



SECTION I: TELEMARKETING

Revision Date: 02/15/06

*This section includes telemarketing hints designed to help you increase membership and team count and favorably present the League when receiving or making telephone calls to potential or former members. Telescripts with sample dialogues are posted on the **Resource Library** for your review.*

How to Use Telescripts.....	I-1
Telemarketing Hints	I-1
Breaking into the Corporate Market.....	I-3



SECTION J: PRODUCTS & PROMOTIONS

Revision Date: 02/15/09

*The use and restrictions of APA and sponsor trademarks are outlined. Current preauthorized vendors licensed directly by APA to provide APA League logo merchandise are posted on the **Resource Library**. In this section we outline the procedure we recommend you follow when you choose to purchase League logo merchandise (e.g., trophies, apparel, and patches, etc.) from a third party vendor for member incentives or giveaways, as well as for logo merchandise you plan to resell.*

Please refer to the updated Supplemental Section titled: Trademarks listed at the end of this document.

SECTION K: NATIONAL ACCOUNTS

Revision Date: 02/15/05

*This page of the Manual provides you with an overview of the opportunities and importance of using the businesses with whom we have established a license agreement to help you grow your League. The names and descriptions of our current National Accounts are posted on the **Resource Library** under **Marketing**.*



SECTION L: SPONSORSHIP

Revision Date: 02/15/05

*This section describes our fundamental goals and refers you to the **Resource Library** to learn how they work together with the goals of our national sponsors. The supportive information posted on the **Resource Library** will help you establish and maintain a beneficial relationship with our national sponsors.*

<i>APA's Sponsorship Goals.....</i>	<i>L-1</i>
<i>Promote Sponsor Products</i>	<i>L-1</i>
<i>Local Sponsorship</i>	<i>L-2</i>



CATALOGS & ORDER FORMS

Revision Date: 02/15/05

*This last section of the Manual is reserved for available vendor catalogs and brochures. Use the convenience of the **Resource Library**—under **Administrative Tools & Forms**, select **APA Materials Order Form**—to order League supplies, e.g., scoresheets, posters, membership applications, promotional materials, discount brochures and fliers, current **The American Poolplayer**® magazine issues, stickers and decals, SL7 and SL9 patches, Singles Qualifier Boards, U.S. Amateur entry forms and more. Order products direct from our authorized providers online by using the web links available under the **Vendor Services** folder on the **Resource Library**.*



SUPPLEMENTAL SECTIONS

Revision Date: 03/14/16

Facebook and Social Media
Your Awards program and Players Fund
Setting Your Fees
Cell Development
Transfers of an Interest in your League
Bar or Pool Room Ownership
Goal Setting
Selling to Host Locations
Working Effectively with Host Locations
Incentive Programs
Sportsmanship
Succession Planning
Dealing with Stagnation
U.S. Amateur
Orienting Yourself for Business Success
Competition
Insurance
Liability Claims or Threats of Litigation
Junior League Policy
Sexual Assault, Abuse and Molestation
Sexual Harassment on League Night
Trademarks
Active Sales and Marketing Plan
Scorekeeping Clinics
Division Representatives
Board of Governors

The total number of pages in the APA Operations Manual is 682.
Issue Date: July 25, 2012

Exhibit M

Franchisee Release (Upon Renewal)

WHEREAS, [FRANCHISEE'S NAME] (hereinafter "Franchisee") and the American Poolplayers Association, Inc. (hereinafter "APA") entered into a franchise agreement effective [EFFECTIVE DATE] (hereinafter the "Franchise Agreement") pursuant to which APA granted Franchisee a franchise to establish and operate an APA local amateur pool league business for a territory comprised of [TERRITORY DESCRIPTION] (hereinafter the "Franchise"); and

WHEREAS, the Franchise Agreement expires on [EXPIRATION DATE]; and

WHEREAS, Franchisee desires to renew its franchise relationship with APA, and APA has agreed to enter into a successor franchise agreement with Franchisee (hereinafter the "Successor Agreement") on the condition that, among other things, Franchisee execute this Release;

NOW, THEREFORE, in consideration of APA's execution of the Successor Franchise Agreement and other good and valuable consideration, and except as provided below, Franchisee hereby releases, remises, discharges and covenants not to sue APA, its subsidiaries, affiliates and sponsors, and their shareholders, directors, officers, employees and agents, (hereinafter the "Releasees") from and on any and all manner of actions or causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, agreements, judgments, claims and demands of every kind and nature, whether developed or undeveloped, known or unknown, arising out of, resulting from or relating to (i) the franchise relationship between APA and Franchisee prior to the effective date of the Successor Agreement and (ii) the performance of the Franchise Agreement; provided, however, nothing herein shall release or discharge APA from any continuing obligation it may have under the Franchise Agreement to indemnify and hold Franchisee harmless from any third party claim brought against Franchisee after the expiration or termination of the Franchise Agreement.

If Franchisee asserts any claim or cause of action against any Releasee in violation of this Release, the Releasee shall be entitled to recover from the Franchisee, in addition to any other damages it may suffer, the attorneys' fees and expenses incurred by the Releasee as a result of the assertion of such claim or cause of action.

This Release is binding upon and inures to the benefit of the parents, subsidiaries, affiliates, agents, servants, successors, assigns, heirs and representatives of Franchisee and APA.

Dated: [DATE]

FRANCHISEE

Franchise Release (Upon Transfer)

WHEREAS, [FRANCHISEE'S NAME] (hereinafter "Franchisee") and the American Poolplayers Association, Inc. (hereinafter "APA") entered into a franchise agreement effective [EFFECTIVE DATE] (hereinafter the "Franchise Agreement") pursuant to which APA granted Franchisee a franchise to establish and operate an APA local amateur pool league business for a territory comprised of [TERRITORY DESCRIPTION] (hereinafter the "Franchise"); and

WHEREAS, Franchisee desires to transfer [his/her/its] interest in the Franchise to [TRANSFEREE'S NAME]. (hereinafter the "Transferee") and seeks APA's approval of the Transfer as required under the Franchise Agreement; and

WHEREAS, APA is willing to approve the Transfer on the condition that, among other things, Franchisee execute this Release;

NOW, THEREFORE, in consideration of APA's approval of the Transfer and other good and valuable consideration, Franchisee hereby acknowledges the termination of its interest in the Franchise and releases, remises, discharges and covenants not to sue APA, its subsidiaries, affiliates and sponsors, and their shareholders, directors, officers, employees and agents, (hereinafter the "Releasees") from and on any and all manner of actions or causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, agreements, judgments, claims and demands of every kind and nature, whether developed or undeveloped, known or unknown, resulting or to result from, arising out of or based upon any facts existing on the date hereof, regardless of whether such facts shall be known or unknown to Franchisee, so that Franchisee shall have no claim against APA, or any subsidiary, affiliate or sponsor of APA, or any of their shareholders, directors, officers, employees or agents, directly or indirectly, on any contract, supposed liability or thing undertaken, done or omitted to be done prior to the date hereof.

