CONTENTS**

	<b>PAGE</b>
ITEM 1 THE FRANCHISOR, THE MASTER LICENSEE AND ANY PARENTS, PREDECESSORS, AND AFFILIATES.....	1
ITEM 2 BUSINESS EXPERIENCE.....	5
ITEM 3 LITIGATION.....	6
ITEM 4 BANKRUPTCY .....	7
ITEM 5 INITIAL FEES .....	7
ITEM 6 OTHER FEES.....	8
ITEM 7 ESTIMATED INITIAL INVESTMENT .....	13
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES .....	17
ITEM 9 FRANCHISEE'S OBLIGATIONS .....	20
ITEM 10 FINANCING .....	21
ITEM 11 MASTER LICENSEE'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING .....	21
ITEM 12 TERRITORY .....	30
ITEM 13 TRADEMARKS .....	32
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION .....	33
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS .....	33
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL .....	34
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION .....	34
ITEM 18 PUBLIC FIGURES .....	40
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS.....	40
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION .....	43
ITEM 21 FINANCIAL STATEMENTS.....	47
ITEM 22 CONTRACTS.....	48
ITEM 23 RECEIPTS.....	48

## **Exhibits**

- A. Business Coach Franchise Agreement
- B. State Required Addenda to Franchise Agreement
- C. Managing Director Business Coach Agreement
- D. Firm Addendum
- E. Business Coach Agreement
- F. Nondisclosure and Noncompete Agreement
- G. Compliance Questionnaire
- H. General Release
- I. Additional State-Required Information
- J. State Regulatory Authorities and Registered Agents in Certain States
- K. Franchisees as of December 31, 2024
- L. Audited Financial Statements: Master Licensee
- M. Operations Manual Table of Contents
- N. Communications Systems Specifications
- O. State Effective Dates
- P. Receipts (2 copies)



## ITEM 1

### THE FRANCHISOR, THE MASTER LICENSEE AND ANY PARENTS, PREDECESSORS AND AFFILIATES

This disclosure document describes ActionCOACH business coaching franchises within the GOBIG Region of ActionCOACH. Buji, LLC offers the franchise rights described in this disclosure document and is the Master Licensee (subfranchisor) for the states of Ohio and Indiana. Buji, LLC is under common ownership and control with BUJI of IL & MI, LLC, LLC (which covers Illinois and Michigan) and Oaktree Business Services of Ohio, LLC (which covers Ohio and Indiana). Collectively, these entities are referred to as the “GOBIG Region.”

Throughout this disclosure document, “we,” “us,” or “our” means Buji, LLC, and “you” means the individual or entity acquiring the franchise. If the franchise is acquired by a business entity, each individual with an ownership interest must sign a personal guaranty.

Buji, LLC is an Ohio limited liability company formed on January 2009. Its principal business address is 10496 Red Fox Street, Canal Winchester, OH 43110. We do business under the names Buji, LLC and ActionCOACH Business Coaching.

On January 28, 2009, we were granted the exclusive rights to offer and support ActionCOACH franchises in Minnesota and Wisconsin pursuant to a Master License Agreement with ActionCOACH North America, LLC (“ACNA”), the national Franchisor of the ActionCOACH system in the United States. We acquired these rights directly from ACNA, which had previously offered ActionCOACH franchises in this territory. ACNA is not a predecessor under FTC definitions, but its prior role is disclosed for clarity.

Your Franchise Agreement is a two-party agreement between you and us; ACNA is not a party to the Franchise Agreement and does not sell or support franchises in the GOBIG Region. ACNA is the national franchisor with the right to sublicense the ActionCOACH intellectual property in the United States, and it continues to sublicense other regional master licensees throughout the country.

As the Master Licensee, we are the franchise seller who subfranchises and supports ActionCOACH Business Coaches in our territory. We may also conduct limited coaching, mentoring or training activities within the territory.

We are affiliated with:

- Oaktree Business Services of Ohio, LLC – Master Licensee for Indiana and Ohio. Formed in March 2001 and operating since April 2001
- BUJI of IL & MI, LLC – Master Licensee for Illinois and Michigan. Formed in October 15, 2022 and operating since October 18, 2022.

Additionally, our affiliate Buji Business, LLC (“BAC”), formed and started operating in May 2018, owns and operates an ActionCOACH franchise with the rights to offer coaching, mentoring and training activities across all six states in the GOBIG Region. BAC currently has offices in Minnesota, Wisconsin, and Ohio but has not yet opened offices in Illinois or Michigan.

The information in this disclosure document relates exclusively to the franchise opportunity offered by BUJI, LLC within its defined territory and does not include data or disclosures from ACNA's broader national system or franchise network.

### The Business Coach Franchise

The ActionCOACH Business Coach Franchise (referred to as the "PARTNER" franchise) provides a range of services to established business owners, executives and their teams ("Clients"). The major offerings are business and executive coaching, mentoring, strategic planning and a variety of training programs. Our programs are very robust and can help businesses at any stage of the life cycle. Many of our clients work with their ActionCOACH for years.

The focus of our coaching and training programs is the business operating system we help our clients install. Our system is designed to empower your clients to grow their businesses with clarity, confidence, and consistency—while creating greater personal balance, developing stronger teams and cultures, and systematically increasing the enterprise value of their businesses.

We believe that business is a vehicle to achieve a more fulfilling life, lasting legacy, and meaningful impact. Our business operating system is designed to help clients gain clarity and confidence, eliminate stress and overwhelm and grow strategic leaders who live with purpose and profitability so they can impact and influence more people (their families, employees, customers, suppliers, communities and non-profits) for good.

We also recognize that some candidates may have experience in only one industry or may not have operated across all areas of business. That's okay. Our comprehensive training, proven systems, and ongoing support are specifically designed to bridge those gaps—so long as candidates bring the right mindset, character, and commitment to learning and applying what we teach.

While you are not authorized to offer legal or accounting advice to clients unless you are licensed to do, we strongly encourage you to build collaborative relationships with trusted professionals such as attorneys and CPAs. These referral partnerships often create reciprocal opportunities that benefit both your business and your clients.

If we award you an ActionCOACH Franchise, you may choose to sign a Firm Addendum if you meet certain qualifications, allowing you to expand your business by hiring or contracting up to four (4) additional Business Coaches to serve Clients under your franchise, creating leverage and scale in your business model. If you execute the Firm Addendum to hire or contract with additional Business Coaches, your Business CoachFranchise will then be called a FIRM.

### Our Vision, Culture, Heart & Spirit

Our vision is **"World Abundance Through Business Re-Education"** and we are serious about it. It drives everything we do. We re-educate our clients on how to put it all together: building successful, growing businesses with vibrant cultures that improve the lives of everyone impacted. World abundance will only happen by serving enough clients to make that level of difference.

We are a culture-first organization that believes the foundation of truly sustainable success is grounded in strong, aligned values, community contribution, and collaborative growth. Our culture is defined by 14 core points that shape how we approach everything we do:

1. **Commitment** – I give myself and everything I commit to 100% until I succeed. I am committed to the Vision, Mission, Culture and success of ActionCOACH, its current and future team, and its clients at all times.
2. **Ownership** – I am truly responsible for my actions and outcomes. I own everything that takes place in my work and my life.
3. **Integrity** – I always speak the truth. I deliver what I promise. I only make agreements with myself and others that I am willing and intend to keep.
4. **Excellence** – Good enough isn't. I always deliver products and services of exceptional quality that add value to all involved for the long term.
5. **Communication** – I speak positively of my fellow team members, my clients and ActionCOACH in both public and private. I speak with good purpose using empowering and positive conversation.
6. **Success** – I focus my thoughts, energy and attention on the successful outcome of whatever I am doing. I am willing to win and allow others to win: Win/Win.
7. **Education** – I learn from my mistakes. I consistently learn, grow and master so that I can help my fellow team members and clients learn, grow and master too.
8. **Teamwork** – I am a team player and team leader. I do whatever it takes to stay together and achieve team goals.
9. **Balance** – I have a balanced approach to life, remembering that my spiritual, social, physical and family aspects are just as important as financial and intellectual.
10. **Fun** – I view my life as a journey to be enjoyed and appreciated, and I create an atmosphere of fun and happiness so all around me enjoy it as well.
11. **Systems** – I always look to the system for a solution. If a challenge arises, I use a system correction before I look for a people correction.
12. **Consistency** – I am consistent in my actions so my clients and teammates can feel comfortable in dealing with me at all times.
13. **Gratitude** – I am a truly grateful person. I say thank you and show appreciation often and in many ways, so that people around me know how much I appreciate everything and everyone I have in my life.
14. **Abundance** – I am an abundant person. I deserve my abundance and I am easily able to both give and receive it.

Franchisees who align with our vision and culture will find a powerful platform to build both personal fulfillment and professional achievement. Franchisees who do not closely align with these values may find greater success in other business systems more suited to their goals

**The ActionCOACH Foundation**, a registered non-profit governed by a board of Franchisees and Master Franchisees, provides additional ways for you to positively influence your community. The Foundation has two primary initiatives:

1. **Coaching for a Cause** – Franchisees work with non-profits using the same tools we apply with business clients, helping charitable organizations grow their impact while earning credibility with influential board members who are often business leaders.
2. **Young Entrepreneur Smart Start (YESS)** – Franchisees help youth under age 22 launch their own businesses with frameworks designed to ensure they begin with structure, clarity, and sustainability.

Participation in these programs is **encouraged but not required**. We suggest you begin offering them on a limited basis while establishing your business and consider deeper involvement—including Foundation board membership—once your business is financially strong.

### Franchisee Selection Philosophy

We are selective about who we award an ActionCOACH Franchise to. This isn't just a business transaction—it's a partnership in a purpose-driven global movement. While we reserve the right, in our sole discretion, to grant or withhold a franchise to any applicant at any stage of the process, our goal is to match our opportunity with individuals who align with our vision and culture and are ready to lead, coach and create meaningful impact in their communities and beyond.

We are looking for qualified, passionate individuals and groups who are deeply committed to:

- Uplifting the brand by living out our Vision and Culture in their words, actions, and results;
- Implementing our proven systems with excellence while bringing their own strategic thinking to tailor solutions to their clients' needs;
- Establishing themselves as trusted advisors and thought leaders in their local business community;
- Delivering transformational outcomes that turn clients into raving fans;
- Collaborating generously with other ActionCOACH franchisees in their territory and around the world;
- Expanding the movement by building local market share and elevating our standards;
- Engaging fully in our ongoing community of learning, growth, and excellence;
- Being a role model by building a successful business that gives you the income, lifestyle and impact you want to have; and
- Upholding all financial and legal commitments with integrity and professionalism.

If this sounds like you, then this may be your next—and best—professional calling.

### The Business Coach

A very important term and key role in the ActionCOACH franchise is the Business Coach, who is a person, approved by us and certified by ACNA to provide the coaching, mentoring and training services to clients on behalf of your ActionCOACH Business.

There is a special type of Business Coach called the Managing Director Business Coach ("MDC"). The MDC has full operational and general management responsibility and decision-making authority for the operation of your ActionCOACH Business and in any dealings with us. This will generally be you, however you may appoint someone else as the MDC if you want to build a semi-passive business or in preparation to sell your business.

### The Market For Our Services and Competition

The business coaching and executive training industry continues to grow and evolve. While your business may benefit from increasing demand, you may also face competition from other

coaching and training firms, including national and local providers, as well as independent consultants. Despite this, we believe ActionCOACH franchisees enjoy a distinct advantage due to the quality of our services, the depth and breadth of our programs, and our proven systems designed to deliver measurable value to clients.

You may also face competition from other ActionCOACH franchisees who operate in your state. However, our franchise system fosters a culture of collaboration, shared learning, and mutual support. Franchisees are encouraged—and often choose—to work together, refer clients when appropriate, and exchange best practices to help one another succeed. While some market overlap may occur, our system emphasizes teamwork over territorial competition.

Like all businesses, your franchise may be affected by general business risks such as shifts in economic conditions, evolving market demand, and the availability of qualified labor and resources. Your success will depend on your leadership, the strength of your local market and your ability to build and maintain client relationships.

#### Industry-Specific Regulation

To the best of our knowledge, there are currently no industry-specific laws or special regulations that apply exclusively to business and executive coaching, mentoring, or training companies. As with any business, your franchise must comply with laws and regulations that generally apply to any professional services business, whether local, state or federal.

While we offer resources and guidance to support your business growth and operations, each franchisee is responsible for understanding and following the laws and regulations applicable to their specific market. We recommend connecting with local legal advisors early in the process to help ensure you're fully prepared and well-positioned for success.

This disclosure document summarizes key features of the ActionCOACH Business Coach franchise, but it is not exhaustive. Where applicable, it includes brief summaries or excerpts of the Franchise Agreement or related documents. The actual terms and conditions of those agreements will govern your rights and obligations.

You should carefully review this entire disclosure document and all agreements, including consulting with your attorney, accountant, or other advisors, to fully understand your rights, responsibilities, and potential risks before signing.

## **ITEM 2**

### **BUSINESS EXPERIENCE**

The following is a list of all of our directors, trustees, general partners and principal officers, as well as the individuals who have management responsibility relating to the sale or operation of ActionCOACH franchises in the Territory.

### **President and CEO: Craig Hohnberger**

Mr. Hohnberger is co-founder and has been our President and CEO since our formation in January 2009. Mr. Hohnberger has served in the same capacities for Buji of IL&MI, LLC, our corporate affiliate who offers ActionCOACH franchises in the states of Illinois and Michigan, since October 2022 and Oaktree Business Services of Ohio, LLC, our corporate affiliate who offers ActionCOACH franchises in the states of Indiana and Ohio, since February 2001. Mr. Hohnberger is also co-founder of Buji Business, LLC, which owns the rights to an ActionCOACH franchise in Ohio, since May 2018. Mr. Hohnberger's place of employment is Canal Winchester, Ohio.

### **Vice President and COO: L. Annette Hohnberger**

Ms. Hohnberger is co-founder and has been our Vice President and COO since our formation in January 2009. Ms. Hohnberger has served in the same capacities for Buji if IL & MI, LLC, our corporate affiliate who offers ActionCOACH franchises in the states of Illinois and Michigan, since October 2022. Ms. Hohnberger has also served in the same capacities for Oaktree Business Services of Ohio, LLC, our corporate affiliate who offers ActionCOACH franchises in the states of Indiana and Ohio, since February 2001. Ms. Hohnberger is also co-founder, CEO and Head Coach for Buji Business, LLC, which owns the rights to an ActionCOACH franchise in Ohio, a position she has held since May 2018. Ms. Hohnberger's place of employment is Canal Winchester, Ohio.

## **ITEM 3**

### **LITIGATION**

#### **Litigation involving Master Licensee**

As of the date of this Disclosure Document, neither we nor any of our affiliates have been involved in any litigation that is required to be disclosed under the FTC Franchise Rule.

#### **Litigation involving ACNA or its Predecessor**

**Note:** The following litigation matters involving ActionCOACH North America, LLC ("ACNA") did not involve any franchisees or operations governed by us, or in any territories governed by our affiliated entities.

#### **MSF Enterprises, Inc. v. ACNA – Concluded**

In May 2022, ACNA became involved in arbitration administered by the American Arbitration Association (AAA) initiated by MSF, a master franchisee, in relation to a Master License Agreement originally dated November 6, 2001. MSF alleged that ACNA breached its obligation to renew the Master License Agreement without minimum performance or royalty requirements and sought declaratory and injunctive relief, as well as attorneys' fees. On July 31, 2022, the

parties entered into a Settlement Agreement. The MLA was renewed under the original terms with no admission of liability, and each party bore its own legal costs. The matter is concluded.

ACNA and ActionCOACH OneCO, LLC (“ACOC”) v. Allison Dunn – Concluded

On December 9, 2019, ACNA and its affiliate ACOC filed a complaint in the Eighth Judicial District Court for Clark County, Nevada, against Allison Dunn, a former franchisee in Idaho, for violating a non-compete provision and misappropriating confidential information after her franchise agreement expired in November 2018. The case was removed to the United States District Court for the District of Nevada (Case No. 2:19-cv-02244). The plaintiffs sought injunctive relief and damages. On May 21, 2021, the parties entered into a settlement agreement requiring Ms. Dunn to permanently cease use of ActionCOACH intellectual property and confidential materials. The case was dismissed without prejudice.

Other than these items, no litigation or administrative action involving us, ACNA or ACUI is required to be disclosed in this disclosure document.

#### **ITEM 4**

##### **BANKRUPTCY**

**No person previously identified in Item 2**, nor us, nor any of our affiliates, has during the 10-year period immediately before the date of this disclosure document:

- Filed as a debtor (or had filed against it) a petition under the U.S. Bankruptcy Code;
- Been adjudged bankrupt;
- Been reorganized due to insolvency; or
- Been a principal officer of any entity that has been involved in such proceedings.

#### **ITEM 5**

##### **INITIAL FEES**

You will pay us a franchise fee of \$45,000.

The franchise fee is payable in a lump sum and is non-refundable. The franchise fees charged are uniform. However, we participate in the Veterans Transition Franchise Initiative (VetFran) program and offer a maximum of \$5,000 discount on franchise fees per eligible military veteran.

You must also pay us a non-refundable franchisee training fee of \$15,000. Both the franchise fee and training fee are due upon signing of the franchise agreement.

If you are signing a franchise agreement in connection with the renewal of a previous one, you will pay a renewal fee as identified in the franchise agreement (see **Exhibit A**) but will not have to pay another franchise fee. If you are signing a franchise agreement in connection with the transfer of an existing one, you will pay a transfer fee (see **Exhibit A**).

## ITEM 6

### OTHER FEES

Type of Fee	Amount	Due Date	Remarks
<b>Royalty Fee</b>	The monthly Royalty Fee is 10% of the Gross Revenues in the preceding month, but in no case less than the base royalty of \$1,950.	\$1,950 is due on the 1 <sup>st</sup> day of each month; while balance is due on the 5 <sup>th</sup> day of each month.	<p>The 10% Royalty starts immediately.</p> <p>The \$1,950 base royalty starts the earlier of the 1<sup>st</sup> month after you (or your MDC) completes the training program or 120 days after signing the franchise agreement.</p> <p>See Note 1 below for definition of "Gross Revenues".</p>
<b>Marketing and Advertising Fee</b>	<p>5% of your Gross Revenues during the preceding month</p> <p>\$100 minimum and cap of \$1,000 per month</p>	The 5 <sup>th</sup> of each month.	<p>The 5% starts immediately.</p> <p>The \$100 minimum starts the earlier of the 1<sup>st</sup> month after you or your MDC completes the training program or 120 days after signing the franchise agreement.</p> <p>See Note 1 below for definition of "Gross Revenues".</p>
<b>Monthly Technology Fee</b>	\$135 per month, per Business Coach	On the 1st day of each month	We collect and pay to ACNA; Starts on the month after you or your Business Coach attend training.
<b>Renewal Fee</b>	\$5,000	When you sign Renewal Franchise Agreement	Paid if you renew at the end of the franchise term.



Type of Fee	Amount	Due Date	Remarks
<b>Transfer Fee</b>	\$10,000	With submission of request for approval of transfer	Paid if you sell your franchise.
<b>Relocation Fee</b>	\$10,000	When we approve your request	This fee applies only if you relocate your franchise from the Territory to the territory of another Master Licensee. It does not apply if you relocate within the Territory or another Territory owned by the Master Licensee.
<b>Additional Business Coach Seat</b>	\$7,500 per Seat	As incurred; at least 28 days before hiring or retaining an additional Business Coach	One-time fee when you add a Business Coach to your Franchise. A maximum of four (4) Seats may be purchased. If a Business Coach you hire or retain leaves, you may replace them without purchasing the Seat again.  See Note 2 below.
<b>Additional Business Coach Training</b>	\$5,000 per Business Coach, subject to change by ACNA	28 days before training session begins	Each Business Coach you hire or retain must complete ACNA's virtual 5-day training at the then-current fee. We will publish the current fee when the training session is announced.
<b>Master Licensee Launch Support</b>	\$2,500 per Business Coach; optional	28 days before training session begins	As you hire Business Coaches, Master Licensee's launch support is available, but not required
<b>Additional Training</b>	Up to \$1,000 per day	14 days before training session begins	As new products and services are available, certification training will be available, but not required.

Type of Fee	Amount	Due Date	Remarks
<b>Annual ACNA National Conferences</b>	Registration between \$749 to \$1,500, per person.	28 days before conference begins	Required. You are responsible for travel, accommodation and meal costs at the Conference.
<b>GoBIG Region Conference</b>	Registration between \$250 and \$750, per person.	28 days before conference begins	Required. You are responsible for travel, accommodation and meal costs at the Conference.
<b>Optional ActionCOACH Email Account</b>	\$256 per year per Key Personnel	For any Key Personnel to have an ActionCOACH email account	Payable only if you have Key Personnel with an ActionCOACH email account
<b>Interest Charges</b>	1.5% per month or maximum legal rate.	With payment of underlying amount due	Payable only if you are late in payment.
<b>Inspection and Audit Costs</b>	Actual cost of examination or audit by a Big-4 accounting firm, including travel expenses for the examiner or auditor.	Within 5 business days after your receipt of inspection or audit report	Payable only if the inspection or audit shows an understatement of 5% or more of the correct amount due.
<b>Insurance Reimbursement</b>	Amount paid by us or ACNA	On demand for reimbursement	Payable only if you fail to obtain coverage and we or ACNA purchase it on your behalf.

Type of Fee	Amount	Due Date	Remarks
<b>Early Termination Fee</b>	The lesser of \$25,000 or the balance of the total remaining Royalty payments due under the Franchise Agreement if you elect to terminate after the 2-year anniversary of the Effective Date of the Franchise Agreement. If you elect to terminate before the 2-year anniversary of the Effective Date, \$25,000 plus the total remaining Royalty payments due through the 2-year anniversary of the Effective Date of the Franchise Agreement.	Varies based on when you elect to terminate	When you elect to terminate the Franchise Agreement
<b>Liquidated Damages upon your default</b>	Present value of average monthly Royalty and Marketing and Advertising Fees paid during last two (2) years or remaining term, minus our expenses saved	On termination of Franchise Agreement	Payable only if we terminate your agreement for default.
<b>Liquidated Damages upon your breach of obligations relating to Marks or Confidential Information or restrictive covenants</b>	\$250,000 plus enforcement costs if we prevail in any legal action	Upon specified breaches of Section 15 or 16 of the Franchise Agreement	Payable only if you breach the Franchise Agreement obligations relating to the Marks or Confidential Information or the restrictive covenants contained in the Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks
<b>Enforcement Costs</b>	Actual costs	On demand for reimbursement	You must pay all of our and (ACNA's if applicable) investigation costs, collection costs, and attorneys' fees resulting from your default under the Franchise Agreement, if we or ACNA prevail in any legal action or arbitration. Costs for mediation will be shared equally between us and you.
<b>Indemnification Costs</b>	Actual losses or expenses incurred by us, ACNA, and ACIP	On demand for reimbursement	You must indemnify us, as well as ACNA and ACIP against all claims, expenses, and liabilities arising from the operation of your Business Coach franchise. Does not apply to liabilities that arise from gross negligence or willful acts by us or our affiliates or ACNA or its affiliates.
<b>Amendment Fee</b>	Our reasonable costs, estimated at \$500 to \$700	On demand for reimbursement	If you request an amendment to the Franchise Agreement during the term of your agreement, you must reimburse us for the reasonable costs we incur in connection with the amendment, including reasonable attorneys' fees.

**NOTES:**

- (1) "Gross Revenues" means the total receipts derived from services performed and products sold by or in connection with your ActionCOACH business. Gross Revenues are determined on an accrual basis. Any property or services your franchise receive from Clients in exchange for your services must be included in Gross Revenues at their fair market value at the time received. Gross Revenues also include any proceeds your franchise may receive from business interruption insurance. Gross Revenues do not include sales taxes or other taxes that your franchise collects from Clients and pay directly to the appropriate governmental authorities.
- (2) Master Licensee generally does not approve Franchisees adding additional Business Coaches unless the Franchisee: (a) has been operating their ActionCOACH Business for at least twelve (12) months; and (b) has demonstrated average monthly gross revenues exceeding \$15,000 for a sustained period (typically three or more consecutive months). These criteria are intended to help ensure the Franchisee has established sufficient business stability, operational understanding, and financial capacity to support and manage an additional Business Coach effectively. However, Master Licensee

reserves the right, in its sole discretion, to approve or deny any request to add a Business Coach based on the Franchisee's overall business plan, funding, performance, or other relevant considerations.

- (3) Unless otherwise indicated, the fees and payments described above are not refundable, and are uniformly applied. For each type of fee or payment, you must use the payment method we designate. You must furnish us and your bank with any authorizations necessary to make payment by the methods we require.

## ITEM 7

### YOUR ESTIMATED INITIAL INVESTMENT

This table lists an estimate of the total initial investment you can expect to open the franchise, as well as any additional expenses necessary to operate the franchised business during the initial 3 months of operations.

Type of Expenditure	Amount for the PARTNER	Method of Payment	When Due	To whom payment is to be made (note 1)
Franchise Fee (note 2)	\$45,000	Lump sum	When you sign Franchise Agreement	Master Licensee, but we forward a portion to ACNA
Franchisee Training Fee (note 3)	\$15,000  \$15,000 for You (or your MDC).	Lump sum	When you sign the Franchise Agreement, 28 days before the training session begins	Master Licensee, but we forward directly to ACNA
Travel to Franchisee Training (note 4)	\$500 to \$2,500 for you (or your MDC)	As incurred	As incurred	Airlines, etc.
Initial Marketing Fee (note 5)	\$2,500	Lump sum	Upon signing Franchise Agreement	Master Licensee, but reimbursed in full to you with paid receipts
Registration for ACNA's Annual National Conference (note 6)	\$0 to \$1,500 for registration;	As incurred	Before conference and/or as incurred	ACNA

<b>Type of Expenditure</b>	<b>Amount for the PARTNER</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To whom payment is to be made (note 1)</b>
Monthly Technology Fee <b>(note 7)</b>	\$0 to \$405	Lump Sum	On the 1st day of each month	Master Licensee, but we forward directly to ACNA
Computer, Telephone & Office Equipment <b>(note 8)</b>	\$0 to \$2,000	As incurred	As incurred	Equipment suppliers
CRM <b>(note 9)</b>	\$0 to \$399	As incurred	As incurred	Master Licensee provides CRM for no additional investment. Otherwise, use Third Party Supplier
Non-Coach Email Addresses <b>(note 10)</b>	\$0 to \$256	As incurred	As incurred	ACNA
Opening Marketing Materials & Supplies <b>(note 11)</b>	\$0 to \$2,500	As incurred	Upon ordering or at delivery	Suppliers and/or Vendors
Insurance <b>(note 12)</b>	\$1,000 to \$2,000	As incurred	Before you start business	Third party insurance providers
Rent <b>(note 13)</b>	\$0 to \$1,500	As incurred	Monthly	Third Party
Security Deposit <b>(note 14)</b>	\$0 to \$1,500	As incurred	As incurred	Third Party
Grand Opening Launch Event <b>(note 15)</b>	\$0 to \$7,500	As incurred	As incurred	Third party vendors
Salaries and Wages <b>(note 16)</b>	\$0 to \$30,000	As incurred	As incurred	Employees
Additional Funds (for first 3 months of operation) <b>(note 17)</b>	\$0 to \$25,000	As incurred	Varied times	Suppliers and/or Vendors
TOTAL: <b>(note 18)</b>	\$64,000 to \$139,259			

NOTES for TABLE 7:

- (1) All payments to us and ACNA are non-refundable. Whether any of the costs payable to third parties are refundable will depend upon the arrangements you make with those parties.
- (2) If you are entitled to a VetFran discount, you will also have a maximum discount of \$5,000 on franchise fees. We do not provide financing for any part of the initial investment.
- (3) You will pay one (1) training fee for you (or your MDC). Whether any of the costs payable to third parties are refundable will depend upon the arrangements you make with those parties.
- (4) All transportation costs to and from Las Vegas are your responsibility. However, accommodations, meals, and transfers to and from hotel to the training venue during training are included in the training fee. Any incidental costs incurred during any of the training sessions are your responsibility. The estimates are for travel by one (1) trainee and assume that training will be held in Las Vegas, Nevada. The estimates for the low and high range depend on the call of tickets you choose to buy.
- (5) The initial marketing fee will be reimbursed back to you so long as you provide paid marketing receipts to Master Licensee. You can use for direct marketing, chamber or association dues, a grand opening party, etc.
- (6) At least once a year, ACNA organizes Regional Conferences and every year you, or your MDC, are required to attend at least one (1) of these regional conferences. Conference registration fees vary from \$0 to \$1,500 depending on the timing of registration. Business Coaches and Key Personnel are encouraged to attend Regional Conferences, but are not required to. This fee covers the ACNA Regional Conference fees for you, the registration fee for the annual business excellence forum and awards. In addition, at least once per year, ACNA organizes a Global Conference which may be held outside of the U.S. You are encouraged but not required to attend Global Conference. You will have to pay an additional registration fee for each person attending the Global Conference and your own travel, accommodation and meal costs. The high end of the range is in the case one of the mandatory conferences will occur during the initial 3 months of your franchise. .
- (7) You must pay us a monthly Technology Fee of \$135 for you or your MDC, and each Business Coach in your franchise. This monthly fee is paid directly to us then forwarded directly to ACNA. This fee provides you the ActionCOACH website, website hosting, an ActionCOACH email address and related technology support.initial training.
- (8) You must have a computer, specific software, Internet access, printer, scanner, fax and general office equipment. If you already have equipment meeting ACNA's specifications, no expenditure will be necessary. See Item 11 for a list of recommended computer equipment and Exhibit N for our current communications system specifications.
- (9) Master Licensee will provide you a CRM at no additional investment. If you choose your own CRM, the high end of the estimate is from a current preferred vendor.
- (10) E-mail addresses are not transferable. New users cannot re-use by adjusting names on existing e-mail addresses.

- (11) At start-up, we will provide you with online selection of marketing materials for initial publicity and marketing. The estimate is for additional products, printing, media and stationery, and marketing materials.
- (12) You must obtain general business insurance that meets requirements that we specify periodically, but in no event less than the minimum insurance requirements under applicable law. Currently, we require \$1,000,000 of professional liability insurance, \$1,000,000 of general liability insurance, disability or business interruption insurance, worker's compensation insurance, and any other insurance required by law or your office lease or mortgage. We and ACNA must be listed as an additional insured in the policy or policies.
- (13) If you choose, you may operate your franchise from a professional office space located within your Territory. Our estimate of rent costs is based on a shared office or similar arrangement. Traditional commercial office leasing may require a fit-out and will cost significantly more. Due to the large variance in commercial office lease costs we are unable to provide cost estimates for that type of office. Your office will typically be located in a multi-tenant office building in your municipality's business or commercial district.
- (14) It is likely that you will be required to pay a security deposit for your office space.
- (15) This is an estimate to host a grand opening event several months after starting up and is based on the experience from existing franchisees. Your actual expenses will depend on the venue, number of people you invite and the quantity and types of food and drinks you provide. The high and low estimates assume pricing differences between third party vendors and the types of food and beverages you choose.
- (16) This estimate is for three (3) months of wages for the initial employees of the business. The low side of the range assumes you start as the MDC with no other employees and are not paying yourself a salary to start. The high end of the range is for a small MDC salary and is based on feedback from existing franchisees regarding level of starting wage. Your actual costs will depend on the number of employees you hire and the level of wages you provide.
- (17) This estimate is for additional funds that you may need before operations begin and during the first three (3) months of operation to successfully start and market your business. The estimate is based upon information reported by existing Franchised Business Coaches and we have not independently verified it. The estimate includes miscellaneous startup costs such as deposits, license fees (if any), membership dues, and legal and accounting fees, and any ongoing operating expenses such as equipment leases, inventory, and supplies. It also includes fees you may pay professional advisors to assist you with specific know-how, methods, or technology you deem necessary to be able to competently provide services to your Clients. You will need capital to support these and other ongoing costs of your business. Your costs will depend on factors such as how closely you follow our recommended systems and procedures, your technical, marketing and general business skills, local economic conditions, the local market for your business and competition. We do not guarantee that the estimated amounts will be adequate for your business. You may need additional funds during the first three (3) months of operation or afterwards. The figures provided are not an estimate of the funds you will need to reach "break-even" or any other financial position.



- (18) The TOTAL estimated initial investment to establish a typical Business Coach franchise. For example, they do not include tax obligations or provide for your cash needs to cover any financing incurred by you, additional Royalty or Marketing and Advertising Fees if your revenue is high enough to trigger the percentage, additional employee and management salaries and benefits beyond those listed, referral fees to people who refer you clients, or other ongoing operating expenses beyond the first 3 months. Your costs will vary, and may exceed the estimate set out above.

We make no estimates or representations regarding the financial performance of your ActionCOACH Business. Unless you budget for employee salaries and personally hold a budgeted role yourself, you should not plan to draw income during the start-up and development stage of your ActionCOACH business, the duration of which will vary, and may be longer than the three (3) month initial period referred to above. You should have additional sums available to cover other expenses and any operating losses you may sustain. The amount of necessary reserves will vary greatly from franchisee to franchisee and will depend upon many factors, including whether you are converting an existing ActionCOACH franchise, your rate of growth, the level of effort you put in, how closely you follow the systems, how strong your existing network is how strong your sales skills are, how much you take advantage of the training and support and participate in shadowing other franchisees, how many programs and services you offer and the overall performance of your business.