If Franchisee asserts any claim or cause of action against any Releasee in violation of this Release, the Releasee shall be entitled to recover from the Franchisee, in addition to any other damages it may suffer, the attorneys' fees and expenses incurred by the Releasee as a result of the assertion of such claim or cause of action.

This Release is binding upon and inures to the benefit of the parents, subsidiaries, affiliates, agents, servants, successors, assigns, heirs and representatives of Franchisee and APA.

Dated: [DATE]

FRANCHISEE

Exhibit N

APA Financial Statements

Contents:

APA Audited Financial Statements for Year Ending December, 31, 2015

APA Audited Financial Statements for Year Ending December, 31, 2014

APA Audited Financial Statements for Year Ending December, 31, 2013

AMERICAN POOL PLAYERS ASSOCIATION, INC.

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED DECEMBER 31, 2015 AND 2014

Contents

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Independent Auditors' Report

Stockholders of
American Poolplayers Association, Inc.
Lake Saint Louis, Missouri

We have audited the accompanying financial statements of American Poolplayers Association, Inc., which comprise the balance sheet as of December 31, 2015, and the related statements of income and retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


In our opinion, the 2015 financial statements referred to above present fairly, in all material respects, the financial position of American Poolplayers Association, Inc. as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of American Poolplayers Association, Inc. as of December 31, 2014, were audited by other auditors whose report dated March 1, 2015, expressed an unmodified opinion on those statements.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script, appearing to read "Andrew Winkler-Hector".

March 11, 2016

American Poolplayers Association, Inc.
Balance Sheets
December 31, 2015 and 2014

		Assets	
		2015	2014
Current Assets			
Cash	\$ 2,584,174	\$ 2,483,339	
Restricted cash	31,556	58,974	
Short-term investments	1,595,000	1,696,998	
Accounts receivable	598,816	326,395	
Accounts receivable - other	92,567	87,106	
League materials	275,582	223,308	
Notes receivable - current	52,205	80,447	
Due from related party	56,067	59,176	
Prepaid expenses and other current assets	119,750	226,763	
Total Current Assets	5,405,717	5,242,506	
Property and Equipment, net	230,365	402,995	
Notes Receivable	13,148	37,910	
Other Asset	178,000	178,000	
Intangible Assets, net	4,304	4,764	
Total Assets	<u>\$ 5,831,534</u>	<u>\$ 5,866,175</u>	
Liabilities and Stockholders' Equity			
Current Liabilities			
Accounts payable	\$ 496,807	\$ 428,729	
Accrued expenses	121,814	112,055	
Accrued taxes	95,467	92,625	
Deferred revenue	1,840,148	1,510,964	
Total Current Liabilities	<u>2,554,236</u>	<u>2,144,373</u>	
Stockholders' Equity			
Common stock, \$10 par value			
Authorized - 3,000 shares			
Issued - 1,830 shares	18,300	18,300	
Outstanding - 1,630 shares	(6,000)	(6,000)	
Treasury stock - 200 shares	3,264,998	3,709,502	
Retained earnings	<u>3,277,298</u>	<u>3,721,802</u>	
Total Stockholders' Equity			
Total Liabilities and Stockholders' Equity	<u>\$ 5,831,534</u>	<u>\$ 5,866,175</u>	

American Poolplayers Association, Inc.
Statements of Income and Retained Earnings
Years Ended December 31, 2015 and 2014

	2015	2014
Revenue		
Membership	\$ 5,614,343	\$ 5,684,620
Royalties	6,977,423	6,727,854
Tournament	2,608,978	2,313,515
Sponsorship	20,967	21,417
Services to related party	165,986	206,262
Franchise fee	224,189	291,780
Other revenue	422,731	327,198
Total Revenue	<u>16,034,617</u>	<u>15,572,646</u>
Operating Expenses	<u>10,690,071</u>	<u>10,485,446</u>
Income from Operations	<u>5,344,546</u>	<u>5,087,200</u>
Other Income		
Interest income	13,304	12,295
Loss on disposition of equipment	<u>(3,839)</u>	<u>(3,780)</u>
Total Other Income	<u>9,465</u>	<u>8,515</u>
Income before Income Taxes	5,354,011	5,095,715
Provision for Income Taxes	<u>22,796</u>	<u>21,249</u>
Net Income	5,331,215	5,074,466
Retained Earnings, Beginning of Year	3,709,502	3,454,682
Distributions to Stockholders	<u>(5,775,719)</u>	<u>(4,819,646)</u>
Retained Earnings, End of Year	<u>\$ 3,264,998</u>	<u>\$ 3,709,502</u>

American Poolplayers Association, Inc.
Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	2015	2014
Cash Flows From Operating Activities		
Net income	\$ 5,331,215	\$ 5,074,466
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	170,051	187,185
Loss on disposal of equipment	3,839	3,780
(Increase) decrease in assets		
Restricted cash	27,418	23,759
Accounts receivable	(316,549)	(21,897)
Accounts receivable - other	(5,461)	(58,781)
League materials	(52,274)	53,789
Due from related party	3,109	(1,463)
Prepaid expenses and other current assets	107,013	(99,030)
Increase (decrease) in liabilities		
Accounts payable	68,078	41,383
Accrued expenses	9,759	1,246
Accrued taxes	2,842	14,331
Deferred revenue	329,184	100,665
Net Cash Provided by Operating Activities	<u>5,678,224</u>	<u>5,319,433</u>
Cash Flows From Investing Activities		
Purchases of short-term investments	(2,264,000)	(1,204,996)
Proceeds from sales of short-term investments	2,365,998	-
Purchases of property and equipment	-	(118,586)
Proceeds from sale of equipment	-	2,003
Purchases of trademarks	(800)	-
Advance on notes receivable	97,132	(56,205)
Payments on notes receivable	-	58,895
Net Cash Provided by (Used in) Investing Activities	<u>198,330</u>	<u>(1,318,889)</u>
Cash Flows From Financing Activities		
Distributions to stockholders	(5,775,719)	(4,819,646)
Net Cash Used in Financing Activities	<u>(5,775,719)</u>	<u>(4,819,646)</u>
Net Increase (Decrease) in Cash	100,835	(819,102)
Cash, Beginning of Year	<u>2,483,339</u>	<u>3,302,441</u>
Cash, End of Year	<u>\$ 2,584,174</u>	<u>\$ 2,483,339</u>
Noncash Operating and Investing Activities		
During 2015, the Company converted \$44,128 of its accounts receivable to interest-bearing notes receivable.		

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

1. Nature of Operations and Basis of Presentation

Nature of Operations

American Poolplayers Association, Inc. (the "Company"), a Missouri corporation, was incorporated in March 1981. The Company enters into franchise agreements with league operators to operate pool leagues nationwide, in Tokyo, Japan and are considering requests from other countries. The Company acts as a sanctioning body for the membership, establishes all league rules, conducts annual tournaments, and sells league related accessories.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions of Financial Accounting Standards Board ("FASB"), Accounting Standards Codification (the "FASB ASC"), which is the source of authoritative, non-governmental accounting principles generally accepted in the United States of America ("GAAP"). All references to authoritative accounting guidance contained in our disclosures are based on the general accounting topics within the FASB ASC.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted Cash

Restricted cash consists of amounts on deposit with a financial institution as collateral for a portion of the bank debt of which the Company is a guarantor. See Note 9 for additional information.

Fair Value Measurements

The Company follows guidance issued by the FASB on fair value measurements, which establishes a framework for measuring fair value, clarifies the definition of fair value within that framework, and expands disclosures about the use of fair value measurements. This guidance applies whenever fair value is the applicable measurement. The three general valuation techniques used to measure fair value are the market approach, cost approach, and income approach.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

Carrying amounts of certain financial instruments such as cash, short-term investments, accounts receivable, notes receivable, accounts payable, accrued expenses and deferred revenue approximate fair value due to their short maturities or because the terms are similar to market terms. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Short-term Investments

Short-term investments consist of certificates of deposit ("CD") with original maturities greater than three months and remaining maturities less than one year. These investments are valued based on the purchase price stated on the certificate, which approximates fair value. Interest income is recognized when earned and is included in other income on the statements of income and retained earnings.

Accounts Receivable

Franchisees participate in an automated billing and electronic payment cycle that averages 12 days after the close of the week.

The Company provides an allowance for doubtful accounts equal to the estimated losses that will be incurred in the collection of accounts receivable, if any. When necessary, this estimate is based on historical experience coupled with a review of the current status of existing receivables. The allowance and associated accounts receivable are reduced when the receivables are determined to be uncollectible. Currently, the Company considers accounts receivable to be fully collectible.

League Materials

League materials consist of membership materials given to league operators and are stated at cost.

Notes Receivable

Notes receivable are stated at unpaid principal balances, less an allowance for losses, if any. Interest on notes receivable is recognized over the term of the note and is calculated using the simple-interest method on principal amounts outstanding.

The Company provides an allowance for note losses based on the Company's past loss experience, known and other risks inherent to the note type, specific impaired notes, adverse situations that may affect the borrower's ability to repay, and current economic conditions. Currently, the Company considers notes receivable to be fully collectible.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

The Company considers a note impaired when based on current information or factors, it is probable that the Company will not collect the principal and interest payments according to the note agreement. Management considers many factors in determining whether a note is impaired, such as payment history, value of collateral, and changes in the borrowers' profitability. The Company does not receive updated financial information from its borrowers on an ongoing basis over the life of the note and, therefore, reviews delinquent notes to determine impaired accounts. At December 31, 2015 and 2014, no notes are delinquent or considered impaired.

The notes do not accrue interest once management believes that the notes are impaired or collection of interest is doubtful. Uncollectible interest previously accrued is written off. Interest income on these loans is recognized only to the extent cash payments are received. At December 31, 2015 and 2014, no notes are on nonaccrual status.

Property and Equipment

Property and equipment are stated at cost. Major additions and improvements are capitalized, while maintenance and repairs are expensed as incurred. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts. Any gain or loss arising from such disposition is included as income or expense in the year of disposition.

Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the estimated useful lives of the assets.

The estimated lives for computing depreciation and amortization on property and equipment are:

<u>Classification</u>	<u>Years</u>
Leasehold improvements	39-40
Machinery and equipment	5-7
Computer hardware and software	3-5
Furniture and fixtures	7
Automobiles	5

Other Asset

Other asset consist of an American Poolplayers Association St. Louis, Missouri franchise. The Company's purpose of owning the franchise is twofold: to experiment with marketing initiatives that may ultimately grow the brand on a national level and to provide staff with hands-on experience in order to better support league operators. The Company values the franchise at cost and has no plans to sell the franchise in the near future.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

Intangible Assets

Intangible assets consisting of copyrights and trademarks are deemed to have a definite life. The associated costs are amortized over the life of the copyright and trademark. The Company periodically reviews its amortizable intangible assets for impairment when events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Management does not believe any impairment exists as of December 31, 2015 or 2014.

Long-Lived Asset Impairment

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2015 and 2014.

Revenue Recognition

The Company recognizes membership revenue in accordance with the contract period. Tournament and royalties revenues are recognized when earned.

The Company sells franchises to third parties in exchange for the license to establish and operate an American Poolplayer's Association local amateur pool league within an assigned territory. The sales price of a franchise varies based on the market and the projected number of players in a territory. The Company collects a non-refundable initial franchise fee from the franchisee at the time of sale, which is generally recognized when substantially all services or conditions relating to the franchise sale have been performed or satisfied by the Company.

Deferred Revenue

Deferred revenue consists of sponsorship fees, memberships, and tournament revenue received in advance of the contract period.

Advertising Costs

The Company expenses advertising costs as they are incurred. Advertising costs included in operating expenses totaled \$868,486 and \$995,902 for the years ended December 31, 2015 and 2014, respectively.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

Sales Tax

The Company collects and remits taxes assessed by various governmental authorities. These taxes may include sales and use taxes. Taxes collected from customers are recognized as a liability with the liability subsequently reduced when the taxes are remitted to the respective taxing authorities.

Income Taxes

The stockholders of the Company elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Earnings and losses after the date of election are included in the personal income tax returns of the stockholders. Accordingly, the financial statements do not include a provision for income taxes. The Company does file with various states and cities incurring corporate franchise and excise taxes. A provision for these taxes has been included in the financial statements.

The Company is required to evaluate tax positions taken (or expected to be taken) in the course of preparing the Company's tax returns and recognize a tax liability if the Company has taken an uncertain tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The Company has analyzed the tax positions taken and has concluded that as of December 31, 2015 and 2014, there are no uncertain tax positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

If applicable, the Company recognizes interest and penalties related to unrecognized tax liabilities in the statement of income.

Management is required to analyze all open tax years, as defined by the Statute of Limitations, for all major jurisdictions, including federal and certain state taxing authorities. The Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by taxing authorities for years before 2012. As of and for the years ended December 31, 2015 and 2014, the Company did not have a liability for any unrecognized taxes. The Company has no examinations in progress and is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax liabilities will significantly change in the next twelve months.

Reclassifications

Certain amounts in the 2014 financial statements have been reclassified to conform to the current year presentation.

Subsequent Events

The Company has evaluated subsequent events through March 11, 2016, the date the financial statements were available to be issued.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

Recent Accounting Pronouncements

Revenue from Contracts with Customers

The FASB has issued new guidance on the recognition of revenue from contracts with customers. This guidance requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this, an entity should apply a five step process to (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The guidance also requires an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The guidance will be required for the first fiscal year beginning after December 15, 2018. Based on a preliminary analysis, the Company has not yet determined what impact, if any, this new guidance will have on its financial statements.

3. Property and Equipment

Property and equipment at December 31, is as follows:

	2015	2014
Leasehold improvements	42,719	42,719
Machinery and equipment	102,121	102,121
Computer hardware and software	3,108,076	3,222,502
Furniture and fixtures	236,122	237,786
Automobiles	85,539	85,539
	3,574,577	3,690,667
Less accumulated depreciation and amortization	3,344,212	3,287,672
	<u>\$ 230,365</u>	<u>\$ 402,995</u>

Depreciation and amortization expense for the years ended 2015 and 2014 totaled \$168,791 and \$183,051, respectively.