We do not offer financing for any portion of your investment. If you obtain financing from others, the cost of financing will depend upon many factors, such as your creditworthiness, the collateral you offer, the lender's lending policies, economic conditions, etc.

These figures are just estimates. Your actual costs may be lower or higher than these estimates. We relied on our and our affiliate's experience to compile these estimates. Your costs will depend upon factors such as how closely you follow the methods and procedures; your management skill, experience and business acumen; the level of demand for coaching services; and competitive conditions. Since costs can vary significantly, we recommend that you obtain independent estimates from third-party vendors and your accountant of the costs which would apply to your establishment and operation of an ActionCOACH franchise, and carefully evaluate the adequacy of your total financial resources and reserves. You should review all of these figures carefully with a business advisor before making any decision to invest in a franchise.

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

ActionCOACH products. Through our relationship with ACNA you will have a range of books, printed materials, merchandise, DVDs, board games and electronic board games for business owners. These items are proprietary to ActionCOACH IPCo, Ltd., an affiliate of ACNA. You must purchase these materials from ACNA's approved suppliers if you want them.

You must acquire a subscription to the ActionCOACH coaching platform from ACNA or an approved supplier. This is included in the fees you pay us. All branded materials or items (those containing proprietary marks or information) must be acquired through a supplier approved by

ACNA. If ACNA publishes standards for non-proprietary equipment, software, telephone lines, Internet service, supplies, stationery, or other items, you may purchase these items from any reputable manufacturer or supplier as long as the items meet the applicable standards. If you receive notice from us, or ACNA, of a change in the standards, you must comply with the new or revised standards as soon as practicable.

However, if you choose to build and maintain a separate web site, you must obtain our prior approval and approval from ACNA for the URL, design, content and appearance of the website and use an approved supplier (unless permission is given to use another supplier) for design, development and web hosting to ensure compliance with ACNA's requirements for usage of the ActionCOACH marks and intellectual property. You must acquire from sources of your choice, and at your expense, a computer and communications system hardware and software and Internet access that meet ACNA's specifications. See Item 7, and Note 8.

Specifications and Supplier Approvals. There are no written criteria, no fees, and no formal process for supplier approval at this time. ACNA may issue specifications and standards in the Manuals or separate directives, in writing or orally, and may modify them at any time. ACNA issues specifications based on its subjective determination of quality, value and appearance.

We estimate that your purchases of goods and services subject to ACNA's specifications will constitute less than 10% of your total purchases and leases (excluding your initial franchise fee and training fee) in establishing the business. We estimate that, during the operation of your ActionCOACH business, your purchases of goods and services subject to ACNA's specifications will constitute about 50% to 75% of your total expenses for goods and services.

Strategic Alliance Relationships. We and ACNA may occasionally establish "Strategic Alliance" relationships with independent companies for the benefit of ActionCOACH franchisees. These relationships are formed so you may have access to the beneficial products and services these companies provide. These products and services will generally be made available to you at costs below what the general public or other users would pay for the same product, service, or information.

As of December 31, 2024, ACNA had preferred vendor relationships with the following companies:

<b>Related Companies</b>	<b>Products</b>
Voyager Agency	Digital lead-generation solutions and training provider
Avalanche Enterprises	Digital lead-generation solutions and content creation service
ProfitPlus Accounts	Bookkeeping and business planning services
Voyager Agency	Digital Lead generation solutions and training provider

Although these related companies offer products and services which may supplement or complement ActionCOACH business coaching services, franchisees are not required to purchase products or services from these related companies.

<b>Independent Companies</b>	<b>Products</b>
Assessment 24/7	DISC and VAK
Empire Business Brokers	Business broker services
Hubspot	CRM
Go High Level	CRM
Lands' End Apparel	Apparel and Gear
SMA Digital	Digital Surveys and Quizzes for Lead Generation

In some cases, the above companies are currently the only source of the product or service. While we and ACNA encourage you to form relationships with the above companies and to use their products and services since they typically offer high quality goods and services to our franchisees for less than typical market prices, you are, however, not required to use them unless (i) the products and services you require involve the use of ACIP or ACNA's proprietary marks or information; (ii) you are building or maintaining your web site; or (iii) for subscription to the ActionCOACH coaching platform. In those cases, you must use the applicable approved supplier. We currently do not receive rebates as a result of these Strategic Alliance relationships.

During its 2024 fiscal year (January 1, 2024 through December 31, 2024), ACNA derived \$411,326 in revenues from purchases of products/services made by franchisees, including the annual regional conference fees. In the cases where any revenues such as volume discounts, rebate fees or discount bonuses (whether by way of cash, kind or credit) are received by ACNA from a supplier, whether or not on account of purchases made (i) by ACNA for its own account or for yours, or (ii) by you directly for your own account, ACNA is entitled to retain the whole of the amount or any part of the volume discounts, rebate fees or discount bonuses.

Other than the related companies named in the 1<sup>st</sup> table above, there are no approved suppliers in which any of ACNA's officers or affiliates owns an interest. None of our officers or affiliates own an interest in any approved suppliers.

Neither we nor ACNA provides material benefits to you (for example, additional renewal rights or additional franchises) because of your purchases of particular products or services or your use of designated or approved suppliers.

## ITEM 9

### FRANCHISEE'S OBLIGATIONS

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

<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	Section 9	Item 11
b. Pre-opening purchases/leases	Sections 3, 9, 13 & 14	Item 7
c. Site development and other pre-opening requirements	Sections 3, 9, 11.2(A), 11.2(B), 13 & 14	Item 11
d. Initial and ongoing training	Sections 7.1(A), 7.1(D), 7.2, 11.2(A)& Attachment 1	Introduction, Item 5, 6, 15 & 17
e. Opening	Sections 2 & 11	Item 11
f. Fees	Sections 2.2(H), 2.2(I), 3–5, 17, 18.4 & 20.3(E), Attachment 1	Item 5 & 6
g. Operations Manual Table of Contents. Compliance with standards	Sections 7.1(G), 10 & 11	Item 11 & Exhibit M
h. Trademarks and proprietary information	Section 15 & 17.2(C) & Attachment 1	Item 13 & 14
i. Restrictions on products/services offered	Sections 1, 11 & 16	Item 8 & 16
j. Warranty and customer service requirements	Section 11	None
k. Territorial development and sales quotas	Section 8, 11, 12 & Attachment 1	Item 11 & 12
l. Ongoing product/service purchases	Sections 13 & 14	Item 16
m. Maintenance, appearance and remodeling requirements	Section 9 & 11.2	None
n. Insurance	Section 14	Item 7
o. Advertising	Sections 4.2, 5, 7.1(C) & 8	Item 11
p. Indemnification	Section 14	None

<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Disclosure Document Item</b>
q. Owner's participation/management/staffing	Section 11	Item 15
r. Records and reports	Section 6	None
s. Inspection and audits	Section 6	None
t. Transfer	Section 20	Items 1 & 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Sections 6.2, 11.8, 15, 16 & 18	Item 17
w. Non-competition covenants	Section 16	Item 17
x. Dispute resolution	Section 22.9	Item 17

## **ITEM 10**

### **FINANCING**

Neither we nor our affiliates offer any direct or indirect financing to you. We will not guarantee any note, lease, or other obligation you may make to others.

## **ITEM 11**

### **MASTER LICENSEE'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING**

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

#### Master Licensee's Pre-Opening Obligations (Before You Start Business)

Before you begin your business, we will:

1. Provide guidance and direction through the pre-training process. (Franchise Agreements- Section 7.1(A)). See also Item 7.
2. Arrange for you and/or your MDC to attend the initial certification training program provided by ACNA. (Franchise Agreements- Section 7.1(B)). See also Item 7.
3. Induce ACNA to provide you access to the online tools, systems, templates, learning management systems, marketing collateral, sales scripts and training materials via. ACNA's Intranet. (Franchise Agreements- Section 7.1(C)). See also Item 7.
4. At your request, provide guidance, assistance and advice on the preparation of your initial "Your Action Plan" document, which serves as a blueprint for your start-up. Final decisions on

what strategies you choose to implement will be your responsibility. (Franchise Agreements – Section 7.1(D)).

### Time to Open

The typical length of time between signing and fully funding the ActionCOACH Business Coach Franchise Agreement and starting business is about one (1) to two (2) months. The principal factors that affect this length of time are the scheduling of your ActionCOACH initial training, the time needed for your pre-opening preparations.

However, we also offer a Fast-Start Program that allows you to begin delivering a specific client-facing program (“Business Master Class”) before attending the full initial certification training. This option requires completion of a 16-hour, self-paced online certification module through ACNA’s Learning Management System (LMS). Franchisees who complete this early certification step may be eligible to start generating client revenue sooner. Participation is optional but encouraged as a way to accelerate initial momentum while awaiting formal training.

### Master Licensee’s Post-Opening Obligations (After Opening Your Business)

After you open for business, we will:

1. Each week for the first 90 days after you open your business, we will provide you an opportunity to communicate either via personal telephone calls, team captain calls or team calls to discuss your operational challenges and to review business performance. (Franchise Agreements - Section 7.1(E)).
2. At your request, periodic check-ons as needed (frequency and format determined by Master Licensee). (Franchise Agreements - Section 7.1(F)).
3. Approve your office location and assist you in determining a location. If applicable. The actual selection of your office location will be your responsibility. (Franchise Agreements - Section 7.1(G)).
4. Interview and provide feedback about your potential MDC and Business Coaches, if you sign a Firm Addendum to expand beyond a single-coach operation. Approval of qualified candidates will not be unreasonably withheld or delayed. (Franchise Agreements - Section 7.1(H)).
5. Invite you and any of your team to attend regional conferences that we may host from time to time, in the Region or with other Master Licensees in other regions. We are under no obligation to do so. Conference fees and travel costs are your responsibility. (Franchise Agreements - Section 7.1(I)).
6. Help arrange for you or your MDC, Business Coaches and other key personnel to attend at ACNA’s annual conference. Conference fees and travel costs are your responsibility. (Franchise Agreements - Section 7.1(I)).

7. Arrange for you to be provided access to ACNA's online Manuals. The Manuals for your Business Coaches, if applicable, will be supplied to you once Master Licensee receives an executed copy of the Managing Director Business Coach Agreement or Business Coach Agreement, as the case may be, and the Training Fee has been paid. (Franchise Agreements - Section 7.1(J)).
8. Approve and confirm your attendance at optional trainings offered by ACNA. (Franchise Agreements - Section 7.1(K)).

### Marketing and Advertising

You will contribute to the Marketing and Advertising Fund at the monthly rate of 5% of Gross Revenues from the preceding month, capped in any given month at \$1,000, with a minimum of \$100. See **Item 6**. In the past, franchises that operated as a single unit, and had completed a full franchise term in good standing and the owner was past 75 years of age were able to transition into semi-retirement status (with a reduced number of clients) and were allowed a reduced rate of contribution after completion of the initial term and compliance with the terms of its initial franchise agreement.

We remit all or a portion of the Marketing and Advertising Fees to ACNA to use for national marketing. The portion we retain and do not remit to ACNA is used for regional marketing programs in the GoBIG Region which includes all affiliate Territories of our Master Licensee. We have final discretion over how those funds are used. In 2024, we used all funds we retained and spent for our franchisees to provide access to digital marketing surveys to attract prospective clients through SMA Digital; and DISC assessments through 24/7. In 2024, we also used the retained Marketing and Advertising Fund to invest in a CRM package for our franchisees.

ACGM, under the direction of ACNA, administers all or a portion of the Marketing and Advertising Fees that we remit to ACNA. Neither we, ACNA nor ACGM has any contractual obligation to contribute our own funds for marketing or advertising purposes.

ACNA directs all national marketing programs supported by the Marketing and Advertising Fees collected from franchisees (see Item 6), with final discretion over creative concepts, materials, and media used in the programs and their placement. Marketing and Advertising fees may be used for any activities that ACNA believes would benefit ActionCOACH businesses generally, including, but not limited to, national and international advertising, promotion, production of advertising and promotion, marketing research and development, public relations, Internet, and reasonable administrative expenses related to these efforts (see Section 5 of the Franchise Agreements.) The media where advertising may be disseminated may be print, mail, telephone, radio, television, Internet, or any other media. Coverage of the media may be local, regional, or national. Creative materials may be produced in-house or by a national or local advertising agency.

During ACNA's fiscal year ended December \$421,832.43 on marketing and advertising for the USA. These expenditures were allocated as follows:

Media placement	64.14%
Administrative Expenses	32.90%
Others	<u>2.97%</u>
Total	100.00%

During our fiscal year ended December 31, 2024, we collected 40% of the Marketing and Advertising Fee (all of which was remitted to ACNA) from the Marketing and Advertising Fees remitted by franchise owners in the Territory and allowed the franchise owners in the Territory to retain the other 60% for their own use. We may or may not continue this policy in the future.

These figures are not audited. We or ACNA may make financial information relating to these expenditures available for your review, but we have no contractual obligation to do so.

Any Marketing and Advertising Fees not spent in the fiscal year in which we collect them are retained for use in future years. Neither we nor ACNA uses Marketing and Advertising Fees to solicit for the sale of franchises. Neither we nor ACNA is required to spend any specific amount on advertising in your local area or for the benefit of your Business Coach franchise. Neither we nor ACNA represents or guarantees that you will benefit from marketing programs in proportion to your contributions.

You may not publish or distribute any advertising or promotional material without our approval. If we object to any advertising or promotional material that you are using, you must immediately stop using it. If you operate a web site, you must obtain our prior approval as to the design, content, and appearance of the website, and we may require that you use our approved supplier for design, development, and hosting. We may require you to make your web site accessible only from our site or to not create links to other sites.

Niether we nor ACNA have a council of franchisees that advises on advertising policies. You do not have to participate in a local or regional advertising cooperative.

#### Computer and Communications Systems

You must acquire, maintain and update computer hardware, software, and communication systems necessary for operating your business, including systems for accounting, customer relationship management and communication with us. A desktop or laptop system should meet the below hardware requirements. You are not required to purchase computer hardware from a specific manufacturer, not are you required to purchase a specific configuration if your existing equipment meets our minimum standard.

<b>Hardware</b>
A modern Intel, AMD, or Apple Silicon-based system capable of running Microsoft Windows 11 or the latest version of macOS
A webcam, microphone, and speakers or equivalent integrated audiovisual setup
A basic-use printer



An uninterruptible power supply (UPS) with surge protection to protect against power outages or fluctuations
<b>Software</b>
Microsoft Office 365 Enterprise (E1, E3, or E5) with PowerPoint or the Apple equivalent.
Endpoint Protection software for your operating system and email (anti-virus, anti-malware, phishing attack protection, and anti-ransomware). Recommended vendors include Sophos, SentinelOne, or Bitdefender
Adobe PDF Reader.
QuickBooks, Xero, or equivalent business finance software.
Customer Relationship Management (CRM) software currently we support Hubspot and Go High Level.
Canva subscription and/or Adobe Acrobat with PDF creation functionality.
<b>Communication and Collaboration Tools</b>
Microsoft Teams (included in the ActionCOACH software bundle) or Zoom.
A reliable internet connection with minimum speeds of 768 kbps download and 384 kbps upload. While these speeds are recommended, actual performance may be limited by geographical constraints.

These systems are required to communicate with us and submit reports, manage financial and operational data, handle sales and pipeline interactions and to access ActionCOACH Tools and Systems. You must allow us independent access to ActionCOACH related information generated or stored in your system. There are no contractual limitations on our right to access this information. If you already possess compliant hardware, software, communication and collaboration tools, no additional expenditure is required. If you need to make purchases of any items this may range from \$500 to \$5,000 depending upon the required items. We do not provide ongoing system maintenance, repairs or upgrades, and we do not recommend specific service provider for support contracts. The estimated annual cost for maintenance and updates is \$1,000. We reserve the right to modify system specifications during the term of your franchise.

#### Selection of Business Location

We do not select the location of your office or the seminar/meeting venues you use. However, you must obtain our written approval of your office location, if you choose to locate your office outside your home. You can locate your office anywhere in the Territory. The office must at all times be well presented and of a professional nature, using approved branding. You must notify us (in advance, if possible) if you intend to change your office or if you are unable to operate from your then-current office location (because of a taking by eminent domain, termination of your lease, mortgage default, damage, or repair, etc.). You can request permission to relocate your

ActionCOACH business from the Territory to another master licensee's territory (see Item 12 for details).

### Training Programs

Training Programs can be distinguished as either Initial Training or Ongoing Training. The initial training program includes a classroom-style component, which may be delivered live or virtually, as outlined below. You will also complete pre-training and post-training modules through our or ACNA's online learning management systems.

You will take part in this training after signing your Franchise Agreement and paying both the franchise fee and training fee, but before you begin operating your business. Completing the initial training program successfully is required. If you are unable to complete it, we may need to terminate your Franchise Agreement.

### Training Program

We will provide you local pre-training and arrange for you to attend ACNA's certification training and get access to ACNA's online learning management system. ACMA's initial certification training is ten (10) Days in total. This is split into five (5) days of live, in-person training and five (5) days of virtual training delivered online in real time.

#### 5 Day Training Program (Live Format)

<b>Subject</b>	<b>Hours Of Classroom Training</b>	<b>Hours Of On-The-Job Training</b>	<b>Location</b>
ActionCOACH Core Concepts	8.50	n/a	In-person
Organizational Structure	1.00	n/a	In-person
Sales and Sales Processes	16.00	n/a	In-person
Team Building Activities	2.00	n/a	In-person
Product Marketing and Sales	28.00	n/a	In-person
Goals and Planning	3.00	n/a	In-person
Review and Lock in Learning	3.50	n/a	In-person
Certification and Graduation	1.50	n/a	In-person
<b>Total</b>	<b>55.00</b>		

### 5 Day Training Program (Virtual Format)

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Culture, Mindset, Leadership	8.00	n/a	Virtual or in-person
Alignment Process and Plans	4.00	n/a	Virtual or in-person
Positioning Weeks 1 to 6	3.00	n/a	Virtual or in-person
5 Ways and 4 Ways Systems	8.00	n/a	Virtual or in-person
6 Steps to Building a Business	8.00	n/a	Virtual or in-person
GrowthCLUB, 90 Day Planning, 13 Weeks	4.00	n/a	Virtual or in-person
Systems, Tools, Processes	4.00	n/a	Virtual or in-person
Responsibilities Reporting, KPIs, Systems	3.00	n/a	Virtual or in-person
DISC and VAK	3.00	n/a	Virtual or in-person
Review and Lock in Learning	3.00	n/a	Virtual or in-person
Certification and Graduation	2.00	n/a	Virtual or in-person
<b>Total</b>	<b>50.00</b>		

The 5 Day Live Program will take place in Las Vegas, Nevada unless ACNA designates a different location or format (live or online). We will inform you of the upcoming training dates, locations and format before you sign the Business Coach Franchise Agreement.

The 5 Day Virtual Program will be conducted over separate dates and in a virtual format. This is the same mandatory certification for any additional Business Coaches you may hire or retain.

### Initial Training Instructors

All certification training programs are overseen by ACNA personnel. The actual instructors are typically experienced, successful ActionCOACH franchisees and business coaches from around the world, each with at least 12 months of hands-on experience running their own business. Training is delivered using a variety of engaging methods and materials including training manuals, discussion notes, PowerPoint presentations, case studies, flipcharts, master-minding and interactive role-playing exercises.

Franchisees who are selected to deliver the initial training for new franchisees are typically compensated for their time and reimbursed for approved travel expenses from ACNA. While not guaranteed, this can be a rewarding opportunity to give back to the network, showcase expertise, and inspire new Business Coaches. Many franchisees view this as a professional milestone and additional recognition within the ActionCOACH system to aspire to.

## Ongoing Training

Ongoing training, delivered without additional fees, is either delivered via our online learning management system, independent learning, live or virtual events. Below is an example of our Ongoing Training. Please note that these training programs may change over time.

<b>Online Learning Management System</b>
Sales MasterCLASS
Keeping Clients MasterCLASS
Personal Development MasterCLASS
Selling from Stage MasterCLASS
Digital Marketing MasterCLASS
30X Life
30X Business
30X Wealth
1 <sup>st</sup> 6 Weeks of Coaching
90 Days to 2X Your Business
Telemarketing
Sales People
Wealth Creation
Brad Sugars Fundamentals
Business Fundamentals
Sales Training Self Certification
<b>Independent, Virtual or Live Events</b>
Quarterly Planning Sessions
Annual Planning Sessions
Town Halls
Podcast Channels
Book of the Month
Current and Past Conference Recordings
International Speaker Videos

### Advanced Ongoing Training

From time to time, other optional, advanced training classes may be offered but are not required. They may be with or without additional fees and may be virtual or live.

### Conference Attendance – GOBIG Region and National

As part of your responsibilities to stay up to date and relevant as an ActionCOACH franchisee, you (or your designated Managing Director Business Coach, if applicable) are required to attend two (2) major live conferences each year:

1. The Annual GOBIG Conference – This regional conference is designed specifically for franchisees and Business Coaches in the GOBIG Region (Illinois, Michigan, Ohio, Indiana, Minnesota, and Wisconsin) and is held in the Midwest, although we also invite franchisees from other regions as well. It offers in-depth training, collaboration, recognition, and strategic planning tailored to client acquisition, retention and coaching to greater results with clients.
2. The Annual ActionCOACH North America (ACNA) Conference – This is a national-level event hosted by ACNA, bringing together franchisees from across the U.S. and Canada. It focuses on network-wide innovations, advanced training, and global brand alignment.

You should be aware that one or both required conferences may take place during the first few months of your franchise, so you should plan accordingly. While the registration fees are covered through the fees you already pay, you are responsible for all travel, lodging, and incidental costs related to both events.

Business Coaches and other Key Personnel are encouraged to attend both events but are not required to do so. We also encourage our franchisees to bring their spouse or children for a deeper family experience if you choose. Registration fees and any travel related expenses for your team members or family are your or their responsibility.

### Optional Conference Attendance – Global and other Regions

In addition to the two required annual conferences described above, you may also choose to attend optional regional or global ActionCOACH conferences hosted in other parts of the world. These events offer advanced learning opportunities, exposure to new innovations, and the chance to build relationships with top-performing coaches and franchisees from across the globe.

Many franchisees choose to combine these events with personal travel to create a “business-meets-lifestyle” experience. While attendance at global conferences is entirely optional, they are a valuable way to expand your perspective, deepen your mastery of the ActionCOACH system, and connect with the broader international community. Registration fees, travel, lodging, meals, and all related expenses for these optional events are your responsibility and are not included in the fees you already pay.

### Optional Master Coach Engagement

As part of our collaborative culture, franchisees often benefit from interacting with and learning from other experienced Business Coaches across the ActionCOACH network. While we provide significant support and training through our initial training, conferences, and internal systems, some franchisees may choose to engage a certified “Master Coach” for private, ongoing coaching or mentoring beyond what is included in the franchise support program.

This is not required, and many franchisees achieve strong results without engaging a personal Master Coach. In fact, we encourage you to take full advantage of our inclusive team culture by tapping into the knowledge and support of our global community—often at no cost—especially during your early development phase. Our franchisees are generally very helpful and giving of their time.

However, if you decide to formally engage a Master Coach for one-on-one coaching where the Master Coach will dedicate ongoing time to coach you, any coaching fees will be negotiated directly between you and that Master Coach. These fees are not collected by us, and are not included in your franchise fees.

## **ITEM 12**

### **TERRITORY**

Your Franchise Agreement is with us, not ACNA or any other entity. Your Territory is defined as the entire state in which your principal office is located. Your Territory is non-exclusive, meaning that other franchisees may operate within the same geographic area, and we reserve the right to do the same. However, ActionCOACH franchisees are known for their collaborative spirit and mutual support, not territorial conflict. Our systems are designed to encourage cooperation, not competition, among our coaches.

Because coaching is such a high-trust, relationship-driven service—not a commodity—clients don’t choose a coach solely based on location. Geographic proximity helps immensely—being able to meet in person, connect through mutual relationships and visiting a client’s office to get to know their culture and team is valuable. The ActionCOACH brand provides the credibility and proven systems to attract interest, but personal connection is what builds lasting coaching relationships. Even when multiple coaches are nearby, clients ultimately select their specific coach based on personal relationship, connection, personality and leadership style. We encourage, and our coaches often do, refer prospective clients to another coach who will be a better fit for a particular client.

We encourage you to leverage personal relationships and your existing professional network, even if they fall outside your assigned Territory. If a client, prospect, or referral comes to you based on a pre-existing relationship, you are permitted to coach them regardless of location. Many of our Partners have national or global networks, and we fully support you serving those

relationships. However, you may not engage in proactive direct marketing (such as cold outreach, advertising, or campaigns) specifically targeting individuals or businesses whose principal place of business is located outside your Territory, unless otherwise approved by us. We will not modify your Territory without your prior written consent.

#### Office Location

You may choose to operate your ActionCOACH franchise from a home-based office or from a commercial office space within your Territory. If you elect to establish a commercial office, the location must be approved by us. The primary factors we consider in approving an office site include professional appearance, compliance with brand standards (especially signage), and the ability to effectively meet with clients. If you later decide to relocate your office, you must request and obtain our written consent. We will not unreasonably withhold approval of a relocation request within your Territory.

While your physical office presence must remain within your assigned Territory, our platform, tools, and marketing systems enable you to serve clients in-person or virtually—expanding your potential reach without geographic limitation, subject to system-wide standards and cooperative protocols.

#### Reservation of Rights


We, along with ACNA and ACIP, in their roles as national franchisor and IP licensor, may promote and sell products and services in your area through marketing strategies that are national or international in scope, including but not limited to internet campaigns, television, digital content, co-branding, affinity programs, and similar channels (“Across-Area Marketing Programs”). While we may choose to refer inquiries generated by such campaigns to you, we are under no obligation to do so.

Additionally, we, as well as ACNA, or ACIP, may independently market to or deliver coaching and training services to large national clients or enterprise-level accounts, including any company that is or has been listed in the Fortune 500 (“Blue Chip Accounts”). You are permitted to pursue Blue Chip Accounts within your Territory. However, if we or our affiliates establish a national or regional structure for servicing these accounts, you agree to align with that structure in order to maintain consistent delivery and pricing standards across the system.

## ITEM 13

### TRADEMARKS

The following service marks are registered on the Principal Register of the United States Patent and Trademark Office (USPTO):

Mark	Registration Date	Registration Number	Class
ACTION COACH	December 9, 2008	3544043	9, 16, 25, 28, 35
	December 9, 2008	3544044	9, 16, 25, 28, 35

ACIP (ActionCOACH IP Co, Ltd.), by way of assignment from ActionCOACH Limited in 2012, is the registered owner of these marks. ACIP has filed all required affidavits and renewals, and intends to file affidavits of incontestability and renewal applications when due. The USPTO accepted the most recent renewal applications in December 2018.

Under a license agreement dated July 1, 2012, ACIP granted ActionCOACH North America, LLC (“ACNA”) the exclusive right to license the ActionCOACH trademarks and other intellectual property in the United States. ACNA, in turn, has granted us the right to sublicense these marks to franchisees within our defined territory.

The license agreement between ACIP and ACNA has a 99-year term and is cancelable by ACIP only under the following circumstances: ACNA fails to cure a material default within 90 days of written notice; ACNA or its key personnel is convicted of a felony or other crime likely to damage goodwill in the trademarks; ACNA’s assets are subject to court-ordered attachment; ACNA becomes insolvent, files for bankruptcy, or ceases operations.

We and our affiliates, through our Master License Agreements are sublicensed by ACNA to use the marks. Our Franchisees are sublicensed by us to use the marks through their Business Coach Franchise Agreements.

If the license to ACNA expires or is terminated for any reason, it is our and ACNA’s intention that franchisees and master licensees will be offered continued rights to use the trademarks directly from ACIP, so long as they remain in good standing under their agreements. This provision is designed to ensure continuity of your rights to use the marks.

There are no other agreements currently in effect that significantly limit our rights to use, or to license you to use, the principal trademarks.

There are no current material determinations by the USPTO, the Trademark Trial and Appeal Board, state trademark administrators, or courts that impact the use of the principal trademarks. There are also no pending material infringement claims, oppositions, cancellation proceedings, or known superior prior rights or infringing uses that would materially affect your use of the marks in the territory.

You must immediately notify us if you become aware of any challenge to or infringement of the trademarks. While we are not required to defend or indemnify you against third-party claims



regarding trademark use, we or ACNA may voluntarily do so and would retain control over any related legal proceedings. You are required to cooperate fully in protecting the marks and any confidential or proprietary information associated with them.

If ACIP or ACNA modifies, discontinues, or substitutes any trademarks, you must implement those changes at your own expense.

You may not contest ACIP's ownership of, or ACNA's right to license, any of the trademarks. Upon expiration or termination of your Franchise Agreement for any reason, you must immediately cease all use of the trademarks.

## **ITEM 14**

### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

There are no patents relevant to this franchise. However, ActionCOACH IPCo, Ltd. ("ACIP") claims trade secret and copyright protections over the proprietary materials, methodologies, systems, manuals, templates, client tools, and brand assets used in the ActionCOACH business coaching system. This includes training materials, marketing systems, operational tools, and related documents used by you in operating your franchise.

ActionCOACH North America, LLC ("ACNA") has been granted a license from ACIP to use and sublicense this intellectual property in the U.S., and in turn, sublicenses it to us and ultimately to you through your Franchise Agreement.

You are required to treat all proprietary materials and system information as confidential. You may use these materials only for the operation of your ActionCOACH franchise. You must take reasonable steps to prevent unauthorized use or disclosure, including ensuring that any Business Coaches you hire sign confidentiality and noncompete agreements substantially similar to those required by your Franchise Agreement. A sample is included in Exhibit D.

## **ITEM 15**

### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

You will participate personally in the direct operation of your business unless you appoint an MDC (see Exhibit C). You will serve as your only Business Coach unless you appoint an MDC or sign a Firm Addendum (see Exhibit D) with us and hire or retain additional Business Coaches (see Exhibit E). If a corporation, limited liability company, or other legal entity purchases the franchise, you as the owner of the entity must personally guarantee its obligations to us. The current form of personal guaranty is Attachment 2 to the Business Coach Franchise Agreement. Your spouse does not have to sign a personal guaranty unless he or she is an owner. You will also sign a Confidentiality and Noncompetition Agreement, which is attached to this Franchise Disclosure Document as Exhibit F.

## ITEM 16

### RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Unless approved in writing by us, you may offer only the coaching and training services and related products that we have authorized for sale by Business Coaches in our region, consistent with the standards and system licensed from ActionCOACH North America, LLC (“ACNA”). You may not offer legal, accounting, tax, or other professional services requiring licensure, unless delivered through a separate business you own that is clearly distinct from your ActionCOACH franchise.

We may update or change the types of authorized products or services to ensure consistency with the ActionCOACH system. We will notify you in writing of any such changes.

You may not advertise in media primarily circulated outside your Territory, nor may you directly market to prospects based outside your Territory. Online advertising must comply with our brand and system standards. If you receive a request from a prospective Client outside your Territory, you must refer them to us or to the Master Licensee for that territory. If no other Business Coach has been licensed in that area, we may authorize you to serve that Client.

## 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 agreement in Exhibit A to this disclosure document.**

Provision	Section	Summary for the PARTNER
a. Length of the franchise term	Section 2	7 years
b. Renewal or extension of the term	Section 2	Successive 7-year terms

Provision	Section	Summary for the PARTNER
c. Requirements for franchisee to renew or extend	Section 2	<p>Give notice at least 6 months before expiration, be current in payments and remedy any specified breaches, have received no more than 1 notice of default in last 24 months, good record of compliance with Agreement and Manual, achieve minimum performance, and Business Coach requirements (for the FIRM franchises), sign updated form of franchise agreement (which may contain materially different terms and conditions than your original agreement), upgrade image and appearance of business as needed, pay renewal fee, sign release.</p> <p><b>Note:</b> The new franchise agreement may have materially different terms and conditions than the Franchise Agreement for your initial term. Fees on renewal will not be greater than the fees agreed to by similarly situated renewing franchises.</p>
d. Termination by franchisee	Section 17.1	You can terminate if we commit a material default and fail to cure within 60 days. This provision is subject to state law
e. Termination by Master License without cause	Not applicable	Not applicable
f. Termination by Master Licensee for cause	Section 17.2 & 17.3	We may terminate your franchise for cause.
g. "Cause" defined - curable defaults	Section 17.3	You have 30 days to cure for non-payment of fees, non-submission of reports, and any other default not listed in h. below.

<p>h. "Cause" defined – non-curable defaults</p>	<p>Section 17.2</p>	<p><b>Your Franchise Agreement will terminate upon notice without your ability to cure any defaults if you:</b></p> <p>A. File a petition in bankruptcy, you are adjudicated as bankrupt or Insolvent, are under receivership or substantial assets are assigned to or for the benefit of creditors.</p> <p>B. Make any material misrepresentations relating to your acquisition of the Franchise or in connection with the operation of the Franchise including any intentional understatement of revenue on more than one occasion.</p> <p>C. Engage in any conduct or activities that, in our reasonable opinion, is detrimental or harmful to our goodwill, reputation or interests, or to the System or the Marks, and you continue or repeatedly fail to cease and desist from such conduct or activities after written notice to do so from us.</p> <p>D. Fail to comply with any material federal, state, or local law or regulation applicable to the operation of your Franchise.</p> <p>E. Continue the same condition for more than 20 business days after receiving notice from an authority that you are not in compliance with a law.</p> <p>F. You are convicted of a crime or are subject to a material disciplinary action.</p> <p>G. A regulatory authority suspends or revokes a material license or permit held by you that is required to operate the Franchise.</p> <p>H. Violate any covenant not to compete or relating to confidential information.</p> <p>I. Fail to pay us money within 10 days of receiving demand for it.</p> <p>J. Make an unauthorized transfer.</p> <p>K. Fail to timely supply us information or documents required under the Franchise Agreement or the Manuals within 10 days of receiving demand from us.</p>
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Provision	Section	Summary for the PARTNER
		<p>L. Another agreement between you or your affiliates and us or our affiliates is terminated; or</p> <p>M. Fail to continuously meet the Minimum Performance Requirement beginning 6 months after meeting with us and creating a written plan for addressing your first failure to meet the Minimum Performance Requirement.</p>
i. Franchisee's obligations on termination/non-renewal	Sections 6.2, 14.4, 15, 16.2, 16.7 & 18	Obligations include notification to Clients and prospective clients, payment of amounts due, complete de-identification and cessation of use of marks, surrender of Client and prospective client database, withdrawal of fictitious name filings, payment of liquidated damages (if we terminate based on your default), and compliance with indemnification clause and post-term non-compete. In case of violation of the confidentiality or non-competition covenants, you will be liable for liquidated damages in the amount of \$250,000.
j. Assignment of contract by franchisor	Section 20.1, 19.2	No restriction on our right to assign. We may assign this Agreement and our rights and obligations under it to ActionCOACH North America, LLC ("ACNA"), the national franchisor and licensor of the ActionCOACH system, or to another affiliated or qualified entity. Any such assignment will not materially reduce your rights or increase your obligations under this Agreement. You will be given written notice of any such assignment. ACNA is not a party to this Agreement unless and until such an assignment is made.
k. "Transfer" by franchisee - defined	Section 20.2	Includes assignment of the Franchise Agreement and sale or other transfer of any ownership interest in the business.
l. Franchisor approval of transfer by franchisee	Section 20.2	We have the right to approve all transfers.

<b>Provision</b>	<b>Section</b>	<b>Summary for the PARTNER</b>
m. Conditions for Master Licensee approval of transfer	Section 20.3,	We have the right to approve all transfers.
n. Master Licensee's right of first refusal to acquire franchisee's business	Section 20	We can match any offer for your business.
o. Master Licensee's option to purchase franchisee's business	Section 20	Only after notice of your intention to sell to a third party. See n. above.
p. Death or disability of franchisee	Section 20.5	Your heirs or personal representatives must apply within 120 days for consent to transfer your interest. Standard conditions apply, except no transfer fee is required. In case of death, your executor can buy out of the remaining term of the Franchise Agreement.
q. Non-competition covenants during the Term of franchise	Sections 16.1 and 16.7	No involvement in any business that offers business coaching or mentoring services in the U.S.A. ("Competing Business"). You may not employ or otherwise interfere with the employment relationship of any person who is employed by us or our affiliates, or by ACNA; In case of violation of the non-competition covenants, you will be liable for liquidated damages in the amount of \$250,000. Noncompetition provisions are subject to state law.

<b>Provision</b>	<b>Section</b>	<b>Summary for the PARTNER</b>
r. Non-competition covenants after the franchise is terminated or expires	Sections 16.2 and 16.7	You may not engage in any of the activities described in q. above for 2 years after expiration, termination, or transfer. All of the above applies in the Territory and for 100 miles outside of the Territory. In case of violation of the non-competition covenants, you will be liable for liquidated damages in the amount of \$250,000. Noncompetition provisions are subject to state law.
s. Modification of the agreement	Sections 10.3 & 22.5	Amendments must be in writing. ACNA has the right to make changes to the Manuals.
t. Integration/merger clause	Section 22.5	Only the terms of the Franchise Agreement are binding (subject to state law; see Exhibit I). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Section 22.9	All disputes are to be resolved by mediation and arbitration.
v. Choice of forum	Section 22.9	If ACNA is a party, then the exclusive venue for arbitration is the city or county where ACNA has its headquarters at the time the arbitration demand is filed (currently Las Vegas, Nevada), otherwise the city or county in which we have our headquarters at the time (currently Canal Winchester, Ohio). No forum selection clause for litigation. State franchise statutes may supersede this choice of forum, but may be preempted by the Federal Arbitration Act; see Exhibit I.
w. Choice of law	Section 22.8	If ACNA is a party, the law of the state where ACNA has its headquarters at the time of the dispute governs the contract (currently, Nevada), otherwise the law of the state where we have our headquarters at the time of the dispute governs (currently Ohio). State law may override this provision; see Exhibit I.

## **ITEM 18**

### **PUBLIC FIGURES**

Neither we nor our affiliates, nor ACNA currently uses any public figure or personality to promote the ActionCOACH franchises.

## **ITEM 19**

### **FINANCIAL PERFORMANCE REPRESENTATIONS**

The Federal Trade Commission's Franchise Rule permits franchisors to provide information about the actual or potential financial performance of their franchised or company-owned outlets, provided there is a reasonable basis for the information and it is included in this disclosure document. Any financial performance information that differs from what is included in this Item 19 may only be provided if: (1) we give you actual records for an existing outlet you are considering purchasing; or (2) we provide supplemental information about expected performance under specific conditions or in a particular location.

We do not provide or authorize any sales representatives, agents, or other individuals to give oral or written financial performance information outside of what is disclosed in this Item 19. Except as shown in the following tables, we make no promises or guarantees about actual or potential revenue, income, costs, or profits. Your results will vary based on many factors beyond our control, including your engagement, business acumen, client relationships, pricing, competition, commitment to follow our systems, the programs you offer, the size and maturity of your market, and broader economic conditions.

All data in this Item 19 was based on unaudited data reported on a voluntary basis to us directly by our franchised outlets in "The COM" Key Performance Indicator System. All dollar amounts are in U.S. Dollars.

Written substantiation for the financial performance representations will be made available to you upon reasonable request, which will be provided in a manner that does not require disclosure of the identity of a specific business coach or franchisee, or require the release of business-coach or franchisee-specific data without the consent of the business coach or franchisee.

This financial performance representation reflects outlets located only in the GOBIG Region. System-wide averages published by the Licensor are not included in this Item 19 to ensure focus on territory-specific results and avoid confusion.

The following financial performance representation reflects historical, unaudited Gross Revenues self-reported by 24 of the 28 franchise outlets located in the GOBIG Region that operated throughout the full calendar year ending December 31, 2024. These 24 outlets represent approximately 86% of the total outlets operating as of that date.



The data is presented in three revenue tiers to reflect the range and distribution of performance across the system. Included outlets were open and actively delivering services throughout the year, operating either on a full-time or semi-retired basis under the ActionCOACH model. Several franchisees in the dataset operate under our semi-retired program, serving fewer clients or allocating fewer hours, but maintained consistent operations throughout the year and met the inclusion criteria.

Four outlets were excluded from this analysis. Two were owned by franchisees who resided outside the GOBIG Region and primarily focused their efforts on operating other ActionCOACH businesses located in different territories. One outlet operated under a semi-retired model and did not report financial data for 2024. The fourth outlet was operated by a franchisee who took extended leave during the year to run for political office. These outlets were not considered reflective of typical operations within the territory.

Of the 24 outlets included in the table below, 23 were franchisee-owned and 1 was affiliate-owned by an entity under common ownership and control with us. The affiliate-owned outlet was operated in the same manner as franchised outlets, followed the same business model and pricing structure, and met all criteria for inclusion in this representation. It was one of the five multi-coach outlets in the dataset and generated gross revenue of \$483,154, placing it in the top revenue tier.

The included outlets represent both single-coach and multi-coach franchise operations. Of the 24 outlets, 5 were operated with multiple coaches, while the remaining 19 were single-coach operations. Multi-coach franchises may have greater delivery capacity and client volume. However, single-coach operators also performed strongly:

- The highest-performing outlet in the entire dataset, earning \$674,445, was a single-coach operation.
- In the top revenue tier (7 outlets), 4 were single-coach operations.
- In the middle revenue tier (10 outlets), 8 were single-coach operations.

This distribution demonstrates that strong financial performance is achievable for both single- and multi-coach operators, and that a wide range of revenue outcomes exists within the system based on franchisee engagement, business development, client mix, program offerings and market conditions.

**Table 1 – Gross Revenues - GOBIG Region Overall Summary**

<b>Average</b>	<b>Median</b>	<b>No. Above Average</b>	<b>% Above Average</b>	<b>Highest Above Average</b>	<b>Lowest Above Average</b>
\$261,538	\$158,316	10	40%	\$674,445	\$317,098

**Table 2 – Gross Revenues by Performance Tier**

<b>Tier</b>	<b>No. of Outlets</b>	<b>Revenue Range</b>	<b>Average Revenue</b>	<b>Median Revenue</b>
Tier 1: High Performers	7	\$350,725 to \$674,445	\$556,590	\$589,176
Tier 2: Mid Performers	10	\$100,077 to \$317,098	\$190,259	\$158,316
Tier 3: Low Performers	7	\$35,032 to \$92,133	\$68,315	\$79,499

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

Notes:

- (1) "Collected Revenues" means the total receipts derived by each outlet from services performed and products sold by or in connection with the Business. Any property or services received from Clients in exchange for Coaching Services by each outlet will be included in Collected Revenues at their fair market value at the time received. Collected Revenues do not include sales taxes or credits such as the sale price of any products returned by Clients or other taxes that an outlet collects from Clients and pay directly to the appropriate governmental authorities.
- (2) Some outlets included in the tables were operated under our semi-retired program for those over 72 who have completed one full term with us, which typically involves reduced working hours and fewer client engagements. These franchisees were active and compliant with system standards but may have generated lower revenue due to their preferred lifestyle or part-time status.
- (3) Some of the outlets may be working either together formally or informally to derive the results above.
- (4) **DO NOT SIGN ANY AGREEMENTS** if you received any other financial performance information, guarantees or projections of your future income from one of our employees, representatives or agents.

**CAUTION**

The gross revenue figures presented above reflect historical results achieved by certain ActionCOACH franchise outlets within the GOBIG Region. These figures do not reflect operating expenses, taxes or other business costs. Your actual net income will depend on factors unique to your business and situation, such as your location, pricing strategy, staffing decisions, and overall business management. We strongly encourage you to speak with current

and former franchisees listed in this Disclosure Document as part of your due diligence.

While these numbers demonstrate what others have achieved within our system, they are not guarantees of your future performance. Your financial performance may be higher or lower than the figures presented. Each franchisee's success is influenced by their personal level of engagement, business acumen, ability to implement our training, and commitment to serving clients with excellence.

We offer a proven business model, extensive training, and ongoing support to help franchisees succeed. However, as with any business opportunity, outcomes will differ. While we may recommend pricing guidelines and program offerings, each franchisee retains can determine their own prices and product offerings they will deliver.

Upon reasonable request, we will make available to qualified prospective franchisees written substantiation of the financial performance representations contained in this Item 19.

You are encouraged to speak directly with current and former franchisees, who may share their individual experiences, including financial results. If you receive financial performance information or income guarantees from any of our employees, representatives, or agents that are not included in this Item 19, you should report it to: Annette Hohnberger, our Chief Operating Officer at 10496 Red Fox Street, Canal Winchester, OH. 43110, (614) 778-0120, [annette@getnaction.com](mailto:annette@getnaction.com). You may also report such statements to: The Federal Trade Commission and/or your state's franchise regulatory authority.

## **ITEM 20**

### **OUTLETS AND FRANCHISEE INFORMATION**

The tables below summarize the status and changes in the number of ActionCOACH franchised and affiliate-owned outlets located within the GOBIG Region, which includes Illinois, Michigan, Ohio, Indiana, Minnesota, and Wisconsin. These figures represent activity for the three most recent fiscal years ending December 31, 2022, December 31, 2023, and December 31, 2024.

This data includes only the franchises and affiliate-owned outlets supported by us and our affiliates. It does not include franchise outlets in other territories supported by different master licensees or the national franchisor, ActionCOACH North America, LLC ("ACNA").

**Table 1**

Outlet Type	Year Ending December 32	Outlets at Start of Year	Outlets Opened	Outlets Closed	Outlets at End of Year
Franchised Outlets	2022	34	4	6	32
	2023	32	3	3	32
	2024	32	0	2	30
Affiliate Owned Outlets	2022	1	0	0	1
	2023	1	0	0	1
	2024	1	0	0	1
Company Owned Outlets	2022	0	0	0	0
	2023	0	0	0	0
	2024	0	0	0	0
Total Outlets	2022	35	4	6	33
	2023	33	3	3	33
	2024	33	0	2	31

Note: “Outlets at Start of Year” and “Outlets at End of Year” include all outlets being actively operated as of the first and last day of the fiscal year, respectively. “Outlets Opened” may reflect franchises opened that fiscal year but sold in previous fiscal years. The table does not include outlets that were terminated without ever having been operated.

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners**  
**(other than Master Licensee) for the fiscal years ended**  
**December 31, 2022, December 31, 2023 and December 31, 2024**

State	Year Ending December 31	Number of Transfers
Ohio	2022	0
	2023	0
	2024	1
Total	2022	0
	2023	0
	2024	1

Note: States not listed had no transferred outlets during the time periods reported.

**Table 3**  
**Status of Franchised Outlets for the fiscal years ended**  
**December 31, 2022, December 31, 2023 and December 31, 2024**

State	Year Ending December 31	Outlets at Beginning of Year	Outlets Opened	Outlets Terminated	Outlets Not Renewed	Outlets Reacquired	Outlets Ceased Operation/ Other Reason	Outlets at End of Year
Illinois	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Indiana	2022	6	0	1	0	0	0	5
	2023	5	0	0	1	0	0	4
	2024	4	0	0	0	0	0	4
Michigan	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
Minnesota	2022	2	2	0	0	0	0	4
	2023	4	0	1	0	0	0	3
	2024	3	0	0	1	0	0	2
Ohio	2022	18	2	3	1	0	0	15
	2023	16	1	0	1	0	0	15
	2024	16	0	0	0	0	0	15
Wisconsin	2022	7	0	0	1	0	0	6
	2023	6	2	0	0	0	0	8
	2024	8	0	0	0	0	0	8
Total	2022	35	4	4	2	0	0	33
	2023	33	3	1	2	0	0	33
	2024	33	0	1	1	0	0	31

**Notes:**

- (1) Ohio includes our one (1) affiliate owned franchised outlet, Buji Business, LLC, in each year, which is the same, or substantially the same, as the outlet to be operated by you.
- (2) “Outlets at Start of Year” and “Outlets at End of Year” include all outlets being actively operated as of the first and last day of the fiscal year, respectively. “Outlets Opened” may reflect franchises opened that fiscal year but sold in previous fiscal years. The table does not include outlets that were terminated without ever having been operated.

**Table 4**  
**Status of Company Owned Outlets for the fiscal years ended December 31, 2022,**  
**December 31, 2023, and December 31, 2024**

Year Ending December 31	Outlets at Beginning of Year	Outlets Opened	Outlets Terminated	Outlets Not Renewed	Outlets Reacquired	Outlets Ceased Operation/ Other Reason	Outlets at End of Year
2022	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0

Note: While we do not operate an ActionCOACH outlet, our affiliate, Buji Business, LLC, operates an ActionCOACH outlet in the state of Ohio, which is the same, or substantially the same, as the outlet to be operated by you.

**Table 5**  
**Projected New Outlet Openings for 2025 as of December 31, 2024**

State	Franchise Agreement Signed but not opened as of December 31, 2024	Projected New Outlets for Year Ending December 31, 2024	
		Franchised	Company Owned
Illinois	0	2	0
Indiana	0	1	0
Michigan	0	2	0
Minnesota	4	0	0
Ohio	2	0	0
Wisconsin	2	1	0
Total	8	6	0

Exhibit K to this disclosure document contains the contact information for both current and former franchisees as of December 31, 2024.

Each section in Exhibit K includes two separate lists:

1. Franchisees in the GOBIG Region (Illinois, Michigan, Ohio, Indiana, Minnesota, and Wisconsin) whom we or our affiliates have two-party Franchise Agreements and whom we directly support; and
2. Franchisees in all other regions of the U.S., who are not affiliated with us and have agreements with and are supported by other Master Licensees or ACNA.

While only franchisees in the GOBIG Region are required to be listed, we have chosen to include franchisees from across the U.S. to help you conduct broader due diligence and gather additional insights.

Section A lists current franchisees as of December 31, 2024. There were no Franchisees in the GOBIG Region who signed a Business Coach Franchise Agreement with us after the end of our fiscal year end and before the date this disclosure document was issued.

Section B lists any franchisee whose agreement was terminated, canceled, not renewed, or who voluntarily or involuntarily ceased operation during the fiscal year ending December 31, 2024.

This may include franchisees who:

- retired, relocated, or exited for personal reasons;
- sold (transferred) their franchise;
- transitioned to a new agreement or upgraded their franchise;
- were unresponsive to their Master Licensee (or ACNA) for 10 or more weeks at year-end.

We are not aware of any franchisees in the GOBIG Region who ceased operating or left the system between the end of our fiscal year and the date this disclosure document was issued.

If you purchase this franchise, your contact information may be disclosed to future candidates if you leave the system.

In some cases, franchisees have signed confidentiality or non-disparagement clauses. While you are encouraged to speak with current and former franchisees, please understand that not all of them may be able to comment freely.

There is no trademark-specific franchisee association affiliated with the ActionCOACH system.

## **ITEM 21**

### **FINANCIAL STATEMENTS**

Exhibit L contains the following financial statements:

1. Audited financial statements of Master Licensee as of and for the fiscal years ended December 31, 2022, December 31, 2023 and December 31, 2024.

## **ITEM 22**

### **CONTRACTS**

Some of the following agreements and addenda are not required and are only applicable in specific circumstances. These documents are included for full disclosure but are not part of the standard initial franchise package.

For example, the Managing Director Business Coach Agreement will only be executed if Franchisee chooses to replace himself/herself as the Managing Director; and the Firm Addendum and the Business Coach Agreement (for additional coaches) will only be executed if Franchisee chooses to expand their business beyond a single coach structure.

Exhibit A	Business Coach Franchise Agreement
Exhibit B	State Required Addenda to Franchise Agreement
Exhibit C	Managing Director Business Coach Agreement
Exhibit D	Firm Addendum
Exhibit E	Business Coach Agreement
Exhibit F	Nondisclosure and Noncompete Agreement
Exhibit G	Compliance Questionnaire
Exhibit H	General Release

## **ITEM 23**

### **RECEIPTS**

Exhibit P includes two (2) Receipts to record the date you received this Franchise Disclosure Document (FDD) from us.

To comply with federal and state franchise laws, we ask that you:

1. Sign and date both Receipts to confirm when you received the FDD.
2. Please return one (1) signed copy to us. The other is for your records. You can send it physically or scan and send it electronically.

This receipt is provided solely to comply with federal and state franchise laws. Signing this receipt does not obligate you in any way to purchase a franchise or take any further action with us. It simply records the date you received the FDD to ensure that proper disclosure timing is followed before any agreement is signed or fees are paid.

To comply with federal and state franchise laws, we must receive your signed Receipt at least 14 calendar days before you sign any franchise agreement with us or make any payment to us in conjunction with acquiring a franchise.



**End of the FDD**



**EXHIBIT A**

**To**

**BUSINESS COACH  
FRANCHISE DISCLOSURE DOCUMENT**

**PARTNER FRANCHISE AGREEMENT**



## **THE PARTNER**

### ***BUSINESS COACH FRANCHISE AGREEMENT***

## THE PARTNER BUSINESS COACH FRANCHISE AGREEMENT

### Table of Contents

	<u>PAGE</u>
RECITALS .....	3
DEFINITIONS .....	3
SECTION 1 – RIGHTS GRANTED .....	5
SECTION 2 - TERM AND RENEWAL OPTIONS .....	5
SECTION 3 - INITIAL FEES .....	6
SECTION 4 – ONGOING FEES AND ROYALTIES .....	6
SECTION 5 - ADVERTISING AND MARKETING .....	7
SECTION 6 - RECORDS AND AUDITS .....	8
SECTION 7 – ASSISTANCE BY MASTER LICENSEE .....	9
SECTION 8 - TERRITORY ISSUES AND 3 <sup>rd</sup> Party DDMA .....	10
SECTION 9 – OFFICE LOCATION .....	10
SECTION 10 - MANUALS .....	11
SECTION 11 – YOUR DUTIES AND OBLIGATIONS .....	12
SECTION 12 - Minimum Performance .....	14
SECTION 13 - PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES .....	15
SECTION 14 - INSURANCE AND INDEMNIFICATION .....	15
SECTION 15 - TRADEMARKS AND CONFIDENTIAL INFORMATION .....	16
SECTION 16 - RESTRICTIONS ON COMPETITION .....	17
SECTION 17 – DEFAULT AND TERMINATION .....	17
SECTION 18 – OBLIGATIONS UPON EXPIRATION OR TERMINATION .....	19
SECTION 19 – THIRD PARTY RIGHTS OF FRANCHISOR AND LICENSOR .....	20
SECTION 20 - TRANSFER .....	20
SECTION 21 – OPTION TO PURCHASE .....	23
SECTION 22 – GENERAL PROVISIONS .....	23

Attachment 1: Fees and Specifications

Attachment 2: Personal Guarantee

Attachment 3: DDMA

Attachment 4: Conditional Assignment of Telephone and Directory Listings

Attachment 5: Direct Debit Authorization Form

## THE PARTNER BUSINESS COACH FRANCHISE AGREEMENT

THIS AGREEMENT is entered into as of the Effective Date between \_\_\_\_\_ (“Master Licensee”, “Us”, “We” and \_\_\_\_\_ (“You” or “Franchisee”).

### RECITALS

- A. ActionCOACH IPCo, Ltd. (“Licensor”) owns the Marks, the System, and the Confidential Information (each as defined in this Agreement), and has granted ActionCOACH North America, LLC (“ACNA” or “Franchisor”) the exclusive license to use and sublicense the Marks, the System, and the Confidential Information in the United States.
- B. ACNA has granted Master Licensee the exclusive rights to offer and support ActionCOACH Business Coach franchises within the Territory pursuant to a Master License Agreement.
- C. You are entering into this Agreement with Master Licensee to operate an ActionCOACH Business Coach Franchise in the Territory under the terms and conditions of this Agreement. This is a two-party agreement between you and Master Licensee. Neither the Franchisor, the Licensor, nor any other affiliate is a party to this Agreement.
- D. Oaktree Business Services of Ohio, LLC, an affiliate of Master Licensee, has executed an Affiliate Guaranty to support certain obligations of Master Licensee, as disclosed in the Franchise Disclosure Document.
- E. Master Licensee has an affiliated entity, Buji Business, LLC, which owns and operates an ActionCOACH franchise with the rights to offer and sell business coaching services in the Territory and other territories owned by our other affiliates.

### FRANCHISEE ACKNOWLEDGEMENTS

Franchisee acknowledges, understands, and agrees to the following:

- 1. Franchisee has independently investigated the ActionCOACH Business Coach Franchise opportunity and made their own conclusions regarding the viability of the business model.
- 2. Franchisee has not received, and is not relying upon, any representation, warranty, or guarantee, express or implied, from the Master Licensee or any of their agents or representatives, regarding the potential sales, revenues, income, or profits of the business, except as expressly disclosed in Item 19 of the Franchise Disclosure Document.
- 3. Franchisee understands that success depends on many factors outside the control of Master Licensee, including Franchisee’s own engagement, relationship building skills, ability to execute and utilize the ActionCOACH System and the competitive and economic conditions in the local market, and that no level of performance is guaranteed by Master Licensee.
- 4. Franchisee understands and agrees that the ActionCOACH System, as in all businesses is subject to change as the marketplace evolves, and that Franchisee agrees to adapt to any new requirements, tools, or methods implemented by Master Licensee or Franchisor from time to time.
- 5. Franchisee has represented to Master Licensee, to induce entry into this Agreement, that all information provided by Franchisee is accurate and complete, and that Franchisee has made no material misrepresentations or omissions.

6. Franchisee acknowledges the presence of Buji Business, LLC, an affiliate of the Master Licensee, which may market, sell, and deliver services in the Territory. Franchisee agrees that such activity is authorized under the Master Licensee's agreements and does not constitute a breach of this Franchise Agreement.
7. Franchisee was given the opportunity to contact and speak with current and former franchisees listed in the Franchise Disclosure Document and that they independently decided whether or not to do so as part of their due diligence process.
8. Franchisee confirms that they have read and understand this Franchise Agreement, the Franchise Disclosure Document (FDD), and all related exhibits and addenda, and that they understand their rights, obligations, and responsibilities under these documents.
9. Franchisee has been afforded the opportunity, and has been encouraged by Master Licensee, to consult with an attorney and other professional advisors to review this Agreement and all related materials, including the FDD, and has either done so or has knowingly waived that right.
10. Nothing in this Agreement or these acknowledgments is intended to, nor shall be interpreted to, disclaim, release, or require Franchisee to waive reliance on any representation made in the Franchise Disclosure Document or to waive any rights available under applicable state or federal law.

**The parties agree as follows:**

## **DEFINITIONS**

**"Across-Area Marketing Programs"** means Master Licensee's, Licensor's and ACNA's Internet, television, electronic, co-branding, alliance, affinity, and other marketing programs, policies and strategies.

**"Agreement"** means this "The Partner Business Coach Franchise Agreement".

**"Assessment Period"** means the period specified in Attachment 1 for which Master Licensee will assess whether your performance meets the Minimum Performance requirement.

**"Blue Chip Account"** is a Fortune 500 Company that is listed in the past and present annual list compiled and published by Fortune magazine or similar publication. Franchisor may update these policies over time to reflect changes in the marketplace or corporate strategies.

**"Business"** means the ActionCOACH business coaching, business training and mentoring business that you are authorized under this Agreement to conduct within the DDMA.

**"Business Coach"** means a person providing Coaching Services to Clients under a Business Coach Franchise Agreement.

**"Client"** means a business owner or other customer who agrees to purchase Coaching Services from the Business.

**"Client Information"** means details, including lists, of Clients collected by Franchisee in accordance with this Agreement.

**"Client Forms"** means the forms specified in the Manuals or otherwise specified in writing by Master Licensee or Franchisor to be used by the Franchisee to capture the details of Clients.

**"Coaching Platform Subscription Fee"** has the meaning given in Attachment 1.

**"Coaching Services"** means the business coaching, executive coaching, business training and mentoring

services, training modules, products, business plan drafting assistance, and other services and products authorized by Master Licensee or Franchisor from for delivery to Clients.

**“Confidential Information”** has the meaning defined in Section 15 of this Agreement.

**“Designated Direct Marketing Area” or “DDMA”** means the area specified in Attachment 3 for you to direct market to prospective clients and Clients and as set out in Section 8 of this Agreement.

**“Direct Marketing”** means direct, outbound marketing, prospecting and sales communication, in any format (digital, face-to-face, phone, print, radio, tv, etc.) to prospective clients. Direct Marketing does not include personal outreach to pre-existing personal relationships you may have with a prospective client.

**“Effective Date”** has the meaning given in Attachment 1.

**“Franchisee” or “You”** have the meaning given in Attachment 1.

**“Franchisor”** means the national franchisor with the rights to sublicense the Marks and Confidential Information to the Master Licensee and as defined in the Recitals and Attachment 1.

**“Gross Revenues”** means the total receipts derived from services performed and products sold by or in connection with the Business. Any property or services received from Clients in exchange for Coaching Services will be included in Gross Revenues at their fair market value at the time received. Gross Revenues also include any proceeds you may receive from business interruption insurance. Gross Revenues do not include sales taxes or credits such as the sale price of any products returned by Clients or other taxes that you collect from Clients and pay directly to the appropriate governmental authorities.

**“Manuals”** means the operations manuals, policy statements, directives, and other written instructions issued by us or by ACNA with respect to the System, including, without limitation, information and materials posted in the Intranet areas of the ActionCOACH website. Part or all of the Manuals may be issued in electronic form. ACNA may amend the Manuals from time to time.

**“Marks”** means the marks listed in Attachment 1 and such other registered and unregistered trade names, trademarks, service marks, logos, commercial symbols, Internet domain names, web site identifiers, designs, color schemes, and trade dress as we or ACNA may designate from time to time for use with the System.

**“Master Licensee” of “Us” of “We”** is the franchise seller and exclusive subfranchisor for the Territory as defined in the Recitals and in Attachment 1.

**“Minimum Performance”** means the criteria specified in Section 12 and Attachment 1.

**“Managing Director Business Coach” or “MDC”** means the Business Coach designated by you to manage the day-to-day operations of the Business, including any dealings with Master Licensee, under an MDC Agreement.

**“Restraint Area”** has the meaning given in Attachment 1.

**“Restraint Period”** has the meaning given in Attachment 1.

**“System”** means the business methods, specifications, procedures, and accumulated trial and error developed, and to be developed, by us, Licensor or ACNA for the operation and management of an ActionCOACH Business Coaching Franchise.

**“Term”** has the meaning given in Attachment 1.

**“Territory”** is the Master Licensee’s territory and has the meaning given in Attachment 1.

## **SECTION 1 – RIGHTS GRANTED**

- 1.1 Master Licensee grants you the right, and you undertake the obligation, to:
  - A. Operate the Business upon the terms and conditions of this Agreement, on a non-exclusive basis within the DDMA;
  - B. Operate the Business from the office location as set forth in Section 9; and
  - C. Use the Marks and the System as they may be modified and developed from time to time on a non-exclusive basis in the operation of the Business.
- 1.2 This Agreement does not include: the right to sell products to any vendor who would in turn sell to consumers; the right to sell any product except through the Business; or the right to perform any Coaching Services other than through the Business.
- 1.3 You may not grant a sub-franchise or otherwise sublicense any of your rights under this Agreement.

## **SECTION 2 - TERM AND RENEWAL OPTIONS**

- 2.1 The term of this Agreement commences on the Effective Date and unless sooner terminated under Section 17, this Agreement will expire on the Expiry Date.
- 2.2 You will have the option to renew the right to operate the Business for successive Renewal Terms. Master Licensee may refuse to renew your right to operate the Business, in its absolute discretion, if any of the following conditions have not been satisfied:
  - A. You must give Master Licensee written notice of your election to renew (“Renewal Notice”) not more than nine (9) months, and not less than six (6) months, before the current term expires. Master Licensee will respond to this notice with its approval or disapproval within thirty (30) days thereafter.
  - B. You must be current in all payment obligations to Master Licensee and must have remedied any breach of this Agreement specified by Master Licensee by written notice.
  - C. You must not have received more than one (1) written notice of default from Master Licensee in the twenty-four (24) months preceding delivery of the Renewal Notice.
  - D. You must have operated the Business and used the System substantially in accordance with this Agreement and the Manuals during the term then expiring.
  - E. You must execute a new Business Coach Franchise Agreement on the then current form designated by Master Licensee, the terms of which may differ from this Agreement. Your failure to execute the updated Business Coach Franchise Agreement within thirty (30) days after its delivery will be deemed an election not to renew.



- F. You must execute a general release of all claims that you may have against Master and their respective officers, directors, shareholders, agents, and employees. This release must be in a form satisfactory to Master Licensee.
- G. You must make such expenditures as may be reasonably required to upgrade the Business and its signs, stock, forms and equipment so as to reflect the then-current image of the ActionCOACH concept.
- H. You must pay Master Licensee the Renewal Fee specified in Attachment 1.

### **SECTION 3 - INITIAL FEES**

- 3.1 You must pay Master Licensee a non-refundable Franchise Fee specified in Attachment 1 upon signing this Agreement.
- 3.2 You must pay Master Licensee a non-refundable Training Fee specified in Attachment 1 upon signing of this Agreement.

### **SECTION 4 – ONGOING FEES AND ROYALTIES**

- 4.1 On or before the first (1<sup>st</sup>) day of each calendar month you must pay Master Licensee a Royalty Fee specified in Attachment 1. The Royalty Fee for Your Business commences on the earlier of the 1<sup>st</sup> of the month after You or your Managing Director Business Coach complete the relevant training program or 120 days after signing the franchise agreement. Each Royalty Fee payment must be accompanied by a statement of the preceding month's Gross Revenues in a form approved by Master Licensee.
- 4.2 On or before the fifth (5<sup>th</sup>) day of each calendar month, you must pay Master Licensee a Marketing and Advertising Fee specified in Attachment 1; provided, however, that no Marketing and Advertising Fee is due with respect to Gross Revenues in the month in which you or your MDC, as applicable, complete the ActionCOACH initial training program. The Marketing and Advertising Fee may be capped ("Marketing & Advertising Cap") at the amount set forth in Attachment 1. Each Marketing and Advertising Fee payment must be accompanied by a statement of the preceding month's Gross Revenues in a format approved by Master Licensee.
- 4.3 Any amount due under this Agreement that is not paid on or before the due date will accrue interest at the rate specified in Attachment 1. Failure to pay Royalty Fees, Marketing and Advertising Fees, or any other amount payable to Master Licensee when due is a material breach of this Agreement.
- 4.4 On or before the 1st day of each month you must pay Master Licensee (we remit to Franchisor), a Monthly Technology Fee specified on Attachment 1.
- 4.5 You will establish a separate bank account for the Business and use the method(s) specified from time to time by Master Licensee or Franchisor for the payment of Royalty Fees, Marketing and Advertising Fees, and all other fees and amounts owed. You will furnish Master Licensee, Franchisor and your bank with such authorizations as may be necessary to effect payment by the method required by Master Licensee or Franchisor as set out in Section 4.6.
- 4.6 You will pay all ongoing fees to Master Licensee by means of direct debit into a bank account specified by Master Licensee. Prior to commencing operation, you will: a) specify in writing to Master Licensee the bank account from which Master Licensee will direct debit the payments; and b) sign Attachment 5 and all necessary forms and consents permitting the direct debit of funds from the bank account in the manner and on the dates specified in writing by Master Licensee.