**American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014**

4. Intangible Assets

The carrying amount and accumulated amortization of recognized intangible assets at December 31, are as follows:

	2015		
	Carrying Amount	Accumulated Amortization	Net
Amortized intangible assets:			
Copyrights and trademarks	\$ 14,383	\$ 10,079	\$ 4,304
	2014		
	Carrying Amount	Accumulated Amortization	Net
Amortized intangible assets:			
Copyrights and trademarks	\$ 13,583	\$ 8,819	\$ 4,764

Copyrights and trademarks are being amortized over 5-15 years. Amortization expense totaled \$1,260 and \$4,134 for the years ended December 31, 2015 and 2014, respectively.

5. Notes Receivable

Notes receivable at December 31, are as follows:

	2015	2014
Unsecured notes receivable, interest from 5.00 percent to 5.25 percent, weekly payments ranging from \$84 - \$649 including principal and interest, paid on various dates through October 10, 2018	\$ 65,353	\$ 118,357
Less current portion	52,205	80,447
	<u>\$ 13,148</u>	<u>\$ 37,910</u>

**American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014**

6. Related Party Transactions

The Company and the Canadian Poolplayers Association ("CPL") are related by common ownership. The Company entered into a master license agreement with CPL granting them an exclusive master license to use and practice the Company's system of operations within Canada, including the right to appoint franchisees of CPL to develop and operate amateur pool leagues within Canada. The Company further grants CPL the right to develop and use the Company's branding. Both entity's have the right to terminate this agreement upon written notice. CPL is required to pay the Company an annual licensing fee equal to the membership fees received by CPL during each calendar year this agreement is in effect.

The Company also provides management and other services to the CPL based on a month-to-month management service agreement. For the services noted above, CPL paid the Company \$165,986 and \$206,262 for the years ended December 31, 2015 and 2014, respectively.

Due from Related Party

At December 31, 2015 and 2014, the Company's due from CPL was \$56,067 and \$59,176, respectively.

7. Retirement Plans

The Company maintains a contributory retirement savings plan under Section 401(k) of the Internal Revenue Code covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled \$62,341 and \$65,041 for the years ended December 31, 2015 and 2014, respectively.

8. Risks and Uncertainties

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and accounts receivable. The Company maintains its cash with multiple financial institutions. Deposits at these banks are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2015, there were cash balances of \$1,363,629 in excess of federally insured limits at the banks. The Company performs ongoing credit evaluations of its league operators and maintains allowances, as needed, for potential credit losses. Although the Company is directly affected by the financial stability of its league operators base, management does not believe significant credit risk exists at December 31, 2015.

The Company maintains its CDs in multiple brokerage accounts with various brokerage firms. The CDs held at each firm are insured by the FDIC up to \$250,000. At December 31, 2015, there were \$248,000 of deposits in excess of FDIC limits.

American Poolplayers Association, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

9. Commitments and Contingencies

Leases

The Company leases office and warehouse space and equipment under various operating leases. Future minimum lease payments at December 31, 2015 are as follows:

<u>Years Ending December 31,</u>	
2016	\$ 256,004
2017	256,004
2018	230,112
2019	230,112
2020	41,352
	<u>\$ 1,013,584</u>

Rent expense related to operating leases for the years ended December 31, 2015 and 2014 totaled approximately \$256,643 and \$252,737, respectively.

Guarantor

In January 2010, a third-party entered into a personal loan agreement with a bank in the amount of \$160,000. The Company is a guarantor on this loan. The balance of the loan at December 31, 2015 and 2014 is \$31,556 and \$58,974, respectively. The third party continues to meet their current obligation under the terms of the loan and the Company does not foresee having to make payments in the future on this guaranty. As a result of this guaranty, the financial institution places a restriction on cash equal to the loan balance.

American Poolplayers Association, Inc.
Schedules of Operating Expenses
Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Salaries and benefits	\$ 4,831,106	\$ 4,506,542
Tournament expense	3,023,037	2,817,275
Advertising	868,486	995,902
League development	767,505	736,912
Software development	275,483	593,781
Depreciation and amortization	170,051	187,185
Occupancy	259,618	257,519
Repairs and maintenance	184,496	98,974
Professional fees	118,387	73,311
Other operating	191,902	218,045
	<u>\$ 10,690,071</u>	<u>\$ 10,485,446</u>

AMERICAN POOLPLAYERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

AMERICAN POOLPLAYERS ASSOCIATION, INC.

Lake St Louis, Missouri

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T.A. Ohlms and Co., PC

Certified Public Accountants

Principals

Terry A. Ohlms, CPA
Larry Ehlmann, CPA

Debbie Schallenberg
Cindy Owenby

INDEPENDENT AUDITOR'S REPORT

American Poolplayers Association, Inc.
Lake St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of American Poolplayers Association, Inc. which comprise the balance sheets as of December 31, 2014 and 2013, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

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

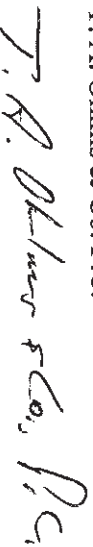
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Poolplayers Association, Inc. as of December 31, 2014 and 2013, 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.

T. A. Ohlms & Co. P.C.

A handwritten signature in dark ink, appearing to read "T. A. Ohlms & Co. P.C.", written in a cursive style.

St. Peters, Missouri

March 1, 2015

AMERICAN POOLPLAYERS ASSOCIATION, INC.

BALANCE SHEETS

DECEMBER 31, 2014 AND 2013

ASSETS	2014	2013
CURRENT ASSETS		
Cash - unrestricted	\$ 2,483,339	\$ 3,302,441
Cash - restricted	58,974	82,734
Short-term investments, at cost	1,696,998	492,002
Accounts receivable, net of allowance	326,395	304,498
Note receivable - current portion	80,447	58,895
Due from related parties	59,175	57,712
Accounts receivable - other	87,106	28,325
League materials	223,308	277,097
Prepaid expenses	226,763	127,733
Total current assets	5,242,506	4,731,437
PROPERTY AND EQUIPMENT, at cost		
Computer hardware and software	3,222,502	3,222,426
Furniture and fixtures	237,786	304,049
Machinery and equipment	102,121	202,134
Leasehold improvements	42,719	42,719
Automobiles	85,539	85,539
	3,690,667	3,856,867
Less accumulated depreciation	<u>(3,287,672)</u>	<u>(3,378,365)</u>
	402,995	478,502
OTHER ASSETS		
Note receivable - non-current portion	37,910	62,152
Investments	178,000	178,000
Copyright and trademarks	4,764	3,639
(net of accumulated amortization of \$8,819 and \$4,685 for 2014 and 2013, respectively)		
	<u>220,674</u>	<u>243,791</u>
	<u>\$ 5,866,175</u>	<u>\$ 5,453,730</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