- 4.7 You must pay for the cost of any of Master Licensee's administrative fees connected with the failure of your direct debit facility.
- 4.8 You have no right of offset. You must not for any reason withhold payment of any amount due to Master Licensee or Franchisor. This applies even if You allege that Master Licensee has not performed or is not performing an obligation imposed upon it under this Agreement or a related agreement. Master Licensee may accept any part payment without prejudice to its right to recover the balance due or pursue any other remedy. Master Licensee may set off against any payment due to You by Master Licensee any of your unpaid debts to Master Licensee.

## **SECTION 5 - ADVERTISING AND MARKETING**

- 5.1 You will advertise and promote the Business at your own expense and in accordance with the Manuals and brand standards. If Master Licensee denies your use of any advertising or promotional material that do not comply with brand standards, you must immediately discontinue use of those materials. Master Licensee has the right to charge reasonable fees for any materials that Master Licensee provides.
- 5.2 Unless otherwise specified by Master Licensee in writing, sixty percent (60%) of the Marketing and Advertising Fee will be retained in the local region and forty percent (40%) will be sent by Master Licensee to ACNA for its use in national marketing and advertising. We and ACNA may use the fees collected for any activities we or ACNA believe will benefit ActionCOACH franchisees generally. Master Licensee and ACNA may use the fees collected to pay the costs of: a) developing and conducting advertising and promotional campaigns, including customer database development and management; b) developing and funding advertisements; c) sourcing the production of marketing materials and other sales materials; d) conducting research including research in relation to products and customers; e) developing public relations, customer and supply relations; f) engaging advertising agencies and marketing consultants; g) coordinating the activities set out above; h) paying for reasonable overhead and administrative costs including the cost of materials and employees' salaries and printing costs; and i) payment of accountancy, legal and other fees in respect of audits of the records of the Marketing Fees. Master Licensee and ACNA, may determine in its sole discretion how the Marketing Fees is spent.
- 5.3 You must use the Marks in all advertising and promotion of the Business. You must, at your cost, display signs at the Business location and at Master Licensee, Franchisor and Licensor events in accordance with the Manuals' specifications.
- 5.4 You acknowledge that your web site, if any, constitutes advertising and promotion subject to Section 5.1 above. You agree to comply with all policies and standards that Master Licensee or Franchisor issues from time to time with respect to web sites specifically. You also acknowledge that in the event you do want to create your own web site, you are required to obtain Franchisor's prior approval of the design, content and appearance of the website and to use Franchisor's approved supplier for design, development and web hosting to ensure compliance with Franchisor's requirements for branding and usage of the Marks. Master Licensee or Franchisor may: (i) require that your web site be accessible only by link from Master Licensee's site, and (ii) prohibit links between your web site and any other web site. You acknowledge that any copyright in your web site will be deemed to be owned by Franchisor. You agree to execute any documents that Master Licensee requires to affirm Franchisor's ownership of the copyright. You represent that You have, or will have, the lawful right to use any proprietary materials of others that appear in your web site.

## **SECTION 6 - RECORDS AND AUDITS**

- 6.1 You must maintain complete and accurate records concerning all financial, marketing and operating aspects of the Business. You must keep these records at your Business location (or another place approved in writing by Master Licensee). You must provide such reports as may be required by

Master Licensee. Your records must include Business tax returns; daily and weekly marketing, sales and performance reports; statements of Gross Revenues (to be prepared each month for the preceding month); profit and loss statements; and balance sheets. If Master Licensee determines that your records or financial statements are not of sufficient detail or reliability, Master Licensee has the right to require that you have such records or statements reviewed or prepared by an independent Certified Public Accountant. Master Licensee and ACNA will keep your financial data confidential except to the extent that Master Licensee or ACNA decides, or is required, to make a "financial performance representation" under applicable franchise disclosure laws. Master Licensee or ACNA if approved in writing by Master Licensee, may also conduct an audit of your compliance with the System.

- 6.2 You agree to keep all original records, reports, invoices, order forms, and calculations for the term of this Agreement and at least three (3) years after, or for a longer period if required by applicable law. While this Agreement is in effect, and for three (3) years after its expiration or termination or after any transfer approved under Section 20, Master Licensee has the right to request, receive, inspect and audit any of the records referred to in Section 6.1. Master Licensee agrees to do inspections and audits at reasonable times. If any inspection or audit discloses a deficiency in the payment of any Royalty Fee, Marketing and Advertising Fee, or other amounts due under this Agreement, you must immediately pay the deficiency. In addition, if any underreporting is discovered, you will be responsible for the reasonable costs of the inspection or audit, including travel, lodging, meals, salaries, and related expenses incurred by the auditing personnel.

## **SECTION 7 – ASSISTANCE BY MASTER LICENSEE**

- 7.1 Master Licensee will:

- A. Provide guidance and direction through the pre-training process.
- B. Arrange for you and/or your MDC (if applicable) to attend ACNA's initial certification training.
- C. Induce ACNA to provide you access to the online tools, systems, templates, learning management system, marketing collateral, sales scripts and training materials via ACNA's Intranet.
- D. At your request, provide guidance, assistance and advice on the preparation of your initial business plan and strategize with you on the best approaches to achieve your goals. Final decisions on what strategies you choose to implement will be your responsibility.
- E. Weekly scheduled calls for the first ninety (90) days after you complete the ActionCOACH initial certification training to discuss any operational challenges and review business performance.
- F. At your request, periodic check-ins as needed (frequency and format determined by Master Licensee).
- G. Approve of your office location and assist you in determining a location, if applicable. The actual selection of your office location will be your responsibility.
- H. Interview and provide feedback about your potential MDC and Business Coaches, if you sign a Firm Addendum to expand beyond a single-coach operation. Approval of qualified candidates will not be unreasonably withheld or delayed.
- I. Invite you and any of your team to attend regional conferences that we may host from time to time, in the Region or with other Master Licensees in other regions. We are under no

obligation to do so. Conference fees and travel costs are your responsibility.

J. Help arrange for you or your MDC, Business Coaches and other key personnel to attend ACNA's annual North American conference. Conference fees and travel costs are your responsibility.

K. Approve and confirm your attendance at optional trainings offered by ACNA.

7.2 Master Licensee will offer you such additional guidance and assistance as Master Licensee deems necessary or advisable. Failure of Master Licensee to provide any particular service, either initial or continuing, will not excuse you from paying any of the fees including but not limited to, the Franchise Fee, Royalty Fees or Marketing and Advertising Fees.

## **SECTION 8 - DDMA**

8.1 Your franchise is non-exclusive. There will be other Business Coaches providing Coaching Services in the DDMA. In addition, we, as well as ACNA and the Licensor may sell products in the DDMA via Across-Area Marketing Programs.

8.2 You may not advertise in any media whose primary circulation or footprint is outside of the DDMA, nor may you engage in Direct Marketing to clients or prospects outside of the DDMA. We may establish terms and conditions under which you may advertise digitally. Should you receive a request for services from a Client or prospective client outside of the DDMA, you must refer the request to Master Licensee. If the Client's or prospective client's principal office is outside of your DDMA and there is licensed Business Coach operating in that territory, Master Licensee may refer the request for services back to you.

8.3 You may request Master Licensee's approval to relocate your Business to the territory of another ActionCOACH Master Licensee. If both Master Licensees approve your request, Master Licensee will assign this Agreement to the Master Licensee for the new territory, and upon the assignment, you must pay Master Licensee the Relocation Fee specified in Attachment 1 to compensate Master Licensee for its lost future income from your franchise.

8.4 The right to provide Coaching Services to Blue Chip Accounts is hereby specifically excluded. You acknowledge that other Business Coaches may provide Coaching Services to Blue Chip Accounts at or from locations in the DDMA. With the prior written consent of Master Licensee,

8.5 Due to the national presence of Blue Chip Accounts, you acknowledge it is necessary for ACNA to identify, manage and co-ordinate programs to ensure consistent delivery of Coaching Services. ACNA may permit other Business Coaches to provide Coaching Services to Blue Chip Accounts. Until a program with ACNA is in place, you may provide Coaching Services to Blue Chip Accounts, so long as you agree to conform your delivery structure to match any program that ACNA establishes with that specific client. All disputes relating to Blue Chip Accounts will be resolved by ACNA, whose decision will be final and binding upon all parties.

## **SECTION 9 – OFFICE LOCATION**

9.1 You can locate your office anywhere within the DDMA, including your residence. If you locate your office outside of your residence, your office must at all times be well presented and of a professional nature. Your approved office location is specified in Attachment 1. You must notify Master Licensee if you intend to change your office location.

- 9.2 Your office must comply, at your sole cost and expense, with the fit-out guide and brand standards contained in the Manuals which may be amended from time to time.

## **SECTION 10 - MANUALS**

- 10.1 You acknowledge that, through your agreement with us, the Manuals are furnished to you from the Licensor and that they remain the sole property of the Licensor at all times. You must not make any copies (paper, electronic, or otherwise) of the Manuals.
- 10.2 Licensor or ACNA may revise the Manuals at any time and from time to time. Master Licensee will communicate such changes to you as we are made aware. Such revisions may include changes with respect to:
- A. The authorized Coaching Services;
  - B. Operating procedures;
  - C. Advertising and promotions;
  - D. Equipment and supplies;
  - E. Dress codes;
  - F. Additions or modifications of Marks;
  - G. Brand standards;
  - H. Accounting and reporting systems and forms; and
  - I. Insurance requirements.
- 10.3 You agree to operate the Business in accordance with the Manuals, as modified from time to time. Failure to comply with the standards set forth in the Manuals.

## **SECTION 11 – YOUR DUTIES AND OBLIGATIONS**

- 11.1 You agree to use your best efforts to increase the reputation of, and demand for, Coaching Services in the DDMA.
- 11.2 You agree to strictly comply with all present and future standards, specifications and procedures prescribed by by Master Licensee or set out in the Manuals, including but not limited to the following requirements:
- A. You or your MDC must complete the ActionCOACH induction training program, at a location designated by Franchisor. You must complete training before the Business opens. Your MDC is not permitted to provide Coaching Services until after he/she has completed Franchisor's training. Attendance by You every year in at least one (1) of Franchisor's Regional Conferences is mandatory.
  - B. You must identify all of your employees to Master Licensee and must ensure that they are suitably qualified to run the Business properly. You must keep Master Licensee informed at all times regarding the names, background and experience of all key personnel.

- C. You may offer only the Coaching Services and related products approved for sale by Business Coaches in the U.S.A.
  - D. All personnel must be professional in dress and appearance, in a manner consistent with the requirements of Master Licensee.
  - E. You must operate the Business only under the Marks and under no other trade name or business name. However, you must make it clear to Clients, employees and the general public that you are an independent Franchisee operating the Business under license from Master Licensee. You may not use the Marks as part of a corporate or legal name, but you may append "d/b/a ActionCOACH" after your corporate or legal name using the then current naming convention as approved by Master Licensee.
  - F. You must attend all seminars, workshops and exhibitions hosted or arranged on behalf of the Business and/or its Clients as reasonably required by Master Licensee. At your cost, you must display signs at such events in accordance with the Manuals' specifications.
  - G. You must pay all debts and taxes arising in connection with the Business when due, including debts payable to Master Licensee.
  - H. You must comply with all laws applicable to the Business.
  - I. You must participate in Client satisfaction surveys and participate in programs derived from such surveys. You must also cooperate with, and participate in, Across-Area Marketing Programs.
  - J. You must provide the supervision, support and instruction required under any support agreement you enter into with your MDC or other Business Coaches that you retain or hire.
  - K. You, your MDC and any Business Coaches or officers of your Business must sign a nondisclosure and non-compete agreement in a form acceptable to Master Licensee.
  - L. Throughout the Term, you must be of good character and must not indulge in what the Master Licensee reasonably considers to be unethical conduct or acts of moral turpitude or do anything which might damage the goodwill attaching to the Marks and other intellectual property associated with the System, or damage any other ActionCOACH businesses within or outside the DDMA, whether franchised or operated by Master Licensee or its Affiliates or another Master Licensee or ACNA.
- 11.3 You must submit to Master Licensee the reports and information specified in the Manuals from time to time, and you must submit them in the form and manner prescribed by the Manuals. The required reports include:
- A. A report entitled "Action Plan," which outlines the goals, strategies, and actions you set for development of the Business. This report will be completed and delivered from time to time within ten (10) business days of Master Licensee's request.
  - B. A report entitled "Key Performance Indicators," which summarizes the activities of the Business for each week. This report must be completed and delivered to Master Licensee at the end of each week or as otherwise specified in the Manuals. If you fail to deliver the required information in a timely manner, Master Licensee, in addition to any other remedies available under this Agreement, may suspend or

terminate the services provided to you by Master Licensee under this Agreement.

- C. Weekly marketing results and sales performance reports.
  - D. If requested, you must provide Master Licensee with detailed financial statements for the Business including a balance sheet, a profit and loss statement and a source and use of funds statement, prepared by Franchisee's accountant certifying the contents are true and correct and are a fair and accurate view of the Business.
- 11.4 You acknowledge and agree that the submission of all required reports is a primary responsibility of each Business Coach. You also agree to give Master Licensee independent access to the information in your computer system relating to your ActionCOACH Business.
- 11.5 Your MDC, if applicable: (i) must be approved by Master Licensee and certified by ACNA; (ii) must sign an MDC Agreement with you in a form approved by Master Licensee; and (iii) will have direct responsibility for all operations of the Business and the authority to bind you in any dealings with Master Licensee.
- 11.6 Master Licensee has the right to inspect your office upon reasonable prior notice, which will not be less than seventy-two (72) hours if your office is located in your home. Master Licensee has the right, at any time, to discuss with your Clients and personnel any matters that may pertain to the Business and to compliance with this Agreement.
- 11.7 You will make your best efforts to attend ad hoc meetings of Business Coaches scheduled by Master Licensee.
- 11.8 While this Agreement is in effect, and for three (3) years after its termination, expiration or transfer approved under Section 20, you will supply Master Licensee with your (and your MDC's if applicable) home address, telephone number, and email address.
- 11.9 You must:
- A. Inform Master Licensee in writing of, and promptly act to address, all Client complaints at your cost and in accordance with any relevant provision set out in the Manuals.
  - B. If the Franchisee fails to address a Client complaint within two (2) Business Days, Master Licensee may attempt to address the complaint.
  - C. If Master Licensee acts to address a Client complaint due to your failure to satisfactorily address the complaint, You must pay the reasonable costs incurred by Master Licensee in attempting to address the complaint.
- 11.10 Subject to any applicable Law, You must:
- A. collect the information from Clients specified in the Manuals or otherwise in writing by Master Licensee of ACNA;
  - B. collect Client information in the manner specified in the Manuals or otherwise in writing by Master Licensee of ACNA;
  - C. provide Master Licensee and ACNA with Client Information as specified in the Manuals, at the end of each Month or within seventy-two (72) hours after receiving a request from Master Licensee.

## SECTION 12 - MINIMUM PERFORMANCE

- 12.1 We do not impose minimum revenue, client acquisition, or performance targets. Each Franchisee sets their own business goals based on their unique lifestyle, financial objectives, and availability. Whether you aim to build a full-time practice, pursue a part-time or semi-retired coaching career, or scale a larger firm, we support you in defining success on your terms. Our coaching systems, training, and support are designed to help you reach *your* goals—not someone else's. While we will provide performance benchmarking, best practices, and accountability tools to help you grow, there are no contractual performance thresholds required to maintain your franchise rights
- 12.2 If you choose to sign a Firm Addendum with us, we will generally require you to have monthly Gross Revenues greater than \$15,000 for at least three (3) consecutive months before adding another Business Coach and greater than \$15,000 additional monthly Gross Revenues for each additional Business Coach thereafter. However, we reserve the right to amend this guideline on a case-by-case basis based on the performance, financial situation and business plan of the franchisee.

## SECTION 13 - PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES

- 13.1 Except for equipment and products that are proprietary to Licensor or ACNA, you may purchase your equipment, software, supplies, and other items from any reputable manufacturer or supplier. To the extent that Franchisor publishes standards for non-proprietary equipment, software, telephone lines, Internet service, supplies, stationery, or other items used in the Business, you must use only items meeting the applicable standards. If you receive notice from Master Licensee of a change in the applicable standards, you agree to comply with the new or revised standards as soon as practical.

## SECTION 14 - INSURANCE AND INDEMNIFICATION

- 14.1 You must purchase before the Business opens, and at all times thereafter maintain in full force and effect, all insurance policies of the types and with the minimum policy limits prescribed by Master Licensee and/or Franchisor from time to time (but in no event less than the coverage required under applicable law), including without limitation:
- A. Professional indemnity insurance;
  - B. Comprehensive general liability insurance;
  - C. Workers' compensation insurance and employers' liability insurance without any limit as to the amount;
  - D. Insurance required by the terms of any lease, mortgage or other loan for the Business;
  - E. Any additional insurance that Master Licensee may inform you is required; and
  - F. All liability policies must list Master Licensee and ACNA as additional named insureds. Your liability insurance will not be limited in any way by reason of any insurance that may be maintained by Master Licensee or Franchisor.
- 14.2 All policies of insurance must be with responsible companies qualified to do business and in good standing in the state where the Business is located. At Master Licensee's request, you must furnish certificates issued by each of your insurers indicating that all premiums due have been paid, that all required insurance is in full force and effect, and that the insurance will not be terminated or changed without at least thirty (30) days' prior written notice from the insurer to Master Licensee. Within five (5) days of any request by Master Licensee, you must deliver a copy of all insurance



policies to Master Licensee for examination.

- 14.3 If you fail to obtain or maintain adequate insurance, Master Licensee or ACNA may, at its sole discretion, obtain insurance for you in your name. Within five (5) days of written request, you must reimburse Master Licensee or ACNA for any costs incurred in obtaining insurance on your behalf.
- 14.4 You agree to indemnify Master Licensee, ACNA and Licensor and hold each of them harmless against all claims, expenses, and liabilities of any kind arising from, or in connection with, you or your MDC's operation of the Business, except to the extent that such liabilities arise from the gross negligence or willful acts of the party seeking indemnification from you. This indemnity will remain in force after expiration or termination of this Agreement or after any transfer approved under Section 20. This indemnity is not limited by the amount of insurance that you carry.
- 14.5 All property used in the Business is your responsibility and will be maintained at your sole risk.

## **SECTION 15 - TRADEMARKS AND CONFIDENTIAL INFORMATION**

- 15.1 You acknowledge Licensor's exclusive ownership of and rights in the Marks and in the System. All goodwill now or in the future associated with your use of the Marks will accrue exclusively to the benefit of Licensor. You agree that you will not, during or after the term of this Agreement:
  - A. contest or aid in contesting the validity or ownership of the Marks;
  - B. take any action in derogation of Licensor's, ACNA's, or Master Licensee's rights with respect to the Marks, whether now existing or later obtained; or
  - C. use, register or attempt to register the Marks in your own name for any purpose, including but not limited to, any registration at any government or domain name registry. You may, however, register a "d/b/a" or a fictitious business name certificate in connection with the operation of the Business with the written permission of the Master Licensee.
- 15.2 You agree to:
  - A. use the Marks only in connection with the Business;
  - B. use the Marks only in accordance with the Manuals;
  - C. reproduce the Marks exactly and accurately; and
  - D. change, discontinue, or substitute for any of the Marks, at your own expense, if Master Licensee notifies you that Licensor or ACNA has modified the Marks to be used in the U.S.A.
- 15.3 You acknowledge that you will have access to the Manuals and other valuable trade secrets, know how, methods, information, recruiting techniques, accounting procedures, control procedures, and marketing techniques relating to the System (collectively, the "Confidential Information"). The Confidential Information was developed at significant cost, is owned by Licensor, and is necessary to the operation of the Business. You further acknowledge that such Confidential Information was unknown to you prior to negotiation for and execution of this Agreement. You will take all steps necessary, at your own expense, to protect such Confidential Information and will not divulge it either during the Term of this Agreement or thereafter. Your employees may have access to the Confidential Information only to the extent necessary to perform particular tasks, and only after first signing a confidentiality agreement, in a form acceptable to Master Licensee. You will be responsible for all unauthorized disclosures of Confidential Information by any person to whom you give access to the Confidential Information. Upon expiration or termination of this Agreement or

any transfer approved under Section 20, you will return or destroy all Confidential Information.

- 15.4 You must immediately inform Master Licensee of any suspected, known or threatened infringement of or challenge to the Marks or unauthorized disclosure or use of Confidential Information. You must assist and cooperate with Master Licensee, as well as ACNA and Licensor, in taking such action, if any, as they deem appropriate to protect the Confidential Information and the Marks.
- 15.5 You agree that all data you collect from Clients and prospective clients in connection with the Business is deemed to be jointly owned by Master Licensee and Franchisor. You are licensed to use such data while this Agreement is in effect. Upon expiration or termination of this Agreement or an approved transfer of the Business to a new owner, you must comply with Section 18 and not use any Client or prospective client data for any purpose contrary to Section 16.2.

## **SECTION 16 - RESTRICTIONS ON COMPETITION**

- 16.1 During the Term of this Agreement, you may not, either directly or indirectly (e.g. through a spouse), through any other person or entity, participate in, be employed by, act as a Business Coach (or any similar advisory capacity) to, provide financial assistance to, or acquire any interest in any "Competing Business" that: a) offers franchises that would reasonably be considered in competition with Master Licensee or our affiliates, or b) offers services that would reasonably be considered competitive to the Coaching Services offered by ActionCOACH franchisees in the U.S.A.
- 16.2 The restriction in Section 16.1 will also apply during the Restraint Period but only as to clients within the Restraint Area. In addition, during the Restraint Period, you will not solicit, for the benefit of any Competing Business, any person who was a Client of the Business during the two (2) years immediately before expiration, termination, or transfer of the Franchise Agreement.
- 16.3 During the term of this Agreement and during the Restraint Period, you may not employ or otherwise interfere with the employment relationship of any person who is employed by Licensor, Franchisor, or Master Licensee.
- 16.4 Master Licensee and Franchisor have the right unilaterally to reduce the scope of any restriction in this Section 16 by written notice to you.
- 16.5 This Section and Section 15 apply to your MDCs, Business Coaches, other key employees and individuals holding an ownership interest in the Business, and any persons or legal entities controlled by the foregoing individuals. At Master Licensee's request, you must furnish Master Licensee with executed agreements from such individuals, in forms acceptable to Master Licensee, in which they agree to be bound by Sections 15 and 16.
- 16.6 You agree that damages to Master Licensee, ACNA, or Licensor for failure to comply with Section 15 or Section 16 are irreparable. You agree that Master Licensee, ACNA, and Licensor may, notwithstanding the provisions of Section 22.9 hereof, seek injunctive relief without notice to you, in addition to any other relief that may be available for your breach of Section 15 or Section 16.
- 16.7 The event of a breach of the provisions of Sections 15 or 16, Master Licensee is entitled to liquidated damages from you in the amount of Two Hundred Fifty Thousand Dollars (US\$250,000). You expressly agree that this amount is not a penalty but a reasonable estimate of the damages that would result from any such breach. In the event that legal action becomes necessary for the enforcement of any of the provisions of Sections 15 or 16 of this Agreement or to collect the liquidated damages provided herein, the prevailing party shall receive in addition to any other damages or relief awarded, its reasonable attorney's fees, together with appropriate costs and interest. You agree that in the event of a breach of any of the provisions of Sections 15 or 16, Master Licensee shall be entitled, notwithstanding the provisions of Section 22.9 hereof, to recover provisional or permanent injunctive relief as well as liquidated damages, and that the liquidated damages provision included herein does not provide Master Licensee with an adequate

remedy at law for any such breaches which you may commit.

- 16.8 If a court or arbitrator determines that any restriction or provision in this Section 16, strictly applied, would be invalid or unenforceable, then the restriction or provision will be deemed modified to the extent necessary (but only to that extent) to make it valid and enforceable. If a dispute regarding enforceability of Section 16.2 or 16.3 is resolved in favor of Master Licensee, or ACNA or Licensor, the two (2) year period (or the period deemed to be reasonable by the court or arbitrator) will run starting from the date of the order permitting its enforcement.

## **SECTION 17 – DEFAULT AND TERMINATION**

### **17.1 Termination by You.**

If you are in compliance with this Agreement and Master Licensee materially breaches this Agreement and fails to cure the breach within sixty (60) days after you deliver a written notice of the breach to Master Licensee, you may terminate this Agreement, effective ten (10) days after you deliver a notice of termination to Master Licensee. You must comply with the provisions of Section 18.

### **17.2 Termination by Master Licensee – No Right to Cure.**

Master Licensee will have the right to terminate this Agreement by written notice, effective immediately, if you:

- A. voluntarily abandon the franchise relationship;
- B. are convicted of a criminal offense directly related to the Business, or convicted of any felony;
- C. fail to cure a default under this Agreement which materially impairs the goodwill associated with the Marks within seventy-two (72) hours after receiving written notice to cure;
- D. fail to cure a violation of a law, ordinance or regulation or operate the Business in a manner that presents a health or safety hazard to its employees, Clients, or the general public within ten (10) days of notice to cure;
- E. make or permit an unauthorized transfer of this Agreement or of any direct or indirect interest in the Business;
- F. knowingly submit to Master Licensee two (2) or more sales reports, financial statements, or other information or supporting records, in any period of twelve (12) consecutive months, which understate by more than five percent (5%) the Gross Revenues of the Business;
- G. make material misrepresentations in your application for the franchise or any other material report or statement to Master Licensee;
- H. fail to submit sales reports or financial statements when due on three (3) or more occasions in any twelve (12) month period;
- I. fail to pay Royalty Fees, Marketing and Advertising Fees, or other amounts owed to Master Licensee when due on three (3) or more occasions in any twelve (12) month period;
- J. fail on three (3) or more occasions in a twelve (12) month period to pay creditors,

employees, or suppliers on a timely basis;

- K. fail on three (3) or more occasions in a thirty-six (36) month period to achieve an overall score of at least eighty percent (80%) on ACNA's compliance audit or a score of at least seventy percent (70%) for any section of the compliance audit;

### **17.3 Termination by Master Licensee – Failure to Cure.**

Except as provided in Section 17.2, you will have thirty (30) days from receipt of notice of default from Master Licensee to cure any material breach of this Agreement or failure to comply with any material specification, standard or operating procedure prescribed by Master Licensee or Franchisor. If you fail to cure the breach within the thirty (30) day period, Master Licensee will have the right to terminate this Agreement by written notice without any further opportunity to cure.

## **SECTION 18 – OBLIGATIONS UPON EXPIRATION OR TERMINATION**

18.1 Upon expiration or termination of this Agreement, you must:

- A. Notify your Clients and prospective clients that you are no longer an authorized ActionCOACH franchisee or Business Coach;
- B. Promptly pay to Master Licensee all amounts owed based on business conducted through the date of expiration or termination;
- C. Immediately discontinue the use of all Marks, the Manuals, the Confidential Information, and all materials of any kind that are identified with the System. You must return all of these materials to Master Licensee and, at Master Licensee's request, assign your telephone numbers, fax numbers, email addresses, domain names, related listings, and advertising to Master Licensee or Franchisor. You must execute an assignment ("Conditional Assignment of Telephone and Directory Listings"), in a form set forth in Attachment 4;
- D. Surrender an unaltered database of all past and present Clients and prospective clients to Master Licensee in a format Master Licensee specifies, and remove and return any electronic database system provided to you by Master Licensee.
- E. Provide Master Licensee with executed copies of all Client agreements and immediately execute any further agreements requested by Master Licensee necessary to assign any Client agreements to Master Licensee or another franchisee Master Licensee approves or specifies.
- F. Immediately amend or terminate your business registration of any d/b/a or fictitious name or any other registration or filing containing the Marks, so as to delete the Marks and all references to anything associated with the System. If you have not furnished evidence of compliance with this obligation within thirty (30) days, you grant Master Licensee a limited power of attorney to amend or terminate all registrations and filings on your behalf, this appointment being coupled with an interest to enable Master Licensee to protect the System.
- G. Assign to Master Licensee any phone numbers (other than your personal cell phone) and other url's and directory listings associated with the Business as specified in Attachment 4.
- H. Comply with the provisions of Section 16 (Restrictions on Competition).

18.2 expiration or termination of this Agreement will not affect, modify or discharge any claims, rights, causes of action or remedies that Master Licensee, ACNA or Licensor may have

against you.

- 18.3 You acknowledge that injuries caused by your failure to comply with this Section 18 are irreparable. You agree that Master Licensee will be entitled to injunctive relief in addition to any other relief that may be available for breach of this Section 18.
- 18.4 If Master Licensee terminates this Agreement based on your default, you must pay Master Licensee liquidated damages, calculated as follows: (a) the average of your monthly Royalty Fees and Marketing and Advertising Fees due for the last twelve (12) months before termination (not including the months before the Royalty Fee and Marketing and Advertising Fee obligations begin under Sections 4.1 and 4.2); (b) multiplied by the lesser of twenty four (24) or the number of months remaining in the then-current term under Section 2.

### **SECTION 19 – THIRD PARTY RIGHTS OF FRANCHISOR AND LICENSOR**

- 19.1 You acknowledge and agree that all of Master Licensee's rights and all of your obligations under this Agreement inure to the benefit of Franchisor and Licensor, and that they each have a third-party beneficiary interest in this Agreement. You agree that Franchisor and Licensor have the right to exercise any rights of Master Licensee and/or to enforce any of your obligations if Master Licensee fails to do so.
- 19.2 Upon termination or expiration of the Master License Agreement, for any reason other than a transfer of Master Licensee's business per Section 20.1, this Agreement will remain in effect, and Master Licensee's interest in this Agreement will be deemed to be automatically assigned to and assumed by ACNA. You agree to be bound by the assignment upon receipt of notice from Franchisor of the effective date of the assignment.
- 19.3 The provisions in 19.1 and 19.2 in no way alter the fact that your Franchise Agreement is a two-party agreement solely between you and us.

### **SECTION 20 - TRANSFER**

- 20.1 **By Master Licensee.** Master Licensee may transfer its rights under this Agreement as it sees fit without notice to you, subject to the terms of the Master License Agreement. This Agreement will inure to the benefit of Master Licensee's successors and assigns.
- 20.2 **By You -- General.**
  - A. None of your rights or obligations under this Agreement, nor any direct or indirect interest in the Business, may be transferred without Master Licensee's prior written consent, which will not be unreasonably withheld, and your full compliance in all other respects with the terms of this Section 20. Any action contrary to this Section 20 will be a material breach of this Agreement and will be void.
  - B. If this Agreement has been transferred to an entity under Section 20.4 below, any proposed transfer of any ownership interest in the entity will be subject to all of the provisions of this Section 20.
  - C. Unless otherwise agreed to in writing by Master Licensee, no transfer that requires Master Licensee's consent may be completed until at least sixty (60) days after Master Licensee receives written notice of the proposed transfer. You agree to provide all information and documentation relating to the proposed transfer that Master Licensee reasonably requests. Master Licensee may withhold its consent on any reasonable grounds, including, but not limited to, failure to satisfy any of the conditions imposed under Section 20.3.

- D. Master Licensee has the right to communicate with and counsel both you and the proposed transferee on any aspect of a proposed transfer.
- E. All approved transferees will be bound by this Agreement and liable for all obligations under it. No stockholder in any corporation or other entity to which you transfer this Agreement will have any rights under this Agreement by reason of such ownership.

### 20.3 **Conditions to Transfers.**

No transfer will be approved by Master Licensee or be effective unless and until:

- A. The proposed transferee has been approved by Master Licensee as meeting the then-current qualifications for a Business Coach;
- B. The proposed transferee has paid the then-current training fee and has satisfactorily completed the ActionCOACH induction training program, except that part or all of this requirement may be waived if the transferee has completed the training program within the last five (5) years;
- C. You have settled all outstanding accounts with Master Licensee, and there is no other existing material default in the performance of your obligations under this Agreement or any other agreement you may have with Master Licensee;
- D. You have executed a general release of all claims against Master Licensee, Franchisor, and Licensor, in a form acceptable to Master Licensee and Franchisor;
- E. You have paid to Master Licensee a transfer fee in the amount designated in Attachment 1 to this Agreement ("Transfer Fee"); and
- F. The transferee has executed a new Business Coach Franchise Agreement in the form then being offered by Master Licensee to new Business Coaches in the DDMA.

### 20.4 **Transfer to a Corporation, LLC, etc.**

If you are an individual (and not a business entity) and you desire to transfer this Agreement to a corporation, limited liability company, partnership, trust, or other entity, you may do so only if:

- A. The entity is newly formed and its authorized activities are limited to operating the Business;
- B. You are the majority owner and have sole power to direct and control the management and affairs of the entity;
- C. You remain jointly liable with the entity for all obligations of the Business Coach under this Agreement. You acknowledge and agree that the assumption of your obligations by the entity does not limit your personal obligations under this Agreement, and that you and the entity will be jointly and severally liable.
- D. You continue to devote your full time and best efforts to manage the operations of the Business, unless you have a Managing Director Business Coach approved by Master Licensee;
- E. The entity signs an agreement with Master Licensee assuming, jointly and severally, all of your obligations under this Agreement; and

- F. The stock certificates, certificated units of partnership or certificated beneficial interests of the corporation, partnership or trust bear the following legend:

"The (shares of capital stock) (partnership interest) (beneficial interest) represented by this certificate are subject to the terms and conditions set forth in that certain Business Coach Franchise Agreement with the effective date as stated in Attachment 1 between the Company and Oaktree Business Services of Ohio, LLC, a copy of which is on file in the Company's principal office and a copy of which will be provided to the holder of record hereof upon written request without charge."

## 20.5 **Death, Incapacity or Personal Bankruptcy.**

- A. If you (or your MDC) die, become incapacitated, or enter bankruptcy proceedings, the executor, administrator, personal representative, or trustee may apply to Master Licensee in writing within one hundred twenty (120) days after the event (death, declaration of incapacity, or filing of a bankruptcy petition) for consent to transfer the affected interest in the Business. The transfer will be subject to the provisions of Sections 20.2 and 20.3, except that no Transfer Fee will be required. In addition, if the deceased or incapacitated person is the MDC, Master Licensee will have the right (but not the obligation) to take over operation of the Business until the transfer is completed and to charge a reasonable management fee for such services. For purposes of this Section, "incapacity" means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (i) for a period of thirty (30) or more consecutive days; or (ii) for sixty (60) or more total days during a calendar year. In the case of transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Sections 19.3, the executor may transfer the decedent's interest to another successor that Master Licensee has approved, subject to all of the terms and conditions for transfers contained in this Agreement.
- B. If you die or are otherwise incapacitated, the executor may terminate this Agreement by signing a termination agreement and release satisfactory to Master Licensee. Upon executing and submitting the appropriate termination documents, the estate and its representatives will have no further obligation and there will be no Termination Fee under this Agreement except for any matters that exist as of the date of such termination.

## **SECTION 21 – OPTION TO PURCHASE**

- 21.1 Master Licensee will have the option, but no obligation, to purchase all of the assets of the Business upon receipt of notice from you under Section 20.2 of your intention to sell the Business to an independent third party pursuant to a bona fide written offer to purchase. The purchase price for assets will be the price specified in the written bona fide purchase offer from the third party. If Master Licensee cannot reasonably be required to furnish the same consideration as the third party, then Master Licensee may purchase the interest for the reasonable equivalent in cash. If you and Master Licensee cannot agree on the reasonable equivalent in cash within a reasonable time, each party will designate an independent appraiser, and the average of the two (2) appraised values will be binding. Master Licensee will have the right to set off all amounts due from you under this Agreement, as well as the cost of any appraisals, against the purchase price.
- 21.2 Master Licensee will notify you of its intention to exercise the option to purchase (a "Notice of Intent") within thirty (30) days following receipt of notice from you under Section 20.2. You will have fourteen (14) days following receipt of Master Licensee's Notice of Intent to object to any of its terms. If Master Licensee declines to exercise its rights under Section 21.1 within thirty (30) days, you may thereafter sell the Business to the third party identified in the disclosed purchase offer, but not at a lower price or on more favorable terms than you previously disclosed to Master Licensee. Any such sale will be subject to the terms set forth in Section 19.

- 21.3 The purchase and sale contemplated in this Section will be consummated as soon as practical. Following the delivery of a Notice of Intent as specified in Section 20.2, Master Licensee, or its designee, will have the right to operate the Business pending the closing of the sale.

## **SECTION 22 – GENERAL PROVISIONS**

### **22.1 Relationship of Parties.**

You do not have any authority to act on behalf of, or as an agent of, Master Licensee, Franchisor, or Licensor for any purpose, nor may you hold yourself out as having such authority. No fiduciary, agency, employment, or partnership relationship exists between you and Master Licensee. You are an independent contractor responsible for all obligations and liabilities of the Business, including any claims or demands based on damage or destruction of property or on injury, illness or death of any person arising directly or indirectly from, or in connection with, the operation of the Business.

### **22.2 No Conflict with Other Agreements.**

You represent that you are not a party to or subject to any agreement that might conflict with the terms of this Agreement.

### **22.3 Prevailing Party Reimbursement.**

In any legal action or arbitration involving you and Master Licensee and/or Franchisor, the prevailing party will be entitled to recover its investigation costs, collection costs, reasonable attorneys' fees, court costs, and all litigation or arbitration expenses, including arbitrators' fees.

### **22.4 No Waiver.**

No failure or delay on the part of Master Licensee in connection with the enforcement or exercise of any rights under this Agreement will affect Master Licensee's right to strictly enforce this Agreement at any time. No custom regarding this Agreement will preclude the strict enforcement of this Agreement. No waiver by Master Licensee of performance of any provision of this Agreement will constitute a waiver of Master Licensee's or Franchisor's rights to enforce that provision at any future time.

### **22.1 Entire Agreement; Amendments.**

This Agreement constitutes the entire agreement between you and Master Licensee and supersedes all prior agreements, negotiations, correspondence, and representations, whether oral or written, concerning the same subject matter; provided however, that nothing in the foregoing section is intended to disclaim any representations made by Master Licensee in the Franchise Disclosure Document provided to you in connection with your entry into this Agreement. Except as expressly provided herein, this Agreement may be modified only by a written document signed by you and an authorized representative of Master Licensee.

### **22.2 Survival.**

All provisions of this Agreement that by their terms or by reasonable implication are intended to survive the termination or expiration of this Agreement or a transfer approved under Section 20, including your obligations of non-competition, confidentiality, return of proprietary items, and indemnity, will remain in effect after the expiration or termination of this Agreement or a transfer approved under Section 20.

### **22.3 Severability.**

If any term or provision of this Agreement or the application thereof to any person, property or circumstance is determined by a court or arbitrator to be invalid or unenforceable, the remainder of this Agreement will



be unaffected and will remain in full force and effect. Should this prove impractical, Master Licensee will have the option of terminating this Agreement upon written notice to you.

#### **22.4 Governing Law.**

This Agreement will be interpreted in accordance with and governed by the laws of the state in which Franchisor's principal office is located at the time of the dispute, except as otherwise required by the laws of the state in which the Business is located.

#### **22.5 Mediation and Arbitration.**

- A. This dispute resolution clause applies to claims (except claims by Master Licensee for any payment to be made by Franchisee to Master Licensee under this Agreement) by and against all parties and their affiliates, successors, owners, managers, officers, directors, employees, agents, and representatives, as to claims arising out of or relating to this Agreement, or of violation of any applicable law or regulation, except as stated below. This dispute resolution clause will survive expiration, termination or a transfer approved under Section 20.
- B. The parties will first attempt to resolve any dispute relating to or arising out of this Agreement by negotiation. Any dispute subject to negotiation, and not resolved within ten (10) days, will be submitted to nonbinding mediation. Mediation will be before a single skilled independent mediator mutually and reasonably agreed on by the parties. The parties will equally bear the costs of mediation. Mediation will be conducted in accordance with the procedures of the American Arbitration Association unless the parties agree to use a different mediation service. The mediation will be conducted in Las Vegas, Nevada if Franchisor is a party to or joined in the mediation.
- C. Any dispute relating to or arising out of this Agreement, and subject to negotiation and mediation, and not resolved within sixty (60) days, must be resolved exclusively by mandatory arbitration in accordance with the rules of the American Arbitration Association. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all parties so agree. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. If Franchisor is a party to or joined in the arbitration, the exclusive venue of the arbitration will be set in the city or county in which Franchisor's principal office is located at the time the demand for arbitration is filed. If Franchisor is not a party to or joined in the arbitration, the exclusive venue of the arbitration will be set in the city or county in which Master Licensee's principal office is located at the time the demand for arbitration is filed.
- D. Notwithstanding Section 22.8, all issues relating to arbitrability or the enforcement of this Section 22.9 are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.
- E. Each party to any arbitration or litigation under this Agreement waives, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against any other party, except as allowed under law for trademark, trade secret, and copyright infringement.
- F. Except as otherwise expressly provided in this Agreement, no right or remedy conferred upon or reserved to any party by this Agreement is intended to be, or will be deemed, exclusive of any other right or remedy provided herein or by law or equity, but each will be cumulative of every other right or remedy.

## 22.6 Improvements.

If Franchisee develops any improvement in the System, Franchisee will promptly notify Master Licensee and will provide all necessary information to Master Licensee. All such changes and improvements will be the sole property of Franchisor.

## 22.7 Notices.

All notices pursuant to this Agreement must be in writing and be delivered in person or mailed by certified or other receipted mail, or by Federal Express or other receipted commercial delivery service, or by facsimile or electronic mail. The addresses for notice will be those set forth in Attachment 1. You or Master Licensee, with notice to the other party, may change the address to which notices will be sent.

## 22.8 Successors.

This Agreement will inure to the benefit of and be binding on you and Master Licensee, and your and Master Licensee's respective successors, assigns, heirs, executors, administrators, and personal representatives.

## 22.9 Costs to alter contracts.

If you request, and Master Licensee approves, any amendment to this Agreement after the date of this Agreement, you agree to reimburse Master Licensee (and Franchisor, if applicable) for their reasonable costs (including attorneys' fees) incurred in connection with such amendment.

## 22.10 Acknowledgments.

**YOU ACKNOWLEDGE THAT YOU HAVE CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS COACH FRANCHISE AND THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISK AND WILL BE LARGELY DEPENDENT UPON YOUR ABILITY AS AN INDEPENDENT BUSINESSPERSON. MASTER LICENSEE EXPRESSLY DISCLAIMS THE MAKING OF, AND YOU ACKNOWLEDGE THAT YOU HAVE NOT RECEIVED, ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL SALES, PROFITS, OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.**

**YOU ACKNOWLEDGE THAT YOU RECEIVED A FRANCHISE DISCLOSURE DOCUMENT AT LEAST 14 CALENDAR DAYS (10 BUSINESS DAYS IN MARYLAND, MICHIGAN, NEW YORK, OREGON RHODE ISLAND & WASHINGTON) BEFORE THE DATE ON WHICH YOU SIGNED THIS AGREEMENT OR PAID ANY CONSIDERATION.**

**YOU ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND THIS AGREEMENT, AND THAT MASTER LICENSEE HAS GIVEN YOU AMPLE TIME AND OPPORTUNITY, AND HAS ENCOURAGED YOU, TO CONSULT WITH ADVISORS OF YOUR OWN CHOOSING ABOUT THE POTENTIAL BENEFITS AND RISKS OF ENTERING INTO THIS AGREEMENT.**

THE PARTIES have caused this Agreement to be duly executed as evidenced by their signatures appearing below.

APPROVED AND EXECUTED AS OF THE EFFECTIVE DATE.

**FRANCHISEE**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

If Franchisee is a corporation or other entity, all persons with ownership interest in Franchise must sign below and specify their ownership interest percentage. All such persons must personally, jointly and severally guarantee the obligations to Master Licensee under this Agreement by executing an Individual Guarantee in the form that appears as Attachment 2 to this Agreement.

Name	Signature	Percentage Interest:
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

**MASTER LICENSEE**


By: \_\_\_\_\_ Date: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTACHMENT 1  
TO THE BUSINESS COACH FRANCHISE AGREEMENT**

<b>1</b>	<b>Parties</b>	<u>Master Licensee:</u> Name: Address:   <u>Franchisee:</u> Name: _____ Address: _____ _____
<b>2</b>	<b>Territory and DDMA</b>	See Attachment 3
<b>3</b>	<b>Franchisee Fee</b>	\$45,000
<b>4</b>	<b>Term and Renewal</b>	Term: 7 years Effective Date: _____, Expiry Date: _____, Renewal Term: 7 years
<b>5</b>	<b>Royalty Fee</b>	a) the Monthly Base Royalty Fee of \$1,950 or 10% of the prior month's gross revenues, whichever is greater.  b) The Monthly Base Royalty Fee of \$1950 is due on the 1 <sup>st</sup> day of the month. The percentage above the Monthly Base Royalty Fee is due on the 5 <sup>th</sup> day of the month.
<b>6</b>	<b>Marketing and Advertising Fee</b>	The greater of \$100 or 5% of Gross Revenues in the preceding month, capped at \$1000; due on the 5 <sup>th</sup> day of each calendar month, except that no Marketing and Advertising Fee is due with respect to Gross Revenues in the month in which you or your MDC, as applicable, complete the induction training program. If you execute a Firm Addendum, the cap will be \$3000 per month.
<b>9</b>	<b>Training Fee</b>	\$15,000 for the initial training. The fee includes accommodations and meals during the 5-day live training sessions.
<b>10</b>	<b>Renewal Fee</b>	\$5,000
<b>11</b>	<b>Monthly Technology Fee</b>	\$135 per month
<b>12</b>	<b>Transfer Fee</b>	\$10,000
<b>13</b>	<b>Relocation Fee</b>	\$10,000
<b>14</b>	<b>Business Coach Seat</b>	\$7,500 each; up to a maximum of four (4), after you sign a Firm Addendum with us

- 15 Interest Rate** 1.5% per month or the maximum rate permitted by law, whichever is less
- 16 Managing Director Business Coach** \_\_\_\_\_
- 17 Office Location** (if different than the address in #1 above) \_\_\_\_\_  
\_\_\_\_\_
- 18 Tradenames and Trademarks** ActionCOACH  

- 19 Restraint Area and Restraint Period** Restraint Area means:  
The Designated Territory and within 100 miles thereof;  
  
Restraint Period means:  
24 months after termination, expiration or transfer of the Agreement under Section 20 hereof;

**ATTACHMENT 2  
TO THE BUSINESS COACH FRANCHISE AGREEMENT**

**PERSONAL GUARANTEE**

We, the undersigned, in order to induce Master Licensee to enter into a Business Coach Franchise Agreement (the "Agreement") with Franchisee, guarantee performance of Franchisee's obligations under the Agreement, including, without limitation, payment of all monetary obligations of Franchisee to Master Licensee. In addition, we agree to be personally bound by the confidentiality, non-competition, transfer, and dispute resolution provisions of the Agreement. We acknowledge that our obligations under this Personal Guarantee are joint, several, personal and irrevocable.

**GUARANTORS**

Signed \_\_\_\_\_

\_\_\_\_\_ Date

\_\_\_\_\_  
Printed

Signed \_\_\_\_\_

\_\_\_\_\_ Date

\_\_\_\_\_  
Printed

Signed \_\_\_\_\_

\_\_\_\_\_ Date

\_\_\_\_\_  
Printed

**ATTACHMENT 3  
TO THE BUSINESS COACH FRANCHISE AGREEMENT**

**A. Master Licensee's Territory:**

**B. DDMA:** The entire State in which your office is located.


**C. Franchisees with the right to Direct Market in the DDMA**


**ATTACHMENT 4  
TO THE BUSINESS COACH FRANCHISE AGREEMENT CONDITIONAL**

**ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS**

In consideration of Master Licensee ("Assignee") concurrently granting an ActionCOACH Business Coach Agreement ("Franchised Business") to \_\_\_\_\_ ("Assignor"), and other valuable consideration, in the case of Termination pursuant to Section 18 of the Agreement, Assignor assigns to Assignee all telephone numbers, directory listings, fax numbers, Internet web site addresses and domain names, and other listings, whether in electronic or other media, used by Assignor in the operation of the Franchised Business, other than the personal cell phone number of the Assignor. Assignee assumes the performance of all of the terms, covenants, and conditions of the telephone or directory company with respect to these listings with the same force and effect as if they had been originally issued to Assignee. This Assignment is valid on the effective date and is irrevocable. Assignee may fill in, add or change the effective date and the listings at any time. The telephone or directory company is authorized to rely on this Assignment. The parties will hold harmless and indemnify the telephone or directory company from any claims based on reliance on this Assignment.

Date: \_\_\_\_\_, 20

**ASSIGNOR (FRANCHISEE)**

**ASSIGNEE (MASTER LICENSEE)**

by: \_\_\_\_\_

by: \_\_\_\_\_

\_\_\_\_\_  
Printed

\_\_\_\_\_  
Printed

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title



**ATTACHMENT 5  
TO THE BUSINESS COACH FRANCHISE AGREEMENT**

**DIRECT DEBIT AUTHORIZATION FORM**

Effective date of Authorization: _____	
Type of Authorization: <input type="checkbox"/> New Authorization <input type="checkbox"/> Change banking information <input type="checkbox"/> Change payment amount <input type="checkbox"/> Discontinue electronic payment <input type="checkbox"/> Change payment date	
Last Name _____ First Name _____	
Address _____	
City _____ State _____ Zip _____	
Please debit payments from my (check one): <input type="checkbox"/> Checking Account (attach voided check when returning) <input type="checkbox"/> Savings Account (contact your financial institution for Routing#)	Routing Number: _____ <i>(valid routing #'s must start with 0,1,2, or 3)</i> Account Number: _____ _____
Date of first payment: _____ /                      / Date of last payment (optional): _____ /                      /	Frequency of payment: <input type="checkbox"/> Monthly on the 1 <sup>st</sup> (ROYALTY) <input type="checkbox"/> Monthly on the 1 <sup>st</sup> CONFERENCE and TECH FEE <input type="checkbox"/> Monthly on the 5 <sup>th</sup> (MARKETING)
<b>Deduction Amount:</b>  <b>ROYALTY:</b> If you have signed a franchise agreement with percentage based Royalty Fee, you will be deducted the amount due based on gross revenues reported in the <b>ActionMEMBERS</b> KPI system.  <b>MARKETING:</b> If you have signed a franchise agreement with percentage based Marketing and Advertising Fee, you will be deducted the amount due based on gross revenues reported in the <b>ActionMEMBERS</b> KPI system.	
<b>AGREEMENT</b>  I authorize the Master Licensee to process debit entries to my account. I understand that this authority will remain in effect until I provide reasonable notification to terminate authorization.  Authorized Signature: _____ Date: _____	
FOR OFFICE USE ONLY:	DATE: _____

**ADDENDUM  
REQUIRED BY THE STATE OF ILLINOIS**

Illinois law governs the franchise agreements.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

In conformance with Section 41 of the Illinois Franchise Disclosure Act, 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.

**Buji of IL & MI, LLC**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT B**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**STATE-REQUIRED ADDENDA TO FRANCHISE AGREEMENT**

**If you are purchasing a franchise subject to Illinois, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota or Washington law, please sign the applicable state addendum only.**

**The state of Hawaii currently does not require an addendum.**

**ADDENDUM**  
**REQUIRED BY THE STATE OF ILLINOIS**

Illinois law governs the franchise agreements.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

In conformance with Section 41 of the Illinois Franchise Disclosure Act, 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.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM  
REQUIRED BY THE STATE OF INDIANA**

In recognition of the requirements of Indiana Code, Title 23, Article 2, Chapter 2.5, Section 23-2-2.5-0.5 through Section 23-2-2.5-51 and Indiana Code, Title 23, Article 2, Chapter 2.7, Section 1 through Section 7 (collectively, "Indiana Code"), and the rules and regulations promulgated thereunder, the undersigned parties agree to modify the ActionCOACH Business Coaching Franchise Agreement entered into as of [date] (the "Franchise Agreement") as follows:

Notwithstanding any provisions in the Franchise Agreement to the contrary:

1. You shall not be required to release any claim against Master Licensee, Licensor and/or Franchisor arising under Indiana franchise law.
2. The rights of injunctive relief for Master Licensee, Licensor and/or Franchisor under the Franchise Agreement are subject to Indiana Code Section 23-2-2.7-1(10). In addition, nothing in the Franchise Agreement shall be construed as a waiver by you of any applicable bond requirement with regard to the entitlement to injunctive relief on the part of Master Licensee, Licensor and/or Franchisor.
3. The rights of Master Licensee, Licensor and/or Franchisor to enforce the non-competition provisions in the Franchise Agreement are subject to Indiana Code Section 23-2-2.7-1(9).
4. Indiana law governs the Franchise Agreement.
5. Courts of the State of Indiana or the United States District Court having jurisdiction in the State of Indiana will have jurisdiction over any legal action to enforce or relating to the Franchise Agreement. Your rights to litigate claims for breach of the Franchise Agreement are not limited by any terms and provisions in the Franchise Agreement.
6. No action may be brought by you for a violation of the Indiana Code by Master Licensee more than two (2) years after the date of the violation.
7. Upon your death, your spouse, heirs or estate, may have certain rights to participate in the ownership of your ActionCoach franchise, provided you have a valid franchise agreement with Master Licensee at the time of your death, and further provided such rights are only for a reasonable time period after your death and that your spouse, heirs or estate maintain, at all times, the standards and obligations of the ActionCoach franchise and the Franchise Agreement.
8. The election by Master Licensee, Licensor and/or Franchisor to not renew your ActionCoach franchise or the Franchise Agreement without good cause or in bad faith is not permitted under Section 23-2-2.7-1(8).
9. The Franchise Agreement may not be unilaterally terminated by Master Licensee, Licensor or Franchisor except for good cause, which includes any material violation of this Agreement.
10. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connections with the commencement of the franchise relationship shall have the effect or (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
11. All capitalized terms in this Addendum that are not separately defined in this Addendum have the meanings ascribed to such terms in the Franchise Agreement. In the event of a conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum will control. Except as specifically modified by this Addendum, the terms of the Franchise Agreement are in full force and effect.
12. This Addendum is effective as of the effective date of the Franchise Agreement.

Franchisee:

[Name of Franchisee], a(n) [state of  
formation and type of entity]

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Master Licensee:

Oaktree Business Services of Ohio, LLC,  
an Ohio limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**ADDENDUM**  
**REQUIRED BY THE STATE OF MARYLAND**

In recognition of the Maryland Franchise Registration and Disclosure Law, Maryland Stat. §§ 14-201 to 14-233, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

Notwithstanding the foregoing, pursuant to COMAR 02.02.02.16L, the general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Section 22.5 is amended to add the following:

Notwithstanding anything to the contrary in this Franchise Agreement, you are not required to waive any of your rights under the Maryland Franchise Registration and Disclosure Law with regard to Master Licensee's prior representations.

3. Section 22.8 is amended to add the following:

Notwithstanding the foregoing, the Maryland Franchise Registration and Disclosure Law shall govern any claim arising under that law.

4. Section 22.9 is amended to add the following:

Notwithstanding the foregoing, you may bring any claims under the Maryland Franchise Registration and Disclosure Law in a Maryland court.

5. The acknowledgements in Section 22.13 do not constitute a release, estoppel or waiver by you of your rights under the Maryland Franchise Registration and Disclosure Law.

6. Notwithstanding anything to the contrary in this Franchise Agreement, any limitation of claims provision shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law.

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

8. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_



**ADDENDUM**  
**REQUIRED BY THE STATE OF MINNESOTA**

In recognition of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01-80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

The release required by this section will not relieve any person from liability imposed by Minn. Stat. §§ 80C.01-80C.22. However, Minn. Stat. §§ 80C.01-80C.22 does not bar a release given in connection with the voluntary settlement of disputes.

2. The following paragraph is added as Section 15.6:

Notwithstanding other disclosures in this Item 13, Master Licensee will defend claims against you by, or indemnify you against liability to, a third party resulting from claims that your use of the Proprietary Marks infringes trademark rights of the third party; provided, however, that Master Licensee will not defend you or indemnify you against the consequences of your use of the Marks unless that use is in accordance with the requirements of the Franchise Agreement.

3. Notwithstanding anything to the contrary in Section 2.2, 17.2 or 17.3, Master Licensee will comply with Minn. Stat. §§ 80C.14, Subdivisions 3 and 4, which require, except in certain cases, that Minnesota franchisees be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement.

4. Notwithstanding anything to the contrary in Section 20.2 and 20.3, Master Licensee will comply with Minn. Stat. §§ 80C.14, Subdivision 5, and Minnesota Rule 2860.4400H, which prohibit Master Licensee from unreasonably withholding its consent to an assignment, transfer or sale of Your franchise if the franchisee to be substituted for You meets Master Licensee's then-current qualifications and standards for ActionCOACH franchisees.

5. The second sentence of Section 18.3 is deleted and replaced with the following:

You agree that Master Licensee will be entitled to seek injunctive relief in addition to any other relief that may be available for breach of this Section 18.

6. A new Section 22.8 is added to include the following:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring You to consent to liquidated damages, termination penalties or judgment notes.

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring you to waive any of your rights as provided for in Minnesota Statutes, Chapter 80C, including, without limitation, your rights to a jury trial, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connections with the commencement of the franchise relationship shall have the effect or (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
8. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of Minnesota Statutes §§ 80C.01–80C.22.
9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect. All capitalized terms in this Addendum that are not separately defined in this Addendum have the meanings ascribed to such terms in the Franchise Agreement. In the event of a conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum will control.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_ By: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

**ADDENDUM**  
**REQUIRED BY THE STATE OF NEW YORK**

In recognition of the requirements of the New York General Business Law, Article 33, §§ 680-695, and the regulations promulgated thereunder (N.Y. Comp. Code R. & Rags., tit. 13, §§ 200.1-201.16), the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Any provision in the Franchise Agreement that is inconsistent with New York General Business Law, Article 33, §§ 680-695 may not be enforceable.

2. Sections 2.1(F) and 20.3(D) are amended to add the following:

The release required by this Section will not apply to any claim you may have under New York General Business Law, Article 33, §§ 680-695.

3. Section 18.3 is amended to add the following:

Under New York General Business Law, Master Licensee's right to obtain injunctive relief exists only after the proper proofs are made and the appropriate authority has granted such relief.

4. Section 20.1 is amended to add the following:

Master Licensee will not assign its rights under the Franchise Agreement except to an assignee who in Master Licensee's good faith judgment is willing and able to assume Master Licensee's obligations under the Franchise Agreement.

5. Section 22.8 is amended to add the following:

Notwithstanding the foregoing, New York General Business Law shall govern any claim arising under that law.

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

7. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of New York General Businesses Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM**  
**REQUIRED BY THE STATE OF NORTH DAKOTA**

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Cent. Code §§ 51-19-01 to 51-19-17, and the Rules and Regulations promulgated thereunder, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

The release required by this Section will not apply to any claim you may have under the North Dakota Franchise Investment Law.

2. Section 16 is amended to add the following:

Covenants not to compete will be subject to Section 9-08-06, N.D.C.C.

3. Section 18.4 is amended to add the following:

Under North Dakota law, a requirement that franchisees consent to liquidated damages or termination penalties is unenforceable.

4. Section 20.3(D) is amended to add the following:

The release required by this Section will not apply to any claim you may have under the North Dakota Franchise Investment Law.

5. Sections 22.8, 22.9(B), and 22.9(C) are amended to add the following:

Pursuant to the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the arbitration of disputes at a location that is remote from the site of the franchisee's business, consent to the application of laws of a state other than North Dakota, or consent to the waiver of a trial by jury is void.

6. Section 22.9(E) is amended to add the following:

Under North Dakota law, a requirement that franchisees consent to waiver of exemplary or punitive damages or penalties is unenforceable.

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

8. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and Franchisee satisfy all of the jurisdictional requirements of the North Dakota Franchise Investment Law, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM**  
**REQUIRED BY THE STATE OF RHODE ISLAND**

In recognition of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Section 22.8 is amended to add the following:

Notwithstanding the foregoing, Rhode Island law governs any claim arising under the Rhode Island Franchise Investment Act.

2. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connections with the commencement of the franchise relationship shall have the effect or (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
3. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Rhode Island Franchise Investment Act, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM**  
**REQUIRED BY THE STATE OF WASHINGTON**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties agree to modify the Franchise Agreement entered into as of [date] ("Franchise Agreement") as follows:

1. Sections 2.1(F) and 20.3(D) are amended to add the following:

The release required by this Section will not apply to your rights under the Washington Franchise Investment Protection Act.

2. Sections 3 and 22 are amended to add the following:

The Washington Franchise Investment Protection Act, RCW 19.100.180, may supersede this Agreement in your relationship with Master Licensee, including in the areas of termination and renewal of this Agreement. There also may be court decisions in Washington which may supersede this Agreement in your relationship with Master Licensee, including in the areas of termination and renewal of this Agreement.

3. Section 20.3(D) is amended to add the following:

The release required by this Section will not apply to your rights under the Washington Franchise Investment Protection Act.

4. Section 20.3(E) is amended to add the following:

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

5. Section 20.8 is amended to add the following:

In the event of a conflict between the Washington Franchise Investment Protection Act and the law chosen in this Agreement, the provisions of the Act shall prevail.

6. The last two sentences of Section 22.9(C) are deleted and replaced with the following:

Arbitration must take place in Washington, at a place mutually agreed by the parties at the time of arbitration, or at a place determined by the arbitrator. **[Note: Master Licensee and/or Franchisor reserve the right to challenge this restriction under the Federal Arbitration Act.]**

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

8. This Addendum shall have effect only if the Franchise Agreement and/or the relationship between Master Licensee and you satisfy all of the jurisdictional requirements of the Washington Franchise Investment Protection Act, without considering this Addendum. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

**[Name of Master Licensee]:**

**[Name of Franchisee]:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT C**

**To**

**BUSINESS COACH  
FRANCHISE DISCLOSURE DOCUMENT**

**MANAGING DIRECTOR  
BUSINESS COACH AGREEMENT**



MANAGING DIRECTOR

BUSINESS COACH AGREEMENT

For:

{MDC Name}

With:

{Franchisee Name}



## **MANAGING DIRECTOR BUSINESS COACH AGREEMENT**

This Managing Director Business Coach Agreement (“Agreement”) is entered into effective as of \_\_\_\_\_ by and between \_\_\_\_\_ (“Managing Director” “MDC”; “You”), \_\_\_\_\_ (“Franchisee”; “Us”; “We”), and \_\_\_\_\_ (“Master Licensee”), and together known as “The Parties”.

### **BACKGROUND**

- A. Franchise Owner is a franchisee of Master Licensee under a Business Coach Franchise Agreement (the “Franchise Agreement”).
- B. The Franchise Agreement permits only one (1) person at a time to act as a Managing Director, and permits the Franchise Owner, under certain circumstances, to appoint a Managing Director in lieu of Franchise Owner.
- C. Franchise Owner wishes to appoint You as the Managing Director under the Franchise Agreement effective as of \_\_\_\_\_ (“Appointment Date”).
- D. As a condition of serving as a Managing Director under this Agreement the MDC must either (i) be a current Business Coach operating under a valid and effective Business Coach Agreement with Franchisee and approved by Master Licensee, or (ii) execute Master Licensee’s approved form of Business Coach Agreement with Franchisee contemporaneously with this Agreement;
- E. Master Licensee has approved the appointment of MDC and MDC has either successfully completed the initial certification training required by ACNA (“Franchisor”), or will complete such training prior to providing any Coaching Services under the Franchise Agreement.

**NOW, THEREFORE**, the Parties hereby agree as follows:

### **DEFINITIONS**

- 1.1 Unless otherwise defined in this Agreement, all capitalized terms used in this Agreement have the same meaning as in the Business Coach Agreement.

### **APPOINTMENT AND AUTHORITY**

- 2.1 Franchise Owner appoints MDC as the Managing Director Business Coach for the Business effective as of the Appointment Date.
- 2.2 Effective as of the Appointment Date, MDC shall have full responsibility for all operational decision making of the Business and shall have the authority to speak for and bind Franchise Owner in any dealings with Master Licensee.

### **FRANCHISE OWNER’S OBLIGATIONS**

- 3.1 Franchise Owner shall compensate MDC for his or her services as separately arranged between them. The compensation structure must be approved in writing by Master Licensee, however the specific terms are determined and agreed upon by Franchisee and MDC. Any approval by Master Licensee will not be unreasonably withheld or delayed.

- b) Franchise Owner acknowledges that its indemnity obligation under the Franchise Agreement extends to any loss or claim suffered by Master Licensee, Franchisor, or ActionCOACH IPCo, Ltd. ("Licensor") or any of their respective affiliates in consequence of:
- (a) MDC not strictly observing or performing his or her obligations under this Agreement; or
  - (b) MDC's acts, omissions or activities in the delivery of the Coaching Services to Clients.

#### **MDC'S OBLIGATIONS**

- 4.1 MDC represents that he or she has received and read a copy of the Franchise Agreement and agrees to be bound by its provisions on behalf of Franchisee.
- 4.2 MDC agrees that he or she will continue to be bound by all the provisions in the Business Coach Agreement.

#### **TERMINATION**

- 5.1 This Agreement shall automatically terminate, without notice or further action required, in the event that the Managing Director's Business Coach Agreement is terminated, suspended, or otherwise rendered inactive or not in good standing for any reason.
- 5.2 This Agreement may be terminated as follows:
  - (a) By the Franchisee, with or without cause, upon providing at least thirty (30) days' written notice to the Managing Director Candidate and the Master Licensee;
  - (b) By the Managing Director, with or without cause, upon providing at least thirty (30) days' written notice to the Franchisee and the Master Licensee;
  - (c) By the Master Licensee, only in the event of a material breach of this Agreement by either the Franchisee or the Managing Director Candidate, which breach is not cured within fifteen (15) days following written notice of such breach to the breaching party and the other non-breaching party; or
  - (d) Automatically, as set forth in Section 5.1.

#### **GENERAL PROVISIONS**

##### **6.1 No Waiver**

No provision of this Agreement may be waived or varied except in writing signed by the party who is to be bound. None of the following things will preclude Master Licensee from insisting upon strict compliance by another party with the provisions of this Agreement:

- (a) Master Licensee's failure to take advantage of any default or breach of any provision of this Agreement;
- (c) any custom or practice which may develop between the parties;
- (d) a previous waiver by Master Licensee of a particular breach; or

- (e) an attempt by Master Licensee to mitigate damages.