BALANCE SHEETS

DECEMBER 31, 2014 AND 2013

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2014</u>	<u>2013</u>
CURRENT LIABILITIES		
Accounts payable - trade	\$ 272,509	\$ 199,224
Accounts payable - other	156,220	188,122
Accrued expenses	112,055	110,809
Accrued taxes	92,625	78,294
Deferred revenue	<u>1,510,964</u>	<u>1,410,299</u>
Total current liabilities	2,144,373	1,986,748

STOCKHOLDERS' EQUITY

Common stock, \$10 par value, 3,000 shares authorized, 1830 shares issued and 1630 shares outstanding	18,300	18,300
Retained earnings	<u>3,709,502</u>	<u>3,454,682</u>
	3,727,802	3,472,982
	<u>(6,000)</u>	<u>(6,000)</u>
Less treasury stock, 200 shares, at cost	<u>3,721,802</u>	<u>3,466,982</u>
	<u>\$ 5,866,175</u>	<u>\$ 5,453,730</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENTS OF INCOME AND RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
REVENUES		
Memberships	\$ 5,684,620	\$ 5,845,175
Royalties	6,727,854	6,600,013
Tournament	2,313,515	2,205,186
Sponsorships	21,417	17,769
Services to related party	206,262	257,237
Franchise fee	291,780	185,438
Other revenue	327,198	356,987
Total revenues	<u>15,572,646</u>	<u>15,467,805</u>
OPERATING EXPENSES	<u>10,485,447</u>	<u>10,510,660</u>
INCOME FROM OPERATIONS	5,087,200	4,957,145
OTHER INCOME (EXPENSE)		
Interest	12,295	5,523
Loss on disposition of equipment	<u>(3,780)</u>	<u>(2,000)</u>
	8,515	3,523
INCOME BEFORE INCOME TAXES	5,095,715	4,960,668
INCOME TAXES	<u>21,249</u>	<u>22,355</u>
NET INCOME	5,074,466	4,938,313
RETAINED EARNINGS, beginning of year	3,454,682	3,109,356
DISTRIBUTIONS	<u>(4,819,646)</u>	<u>(4,592,987)</u>
RETAINED EARNINGS, end of year	<u>\$ 3,709,502</u>	<u>\$ 3,454,682</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 5,074,466	\$ 4,938,313
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	187,185	506,662
Loss on disposition of equipment	3,780	2,000
Change in assets and liabilities		
(Increase) decrease in assets		
Accounts receivable	(21,897)	131,869
Accounts receivable-other	(58,781)	(22,277)
Due from related party	(1,463)	87,301
League materials	53,789	5,867
Prepaid expenses	(99,030)	70,848
Increase (decrease) in liabilities		
Accounts payable	41,383	40,203
Accrued expenses	1,246	25,600
Accrued taxes	14,331	9,003
Deferred revenue	100,665	183,801
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>5,295,674</u>	<u>5,979,190</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	2,003	1,960
Purchase short-term investment	(1,204,996)	(492,002)
Purchase of long-term investment	-	(178,000)
Purchase of property and equipment	(118,586)	(157,240)
Advance on notes receivable	(56,205)	(121,047)
Principal payments on note receivable	58,895	13,615
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(1,318,889)</u>	<u>(932,714)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions	(4,819,646)	(4,592,987)
INCREASE IN CASH AND CASH EQUIVALENTS	<u>(842,862)</u>	<u>453,489</u>
CASH, beginning of year	<u>3,385,175</u>	<u>2,931,686</u>
CASH, end of year	<u><u>\$ 2,542,313</u></u>	<u><u>\$ 3,385,175</u></u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 1 – NATURE OF OPERATIONS

American Poolplayers Association, Inc. enters into franchise agreements with league operators to operate pool leagues nationwide, in Tokyo, Japan, and are considering requests from other countries. The Company acts as a sanctioning body for the membership, establishes all league rules, conducts annual tournaments, and sells league-related accessories.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Company recognizes revenue from franchises sold, memberships and royalties using the accrual basis of accounting in accordance with generally accepted accounting principles.

Cash flows

For purposes of the statement of cash flows, cash consists of Restricted and unrestricted cash as shown in the financial statements..

Short-term investments

The Company has the policy of investing excess cash in short term certificate of deposits. In 2014 the interest rate on these certificates ranged from .4% to .5%. The total amount in short-term investments was \$1,696,998 and \$492,002 at December 31, 2014 and 2013 respectively.

Property and equipment

Property and equipment are stated at cost. Major renewals and betterments are charged to the property accounts. Replacements, maintenance, and repairs which do not improve or extend the life of the respective assets are deducted as incurred.

The various classes of property and equipment are depreciated over their estimated useful lives using an accelerated method. Depreciation and amortization expenses for the years ending December 31, 2014 and 2013 were \$187,185 and \$506,662 respectively.

AMERICAN POOL PLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

	<u>Years</u>
Machinery and equipment	5 - 10
Furniture and fixtures	7 - 10
Computer hardware and software	3 - 5
Automobiles	5

Leasehold improvements are amortized over the estimated useful life of the improvements using the straight line method of amortization. Computer software costs represent specialized software developed by the Company. Those costs are being amortized over three years. The amortization expense of \$4,134 is included in depreciation expense.

Copyright and trademarks

Copyright and trademarks are amortized over the shorter of the life of the copyright or trademark or 15 years, using the straight line method of amortization.

Deferred revenue

Deferred revenue consists of sponsorship fees, memberships and tournament revenue received in advance of the contract period.

Sponsorship revenue

Sponsorship revenue represents income from companies to assist the Association in the promotion of league activities in exchange for their names appearing on Company sponsored events.

Income taxes

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Association does not pay corporate income taxes on its taxable income, except to certain states. Rather, the individual stockholders are liable for individual income taxes based on their pro-rata share of the Company's taxable income.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising and promotion costs

Advertising and promotion costs are deducted as incurred. For the years ended December 31, 2014 and 2013, advertising and promotion costs were \$995,902 and \$1,050,821, respectively.

Bad debt

The estimated losses are based on management's evaluation of outstanding accounts receivable at the end of each year and their prior history of writing off uncollectible accounts. At December 31, 2014, in management's opinion, an allowance was not deemed necessary.

Taxes assessed by Governmental Authorities

Taxes assessed by governmental authorities (sales tax, use tax, etc) are reported on a net basis.

NOTE 3 – CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially subject the Association to credit and market risk consist principally of temporary cash investments, short-term investments, and accounts receivable. The Company's franchisees and a related party account for a major portion of accounts receivable. The risk associated with this concentration is limited due to the Company's affiliation with these entities.

The Company places temporary cash investments with major institutions, which at times, may exceed the federally insured limits. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014 the uninsured cash balance was \$1,306,240. The Company has not experienced any losses in such accounts. Management believes the likelihood of a loss is remote.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 4 – INCOME TAXES

The Company's income tax filings are subject to audit by various taxing authorities. The Company's open audit periods are for the years ended December 31, 2012 to 2014. The Company does not have a history of taking aggressive tax positions.

NOTE 5- DUE FROM RELATED PARTY

The Association provides services and management to a Company related through common ownership, Canadian Poolplayers Association, as follows:

	<u>2014</u>	<u>2013</u>
Balance beginning of year	\$ 57,712	\$145,013
Management Services	40,000	80,000
Licensing fee	166,262	177,237
Operating expenses	157,879	119,871
Adjustment to 2012 management fee in 2013	-	(22,500)
Payments received	<u>(362,677)</u>	<u>(441,909)</u>
Balance at December 31	<u>\$ 59,176</u>	<u>\$ 57,712</u>

NOTE 6 – PURCHASE OF ST. LOUIS FRANCHISE

On June 10, 2013 the Company purchased the APA St. Louis, Missouri franchise for \$178,000. The Company's purpose for owning the franchise is twofold: to experiment with marketing initiatives that may ultimately grow the brand on a national level and to provide staff with hands-on experience in order to better support league operators. The Company has no plans to sell the franchise.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 7 – NOTES RECEIVABLE

Notes receivable consists of the following:

	<u>2014</u>	<u>2013</u>
An unsecured note receivable, 5.25% interest, weekly payments of \$192 including principal and interest through December 18, 2015	\$ 9,895	\$
An unsecured note receivable, 5.25% interest, weekly payments of \$135 including principal and interest through September 7, 2016	11,467	
An unsecured note receivable, 5.25% interest weekly payments of \$362 including principal And interest through September 7, 2016	30,822	
An unsecured note receivable, 5.25% interest, weekly payments of \$50 including principal and interest until February 28, 2014. On February 28, 2014 the note was renewed at 5.25% interest with weekly payments of \$400 through March 4, 2015.		17,980
An unsecured note receivable, 5.00% interest, weekly payments of \$109 including principal and interest through October 10, 2018.	19,593	24,150
An unsecured note receivable, 5.25% interest, monthly payments of \$646 including principal and interest through November 18, 2015.	6,919	14,099
An unsecured note receivable, 5.25% interest, weekly payments of \$600 including principal and interest through March 9, 2016.	<u>39,661</u>	<u>64,818</u>
Total	118,357	121,047
Less current portion	<u>80,447</u>	<u>58,895</u>
Total non-current note receivable	<u>\$ 37,910</u>	<u>\$ 62,152</u>

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 7 – NOTES RECEIVABLE (continued)

Notes receivable have the following maturities at December 31, 2014

Year ended December 31	Amount
2015	\$ 80,447
2016	<u>37,910</u>
	<u>\$118,357</u>

NOTE 8 – ACCOUNTS RECEIVABLES

The accounts receivable balances at December 31, 2014 and 2013 were collected in full in January of 2015 and 2014, respectively. Franchisees participate in an automated billing and electronic payment cycle that averages 12 days after the close of each League-week.

NOTE 9– 401(k) SAVINGS AND RETIREMENT PLAN

The Company provides a 401(k) salary savings plan for its employees. Participating employees may elect to contribute, on a tax-deferred basis, a portion of their compensation in accordance with Section 401(k) of the Internal Revenue Code. The Company will match 25% of the first 16% of employee's deferrals. All employees twenty-one years of age and older who work a minimum of 1,000 hours and have attained one year of service are eligible to participate. The Company's contributions to the plan for the years ended December 31, 2014 and 2013 were \$65,040 and \$62,382 respectively.

NOTE 10 – OPERATING LEASES

The Company leases office and warehouse space under various operating lease agreements which will expire in February 2017. In addition, the Company leases printers and copiers under an operating lease agreement which will expire December 2016.

Total lease expense for the years ended December 31, 2014 and 2013 was \$225,141 and \$249,960 respectively.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

NOTE 10 – OPERATING LEASES (continued)

<u>Year</u>	<u>Amount</u>
2015	\$ 230,467
2016	230,775
2017	<u>34,298</u>
	<u>\$ 495,540</u>

NOTE 11 – SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<u>2014</u>	<u>2013</u>
Cash paid during the year for income taxes:	\$ <u>21,849</u>	\$ <u>22,561</u>
Cash paid during the year for interest:	\$ -	\$ -

NOTE 12 – COMMITMENTS AND CONTINGENCIES

In January 2010, the board agreed to guaranty a loan for \$160,000 of which the balance was \$58,974 and \$82,734 at December 31, 2014 and 2013, respectively. The third party has met his obligation under the loan and the Company does not foresee having to make any payments in the future on this guaranty. As a result of this guaranty, the financial institution placed a restriction on cash equal to the loan balance.

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 1, 2015, the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment or disclosure in the accompanying financial statements.



T.A. Ohlms and Co., PC
Certified Public Accountants

Principals

Terry A. Ohlms, CPA
Larry Ehlmann, CPA

Debbie Schallenberg
Cindy Owenby

**INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY INFORMATION**

To the Board of Directors
American Poolplayers Association, Inc.

We have audited the financial statements of American Poolplayers Association, Inc. as of and for the years ended December 31, 2014 and 2013, and our report dated March 1, 2015, which express and unqualified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Operations is presented for the purpose of additional analysis and is not a required part of the financial statements, such information is the responsibility of managements and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

T. A. Ohlms & Co. P. C.

T. A. Ohlms & Co. P.C.

St. Peters, Missouri
March 1, 2015

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENT I - SCHEDULES OF OPERATING EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Salaries and benefits	\$ 4,506,542	\$ 4,495,336
Tournament expense	2,817,275	2,609,699
Advertising	995,902	1,050,821
League development	736,912	669,063
Software development	593,781	506,428
Depreciation and amortization	187,185	506,662
Occupancy	257,519	254,865
Repairs and maintenance	98,974	93,531
Professional fees	73,311	73,745
Other operating	218,045	250,510
	<u>\$ 10,485,447</u>	<u>\$ 10,510,660</u>

See independent auditor's report on supplemental information.



T.A. Ohlms and Co., PC
Certified Public Accountants

Principals

Terry A. Ohlms, CPA
Larry Ehlmann, CPA
Debbie Schallenberg
Cindy Owenby

Independent Auditor's Consent

The Board of Directors
American Poolplayers Association, Inc.
Lake St. Louis, Missouri

We consent to the inclusion of our report dated March 1, 2015 with respect to the financial statements of American Poolplayers Association, Inc. as of and for the years ended December 31, 2014 and 2013, in American Poolplayers Association, Inc.'s Franchise Disclosure Document for Prospective Franchisees.

This consent should not be regarded as in any way updating the aforementioned report or representing that we performed any procedures subsequent to the date of such report.

T. A. Ohlms & Co., P.C.
St. Peters, Missouri
March 1, 2015

AMERICAN POOLPLAYERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

AMERICAN POOLPLAYERS ASSOCIATION, INC.

Lake St Louis, Missouri

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T.A. Ohlms and Co., PC

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INDEPENDENT AUDITOR'S REPORT

American Poolplayers Association, Inc.
Lake St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of American Poolplayers Association, Inc. which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Poolplayers Association, Inc. as of December 31, 2013 and 2012, 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.

T. A. Ohlms & Co. P.C.

T.A. Ohlms & Co., P.C.

St. Peters, Missouri

March 1, 2014

AMERICAN POOLPLAYERS ASSOCIATION, INC.