## 6.2 **Partial Invalidity**

If any provision of this Agreement is determined to be void or unenforceable by any court or arbitrator, that determination will not affect any other provision of this Agreement. It is the intention of the parties that if any provision is capable of two constructions, one of which would render the provision unenforceable and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

## 6.3 **Governing Law**

This Agreement is governed by the laws of the state in which Franchisor has its principal office.

## 6.4 **Further Assurance**

Each party must do, sign, execute and deliver all acts and documents reasonably required of it or them by notice from another party effectively to carry out and give full effect to this Agreement and the rights and obligations of the parties under it.

**SIGNATURES**

**THE PARTIES** have caused this Agreement to be duly executed as evidenced by their signatures below on \_\_\_\_\_.

**MDC: Coach Name**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

**FRANCHISEE: Franchisee Name**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

**MASTER LICENSEE: Master Licensee Name**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed



**EXHIBIT D**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**FIRM ADDENDUM TO  
BUSINESS COACH  
FRANCHISE AGREEMENT**

## **FIRM ADDENDUM TO FRANCHISE AGREEMENT**

This Firm Addendum ("Addendum") is made and entered into as of \_\_\_\_\_, 20\_\_ (the "Effective Date"), and is attached to and incorporated into the Franchise Agreement (the "Agreement") dated \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_ ("Franchisee") and \_\_\_\_\_ ("Master Licensee").

### **RECITALS**

**WHEREAS**, the Franchise Agreement grants the Franchisee the right to operate an ActionCOACH Business Coaching franchise;

**WHEREAS**, Franchisee desires to expand its capacity to serve Clients by engaging additional certified Business Coaches under the terms of this Addendum;

### **AGREEMENT**

**NOW, THEREFORE**, the parties agree as follows:

#### **1. Authorization to Add Business Coaches**

- a. Subject to the terms of this Addendum, Franchisee is authorized to hire or retain up to four (4) additional Business Coaches (each, an "Additional Coach") to serve Clients under the Franchisee's Agreement.
- b. Additional Coaches may be hired as employees or retained as independent contractors, but must be approved and certified by the Subfranchisor and/or the national franchisor (ActionCOACH North America, LLC) in accordance with the certification process then in effect.

#### **2. Coach Seat Fee**

- a. Franchisee shall pay a one-time, nonrefundable fee of \$7,500 per Business Coach Seat ("Seat Fee") for each Additional Coach authorized under this Addendum.
- b. Franchisee may purchase one or more Seats up to a total of four (4) Seats. The Seat Fee must be paid in full 28 days prior to onboarding each Additional Coach.

#### **3. Coach Replacement Policy**

- a. If an Additional Coach leaves the Franchisee's business for any reason, the Franchisee may replace that Coach with another approved and certified Business Coach without the need to pay an additional Seat Fee.
- b. The replacement Coach must meet the same approval and certification standards as the original Coach.

#### **4. Ongoing Requirements**

- a. Franchisee shall ensure that each Additional Coach complies with the Franchise Agreement, the ActionCOACH System, and all operational policies and procedures.
- b. Franchisee remains fully responsible for the performance and conduct of all Additional Coaches.
- c. Franchisee is solely responsible for any and all fees, compensation, and other expenses related to the hiring or retention of Additional Coaches, including those specified in the Franchise Agreement.
- d. Each Additional Coach must execute the standard Business Coach Agreement, which is attached as an exhibit to the Franchise Disclosure Document (FDD)

#### **5. Limitation**

- a. Nothing in this Addendum grants the Franchisee the right to sublicense or transfer any of its rights under the Franchise Agreement to any Additional Coach.
- b. The right to add Additional Coaches is personal to the Franchisee and does not create a multi-unit franchise or area development agreement.

#### **6. Incorporation and Effect**

This Addendum is hereby made a part of the Franchise Agreement and shall be governed by its terms unless specifically modified herein. All capitalized terms not defined herein shall have the meanings assigned in the Franchise Agreement.

### **SIGNATURES**

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

#### **FRANCHISEE:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

#### **MASTER LICENSEE:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT E**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**BUSINESS COACH AGREEMENT**





## BUSINESS COACH AGREEMENT

FOR:

[Franchise Owner Name]

WITH:

[Business Coach Name]

## EMPLOYEE BUSINESS COACH AGREEMENT

This Agreement ("Agreement") is entered into effective as of [Effective Date] by and between [Name of Franchise Owner] ("Franchisee") and [Name of Business Coach ("EBC"; "You"), and together known as "The Parties".

### DEFINITION OF TERMS:

**"Agreement"** means this "Business Coach Agreement".

**"BCFA"** means the Business Coach Franchise Agreement Franchisee has with the Master Licensee.

**"Business"** means the ActionCOACH Franchise .

**"Client"** means a business owner or other customer who agrees to purchase Coaching Services from the Business.

**"Client Information"** means details, including forms and lists, of Clients collected by you or Franchisee in accordance with this Agreement.

**"Coaching Services"** means the business coaching, executive coaching, training and mentoring services Business Coaches deliver to Clients.

**"Confidential Information"** has the meaning defined in Section 1 of this Agreement.

**"DDMA"** means the "Dedicated Direct Marketing Area" within the Territory and where Franchisee can direct market its Coaching Services.

**"EBC"** means Employee Business Coach working directly under Franchisee.

**"Franchisee"** means [Name of Franchise Owner]

**"Franchisor"** means ActionCOACH North America, LLC ("ACNA"), a limited liability company organized under the laws of the State of Nevada.

**"Master Licensee"** is the subfranchisor with the exclusive rights to offer and support ActionCOACH business coaching franchises in the Territory and is a party to the BCFA with Franchisee

**"Licensor"** means ActionCOACH IPCo, Ltd., a limited liability company organized under the laws of the United Kingdom.

**"Manuals"** means the operations manuals, policy statements, directives, and other written instructions issued by Franchisor with respect to the System, including, without limitation, information and materials posted in the Intranet areas of the ActionCOACH website. Part or all of the Manuals may be issued in electronic form. Franchisor may amend the Manuals from time to time.

**"Marks"** means the ActionCOACH trademark and such other registered and unregistered trade names, trademarks, service marks, logos, commercial symbols, Internet domain names, web site identifiers, designs, color schemes, and trade dress as Franchisor may designate from time to time for use with the System.

**“System”** means the business methods, specifications, procedures, and accumulated trial and error developed, and to be developed, by Licensor and/or Franchisor for the operation and management of an ActionCOACH business coaching and mentoring business.

**“Territory”** means the Master Licensee’s Territory as described in the Franchise Agreement.

## **BACKGROUND:**

1. Franchisee has a Business Coach Franchise Agreement (“BCFA”) with Master Licensee to provide Coaching Services in the DDMA.
2. Franchisee is entitled to hire or retain additional Business Coaches per the terms of the BCFA and wishes to employ EBC as a business coach.
3. As a Business Coach, You will deliver Coaching Services to Franchisee’s new or existing Clients in the in the DDMA at the discretion and direction of Franchisee.
4. Business Coach is an Employee/Independent Contractor of Franchisee.
5. This Agreement shall also govern any other position or responsibility Franchisee may assign to Business Coach in the future.

**NOW, THEREFORE**, the Parties hereby agree as follows:

## **SECTION 1 - TRADEMARKS AND CONFIDENTIAL INFORMATION**

- 1.1 You acknowledge Licensor’s exclusive ownership of, and rights in, the Marks and in the System. All goodwill now or in the future associated with your use of the Marks will accrue exclusively to the benefit of Licensor. You agree that you will not, during or after the term of this Agreement:
  - A. contest or aid in contesting the validity or ownership of the Marks;
  - B. take any action in derogation of Licensor’s, Franchisor’s, or Master Licensee’s rights with respect to the Marks, whether now existing or later obtained; or
  - C. use, register or attempt to register the Marks in your own name for any purpose, including but not limited to, any registration at any government or domain name registry.
- 1.2 You agree to:
  - A. use the Marks only in connection with the Business;
  - B. use the Marks only in accordance with the Manuals;
  - C. reproduce the Marks exactly and accurately; and
  - D. change, discontinue, or substitute for any of the Marks, if Franchisee or Master Licensee notifies you that Licensor or Franchisor has modified the Marks to be used in the U.S.A.

- 1.3 You acknowledge that you will have access to the Manuals and other valuable trade secrets, know how, methods, information, recruiting techniques, accounting procedures, control procedures, and marketing techniques relating to the System (collectively, the "Confidential Information"). The Confidential Information was developed at significant cost, is owned by Licensor, and is necessary to the operation of the Business. You further acknowledge that such Confidential Information was unknown to you prior to negotiation for and execution of this Agreement. You will take all steps necessary, at your own expense, to protect such Confidential Information and will not divulge it either during the Term of this Agreement or your employment or thereafter. Upon expiration or termination of this Agreement, you will return or destroy all Confidential Information.
- 1.4 You must immediately inform Franchisee and Master Licensee of any suspected, known or threatened infringement of or challenge to the Marks or unauthorized disclosure or use of Confidential Information. You must assist and cooperate with Master Licensee in taking such action, if any, as Master Licensee deems appropriate to protect the Confidential Information and the Marks.
- 1.5 You agree that all data you collect from Clients and prospective clients in connection with the Business is deemed to be jointly owned by Franchisee and per the BCFA, by Master Licensee. You are licensed to use such data while this Agreement is in effect. Upon expiration or termination of this Agreement, you must return the same to Franchisee and not use any Client Information or prospective client data for any purpose contrary to this Agreement.

## **SECTION 2 - RESTRICTIONS ON COMPETITION**

- 2.1 During the Term of this Agreement, You may not, either directly or indirectly through any other person or entity, participate in, be employed by, act as a coach or consultant or trainer to, provide financial assistance to, or acquire any interest in any business that offers business coaching and mentoring services ("Competing Business") to clients in the U.S.A.
- 2.2 The restriction in Section 2.1 will also apply for a continuous two (2) year period after the expiration or termination of this Agreement or your employment, whichever is later, but only as to clients in the Franchisee's Territory and within one hundred (100) miles of the Franchisee's Territory.
- 2.3 For two (2) years after the expiration or termination of your employment or this Agreement, whichever is later, you will not solicit, for the benefit of any Competing Business, any person who was a Client of the Franchisee, Master Licensee or any other franchisee in the Territory during the two (2) years immediately before such expiration or termination.
- 2.4 During the term of this Agreement and for a continuous two (2) year period after termination of this Agreement or your employment, whichever is later, you may not employ or otherwise interfere with the employment relationship of any person who is employed by Franchisee, Master Licensee or any other franchisee in the Territory.
- 2.5 You agree that damages caused by your failure to comply with Section 1 or Section 2 are irreparable. You agree that Master Licensee may seek injunctive relief, without notice to you, in addition to any other relief that may be available for breach of the provisions of Section 1 and/or Section 2.

- 2.6 In the event of your breach of the provisions of Sections 1 or 2, Master Licensee is entitled to liquidated damages from you in the sum of Two Hundred Fifty Thousand Dollars (US\$250,000.00). You expressly agree that this amount is not a penalty but a reasonable estimate of the damages that would result from any such breach. In the event that legal action becomes necessary for the enforcement of any of the provisions of Sections 1 or 2 of this Agreement or to collect the liquidated damages provided herein, the prevailing party shall receive in addition to any other damages or relief awarded, its reasonable attorney's fees, together with appropriate costs and interest. You agree that in the event of a breach of any of the provisions of Sections 1 or 2, Master Licensee shall be entitled to recover injunctive relief as well as liquidated damages, and that the liquidated damages provision included herein does not provide Master Licensee with an adequate remedy at law for any such breaches which you may commit.
- 2.7 If a court or arbitrator determines that any restriction or provision in this Section 2, strictly applied, would be invalid or unenforceable, then the restriction or provision will be deemed modified to the extent necessary (but only to that extent) to make it valid and enforceable. If a dispute regarding enforceability of Sections 2.1 through 2.4 is resolved in favor of Master Licensee the two (2) year period (or the period deemed to be reasonable by the court or arbitrator) will run from the date of the order permitting its enforcement.
- 2.8 You hereby acknowledge that the restrictions set forth in Sections 2.1-2.4 do not interfere with your ability to earn a living, and that a violation by you of any of these restrictions would provide you an unfair competitive advantage over Franchisee and Master Licensee. You further acknowledge that Franchisee would not hire you, or continue your employment if you refuse the terms set forth in Sections 2.1-2.8.

### **SECTION 3 - TRANSFER WITHIN ACTIONCOACH**

- 3.1 Notwithstanding the restrictions in Sections 1 and 2 of this Agreement, so long as the conditions of this Section 3 are fully satisfied, for the purposes of Sections 2.1 and 2.2, neither other ActionCOACH Franchisees nor Master Licensees will be considered a Competing Business.
- 3.2

Franchisee may elect to Transfer this Agreement to a Firm Owner who acquires the zip code / territory you are in if you have elected not to acquire the Firm. The terms of this Agreement will remain in effect after such Transfer until you and the new Firm Owner renegotiate the terms.

- 3.3 You may elect to terminate this Agreement and Transfer within ActionCOACH for the purposes of: (i) executing an ActionCOACH Business Coach Franchise Agreement (BCFA) directly with Master Licensee; or (ii) become an EBC or Nominated Business Coach of another ActionCOACH Franchisee or Master Licensee, under the following terms and conditions:
- A. You are in compliance with all terms of this and any other agreements You may have with Franchisee.
  - B. You provide Franchisee at least 90 days written notice of Your intent to Transfer and Franchisee approves such Transfer, which will not be unreasonably withheld.

- C. You agree to work in good faith with Franchisee for the Transfer to take place on a date mutually agreed by the Parties and in such a way to preserve client Franchisee relationships and brand goodwill in the marketplace.
- D. Master Licensee consents in writing to the Transfer.
- E. All Clients of the Business shall remain with the Franchisee. However, if Franchisee agrees that it is in the best interests of the Parties for You to retain any Clients after Transfer ("Transferred Clients"), You may do so under the following terms and conditions:
  - i. Franchisee gives You written approval prior to You soliciting any Clients to become Transferred Clients and You shall only solicit Clients specifically approved in writing by the Franchisee.
  - ii. The provisions of this Section 3 shall also apply to any prospective clients You are actively soliciting at the time of Transfer if the Franchisee agrees it is in the best interests of the Parties for You to continue the solicitation process. Any such prospective clients Franchisee allows you to solicit shall be deemed Transferred Clients for the purposes of this Section.
  - iii. Franchisee, at its discretion, will determine if You or the Franchisee will collect client fees from any Transferred Clients. The party collecting the fees directly from the Transferred Clients shall compensate the other party as detailed in Schedule A (Transferred Client Compensation) of this Agreement.
  - iv. Any compensation for Transferred Clients shall be made within 5 business days of collection and in a method specified by the Franchisee. You will furnish Franchisee and Your bank such authorizations as may be necessary to effect payment by the method specified by the Franchisee.
  - v. Other than specifically allowed in this Section of the Agreement, all other provisions of Sections 1 and 2 shall hold.
- F. Simultaneous with Transfer, You sign a general release with Franchisee in a form acceptable to the Franchisee and Master Licensee.
- G. In the event you are executing a BCFA directly with the Master Licensee, You will be responsible to pay Master Licensee the then current Franchise Fees, Royalty Fees, Marketing and Advertising Fees or other fees payable to Master Licensee per the terms of the new BCFA.

#### **SECTION 4 – EBC OBLIGATIONS**

- 4.1 While under contract with Franchisee, You will perform any and all duties as assigned by Franchisee which may change from time to time.
- 4.2 You agree to deliver the business coaching, training and mentoring services in strict accordance with the System, including the Manuals and strictly in accordance with the policies, procedures and professional standards of the Franchisee.

- 4.3 During the term of this Agreement, You may be trained in, utilize, be exposed to and contribute to the development of other local proprietary processes, systems, procedures ("Other Proprietary Information"), by Franchisee and Master Licensee, not otherwise defined in Section 1 of this Agreement. You make no claim to have any form or ownership of the Other Proprietary Information, agree that Other Proprietary Information is owned by Franchisee and Master Licensee and further agree to be bound to the same restrictions of Section 1 and Section 2 of this Agreement in regards to the Other Proprietary Information.

## **SECTION 5 – FRANCHISEE OBLIGATIONS**

- 5.1 You will be compensated as detailed in Schedule A (Compensation) of this Agreement.
- 5.2 Franchisee will ensure You are properly trained in the System, including the Manuals, to the reasonable satisfaction of the Master Licensee and Franchisor and if you have not yet graduated the Franchisor's initial training, Franchisee will arrange for Your attendance at such training.
- 5.3 Franchisee will inform You of any changes to the System including the Manuals that are pertinent to Your employment.
- 5.4 Franchisee will not unreasonably withhold its approval for You to Transfer under the terms of Section 3 of this Agreement.

## SECTION 6 – GENERAL PROVISIONS

- 6.1 **No Waiver:** No provision of this Agreement may be waived or varied except in writing signed by the party who is to be bound. None of the following things will preclude Franchisee from insisting upon strict compliance with the provisions of this Agreement:
- A. Franchisee's failure to enforce any default or breach of any provision of this Agreement;
  - B. any custom or practice which may develop between the parties;
  - C. a previous waiver by Franchisee of a particular breach;
  - D. an attempt by Franchisee to mitigate damages.
- 6.2 **Assumption of Agreement:** If Franchisee closes the business or otherwise ceases to operate for any reason while this Agreement is in force, and both you and Master Licensee wish for you to stay with ActionCOACH, Master Licensee will assume all of Franchisee's rights and obligations of the Agreement. Master Licensee may, at its discretion, compel you to Transfer Within ActionCOACH per the terms of Section 3. \
- 6.3 **Partial Invalidity:** If any provision of this Agreement is determined to be void or unenforceable by any court or arbitrator, that determination will not affect any other provision of this Agreement. It is the intention of the parties that if any provision is capable of two constructions, one of which would render the provision unenforceable and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.
- 6.4 **Governing Law:** This Agreement is governed by the laws of the state of [State Franchisee Business Located].
- 6.5 **Further Assurance:** Each party must do, sign, execute and deliver all acts and documents reasonably required of it or them by notice from another party effectively to carry out and give full effect to this Agreement and the rights and obligations of the parties under it.



**THE PARTIES** have caused this Agreement to be duly executed as evidenced by their signatures below on [Insert Date].

**EBC: [Name of Employed Business Coach]**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

**FRANCHISEE: [Name of Franchisee]**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed

**SCHEDULE A**  
**to**  
**EMPLOYEE BUSINESS COACH AGREEMENT**

**1. Compensation**

**2. Transferred Client Compensation**



**EXHIBIT F**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**NONDISCLOSURE AND NONCOMPETE AGREEMENT**

## NONDISCLOSURE AND NONCOMPETE AGREEMENT

This Agreement is entered into on [Date] between [Name of Franchisee] (referred to as “we,” “us,” and “our”), located at [Franchisee's Address], and [Name of Business Coach / Employee] (referred to as “you” and “your”), located at [Business Coach / Employee's Address]. You are signing this Agreement in consideration of, and as a condition to, your association with us and the compensation, dividends, or other payments and benefits you will receive from us.

### BACKGROUND

We are an ActionCOACH Business Coach franchisee of [Name of Master Licensee] (“Master Licensee”) under a Business Coach Franchise Agreement dated [Date]. We have a license to use the Marks, the System, and the Confidential Information owned by ActionCOACH IPCo, Ltd. and licensed to ActionCOACH North America, LLC (collectively, “Licensor”). Master Licensee recognizes that, in order to effectively operate our business, we must give our business coaches and employees access to certain confidential information and trade secrets owned by Licensor. Disclosure of this confidential information and trade secrets to unauthorized persons, or its use for any purpose other than the operation of our business, would harm us, Master Licensee, Licensor, other franchise owners, and ActionCOACH North America, LLC (“Franchisor”). Accordingly, Master Licensee requires us to have you sign this Agreement.

### AGREEMENT

1. As used in this Agreement, “Confidential Information” means all manuals, trade secrets, know how, methods, training materials, information, recruiting techniques, accounting procedures, control procedures, and marketing techniques relating to the ActionCOACH business coaching and mentoring business and system. In addition, Confidential Information includes all marketing plans, advertising plans, business plans, financial information, client information, employee information, and other proprietary information of Licensor, Franchisor, Master Licensee, or us (collectively, the “Interested Parties”) that you obtain during your association with us.
2. You agree not to disclose any Confidential Information to anyone outside of our organization (other than the Interested Parties) and not to use any Confidential Information for any purpose except to carry out your duties as our employee. You also agree not to claim any ownership in or rights to Confidential Information and not to challenge or contest Licensor's ownership of it. These obligations apply both during and after your association with us.
3. If your association with us ends for any reason, you must return to us all records described in Paragraph 1, all other Confidential Information, and any authorized or unauthorized copies of Confidential Information that you may have in your possession or control. You may not retain any Confidential Information after your association with us ends.
4. You may not, during your association with us, without our prior written consent:
  - (a) Own, operate, engage in, be employed by, act as a consultant to, provide financing or assistance to, participate in, or have any interest in any business that offers business coaching and mentoring services (“Competing Business”) to clients in the U.S.A.; or
  - (b) Divert or attempt to divert any clients or prospective clients to any Competing Business.
5. Paragraph 4 will continue to apply for (a) two (2) years if you are a Business Coach, and (b) one (1) year if you are an Employee, after your association with us ends, regardless of the reason that your association with us ends. However, Paragraph 4(a) will only continue to apply to businesses operating in the geographic area where you performed work for us. In addition, for two (2) years after your association with us ends, you may not solicit, for

the benefit of any Competing Business, any person who was a client of our business during the two (2) years immediately before your disassociation.

6. You may not attempt to circumvent the restrictions in Paragraphs 1 through 5 by engaging in prohibited activity indirectly through any other person or entity.
7. If you breach or threaten to breach any part of this Agreement, you agree that we will be entitled to injunctive relief (without posting bond) as well as a suit for damages.
8. If any part of this Agreement is declared invalid for any reason, the invalidity will not affect the remaining provisions of this Agreement. If a court finds any provision of this Agreement to be unreasonable or unenforceable as written, you agree that the court may modify the provision to make it enforceable and that you will abide by the provision as modified.
9. This Agreement is independent of any other obligations between us. This means that it is enforceable even if you claim a breach of any other agreement, understanding, commitment or promise between you and us.
10. You are signing this Agreement not only for our benefit, but also for the benefit of Licensor, Franchisor and Master Licensee. Licensor, Franchisor and Master Licensee have the right to enforce this Agreement directly against you.
11. This is not an employment agreement. Nothing in this Agreement creates or should be taken as evidence of an agreement or understanding by us, express or implied, to continue your association with us for any specified period.
12. Your obligations under this Agreement cannot be waived or modified except in writing.
13. This Agreement is governed by the laws of the state in which our principal office is located.
14. If we have to take legal action to enforce this Agreement, we will be entitled to recover from you all of our costs, including reasonable attorneys' fees, to the extent that we prevail on the merits.
15. You certify that you have read and fully understood this Agreement, and that you entered into it willingly.

**EMPLOYEE**

Witness:

.....  
Printed Name:  
Date:

.....  
Printed Name:  
Date:



**EXHIBIT G**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**COMPLIANCE QUESTIONNAIRE**

**QUESTIONNAIRE TO BE COMPLETED BEFORE  
YOU SIGN THE BUSINESS COACH FRANCHISE AGREEMENT**

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You are preparing to enter into an ACTIONCOACH Business Coach Franchise Agreement with Master Licensee ("we" or "us"). The purpose of this Questionnaire is to confirm that you understand the terms of the contract and that no unauthorized statements or promises have been made to you. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. When and where did you have your first face-to-face meeting with our representative(s)?

Approximate date of first meeting: \_\_\_\_\_

Place of meeting: \_\_\_\_\_

2. Which of our representative(s) have you been dealing with?

Name(s): \_\_\_\_\_

3. Have you personally read the ActionCOACH Business Coach Franchise Disclosure Document (FDD)?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, on what date? \_\_\_\_\_

5. Do you understand all of the information contained in the FDD?

Yes \_\_\_\_\_ No \_\_\_\_\_

If not, what parts of the FDD do you not understand? (Attach additional pages, if necessary.)

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6. Have you personally read the Business Coach Franchise Agreement (the "Agreement")?

Yes \_\_\_\_\_ No \_\_\_\_\_

7. Do you understand all of the terms of the Agreement?

Yes \_\_\_\_\_ No \_\_\_\_\_

If not, what parts of the Agreement do you not understand? (Attach additional pages, if necessary.)

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8. Has any of our representatives recommended that you have the FDD and agreements reviewed by an attorney or other professional advisor?

Yes \_\_\_\_\_ No \_\_\_\_\_

9. Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an ACTIONCOACH Business Coach franchise with an attorney, accountant, or other professional advisor?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, name and profession of advisor: \_\_\_\_\_

If No, do you wish to have more time to do so?

Yes \_\_\_\_\_ No \_\_\_\_\_

10. In Item 19 of the FDD we have provided a historical financial performance representation. We do not authorize our salespeople to provide information concerning the actual or potential financial performance of a Business Coach franchise beyond what is stated in Item 19. Has any employee of ActionCOACH North America, LLC or Master Licensee, or any other person speaking on our behalf (this does not include Business Coaches whom you contact on your own) made any statement or representation (oral, written, or visual) which is inconsistent with Item 19 regarding:

a. The amount of money that others have made or that you may earn as a Business Coach?

Yes \_\_\_\_\_ No \_\_\_\_\_

b. The revenue that a Business Coach franchise will generate?



Yes \_\_\_\_\_ No \_\_\_\_\_

- c. The costs you may incur in operating the Business Coach franchise?

Yes \_\_\_\_\_ No \_\_\_\_\_

- d. Any other financial performance information about Business Coach franchises?

Yes \_\_\_\_\_ No \_\_\_\_\_

11. If your answer to any part of Question 10 is "yes," please describe the statement or representation. Please include when, where, and by whom the statement or representation was made. Please provide full details in the following space. (Attach additional pages, if necessary.)

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12. Have you contacted any existing Business Coaches about their financial performance?

Yes \_\_\_\_\_ No \_\_\_\_\_

13. If your answer to Question 12 is "yes," please describe the type of information that they shared with you in the following space. (You do not need to identify the Business Coaches with whom you spoke.)

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14. Please think about the statements or promises made to you by our employees (or by any other person purporting to speak on our behalf) concerning the advertising, marketing, training, support, or assistance that we will furnish to you. Were any such statements or promises contrary to, or different from, the information contained in the FDD?

Yes \_\_\_\_\_ No \_\_\_\_\_

15. If you answered "Yes" to Question 14, please provide full details in the following space. (Attach additional pages, if necessary.)

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16. Before today, have you entered into any agreement with us concerning our franchise opportunity?

Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, please describe: \_\_\_\_\_

17. Have you paid any money to us before today in connection with our franchise opportunity?

Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, please describe: \_\_\_\_\_

18. In entering into the Agreement, are you relying on any statement, promise, or assurances by us, or by anyone speaking or purporting to speak on our behalf, other than the terms of the Agreement itself? If "Yes", please provide full details in the following space. (Attach additional pages, if necessary.)

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19. Would you agree that the success or failure of your Business Coach franchise will depend in large part upon your own skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors?

Yes \_\_\_\_\_ No \_\_\_\_\_

20. In which state do you reside? \_\_\_\_\_

21. In which state do you intend to operate the Business Coach franchise? \_\_\_\_\_

22. Have you selected a specific office location from which you propose to operate the Business Coach franchise?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please specify the location: \_\_\_\_\_

\_\_\_\_\_

23. Do you have personal knowledge of the market area in which you will operate?

Yes \_\_\_\_\_ No \_\_\_\_\_

24. Did you obtain advice from anyone other than our representatives in selecting your market and/or your office location?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, name of advisor: \_\_\_\_\_

If not, do you wish to have more time to do so?

Yes \_\_\_\_\_ No \_\_\_\_\_

25. Have all of your questions concerning your proposed investment in a Business Coach franchise been answered to your satisfaction?

Yes \_\_\_\_\_ No \_\_\_\_\_

\* \* \*

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

**FRANCHISE APPLICANT**

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Date:



**EXHIBIT H**

**To**

**BUSINESS COACH  
FRANCHISE DISCLOSURE DOCUMENT**

**GENERAL RELEASE**

## RELEASE

THIS RELEASE is executed on [date] by [Name of Franchise Owner] ("Franchisee") as an express condition of transfer or renewal of the Business Coach Franchise Agreement dated [date of BCFA] between [Name of Master Licensee] ("Master Licensee") and Franchisee.

1. Release by Franchisee. Franchisee, for himself/itself and his/its heirs, personal representatives, and all other persons acting on his/its behalf or claiming under him/it (collectively, the "**Franchisee Releasors**"), hereby releases and forever discharges Master Licensee, ActionCOACH North America, LLC. and ActionCOACH IPCo, Ltd., and their respective past and present officers, directors, shareholders, members, parents, subsidiaries, affiliates, agents, employees, attorneys, insurers, representatives, predecessors, successors, and assigns, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, suits, actions, and causes of action, of whatever nature, known or unknown, suspected or unsuspected, vested or contingent (collectively, "**Claims**") that the Franchisee Releasors ever had, now have, or may in the future have, arising out of or relating to any act, omission or event occurring on or before the date of this Release.
2. Risk of changed facts. The Franchisee Releasors understand that the facts in respect of which the release in Section 1 above is given may turn out to be different from the facts now known or believed by the parties to be true. The Franchisee Releasors hereby accept and assume the risk of the facts turning out to be different and agree that its release shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.
3. No prior assignment. Franchisee represents and warrants that he/she/it is the sole owner of all Claims and rights released by Franchisee hereunder and that Franchisee has not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1 above.
4. Covenant not to sue. Franchisee (on behalf of the Franchisee Releasors) covenants

not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 above with respect to any Claim released under Section 1 above.

5. Complete defense. Franchisee: (i) acknowledges that this Release shall be a complete defense to any Claim released under Section 1 above; and (ii) consents to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

6. Authorization. The person who executes this Release on behalf of Franchisee represents and warrants that Franchisee has authorized that person to enter into this Release on behalf of Franchisee. Franchisee represents and warrants that it has the authority to enter into this Release not only on its own behalf, but also on behalf of the other persons and entities to be bound by its signature.

7. Successors and assigns. This Release will inure to the benefit of and bind the successors, assigns, heirs and personal representatives of Franchisee.

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

## FRANCHISEE

.....  
[Name]  
[If Franchisee is an entity, indicate Position/Title of signatory here]



**EXHIBIT I**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**ADDITIONAL STATE-REQUIRED INFORMATION**



We are required to provide you with additional information as a condition of registering our franchise offering in certain states. The additional disclosures are set out below.

**INFORMATION REQUIRED  
BY THE STATE OF CALIFORNIA**

The following information is added to the disclosure document for California residents:

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.

See the cover page of the disclosure document for the ActionCOACH North America, LLC website address. THE WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT [www.dbo.ca.gov](http://www.dbo.ca.gov).

**Item 3. Additional Disclosure.** The following is added to Item 3 of the disclosure document:

Neither we, 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, 15 U.S.C. § 78a *et seq.*) suspending or expelling such person from membership in such association or exchange.

**Item 17. Additional Disclosures.** The following is added to Item 17 of the disclosure document:

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

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

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires application of the laws of the state of Nevada. This provision may not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Las Vegas, Nevada if you initiate the proceeding or in the Territory if we initiate the proceeding, with the costs being borne by the losing party. 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.

You must sign a general release if you renew or transfer your franchise. A release may be void under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000-31516). Business and Professional Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).

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.

#### **Item 19. Additional Disclosure**

The 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 revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the franchise disclosure document, may be one source of this information.

#### **INFORMATION REQUIRED BY THE STATE OF HAWAII**

The following information is added to the disclosure document for Hawaii residents:

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

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

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

The name and address of the agent in this state authorized to receive service of process on behalf of ACNA is Commissioner of Securities, Department of Commerce and Consumer Affairs, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

**INFORMATION REQUIRED  
BY THE STATE OF ILLINOIS**

The following information is added to the disclosure document for Illinois residents:

**Item 17. Additional Disclosures.** The following is added to Item 17(v) and (w) of the disclosure document:

The Illinois Franchise Disclosure Act requires that Illinois law apply to any claim arising under the Illinois Franchise Disclosure Act.

The conditions under which your Franchise Agreement can be terminated and your rights upon non-renewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Pursuant to Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement that designates jurisdiction or venue for litigation in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

**INFORMATION REQUIRED  
BY THE STATE OF INDIANA**

The following is added to the disclosure document with respect to Indiana franchises and franchisees:

1. Special Risk(s) to Consider About *This* Franchise:

The page entitled, "Special Risks to Consider About *This* Franchise" of this disclosure document is modified to comply with Indiana law by adding the following disclosure after the stated "Risk Factors":

"INDIANA LAW IS CONTROLLING FOR INDIANA FRANCHISEES."

2. Item 17 of the disclosure document is hereby modified as follows:

- (a) by adding the following to row "r", row "v" and row "w" of the chart regarding the Franchise Agreement:

"Subject to applicable Indiana law. See Indiana addenda to the Franchise Agreement."

- (b) by adding the following paragraph to the end of the chart regarding the Franchise Agreement:

"With respect to row "c" and row "m" of the table above, you are not required to release any claims against us, the Licensor and/or Franchisor arising under Indiana franchise law."