BALANCE SHEETS

DECEMBER 31, 2013 AND 2012

ASSETS	2013	2012
CURRENT ASSETS		
Cash - unrestricted	\$ 3,302,441	\$ 2,826,589
Cash - restricted	82,734	105,097
Short-term investments	492,002	-
Accounts receivable, net of allowance of \$20,000 at December 31, 2012	304,498	436,367
Note receivable - current portion	58,895	13,615
Due from related parties	57,712	145,013
Accounts receivable - other	28,325	6,048
League materials	277,097	282,964
Prepaid expenses	127,733	198,581
Total current assets	<u>4,731,437</u>	<u>4,014,274</u>
PROPERTY AND EQUIPMENT, at cost		
Computer hardware and software	3,222,426	3,201,372
Furniture and fixtures	304,049	290,494
Machinery and equipment	202,134	188,958
Leasehold improvements	42,719	42,719
Automobiles	85,539	31,303
	<u>3,856,867</u>	<u>3,754,846</u>
Less accumulated depreciation	<u>(3,378,365)</u>	<u>(2,922,839)</u>
	478,502	832,007
OTHER ASSETS		
Note receivable - non-current portion	62,152	-
Investments	178,000	-
Copyright and trademarks	3,639	3,516
(net of accumulated amortization of \$4,482 and \$3,735 for 2013 and 2012, respectively)		
	<u>243,791</u>	<u>3,516</u>
	<u>\$ 5,453,730</u>	<u>\$ 4,849,797</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

BALANCE SHEETS

DECEMBER 31, 2013 AND 2012

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2013</u>	<u>2012</u>
CURRENT LIABILITIES		
Accounts payable - trade	\$ 199,224	\$ 291,927
Accounts payable - other	188,122	55,216
Accrued expenses	110,809	85,209
Accrued taxes	78,294	69,291
Deferred revenue	<u>1,410,299</u>	<u>1,226,498</u>
Total current liabilities	1,986,748	1,728,141

STOCKHOLDERS' EQUITY

Common stock, \$10 par value, 3,000 shares authorized, 1830 shares issued and 1630 shares outstanding	18,300	18,300
Retained earnings	<u>3,454,682</u>	<u>3,109,356</u>
	3,472,982	3,127,656
	<u>(6,000)</u>	<u>(6,000)</u>
Less treasury stock, 200 shares, at cost	<u>3,466,982</u>	<u>3,121,656</u>
	<u>\$ 5,453,730</u>	<u>\$ 4,849,797</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENTS OF INCOME AND RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 2013 and 2012

	2013	2012
REVENUES		
Memberships	\$ 5,845,175	\$ 5,979,481
Royalties	6,600,013	6,514,621
Tournament	2,205,186	2,114,046
Sponsorships	17,769	24,543
Services to related party	257,237	278,615
Franchise fee	185,438	172,412
Other revenue	356,987	280,230
Total revenues	<u>15,467,805</u>	<u>15,363,948</u>
OPERATING EXPENSES	<u>10,510,660</u>	<u>10,705,041</u>
INCOME FROM OPERATIONS	4,957,145	4,658,907
OTHER INCOME		
Interest	5,523	4,683
Dividends	-	1
Gain (loss) on disposition of equipment	<u>(2,000)</u>	<u>(1,576)</u>
	3,523	3,108
INCOME BEFORE INCOME TAXES	4,960,668	4,662,015
INCOME TAXES	<u>22,355</u>	<u>22,455</u>
NET INCOME	4,938,313	4,639,560
RETAINED EARNINGS, beginning of year	3,109,356	3,093,785
DISTRIBUTIONS	<u>(4,592,987)</u>	<u>(4,623,989)</u>
RETAINED EARNINGS, end of year	<u>\$ 3,454,682</u>	<u>\$ 3,109,356</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2013 and 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 4,938,313	\$ 4,639,560
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	506,662	591,325
Gain (loss) on disposition of equipment	2,000	1,576
Change in assets and liabilities		
(Increase) decrease in assets		
Accounts receivable	131,869	41,904
Accounts receivable-other	(22,277)	(353)
Due from related party	87,301	(25,374)
League materials	5,867	10,710
Prepaid expenses	70,848	247,173
Increase (decrease) in liabilities		
Accounts payable	40,203	(31,094)
Accrued expenses	25,600	(6,981)
Accrued taxes	9,003	26,627
Deferred revenue	183,801	(21,490)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>5,979,190</u>	<u>5,473,583</u>
CASH FLOWS USED FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	1,960	-
Proceeds from sale of investments	-	499,470
Purchase short-term investment	(492,002)	-
Purchase of long-term investment	(178,000)	-
Purchase of property and equipment	(157,240)	(340,404)
Advance on notes receivable	(121,047)	(13,615)
Principal payments on note receivable	<u>13,615</u>	<u>7,151</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(932,714)</u>	<u>152,602</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Distributions	<u>(4,592,987)</u>	<u>(4,623,989)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	453,489	1,002,196
CASH, beginning of year	<u>2,931,686</u>	<u>1,929,490</u>
CASH, end of year	<u><u>\$ 3,385,175</u></u>	<u><u>\$ 2,931,686</u></u>

The accompanying notes are an integral part of these financial statements.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 1 – NATURE OF OPERATIONS

American Poolplayers Association, Inc. enters into franchise agreements with league operators to operate pool leagues nationwide, in Tokyo, Japan, and are considering requests from other countries. The Company acts as a sanctioning body for the membership, establishes all league rules, conducts annual tournaments, and sells league-related accessories.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Company recognizes revenue from franchises sold, memberships and royalties using the accrual basis of accounting in accordance with generally accepted accounting principles.

Cash flows

For purposes of the statement of cash flows, cash and cash equivalents consists of amounts on deposit at financial institutions, broker/dealer money market accounts and certificates of deposit with maturity dates of three months or less.

Property and equipment

Property and equipment are stated at cost. Major renewals and betterments are charged to the property accounts. Replacements, maintenance, and repairs which do not improve or extend the life of the respective assets are deducted as incurred.

The various classes of property and equipment are depreciated over their estimated useful lives using an accelerated method. Depreciation and amortization expenses for the years ending December 31, 2013 and 2012 were \$506,662 and \$591,325, respectively.

AMERICAN POOLPLAYERS ASSOCIATION, INC

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	<u>Years</u>
Machinery and equipment	5 - 10
Furniture and fixtures	7 - 10
Computer hardware and software	3 - 5
Automobiles	5

Leasehold improvements are amortized over the estimated useful life of the improvements using the straight line method of amortization. Computer software costs represent specialized software developed by the Company. Those costs are being amortized over three years. The amortization expense of \$408,270 is included in depreciation expense.

Copyright and trademarks

Copyright and trademarks are amortized over the shorter of the life of the copyright or trademark or 15 years, using the straight line method of amortization.

Deferred revenue

Deferred revenue consists of sponsorship fees, memberships and tournament revenue received in advance of the contract period.

Sponsorship revenue

Sponsorship revenue represents income from companies to assist the Association in the promotion of league activities in exchange for their names appearing on Company sponsored events.