**INFORMATION REQUIRED  
BY THE STATE OF MARYLAND**

The following is added to the disclosure document for Maryland residents:

**Item 17. Additional Disclosures.** The following is added to Item 17 of the disclosure document:

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

Pursuant to COMAR 02.02.08.16L, a general release required as a condition of renewal or transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any choice of forum for litigation is subject to your right to bring an action under the Maryland Franchise Registration and Disclosure Law in Maryland.

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

**Exhibit H (Compliance Questionnaire). Additional Disclosure.** Your responses to this questionnaire do not act as a release, estoppels, or waiver of any liability that we may incur under the Maryland Franchise Registration and Disclosure Law.

**INFORMATION REQUIRED  
BY THE STATE OF MICHIGAN**

The following is added to the disclosure document for Michigan residents:

**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.**

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

- (a) A prohibition of the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a Franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee 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.

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

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

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**

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

- (i) The failure of the proposed transferee to meet the Franchisor's then current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the Franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the Franchisor items that are not uniquely identified with the Franchisor. This subdivision does not prohibit a provision that grants to a Franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the Franchisor the right to acquire the assets of a franchise for the market or appraised value of 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).

(i) 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.

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

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, MI 48913 (517) 373-7117.

**INFORMATION REQUIRED BY THE STATE OF MINNESOTA**

**Item 6. Additional Disclosures.** The following is added to Item 6 with respect to liquidated damages to be paid by a franchisee;

Minn. Rule 2860.4400J. prohibits a requirement that a franchisee consent to liquidated damages.

**Item 13. Additional Disclosures.** The following is added to Item 13:

Notwithstanding other disclosures in this Item 13, we will defend claims against you by, or indemnify you against liability to, a third party resulting from claims that your use of the Marks infringes trademark rights of the third party; provided, however, that we will not defend you or indemnify you against the consequences of your use of the Marks unless that use is in accordance with the requirements of the Franchise Agreement.

**Item 17. Additional Disclosures.** The following is added to Item 17:

We will comply with Minn. Stat. § 80C.14, subdivisions 3 and 4 and Minnesota Rule 2860.4400E and M, which require, except in specified circumstances, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minn. Stat. §§ 80C.01-80C.22, except in circumstances of a voluntary settlement of a dispute between us and you.

We will comply with Minn. Stat. § 80C.14, subdivision 5 and Minnesota Rule 2860.4400H which prohibit us from unreasonably withholding our consent to an assignment, transfer or sale of your franchise if the franchisee to be substituted for you meets our then-current qualifications and standards of ActionCOACH franchisees.

Minnesota Rule 2860.4400J prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, however, that the rule will not bar exclusive arbitration as required under the Franchise Agreement.

Pursuant to Minn. Stat. §80C.21 and Minnesota Rule Part 2860.4400J, the choice of law provision in the Franchise Agreement shall not in any way abrogate or reduce any rights of a franchisee as provided for in Minnesota Statutes, Chapter 80C, which include, without limitation, the rights of franchisees to any procedure, forum or remedies provided under Chapter 80.C.

The general release referenced in row “c” and row “m” of the Item 17 table concerning the Franchise Agreement does not apply to any claims under Minnesota Stat. §§ 80C.01-80C.22, except in circumstances of a voluntary settlement of a dispute between us and you.

**INFORMATION REQUIRED  
BY THE STATE OF NEW YORK**

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

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR 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 salesagent.

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 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.

**INFORMATION REQUIRED  
BY THE STATE OF NORTH CAROLINA**

The following is added to the disclosure document for North Carolina residents:

**Cover Page.** The following is inserted as the first page of this disclosure document:

**DISCLOSURES REQUIRED BY NORTH CAROLINA LAW**

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

**Item 11. Additional Disclosures.** The following is added to Item 11:

If ACNA fails to deliver product(s), equipment or supplies to be supplied by ACNA that are necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify ACNA in writing and demand that the contract be cancelled.

**INFORMATION REQUIRED  
BY THE STATE OF NORTH DAKOTA**

The following is added to the disclosure document for North Dakota residents:

**Item 17. Additional Disclosures.** The following is added to Item 17:

Pursuant to the North Dakota Franchise Investment Law, any provision requiring a North Dakota franchisee to consent to arbitration or the jurisdiction of courts outside North Dakota, the application of laws of a state other than North Dakota, or the waiver of a trial by jury is void. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**

You are not required to release any claims you might have against us under the North Dakota Franchise Investment Law.

You are not required to consent to a waiver of exemplary or punitive damages against us under the North Dakota Franchise Investment Law.

Covenants not to compete will be subject to Section 9-08-06, N.D.C.C.

**INFORMATION REQUIRED  
BY THE STATE OF RHODE ISLAND**

The following is added to the disclosure document for Rhode Island residents:

**Item 17. Additional Disclosure.** The following is added to Item 17:

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

**INFORMATION REQUIRED  
BY THE STATE OF SOUTH CAROLINA**

The following is added to the disclosure document for South Carolina residents:

**Cover Page.** The following is inserted as the first page of this disclosure document:

**DISCLOSURES REQUIRED BY SOUTH CAROLINA LAW**

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

**Item 11. Additional Disclosures.** The following is added to Item 11:

If ACNA fails to deliver product, equipment or supplies to be supplied by ACNA that are necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify ACNA in writing and demand that the contract be cancelled.

**INFORMATION REQUIRED  
BY THE COMMONWEALTH OF VIRGINIA**

The following is added to the disclosure document for Virginia residents:

**Cover Page.** The words “or grant” are added at the end of the third sentence in the third paragraph on Page i.

**Receipts.** The words “or grant” are added at the end of the second paragraph on each Receipt.

**INFORMATION REQUIRED  
BY THE STATE OF WASHINGTON**

The following is added to the disclosure document for Washington residents:

**Item 17. Additional Disclosures.** The following is added to Item 17:

RCW § 19.100.180 and court decisions may supersede the Franchise Agreement in your relationship with us, including in the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. **[Note: ACNA reserves the right to challenge the restriction on the location of arbitration, as it applies to arbitration under the Federal Arbitration Act.]**

In the event of a conflict between the Washington Franchise Investment Protection Act and the law chosen in the Franchise Agreement, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

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

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



**EXHIBIT J**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**STATE REGULATORY AUTHORITIES AND AGENTS FOR  
SERVICE OF PROCESS**

## STATE FRANCHISE ADMINISTRATORS

### California:

Department of Business Oversight  
1-866-275-2677

#### Los Angeles

320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, CA 90013-2344  
(213) 576-7500

#### Sacramento

1515 K Street, Suite 200  
Sacramento, CA 95814-4052  
(916) 445-7205

#### San Diego

1350 Front Street, Room 2034  
San Diego, CA 92101-3697  
(619) 525-4233

#### San Francisco

1 Sansome Street, Suite 600  
San Francisco, CA 94104 (415)  
972-8559

### Hawaii:

Tung Chan  
Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
335 Merchant Street, Room 203  
Honolulu, HI 96813  
(808) 586-2722

### Illinois:

Kwame Raoul  
Illinois Attorney General  
500 South Second Street  
Springfield, IL 62706  
(217) 782-4465

### Indiana:

Christopher W. Naylor  
Securities Commissioner  
Securities Division  
Room E-111  
302 West Washington Street  
Indianapolis, IN 46204  
(317) 232-6681

### Maryland:

Office of the Attorney General  
Division of Securities  
200 St. Paul Place  
Baltimore, MD 21202-2020  
(410) 576-6360

### Michigan:

Katharyn Barron Franchise  
Administrator Antitrust and  
Franchise Unit Consumer  
Protection Division  
Department of Attorney General  
670 Law Building  
525 W. Ottawa Street  
Lansing, MI 48913  
(517) 373-7117

### Minnesota:

Minnesota Department of  
Commerce  
Securities Section  
85 7th Place East, Suite 280  
St. Paul, MN 55101  
(651) 539-1638

### New York:

NYS Department of Law  
Investor Protection Bureau  
28 Liberty St., 21<sup>st</sup> Floor  
New York, NY 10005  
(212) 416-8236

**North Dakota:**

Diane Lillis  
Franchise Examiner  
North Dakota Securities Department  
State Capitol, 5th Floor  
600 East Boulevard Avenue  
Bismarck, ND 58505-0510  
(701) 328-2910

**Oregon:**

Floyd G. Lanter  
Administrator  
Div. of Finance & Corp. Securities  
Department of Consumer &  
Business Services, Room 410  
350 Winter Street, NE  
Salem, OR 97301-3881  
(503) 378-4140

**Rhode Island:**

Maria D'Allessandro Piccirilli  
Associate Director and Superintendent  
of Securities  
Securities Division  
Department of Business Regulation  
1511 Pontiac Ave., Bldg 69-1  
Cranston, RI 02920  
(401) 462 9527

**South Dakota:**

Melita Hauge  
Division of Securities  
Department of Labor and Regulation  
124 S EUCLID, Suite 104  
Pierre, SD 57501  
(605) 773-4823

**Virginia:**

State Corporation Commission  
Division of Securities &  
Retail Franchising  
1300 East Main Street, 9<sup>th</sup> Floor  
Richmond, VA 23219  
(804) 371-9051

**Washington:**

Michael Stevenson  
Director of Securities  
Securities Division  
Department of Financial Institutions  
150 Israel Road, SW  
Olympia, WA 98501  
(360) 902-8760

**Wisconsin:**

Mary Wells  
Franchise Examiner  
Division of Securities  
Department of Financial Institutions  
345 W. Washington Avenue, 4<sup>th</sup> Floor  
Madison, WI 53703  
(608) 266-8557

### AGENTS FOR SERVICE OF PROCESS

STATE	AGENT
CALIFORNIA	<p>California Commissioner of Business Oversight 1-866-275-2677 (toll free)</p> <p>Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505</p> <p>Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4017 (916) 445-7205</p> <p>San Diego: 1350 Front Street Room 2034 San Diego, CA 92101 (619) 525-4233</p> <p>San Francisco: 1 Sansome Street San Francisco, CA 94104 (415) 972-8559</p>
CONNECTICUT	<p>Banking Commissioner Department of Banking Securities &amp; Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230</p>
GEORGIA	<p>Secretary of State of Georgia Corporations Division 2 Martin Luther King, Jr. Dr., SE Suite 315, West Tower Atlanta, Georgia 30334</p>
HAWAII	<p>Commissioner of Securities State of Hawaii 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722</p>
ILLINOIS	<p>Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465</p>



STATE	AGENT
INDIANA	Secretary of State of Indiana Administrative Offices 201 State House Indianapolis, IN 46204 (317) 232-6681
LOUISIANA	Secretary of State of Louisiana 8549 United Plaza Blvd. Baton Rouge, LA 70809
MAINE	Maine Securities Administrator Office of Securities Department of Professional & Financial Regulation 124 Northern Avenue Gardiner, ME 04345
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building, 525 W. Ottawa Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Department of Commerce Securities Section 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1638
NEW YORK	Attention: NYS Department of Law Investor Protection Bureau 28 Liberty St., 21 <sup>st</sup> Floor New York NY 10005 (212) 416 8236
NORTH CAROLINA	North Carolina Secretary of State 2 South Salisbury Street Raleigh, NC 27601-2903
NORTH DAKOTA	North Dakota Securities Commissioner 600 East Blvd. Avenue, Fifth Floor Bismarck, ND 58505
OREGON	Director, Oregon Dep't of Insurance & Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director, Rhode Island Dep't of Business Regulation Division of Securities 1511 Pontiac Ave., Bldg. 69-1 Cranston, RI 02920 (401) 462 9527

STATE	AGENT
SOUTH CAROLINA	CT Corporation System 75 Beattie Place Greenville, SC 29601
SOUTH DAKOTA	Director, Division of Securities South Dakota Dep't of Labor & Regulation 124 S EUCLID, Suite 104 Pierre, SD 57501-3185 (605) 773-4823
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street, 1 <sup>st</sup> Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Director, Department of Financial Institutions Securities Division 150 Israel Road, SW Olympia, WA 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities Department of Financial Institutions P.O. Box 1768 345 W. Washington Avenue, 4 <sup>th</sup> Floor Madison, WI 53701 (608) 261-9555



**EXHIBIT K**

**To**

**BUSINESS COACH FRANCHISE DISCLOSURE DOCUMENT**

**FRANCHISEES AS OF DECEMBER 31, 2024**

The lists below show the names, last known addresses and telephone numbers of Franchisees as of December 31, 2024. Some Franchisees may own more than 1 franchise outlet and some Franchisees may also own only 1 franchise but for several territories.

## **Section A – Current Franchisees as of December 31, 2024**

This section lists all current franchisees who were actively operating under a signed Business Coach Franchise Agreement as of December 31, 2024.

- The first subsection includes franchisees in the GOBIG Region (Illinois, Michigan, Ohio, Indiana, Minnesota, and Wisconsin) who have two-party agreements with us or our affiliates and whom we directly support.
- The second subsection includes franchisees from all other U.S. regions, who are not affiliated with us. These individuals have agreements with and are supported by other Master Licensees or by ACNA directly.

While we are only required to list franchisees in the GOBIG Region, we've included the broader list to assist you in your due diligence by giving you access to a wider range of experiences and perspectives across the national franchise network governed by other Master Licensees or ACNA.

*Note: There were no Franchisees in the GOBIG Region who signed a Business Coach Franchise Agreement with us after December 31, 2024, and before the date this disclosure document was issued.*

### **GOBIG Region (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)**

*Note: \*Indicates the Franchisee has multiple franchise outlets in the State, not all of which may be open as of the issuance date of this disclosure document. The no. of franchise outlets owned is listed beside the name in brackets.*

#### **ILLINOIS**

PJ Weiland  
1443 Midway Lane  
Glenview, IL 60025  
(847) 739-3079

#### **INDIANA**

Tom Harris  
3201 Stellhorn Road Fort  
Wayne, IN 46815  
(260) 450-9163

Mark McNulty  
110 E. Market St. #301  
New Albany, IN 47150  
(812) 350-4903

Tim Campsall  
15373 Dunrobin Drive  
Noblesville, IN 46062  
(262) 994-9038

Mike Ronchetti  
2660 Boulder Crest Ct  
South Bend, IN 46628  
(312) 593-9946

#### **MINNESOTA**

Stacy Caslow (3) \*  
724 Bielenberg Drive  
Woodbury, MN 55125  
(612) 256-2210

Martin Rasmussen (3) \*  
7760 France Ave Ste 1100;  
Bloomington, MN 55435  
(925) 640-6460

**OHIO**

Brian Alquist  
P.O. Box 41276  
Brecksville, OH 44141  
(440) 746-0534

Rick Plasket  
8233 Howe Industrial Pkwy  
Canal Winchester, OH 43110  
(770) 842-5833

Bonita Palmer  
1029 Crisfield Dr  
Cincinnati, OH 45245  
(937) 609-2504

Rick Phelps  
1985 W 28th Street 3rd Floor  
Cleveland, OH 44113  
(216) 533-1387

Peg Buehrle  
1600 Lane Ave., Ste. 431  
Columbus, OH 43221  
(614) 582-8346

Peter McDowell 1600 Lane  
Ave., 431  
Columbus, OH 43235  
(614) 306-7922

Todd Rodden  
11064 Cold Spring Drive  
Dayton, OH 45458  
(937) 271-0105

Chuck Visocky  
9981 Snoddy Rd  
Lakeville, OH 44638  
(440) 281-4200

John Warfel  
2990 Pine Hills Dr Medina, OH  
44256  
(330) 723-8515

Annette Hohnberger  
4200 Regent St.; Ste 200  
Columbus, OH 43129  
(614) 778-0120

Heather Yakes  
7115 Logan Thornville Rd., N.E. Dr  
Rushville, OH 43150  
(740) 277-3900

Dennis Willis 5201 Waterford  
Dr  
Sheffield, OH 44035  
(216) 965-9129

Joe Farago  
9400 Avon Belden Road North  
Ridgeville, OH 44039  
(216) 965-3025

James Taylor  
9545 Kenwood Rd  
Cincinnati, OH 45242  
(513) 502-1921

Jennifer Sheffel  
3825 Edwards Road, Ste 102  
Cincinnati, OH 45209  
(513) 214-1501

Scott MacMeans (3)\*  
6100 Oaktree Blvd, Suite 200  
Independence, OH 44131  
(508) 298-4679

Joe Farago  
9400 Avon Belden Road North  
Ridgeville, OH 44039  
(216) 965-3025

**WISCONSIN**

Chris Carman  
13150 Watertown Plank Rd.  
Elm Grove, WI 53122  
(262) 365-9414

Iain MacFarlane  
6219 S. Highlands Ave.  
Madison, WI 53705  
(608) 238-7844

Mike McKay (2) \*  
440 Science Dr., Ste. 301  
Madison, WI 53711  
(608) 347-2018

Susan Thomson (2) \*  
440 Science Dr., Ste. 301  
Madison, WI 53711  
(608) 441-5374

Dave Steffen  
S74W17095 Janesville Road  
Muskego, WI 53150  
(262) 443-3204

Monica Gunderson (3)\*  
5810 Main Street  
McFarland, WI 53558  
(608) 673-7711

**Other U.S. Regions, not affiliated with the GOBIG Region****ARIZONA**

Tom Dougherty  
13803 S. 33rd St.  
Phoenix, AZ 85044  
(949) 945-8781

Steve Moore  
14362 F.L. Wright Blvd. Ste.  
1000 Scottsdale, AZ 85260  
(480) 794-0969

**CALIFORNIA**

Bernard Powers  
24530 Lowe Dr  
Corona, CA 92883  
(951) 236-5365

Karie Kaufman  
2815 Camino del Rio, South #235  
San Diego, CA 92108  
(619) 321-9262

Dan Zimanski  
201 Holiday Blvd., Ste. 400  
Covington, LA 70433  
(985) 624-8065

## **COLORADO**

Bob Liebhauser  
303 S. Broadway Ste. 200-515  
Denver, CO 80209  
(303) 282-0800

Jeremy Holmes  
2113 Wagon Gap Trail.  
Monument, CO 80132  
(701) 340-1241

## **CONNECTICUT**

David Olchowski  
32 Cider Mill Heights  
North Granby, CT 06060  
(860) 653-6331

## **FLORIDA**

Michael Dill  
7352 N.W. 45 Ave  
Coconut Creek, FL 33073  
(954) 675-9536

Jody Johnson  
1200 Anastasia Ave., Ste. 100  
Coral Gables, FL 33134  
(305) 285-9207

Juan Ortega  
1451 5318 NW 99th Lane.  
Coral Springs, FL 33076  
(954) 773-8835

Steve Goranson  
3023 Cornelia Dr  
Jacksonville, FL 32257  
(904) 739-0200

Anapaula Lagarriga  
1155 Brickell Bay Dr., Ste. PH111  
Miami, FL 33131  
(305) 759-4818

Barbara Kyes (2) \*  
2963 46<sup>th</sup> Ave. N  
St. Petersburg, FL 33714  
(727) 786-2900

Arif Boysan  
221 Greymon Drive  
West Palm Beach, Florida 33405  
(917) 834-9807

Mauricio Pierson  
8557 SW 115 Pl  
Miami, FL 33173  
(786) 497-7247

## **GEORGIA**

Russ Hall  
3500 Lenox Road, Ste. 1500  
Atlanta, GA 30326  
(770) 649-6730

Jeff Lovejoy  
3355 Lenox Road, Ste. 750  
Atlanta, GA 30326  
(404) 444-1836

John Davis  
1687 Bristol Farms Ct  
Grayson, GA 30017  
(817) 538-8864

Mike Conner  
1603 Heritage Pass  
Milton, GA 30004  
(770) 655-9803

Nathaniel Woods (2)\*  
406 Burgess Pt  
Peachtree City, GA 30269  
(404) 313-9286

## **IOWA**

Lee Iben  
26 E. Market Street  
Iowa City, IA 52245  
(319) 359-8776

Linda Krei (4) \*  
4545 Derocher Path  
Sioux City, IA 51106  
(712) 251-7189

Heather Marquez  
119 Ruby Drive  
Waterloo, IA 50702  
(563) 260-1530

Gabriel Moore  
206 North Union St  
Madrid, IA 50156  
(515) 230-9190

Michael Torrez (2) \*  
6131 Sudbury CT  
Johnston, IA 50131  
(505) 288-1601

## **KANSAS**

Earl Kemper  
3620 SW Fairlawn Rd, Ste. 101  
Topeka, KS 66614  
(970) 222-9455

Lee Gray  
200 N. Broadway, Ste. 450-C  
Wichita, KS 67202  
(316) 640-2193

## **KENTUCKY**

Tim Jones  
800 Lily Creek Road, Ste. 201  
Louisville, KY 40243  
(502) 240-6244

Foster McCarl  
800 Lily Creek Road, Ste. 201  
Louisville, KY 40243  
(502) 552-7354

Mark McNulty  
800 Lily Creek Rd Ste 201  
Louisville, KY 40243  
(812) 350-4903

Jennifer Sheffel  
50 E.Rivercenter Blvd  
Unit 1900  
Covington, KY 41011  
(513) 214-1501

## **LOUISIANA**

Everardo Recendiz  
111 Halette Dr  
Shreveport, LA 71115  
(318) 550-3490

## **MISSOURI**

Stephen Nicholas Termini  
14209 BNW 73<sup>rd</sup> Street  
Kansas City, MO, 64152  
(816) 399-8094

Joseph Quero  
117S Lexington Street, Suite 100  
Harrisonville, MO, 64701  
(619) 884-1883

Michael Smith  
6035 Blake Thomas Drive  
Wentzville, MO, 63385  
(314) 398-6368

## **NEVADA**

Peter Williamson  
6490 S McCarran Blvd, Ste #42  
Reno, Nevada 89509  
(775) 284-3768

## **NEW JERSEY**

Carl Shoemaker  
2-83 Saddle River Rd  
Fair Lawn, NJ 07410  
(201) 796-1396

## **NEW MEXICO**

Mark Tobiassen  
4801 Lang NE, Ste. 210  
Albuquerque, NM 87109  
(505) 263-5657

## **NEW YORK**

Michael Breitman  
PO Box 236  
Greenvale, NY 11548  
(516) 801-6452

Nana Agyekum  
198 13<sup>th</sup> Street  
Brooklyn, NY 11215  
(646) 858-8801

## **NORTH CAROLINA**

Steve Brock/Ross Cox (2) \*  
3820 N. Elm Street, Suite 101  
Greensboro, NC 27455  
(336) 288.8858

Ross Cox  
3820 N. Elm St., Ste. 101  
Greensboro, NC 27455  
(336) 288-8858

Bill Gilliland  
97 Shenandoah Terrace  
Montreat, NC 28757  
(540) 290-2389

Brian Johnson  
113 Fielding Street  
Mount Holly, Ohio 28120  
(419) 509-2978

Reggie Shropshire  
107 Chestnut  
Wilmington, NC 28401  
(910) 471-2725

Mary Ann Hauser  
511 High Street  
Winston-Salem, NC 27101  
(336) 499-3251

Mike Cooper  
427 Cape Cod Way  
Rock Hill, SA 29732  
(803) 579-4730

## **OKLAHOMA**

Eric Knam  
5311 E. 140<sup>th</sup> Street South  
Bixby, OK 74008  
(918) 223-3442

## **PENNSYLVANIA**

Sam Mugavero  
1219 North New Street  
Bethlehem, PA 18018  
(713) 936-3814

Doug Savidge  
11 Reitz Blvd., Ste. 201  
Lewisburg, PA 17837  
(570) 524-3547

## **TENNESSEE**

Craig Wipperman (2) \*  
4509A Colorado Avenue  
Nashville, TN, 37209  
(615) 920-1130

## **TEXAS**

Rory Sheppard (5) \*  
600 S. Tyler Suite 2100  
Amarillo, TX 79101  
(210) 385-1275

Douglas Winnie  
6300 W. Loop S., Ste. 502  
Bellaire, TX 77401  
(713) 206-4144

Sean Schoenmakers (2)\*  
8279 Southwestern Blvd  
Dallas, TX 75206  
(210) 364-7326

Dale Wolter  
4155 Buena Vista Street  
Dallas, TX 75204  
(972) 310-7741

Andrew Buchan  
1810 Wilson St  
Houston, TX 77019  
(832) 240-6312

Greg Hess  
1110 Pennybury Drive  
Houston, TX 77094  
(281) 744-3341

Andrew Lamb  
20333 State H-way 249, Ste. 200  
Houston, TX 77070  
(832) 953-6219

Nanchon Guyton  
900 Rockmead Drive Suite 235,  
Kingwood TX 77339  
(832) 273-0043

Robert Belt  
4001 Technology Blvd., Ste. 303  
Longview, TX 75605  
(903) 926-4118

David Girault  
100 S. Bicentennial Blvd  
McAllen, TX 78501  
(956) 639-2702

Angie Gilbert  
7931 Meadow Ridge Drive  
Northlake, TX 76247  
(214) 236-8249

Breanne Salcedo  
9330 Broadway St., Ste B304  
Pearland, TX 77584  
(786) 357-6522



Sheles Wallace  
2500 Business Center Ste 1034  
Pearland, TX 77584  
(314) 503-0469

David Braddy  
6810 Brazos Lakes Dr  
Richmond, TX 77469  
(281) 546-6176

Michael Hartley  
PO Box 8388  
Round Rock, TX 78638  
(512) 240-2623

Andy O'Brien  
402 A West Palm Valley Blvd  
Round Rock, TX 78664  
(641) 420-8496

Robert Keplinger  
2203 Timberloch Pl., Ste. 132  
The Woodlands, TX 77380  
(832) 691-1144

Regan Patterson  
3000 Austin Ave  
Waco, TX 76710  
(210) 241-5104

Dona Kappmeyer  
5350 S.Staples, Suite 333-A  
Corpus Christi, TX 78121  
(210) 273-9577

Hala Dabboussy  
27762 Antonio Parkway L1-521  
Ladera Ranch, CA 92694  
(949) 415-8089

Warren Fiihr  
14 Dartmoor Court,  
Sugarland, TX 77479

Travis Lairson  
7631 Summer Night Lane  
Rosenberg, TX 77469

Rick Graves  
172 Encantada,  
Horseshoe Bay, TX 78657

## **UTAH**

Frank Bonnin (2) \*  
579 S Main St  
Kaysville, UT 84037

## **VIRGINIA**

Stephen Chiama  
13905 Cristo Ct  
Centerville, VA 20120  
(703) 638-3316

Sheliah McDaniel  
2 Tankard Road  
Stafford, VA 22554  
(571) 264-357

## **WASHINGTON**

Ted Schmidt  
Ste. 215, 704 S. Freya  
Spokane, WA 99202  
(509) 710-1433

Kevin Weir  
421 W. Riverside, Ste. 1015  
Spokane, WA 99201  
(509) 290-6156

## Section B – Former Franchisees as of December 31, 2024

This section lists franchisees whose agreements were terminated, not renewed, canceled, or who otherwise voluntarily or involuntarily left the ActionCOACH system during the fiscal year ending December 31, 2024.

- The first subsection includes former franchisees from the GOBIG Region
- The second subsection includes former franchisees from all other U.S. regions, governed by other Master Licensees or ACNA.

Franchisees listed here may have exited the system for a wide range of reasons including:

- Retirement or personal life changes
- Business transitions (e.g., franchise sale/transfer or relocation)
- Upgrades to new agreements or models
- Deceased
- Lack of communication with ACNA or their Master Licensee for ten (10) or more weeks near year-end

*Note: We are not aware of any franchisees in the GOBIG Region who ceased operating or left the system between December 31, 2024, and the date this disclosure document was issued*

### **GOBIG Region (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)**

Manon Bennett	25616 Dogwood Ln	Novi, Michigan, 48374	(248) 880-5120
David Ford	11149 Zealand Ave. N	Champlin, Minnesota, 55316	(612) 719-8192

#### **TRANSFERS (from Franchisees to New Owners other than the Master Licensee)**

Bruce Henderson**	10514 Summit Cove	Blue Ash, OH 45241	(513) 325-8885
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Note: \*\* Franchisee is still with ActionCOACH as a Business Coach under the New Owner

### **Other U.S. Regions, not affiliated with the GOBIG Region**

Joseph Siecinski	4340 Stevens Cr Blvd., Ste. #161	San Jose , California, 95129	(408) 771-4259
Kolin Kirschenmann	115 Bay Drive	Atlanta, Georgia, 30326	(770) 649-6730
Patrick Leask	2301 S. Carolina Ave	Tampa , Flrida, 33629	(813) 251-8069

Marcie Hanhart	15 N. Maple Ave	Basking Ridge New Jersey, 07920	(908) 696-9500
Brad Clark	2223 Hyer Dr	Rockwell, Texas, 75087	(972) 971-6556
Cynthia DeHaro	1042 Calle Flor	El Paso, Texas, 79912	(915) 920-3316
Scott Finkelstein	4036 Berkman Drive	Austin, Texas, 78723	(512) 781-1280
Cecilio Flores	16809 W. Caramel Apple Trail	Cypress, Texas, 77433	(409) 292-6224
Ted Hair	1702 Yorkshire Creek Ct	Pearland, Texas, 77581	(281) 896-7325
Kevan Hanson	5200 Pointe West Circle, #6103	Richmond, Texas, 77469	(832) 729 5008

Rory Harrod	504 South Main St.	Lumberton, Texas, 77657	(409) 659 7606
Lee Hernandez	5822 Garnet Caverns	San Antonio, Texas, 78222	(210) 393 1129
Kyle Killough	6250 Rosewood Dr.	North Richland Hills, Texas, 76180	(972) 268-6307
Karl Williams	9801 Westheimer Rd, Ste. 302	Houston, Texas, 77042	(713) 351-6480

**DECEASED**

David Braddy	6810 Brazos Lakes Dr	Richmond, Texas, 77469
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**TRANSFERS** (from Franchisees to New Owners other than the Master Licensee or ACNA).

Nathaniel Woods	406 Burgess Pt Peachtree City	Georgia, 30269	(404) 313-9286
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**EXHIBIT L**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**AUDITED FINANCIAL STATEMENTS**

BUJI, LLC

dba ACTIONCOACH BUSINESS COACHING

FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

## TABLE OF CONTENTS

### PAGE NO.

INDEPENDENT AUDITOR'S REPORT. . . . .	1
FINANCIAL STATEMENTS	
BALANCE SHEETS . . . . .	4
STATEMENTS OF INCOME . . . . .	5
STATEMENTS OF CHANGES IN MEMBERS' CAPITAL. .	6
STATEMENTS OF CASH FLOWS . . . . .	7
NOTES TO THE FINANCIAL STATEMENTS . . . . .	8

**CO & CO Tax and Accounting Services, LLC**

Shain E. Colley, CPA  
colley64@msn.com

82 East Main Street  
Logan OH 43138  
Phone: (740) 385-1959 Fax: (740) 385-0711

James K. Copenhaver, CPA  
jim.copenhaver.yahoo.com

**INDEPENDENT AUDITOR'S REPORT**

To the Members  
Buji, LLC  
dba ActionCoach Business Coaching  
Canal Winchester, Ohio 43110

**OPINION**

We have audited the accompanying financial statements of Buji, LLC dba ActionCoach Business Coaching (an Ohio limited liability company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income, changes in members' capital, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Buji, LLC dba ActionCoach Business Coaching as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgement 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 Buji, LLC dba ActionCoach Business Coaching'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Buji, LLC dba ActionCoach Business Coaching'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.

*Co & Co Tax and Accounting Services, LLC*  
Logan, Ohio  
February 18, 2025

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
BALANCE SHEETS  
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS:		
CASH	\$ 174,542	\$ 184,497
ACCOUNTS RECEIVABLES (\$0 ALLOWANCE)	<u>0</u>	<u>0</u>
TOTAL CURRENT ASSETS	174,542	184,497
OTHER ASSETS		
MASTER LICENSE-MINNESOTA	928,000	928,000
MASTER LICENSE-WISCONSIN	<u>1,000,000</u>	<u>1,000,000</u>
	1,928,000	1,928,000
LESS: ACCUMULATED AMORTIZATION	<u>(1,928,000)</u>	<u>(1,928,000)</u>
NET OTHER ASSETS	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 174,542</u>	<u>\$ 184,497</u>
LIABILITIES AND MEMBERS' CAPITAL		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 0	\$ 0
OTHER LIABILITIES	53	43
MASTER LICENSE PAYABLE	442,250	502,250
LONG TERM LIAB. CURRENT PORTION	<u>4,188</u>	<u>3,485</u>
TOTAL CURRENT LIABILITIES	446,491	505,778
LONG TERM LIABILITIES:		
SBA LOAN	19,186	37,613
LESS CURRENT PORTION	<u>( 4,188)</u>	<u>( 3,485)</u>
TOTAL LONG TERM LIABILITIES	14,998	34,128
TOTAL LIABILITIES	461,489	539,906
MEMBERS' CAPITAL	<u>( 286,947)</u>	<u>( 355,409)</u>
TOTAL LIABILITIES AND AND MEMBERS' CAPITAL	<u>\$ 174,542</u>	<u>\$ 184,497</u>

The accompanying notes are an integral part of the financial statements.

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BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
REVENUE:		
FRANCHISE SALES (CONTRACT)	\$ 0	\$ 0
ROYALTIES AND SUPPORT (CONTRACT)	170,815	216,313
MARKETING INCOME AND FEES (CONTRACT)	17,097	24,165
OTHER	<u>1,105</u>	<u>2,524</u>
TOTAL REVENUE	189,017	243,002
OPERATING EXPENSES:		
MANAGEMENT FEES	119,800	267,500
FRANCHISE SUPPORT	0	8,496
BAD DEBT	0	0
TRAINING	0	7,500
PROFESSIONAL FEES	3,700	1,816
BANK CHARGES	441	436
OTHER EXPENSES	<u>523</u>	<u>110</u>
TOTAL OPERATING EXPENSES	124,464	285,858
INCOME FROM OPERATIONS	64,553	( 42,856)
OTHER INCOME (EXPENSES):		
OTHER INCOME	0	0
AMORTIZATION	0	0
INTEREST INCOME	5,398	6,522
INTEREST EXPENSE	<u>( 1,489)</u>	<u>( 1,838)</u>
TOTAL OTHER INCOME (EXPENSE)	3,909	4,684
NET INCOME	<u>\$ 68,462</u>	<u>\$ ( 38,172)</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
 dba ACTIONCOACH BUSINESS COACHING  
 STATEMENTS OF CHANGES IN MEMBERS' CAPITAL  
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
MEMBERS' CAPITAL- BEGINNING OF YEAR	\$ ( 355,409)	\$ ( 317,237)
NET INCOME (LOSS)	68,462	( 38,172)
CONTRIBUTIONS	0	0
DISTRIBUTIONS	0	0
MEMBERS' CAPITAL- END OF YEAR	<u>\$ ( 286,947)</u>	<u>\$ ( 355,409)</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
NET INCOME (LOSS)	\$ 68,462	\$ ( 38,172)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
AMORTIZATION	0	0
CHANGE IN OPERATING ASSETS:		
ACCOUNTS RECEIVABLE	0	204,500
CHANGE IN OPERATING LIABILITIES:		
ACCOUNTS PAYABLE	0	( 47,750)
OTHER LIABILITIES	<u>10</u>	<u>( 25)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	68,472	118,553
CASH FLOWS USED BY INVESTING ACTIVITIES:		
PURCHASE OF MASTER LICENSES	0	0
MEMBER (DISTRIBUTIONS) CONTRIBUTIONS	<u>0</u>	<u>0</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	0	0
CASH FLOWS USED BY FINANCING ACTIVITIES:		
PAYMENTS ON MASTER FRANCHISE LICENSE	( 60,000)	( 60,000)
PAYMENTS ON SBA LOAN	<u>( 18,427)</u>	<u>( 22,137)</u>
NET CASH USED BY FINANCING ACTIVITIES	( 78,427)	( 82,137)
NET INCREASE IN CASH AND CASH EQUIVALENTS	( 9,955)	36,416
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>184,497</u>	<u>148,081</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$174,542</u>	<u>\$ 184,497</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
CASH PAID DURING THE YEAR FOR INTEREST	<u>\$ 1,478</u>	<u>\$ 1,863</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023

**NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES**

Organization and Nature of Activities

Buji, LLC dba ActionCoach Business Coaching was formed as a limited liability company under the laws of the State of Ohio on January 27, 2009.

The Company has a Master Licensing Agreement for Minnesota and Wisconsin that allows the company to market business coaching and training services through the sale of coaching franchises in Minnesota and Wisconsin.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Method of Accounting

The accounting records are maintained on the accrual basis for the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Franchise Fees

Master Licensing fees are carried at the cost of acquisition and cost of renewals. Amortization is computed using the straight line method over a 15 year period. Amortization expense for 2024 and 2023 amounted to \$0 and \$0 respectively.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2024 AND 2023

Revenue Recognition

The Company markets coaching franchises in Minnesota and Wisconsin. Upon the sale of a coaching franchise the Company is required to provide training and other initial support services. Once the Company has completed its performance obligations to the franchisee, it recognizes income from the sale of the franchise. The franchise agreement is for a period of 10 or 15 years and may be renewed for additional 10 or 15 year intervals if the franchisee is in compliance with the terms of the franchise agreement.

The Company also provides ongoing support services to its franchisees. The Company receives a monthly royalty fee from the franchisees for these services for the term of the franchise agreement. The Company retains a portion of the royalty fee while the balance is remitted to the Master License supplier. The Company recognizes royalty income as the services are provided to the franchisees.

Cash Equivalents

Cash equivalents have original maturities of three months or less.

Accounts Receivable

The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables. The Company has no accounts receivable at December 31, 2024 and 2023. As a result, an allowance for credit losses is not required.

Advertising and Marketing

The Company expenses all advertising and marketing costs as incurred. The advertising and marketing expense for the years ended December 31, 2024 and 2023 was \$0.



BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2024 AND 2023

Income Taxes

No provision or benefit for income taxes has been included in these financial statements since taxable income passes through to, and is reported by, the individual members of the company.

The 2022, 2023, and 2024 years are still open for possible examination by the Internal Revenue Service. However, there has been no indication by the IRS that these will be audited.

**NOTE 3 - REVENUE**

Revenue was as follows:

	<u>2024</u>	<u>2023</u>
Franchise Sales	\$ 0	\$ 0
Royalties and Support	170,815	216,313
Marketing and Fees	17,097	24,165
Franchise Agreements/Other	1,105	2,524
	<u>\$ 189,017</u>	<u>\$ 243,002</u>

All franchise sales revenue is recognized within a month of the contract inception.

**NOTE 4 - FRANCHISEES**

Franchisees are summarized as follows:

	<u>2024</u>	<u>2023</u>
Number of new franchisees	0	0
Number of franchisees closed out	1	1
Number of franchisees as of December 31	9	10

The Company also has Employed Business Coaches under franchisees. These totaled seven and six at December 31, 2024 and 2023.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2024 AND 2023

**NOTE 5 - RELATED PARTY TRANSACTIONS**

The Company paid management fees to a related entity (related through common ownership). The amounts paid to the related entity for 2024 and 2023 amounted to \$119,800 and \$267,500 respectively.

**NOTE 6 - PURCHASE OF TERRITORY**

On February 1, 2009 the Company purchased a master license for Minnesota and Wisconsin from the prior Master Licensee. The Master License (i.e: the Company) will pay to the prior Master License and the Franchisor one-half of the franchise revenue from new and existing franchisees until the aggregate amount paid to the prior Master Licensee and the Franchisor with respect to the territory reaches \$1,928,000. On January 31, 2014 any remaining unpaid balance on the purchase amount was due. The Company is presently making monthly payments on this liability.

**NOTE 7 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 18, 2025, which is the date on which the financial statements were available to be issued.

**NOTE 8- FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States define fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. This establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels:

Level 1 - Quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 - Observable inputs other than quoted prices in active markets.

Level 3 - Unobservable inputs for which there is little or no market data available. This fair value hierarchy gives the lowest priority to Level 3 inputs.

No assets or liabilities were required to be measured at fair value.

## NOTE 9 - LONG TERM DEBT

The Company's long-term debt consists of the following:

Small Business Administration (SBA) disaster loan for \$82,600 with a 3.75% annual interest rate. Monthly payments of \$403 are required on this loan. The loan is payable over thirty years with a maturity date of June 5, 2050. It is secured by the assets of the Company.

The principal repayment requirements relating to long-term debt are as follows:

Year Ended:	Total
2025	\$ 4,188
2026	4,348
2027	4,514
2028	4,686
2029	1,450
Thereafter	0
	<u>\$ 19,186</u>

## NOTE 10 - ADOPTION OF ASU 2016-13 AND RELATED STATEMENTS

Effective January 1, 2023, the Company adopted ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Company adopted this new guidance

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2024 AND 2023

utilizing the modified retrospective transition method. The adoption of this Standard did not have any impact on the Company's financial statements but did change how the allowance for credit losses is determined.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

## TABLE OF CONTENTS

	<u>PAGE NO.</u>
INDEPENDENT AUDITOR'S REPORT. . . . .	1
FINANCIAL STATEMENTS	
BALANCE SHEETS . . . . .	4
STATEMENTS OF INCOME . . . . .	5
STATEMENTS OF CHANGES IN MEMBERS' CAPITAL. .	6
STATEMENTS OF CASH FLOWS . . . . .	7
NOTES TO THE FINANCIAL STATEMENTS . . . . .	8

**CO & CO Tax and Accounting Services, LLC**

Shain E. Colley, CPA  
colley64@msn.com

82 East Main Street  
Logan OH 43138  
Phone: (740) 385-1959 Fax: (740) 385-0711

James K. Copenhaver, CPA  
jim.copenhaver.yahoo.com

**INDEPENDENT AUDITOR'S REPORT**

To the Members  
Buji, LLC  
dba ActionCoach Business Coaching  
Canal Winchester, Ohio 43110

**OPINION**

We have audited the accompanying financial statements of Buji, LLC dba ActionCoach Business Coaching (an Ohio limited liability company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, changes in members' capital, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Buji, LLC dba ActionCoach Business Coaching 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Buji, LLC dba ActionCoach Business Coaching and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgement 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 Buji, LLC dba ActionCoach Business Coaching'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Buji, LLC dba ActionCoach Business Coaching'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.

*Co & Co Tax and Accounting Services, LLC*

Logan, Ohio

February 14, 2024

BUJI, LLC  
 dba ACTIONCOACH BUSINESS COACHING  
 BALANCE SHEETS  
 DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS:		
CASH	\$ 184,497	\$ 148,081
ACCOUNTS RECEIVABLES (\$0 ALLOWANCE)	0	204,500
TOTAL CURRENT ASSETS	<u>184,497</u>	<u>352,581</u>
OTHER ASSETS		
MASTER LICENSE-MINNESOTA	928,000	928,000
MASTER LICENSE-WISCONSIN	<u>1,000,000</u>	<u>1,000,000</u>
	1,928,000	1,928,000
LESS: ACCUMULATED AMORTIZATION	<u>(1,928,000)</u>	<u>(1,928,000)</u>
NET OTHER ASSETS	0	0
TOTAL ASSETS	<u>\$ 184,497</u>	<u>\$ 352,581</u>
LIABILITIES AND MEMBERS' CAPITAL		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 0	\$ 47,750
OTHER LIABILITIES	43	68
MASTER LICENSE PAYABLE	502,250	562,250
LONG TERM LIAB. CURRENT PORTION	<u>3,485</u>	<u>2,193</u>
TOTAL CURRENT LIABILITIES	<u>505,778</u>	<u>612,261</u>
LONG TERM LIABILITIES:		
SBA LOAN	37,613	59,750
LESS CURRENT PORTION	<u>( 3,485)</u>	<u>( 2,193)</u>
TOTAL LONG TERM LIABILITIES	<u>34,128</u>	<u>57,557</u>
TOTAL LIABILITIES	<u>539,906</u>	<u>669,818</u>
MEMBERS' CAPITAL	<u>( 355,409)</u>	<u>( 317,237)</u>
TOTAL LIABILITIES AND AND MEMBERS' CAPITAL	<u>\$ 184,497</u>	<u>\$ 352,581</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
REVENUE:		
FRANCHISE SALES (CONTRACT)	\$ 0	\$ 658,350
ROYALTIES AND SUPPORT (CONTRACT)	216,313	232,761
MARKETING INCOME AND FEES (CONTRACT)	24,165	7,055
OTHER	<u>2,524</u>	<u>8,860</u>
TOTAL REVENUE	243,002	907,026
OPERATING EXPENSES:		
MANAGEMENT FEES	267,500	599,925
FRANCHISE SUPPORT	8,496	0
BAD DEBT	0	18,845
TRAINING	7,500	28,500
PROFESSIONAL FEES	1,816	0
BANK CHARGES	436	243
OTHER EXPENSES	<u>110</u>	<u>181</u>
TOTAL OPERATING EXPENSES	285,858	647,694
INCOME FROM OPERATIONS	( 42,856)	259,332
OTHER INCOME (EXPENSES):		
OTHER INCOME	0	0
AMORTIZATION	0	( 48,194)
INTEREST INCOME	6,522	0
INTEREST EXPENSE	<u>( 1,838)</u>	<u>( 2,651)</u>
TOTAL OTHER INCOME (EXPENSE)	4,684	( 50,845)
NET INCOME	<u>\$ ( 38,172)</u>	<u>\$ 208,487</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
 dba ACTIONCOACH BUSINESS COACHING  
 STATEMENTS OF CHANGES IN MEMBERS' CAPITAL  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
MEMBERS' CAPITAL- BEGINNING OF YEAR	\$ ( 317,237)	\$ ( 525,724)
NET INCOME (LOSS)	( 38,172)	208,487
CONTRIBUTIONS	0	0
DISTRIBUTIONS	0	0
MEMBERS' CAPITAL- END OF YEAR	<u>\$ ( 355,409)</u>	<u>\$ ( 317,237)</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
NET INCOME (LOSS)	\$ ( 38,172)	\$ 208,487
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
AMORTIZATION	0	48,194
CHANGE IN OPERATING ASSETS:		
ACCOUNTS RECEIVABLE	204,500	(202,318)
CHANGE IN OPERATING LIABILITIES:		
ACCOUNTS PAYABLE	( 47,750)	47,750
OTHER LIABILITIES	( 25)	36
NET CASH PROVIDED BY OPERATING ACTIVITIES	118,553	102,149
CASH FLOWS USED BY INVESTING ACTIVITIES:		
PURCHASE OF MASTER LICENSES	0	0
MEMBER (DISTRIBUTIONS) CONTRIBUTIONS	0	0
NET CASH PROVIDED BY INVESTING ACTIVITIES	0	0
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:		
PAYMENTS ON MASTER FRANCHISE LICENSE	( 60,000)	( 60,000)
PAYMENTS ON SBA LOAN	( 22,137)	( 20,134)
NET CASH PROVIDED BY FINANCING ACTIVITIES	( 82,137)	( 80,134)
NET INCREASE IN CASH AND CASH EQUIVALENTS	36,416	22,015
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>148,081</u>	<u>126,066</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$184,497</u>	<u>\$ 148,081</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
CASH PAID DURING THE YEAR FOR INTEREST	<u>\$ 1,863</u>	<u>\$ 2,616</u>

The accompanying notes are an integral part of the financial statements.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Nature of Activities

Buji, LLC dba ActionCoach Business Coaching was formed as a limited liability company under the laws of the State of Ohio on January 27, 2009.

The Company has a Master Licensing Agreement for Minnesota and Wisconsin that allows the company to market business coaching and training services through the sale of coaching franchises in Minnesota and Wisconsin.

Method of Accounting

The accounting records are maintained on the accrual basis for the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property, Equipment and Franchise Fees

Master Licensing fees are carried at the cost of acquisition and cost of renewals. Amortization is computed using the straight line method over a 15 year period. Amortization expense for 2023 and 2022 amounted to \$0 and \$48,194 respectively.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2023 AND 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Revenue Recognition

The Company markets coaching franchises in Minnesota and Wisconsin. Upon the sale of a coaching franchise the Company is required to provide training and other initial support services. Once the Company has completed its performance obligations to the franchisee, it recognizes income from the sale of the franchise. The franchise agreement is for a period of 10 or 15 years and may be renewed for additional 10 or 15 year intervals if the franchisee is in compliance with the terms of the franchise agreement.

The Company also provides ongoing support services to its franchisees. The Company receives a monthly royalty fee from the franchisees for these services for the term of the franchise agreement. The Company retains a portion of the royalty fee while the balance is remitted to the Master License supplier. The Company recognizes royalty income as the services are provided to the franchisees.

The Company also provides monthly mentoring services to various business clients.

Cash Equivalents

Cash equivalents have original maturities of three months or less.

Accounts Receivable (12-31-2022)

Accounts receivable are shown at their net realizable value. The allowance method is used to record bad debts and is based on our history of write offs. Bad debt expense for the year ended December 31, 2022 amounted to \$18,845. Accounts receivable are shown at cost and are contract related. Accounts receivable serve as part of the collateral for the SBA loan. There is no allowance for bad debt at December 31, 2022.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2023 AND 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Accounts Receivable (12-31-2023)

The Company uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables. The Company has no accounts receivable at December 31, 2023. As a result, an allowance for credit losses is not required.

Advertising and Marketing

The Company expenses all advertising and marketing costs as incurred. The advertising and marketing expense for the years ended December 31, 2023 and 2022 was \$0.

Income Taxes

No provision or benefit for income taxes has been included in these financial statements since taxable income passes through to, and is reported by, the individual members of the company.

The 2021, 2022, and 2023 years are still open for possible examination by the Internal Revenue Service. However, there has been no indication by the IRS that these will be audited.

**NOTE 2 - REVENUE**

Revenue was as follows:

	<u>2023</u>	<u>2022</u>
Franchise Sales	\$ 0	\$ 658,350
Royalties and Support	216,313	232,761
Marketing and Fees	24,165	7,055
Franchise Agreements/Other	2,524	8,860
	<u>\$ 243,002</u>	<u>\$ 907,026</u>



**NOTE 3 - FRANCHISEES**

Franchisees are summarized as follows:

	2023	2022
Number of new franchisees	0	3
Number of franchisees closed out	1	(2)
Number of franchisees	10	11
as of December 31		

The Company also has Employed Business Coaches under franchisees. These totaled six and seven at December 31, 2023 and 2022.

**NOTE 4 - RELATED PARTY TRANSACTIONS**

The Company paid management fees to a related entity (related through common ownership). The amounts paid to the related entity for 2023 and 2022 amounted to \$267,500 and \$599,925 respectively.

**NOTE 5 - PURCHASE OF TERRITORY**

On February 1, 2009 the Company purchased a master license for Minnesota and Wisconsin from the prior Master Licensee. The Master License (i.e: the Company) will pay to the prior Master Licensee and the Franchisor one-half of the Franchise revenue from new and existing franchisees until the aggregate amount paid to the prior Master Licensee and the Franchisor with respect to the territory reaches \$1,928,000. On January 31, 2014 any remaining unpaid balance on the purchase amount was due. The Company is presently making monthly payments on this liability.

**NOTE 6 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 14, 2024, which is the date on which the financial statements were available to be issued.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2023 AND 2022

**NOTE 7- FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States define fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. This establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels:

Level 1 - Quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 - Observable inputs other than quoted prices in active markets.

Level 3 - Unobservable inputs for which there is little or no market data available. This fair value hierarchy gives the lowest priority to Level 3 inputs.

No assets or liabilities were required to be measured at fair value.

**NOTE 8 - LONG TERM DEBT**

The Company's long-term debt consists of the following:

Small Business Administration (SBA) disaster loan for \$82,600 with a 3.75% annual interest rate. Monthly payments of \$403 are required on this loan. The loan is payable over thirty years with a maturity date of June 5, 2050. It is secured by the assets of the Company.

BUJI, LLC  
dba ACTIONCOACH BUSINESS COACHING  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2023 AND 2022

The principal repayment requirements relating to long-term debt are as follows:

Year Ended:	
2024	\$ 3,485
2025	3,618
2026	3,756
2027	3,899
2028	4,048
Thereafter	18,807
Total	<u>\$ 37,613</u>

**NOTE 9 - ADOPTION OF ASU 2016-13 AND RELATED STATEMENTS**

Effective January 1, 2023, the Company adopted ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Company adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have any impact on the Company's financial statements but did change how the allowance for credit losses is determined.



**EXHIBIT M**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**OPERATIONS MANUAL – TABLE OF CONTENTS**

Please note that as of the Issuance Date of this Disclosure Document, ACNA has completely implemented an online dashboard format version of the Manuals and no longer issues written Manuals.

## TABLE OF CONTENTS

1.	Your Landing Page
2.	The HUB (global dashboard) <ul style="list-style-type: none"> <li>• <i>Microsoft, Sharepoint, Teams, Planner, Yammer, Office Cloud</i></li> <li>• <i>Email License Options – E1, E3 Discussion and best practice forum Town Hall</i></li> <li>• <i>Partner Success Teams / ML Pods</i></li> </ul>
3.	WEBINARS <ul style="list-style-type: none"> <li>• <i>Global Event Calendar</i></li> <li>• <i>The HUB (global dashboard)</i></li> </ul>
4.	EVENTS AND SPECIAL TRAINING <ul style="list-style-type: none"> <li>• <i>Global Conference</i></li> <li>• <i>Brad Sugars Events</i></li> <li>• <i>Coach Conference Information</i></li> <li>• <i>Events Calendar</i></li> <li>• <i>BizX</i></li> <li>• <i>Global special trainings</i></li> <li>• <i>UK Events</i></li> <li>• <i>Executive Coach Training</i></li> <li>• <i>Past Event Information</i></li> </ul>
5.	SYSTEM AND RESOURCE GUIDE <ul style="list-style-type: none"> <li>• <i>Systems and Resource Reference Guide (located on The HUB)</i></li> </ul>
6.	GLOBAL <ul style="list-style-type: none"> <li>• <i>Presidents / Chairman's Club/ Hall of Fame Coach Levels</i></li> <li>• <i>14 Points of Culture</i></li> <li>• <i>ActionCOACH Vision / Mission / Purpose</i></li> <li>• <i>ML Manual</i></li> </ul>
7.	4 WEEK FOUNDATION PROGRAM – NEW FRANCHISE TRAINING <ul style="list-style-type: none"> <li>• <i>Business Operations Set Up</i></li> <li>• <i>Documents and Learning Aids</i></li> <li>• <i>Marketing</i></li> <li>• <i>Systems Set Up</i></li> <li>• <i>Week 1 Pre-Training</i></li> <li>• <i>Week 2 Pre-Training</i></li> <li>• <i>Week 3 Pre-Training</i></li> <li>• <i>Week 4 Pre-Training</i></li> <li>• <i>What to Expect from Training Meetings</i></li> <li>• <i>Training Class Chat Group</i></li> </ul>

8.	<p>12 WEEK POST TRAINING PROGRAM – NEW FRANCHISE TRAINING</p> <ul style="list-style-type: none"> <li>• <i>Business Operations Set Up</i></li> <li>• <i>Documents and learning Aids</i></li> <li>• <i>Marketing</i></li> <li>• <i>Systems Set Up</i></li> <li>• <i>Week 01 Post Training</i></li> <li>• <i>Week 02 Post Training</i></li> <li>• <i>Week 03 Post Training</i></li> <li>• <i>Week 04 Post Training</i></li> <li>• <i>Week 05 Post Training</i></li> <li>• <i>Week 06 Post Training</i></li> <li>• <i>Week 07 Post Training</i></li> <li>• <i>Week 08 Post Training</i></li> <li>• <i>Week 09 Post Training</i></li> <li>• <i>Week 10 Post Training</i></li> <li>• <i>Week 11 Post Training</i></li> <li>• <i>Week 12 Post Training</i></li> </ul>
9.	<p>COACHING SYSTEM</p> <ol style="list-style-type: none"> <li>1. <i>ActionCOACH System Overview</i></li> <li>2. <i>Start a New Client</i></li> <li>3. <i>First Six weeks of Coaching</i></li> <li>4. <i>13 Week Coaching Cycle</i></li> <li>5. <i>Coaching 6 Steps – Mastery</i></li> <li>6. <i>Coaching 6 Steps – Niche</i></li> <li>7. <i>Coaching 6 Steps – Leverage</i></li> <li>8. <i>Coaching 6 Steps – Team</i></li> <li>9. <i>Coaching 6 Steps – Synergy and Results</i></li> <li>10. <i>Coaching Tools</i></li> <li>11. <i>KPI's The COM</i></li> <li>12. <i>Coaching Tools – The COM</i></li> <li>13. <i>PlanningCLUB</i></li> <li>14. <i>GrowthCLUB</i></li> <li>15. <i>BusinessRICH</i></li> <li>16. <i>Six Steps Workshop</i></li> <li>17. <i>Five Ways Seminar</i></li> <li>18. <i>BookCLUB</i></li> <li>19. <i>12 Week ActionCLUB</i></li> <li>20. <i>12 Week Programs (Management &amp; Sales)</i></li> <li>21. <i>Membership</i></li> <li>22. <i>Alignment Manual</i></li> <li>23. <i>Finding Your Fee in 90 Days</i></li> </ol>
10.	<p>SALES</p> <ul style="list-style-type: none"> <li>• <i>Step 01 Identify Target Customer</i></li> <li>• <i>Step 02 Marketing</i></li> <li>• <i>Step 03 Prospect Inbound</i></li> <li>• <i>Step 04 Prospect Follow Up</i></li> <li>• <i>Step 05 Info Pack</i></li> <li>• <i>Step 06 Con'f of Receipt</i></li> <li>• <i>Step 07 Follow Up</i></li> <li>• <i>Step 08 Info Pack CD</i></li> <li>• <i>Step 09 Coach on Deck</i></li> <li>• <i>Step 10 Postcard</i></li> <li>• <i>Step 11 24hr PreCall</i></li> <li>• <i>Step 12 Diag/6 Steps</i></li> <li>• <i>Step 13 Starter pack</i></li> <li>• <i>13 Editable Process Scripts</i></li> <li>• <i>Sales Training</i></li> </ul>

11.	<p><b>GUARANTEE</b></p> <ul style="list-style-type: none"> <li>• <i>What is the ActionCOACH Guarantee?</i></li> <li>• <i>Point 1</i></li> <li>• <i>Point 2</i></li> <li>• <i>Point 3</i></li> <li>• <i>Point 4</i></li> <li>• <i>Point 5</i></li> <li>• <i>Point 6</i></li> <li>• <i>Point 7</i></li> <li>• <i>History Behind the Guarantee</i></li> <li>• <i>Frequently Asked Questions</i></li> <li>• <i>Supporting Media "Finding Your Fee"</i></li> </ul>
12.	<p><b>COACHING FOR A CAUSE</b></p> <ul style="list-style-type: none"> <li>• <i>ActionCOACH Foundation</i></li> <li>• <i>YESS Program</i></li> <li>• <i>5 Ways For Non-Profits</i></li> <li>• <i>Introduction</i></li> <li>• <i>Q&amp;A w/Brad Sugars</i></li> <li>• <i>Recommended Reading</i></li> <li>• <i>Structure of Regional Board</i></li> </ul>
13.	<p><b>MASTERCOACH</b></p> <ul style="list-style-type: none"> <li>• <i>Introduction</i></li> <li>• <i>Eligibility Criteria &amp; Performance Standards</i></li> <li>• <i>Coaching Agreements</i></li> <li>• <i>Fees</i></li> <li>• <i>Monthly Reporting</i></li> <li>• <i>Approved MasterCOACHes</i></li> <li>• <i>Marketing and Promoting</i></li> <li>• <i>Removal</i></li> </ul>
14.	<p><b>FIRM</b></p> <ul style="list-style-type: none"> <li>• <i>Marketing</i></li> <li>• <i>Operations</i></li> <li>• <i>People</i></li> <li>• <i>Planning and Reporting</i></li> </ul>
15.	<p><b>EXECUTIVE COACH</b></p> <ul style="list-style-type: none"> <li>• <i>'IN' The Executive Coach Business</i></li> <li>• <i>'ON' The Executive Coach Business</i></li> <li>• <i>Assessments 24x7</i></li> <li>• <i>PowerPoints</i></li> </ul>
16.	<p><b>RESOURCES</b></p> <ul style="list-style-type: none"> <li>• <i>ActionCOACH TV</i></li> <li>• <i>Continuing Education</i></li> <li>• <i>The How Thinkific Learning Management System</i></li> <li>• <i>Brad Sugars Titled Books</i></li> <li>• <i>Newsletters</i></li> <li>• <i>Email Requests</i></li> <li>• <i>ActionCOACH Store</i></li> <li>• <i>IT ticket helpdesk</i></li> </ul>
17.	<p><b>MARKETING</b></p> <ul style="list-style-type: none"> <li>• <i>4 Ways</i></li> <li>• <i>5 Ways</i></li> <li>• <i>6 Steps</i></li> <li>• <i>7 Reasons</i></li> <li>• <i>18 Questions</i></li> <li>• <i>28 Questions</i></li> <li>• <i>ActionCLUB</i></li> <li>• <i>ActionCOACH Letterhead</i></li> </ul>

	<ul style="list-style-type: none"> <li>• <i>ActionCOACH Video Trailer and Online Policy</i></li> <li>• <i>Assessments Online</i></li> <li>• <i>Brochures</i></li> <li>• <i>Brand Standards Guide</i></li> <li>• <i>Branded Assets and Calendar</i></li> <li>• <i>Business Cards</i></li> <li>• <i>Business Valuation</i></li> <li>• <i>BusinessRICH</i></li> <li>• <i>Coach Level Certificates</i></li> <li>• <i>Continuing Education Credits (NASBA, US only)</i></li> <li>• <i>E-books</i></li> <li>• <i>Flip Chart Covers</i></li> <li>• <i>GrowthCLUB</i></li> <li>• <i>Infographics</i></li> <li>• <i>Logo Package</i></li> <li>• <i>Leverage Game Nights</i></li> <li>• <i>MasterCLASS</i></li> <li>• <i>Podcast shorts</i></li> <li>• <i>PPT Design</i></li> <li>• <i>PlanningCLUB</i></li> <li>• <i>Reels</i></li> <li>• <i>ProfitCLUB</i></li> <li>• <i>Roll-Up Banners</i></li> <li>• <i>Setting Up A Seminar/Workshop/Training Room</i></li> <li>• <i>SeminarCLUB</i></li> <li>• <i>Testimonials</i></li> <li>• <i>Tickets/Gift Certificates/Vouchers</i></li> <li>• <i>Wallpapers</i></li> <li>• <i>Translations</i></li> </ul>
18.	<p>MARKETING MEDIA</p> <ul style="list-style-type: none"> <li>• <i>ActionCOACH Policies and Procedures</i></li> <li>• <i>ActionCOACH Social Media Links</i></li> <li>• <i>ActionCOACH Vision/Mission/Purpose</i></li> <li>• <i>Advertising and General Marketing</i></li> <li>• <i>FAQ's</i></li> <li>• <i>Marketing Strategies</i></li> <li>• <i>Public Relations</i></li> <li>• <i>Video Platforms</i></li> <li>• <i>Webinars</i></li> <li>• <i>Media</i></li> </ul>
19.	<p>ActionMEMBERS</p> <ul style="list-style-type: none"> <li>• <i>The COM KPI</i></li> <li>• <i>The COM Coaching Tools</i></li> </ul>
20.	<p>ActionMEMBERSHIPS</p> <ul style="list-style-type: none"> <li>• <i>Brad Sugars on Membership</i></li> <li>• <i>Training and Certification</i></li> <li>• <i>Latest Coach Interview</i></li> <li>• <i>International Speaker Highlight</i></li> <li>• <i>Marketing Fundamentals</i></li> <li>• <i>Membership Material</i></li> </ul>





**EXHIBIT N**

**To**

**BUSINESS COACH**

**FRANCHISE DISCLOSURE DOCUMENT**

**COMMUNICATIONS SYSTEM SPECIFICATIONS**

## **Communications System Specifications**

### Hardware Requirements:

Intel or AMD-based system capable at a minimum of running Microsoft Windows 11

- Alternatively, Macintosh system capable of running the latest version of MacOS
- Desktop, laptop or table depending on your preference
- Surge protector
- For complete protection, purchase an uninterruptible power supply (or UPS)

### Software Requirements:

- Microsoft Office 365
- Standard edition or better – must contain PowerPoint
- Latest Subscription to Adobe Acrobat (free download from <http://adobe.com>)
- QuickBooks (recommended) or equivalent business finance software
- Anti-Virus, Anti-Malware, and Anti-Ransomware software is recommended.
- Customer relationship management (CRM) software HubSpot recommended.

### Communications and Collaborative Software:

- Broadband connectivity, minimum of 768kb/s download speed and 384 kb/s upload speed is recommended but not required, as download speed is generally limited by geographical restrictions
- Microsoft Team (Included in any ActionCOACH software bundle) is the recommended communication platform for group meetings and IM.



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## FDD RECEIPT

### {You Date, Sign, and We Keep This Copy}

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 we offer you a franchise, we must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with us or make any payment to us or our affiliates in connection with the proposed franchise sale.

If we fail to 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 to the appropriate state agency listed in Exhibit I.

The franchisor is: BUJI, LLC  
10496 Red Fox Street  
Canal Winchester, OH 43110  
(614) 778-0120

The franchise seller for this offering is:

Name	Employer	Title	Principal Business Address	Telephone
Craig Hohnberger	Oaktree Business Services of Ohio	President and CEO	10496 Red Fox Street Canal Winchester, OH 43110	(614) 778-0118
Annette Hohnberger	Oaktree Business Services of Ohio	Vice President and COO	10496 Red Fox Street Canal Winchester, OH 43110	(614) 778-0120

Issuance date: **May 1, 2025**

I acknowledge that I have received a Franchise Disclosure Document dated May 1, 2025, which included the following exhibits:

Exhibit A: Business Coach Franchise Agreement  
Exhibit B: Managing Director Business Coach Agreement  
Exhibit C: Firm Addendum  
Exhibit D: Business Coach Agreement  
Exhibit E: Nondisclosure and Noncompete Agreement  
Exhibit F: Compliance Questionnaire  
Exhibit G: General Form of Release  
Exhibit H: State-Required Addenda  
Exhibit I: Additional State-Specific Disclosures and Service of Process Agents  
Exhibit J: State Franchise Regulatory Authorities  
Exhibit K: Franchisee Lists (Current and Former)  
Exhibit L: Financial Statements  
Exhibit M: Operations Manual Table of Contents  
Exhibit N: Communications Systems Specifications

If I received the Franchise Disclosure Document by electronic means, then by printing this receipt for signature, I acknowledge that I have the equipment, software and other means necessary to open and to review the Franchise Disclosure Document in its entirety.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

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