Income taxes

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Association does not pay corporate income taxes on its taxable income, except to certain states. Rather, the individual stockholders are liable for individual income taxes based on their pro-rata share of the Company's taxable income.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising and promotion costs

Advertising and promotion costs are deducted as incurred. For the years ended December 31, 2013 and 2012, advertising and promotion costs were \$1,050,821 and \$1,223,765, respectively.

Bad debt

The Association provides an allowance for doubtful accounts equal to the estimated losses that will be incurred in collection of all receivables. The estimated losses are based on management's evaluation of outstanding accounts receivable at the end of each year and their prior history of writing off uncollectible accounts. At December 31, 2013, in managements' opinion, an allowance was not deemed necessary. At December 31, 2012, the allowance for doubtful accounts was \$20,000.

Taxes assessed by Governmental Authorities

Taxes assessed by governmental authorities (sales tax, use tax, etc) are reported on a net basis.

NOTE 3 – CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially subject the Association to credit and market risk consist principally of temporary cash investments, short-term investments, and accounts receivable. The Company's franchisees and a related party account for a major portion of accounts receivable. The risk associated with this concentration is limited due to the Company's affiliation with these entities.

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 3 – CONCENTRATIONS OF CREDIT AND MARKET RISK (continued)

The Company places temporary cash investments with major institutions, which at times, may exceed the federally insured limits. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2013 the uninsured cash balance was \$1,632,427. The Company has not experienced any losses in such accounts. Management believes the likelihood of a loss is remote.

NOTE 4 – INCOME TAXES

The Company's income tax filings are subject to audit by various taxing authorities. The Company's open audit periods are for the years ended December 31, 2011 to 2013. The Company does not have a history of taking aggressive tax positions.

NOTE 5 – PROPERTY AND EQUIPMENT

The Company developed through December 31, 2013, specialized software with a total cost of \$5,798,725 of which \$2,484,350 was capitalized and is or will be depreciated. The remaining \$3,314,375 was for enhancements and modifications to the original software and was expensed in the year incurred. This is an on-going project which will continue in 2014.

NOTE 6 - DUE FROM RELATED PARTY

The Association provides services and management to a Company related through common ownership, Canadian Poolplayers Association, as follows:

	<u>2013</u>	<u>2012</u>
Balance beginning of year	\$145,013	\$119,639
Management Services	80,000	100,000
Licensing fee	177,237	178,615
Operating expenses	119,871	143,127
Adjustment to 2012 management fee in 2013	(22,500)	-
Payments received	(441,909)	(396,368)
Balance at December 31	<u>\$ 57,712</u>	<u>\$ 145,013</u>

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 7 – PURCHASE OF ST. LOUIS FRANCHISE

On June 10, 2013 the Company purchased the APA St. Louis, Missouri franchise for \$178,000. The Company's purpose for owning the franchise is twofold: to experiment with marketing initiatives that may ultimately grow the brand on a national level and to provide staff with hands-on experience in order to better support league operators. The Company has no plans to sell the franchise.

NOTE 8 – NOTES RECEIVABLE

Notes receivable consists of the following:

	<u>2013</u>	<u>2012</u>
An unsecured note receivable, 5.25% interest, weekly payments of \$160 including principal and interest through December 25, 2013.	\$ -	\$ 7,898
An unsecured note receivable, 5.25% interest, weekly payments of \$250 including principal and interest through June 19, 2013.	-	5,717
An unsecured note receivable, 5.25% interest, weekly payments of \$50 including principal and interest until February 28, 2014. On February 28, 2014 the note was renewed at 5.25% interest with weekly payments of \$400 and a maturity date of March 4, 2015.	17,980	-
An unsecured note receivable, 5.00% interest, weekly payments of \$109 including principal and interest through October 10, 2018.	24,150	-
An unsecured note receivable, 5.25% interest, monthly payments of \$646 including principal and interest through November 18, 2015.	14,099	-

AMERICAN POOLPLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE 8 – NOTES RECEIVABLE (continued)

An unsecured note receivable, 5.25% interest, weekly payments of \$600 including principal and interest through March 9, 2016.

	<u>64,818</u>	<u>-</u>
Total	121,047	13,615
Less current portion	<u>58,895</u>	<u>13,615</u>
Total non-current note receivable	<u>\$ 62,152</u>	<u>\$ -</u>

NOTE 9 – ACCOUNTS RECEIVABLE

The accounts receivable balances at December 31, 2013 and 2012 were collected in full in January of 2014 and 2013, respectively. Franchisees participate in an automated billing and electronic payment cycle that averages 12 days after the close of each League-week.

NOTE 10 – 401(k) SAVINGS AND RETIREMENT PLAN

The Company provides a 401(k) salary savings plan for its employees. Participating employees may elect to contribute, on a tax-deferred basis, a portion of their compensation in accordance with Section 401(k) of the Internal Revenue Code. The Company will match 25% of the first 16% of employee's deferrals. All employees twenty-one years of age and older who work a minimum of 1,000 hours and have attained one year of service are eligible to participate. The Company's contributions to the plan for the years ended December 31, 2013 and 2012 were \$62,382 and \$58,086 respectively.

NOTE 11 – OPERATING LEASES

The Company leases office and warehouse space under various operating lease agreements which will expire in February 2017. In addition, the Company leases printers and copiers under an operating lease agreement which will expire at the end of December, 2016. Total lease expense for the years ended December 31, 2013 and 2012 was \$249,960 and \$244,556 respectively.

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AMERICAN POOL PLAYERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

NOTE 11 – OPERATING LEASES (continued)

Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 252,751
2015	230,467
2016	230,775
2017	34,298
	<u>\$ 748,291</u>

NOTE 12 – SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<u>2013</u>	<u>2012</u>
Cash paid during the year for income taxes:	<u>\$ 22,561</u>	<u>\$34,159</u>
Cash paid during the year for interest:	\$ -	\$ -

NOTE 13 – COMMITMENTS AND CONTINGENCIES

In January 2010, the board agreed to guaranty a loan for \$160,000 of which the balance was \$82,734 and \$105,097 at December 31, 2013 and 2012, respectively. The third party has met his obligation under the loan and the Company does not foresee having to make any payments in the future on this guaranty. As a result of this guaranty, the financial institution placed a restriction on cash equal to the loan balance.

NOTE 14 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 1, 2014, the date that the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment or disclosure in the accompanying financial statements.



T.A. Ohlms and Co., PC

Principals

Terry A. Ohlms, CPA
Larry Ehlmann, CPA

Debbie Schallenberg
Cindy Owenby

**Certified Public Accountants
INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY INFORMATION**

To the Board of Directors
American Poolplayers Association, Inc.

We have audited the financial statements of American Poolplayers Association, Inc. as of and for the years ended December 31, 2013 and 2012, and our report dated March 1, 2014, which express and unqualified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Operations is presented for the purpose of additional analysis and is not a required part of the financial statements, such information is the responsibility of managements and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

T. A. Ohlms & Co. P. C.

T.A. Ohlms & Co. P.C.

St. Peters, Missouri

March 1, 2014

AMERICAN POOLPLAYERS ASSOCIATION, INC.

STATEMENT I - SCHEDULES OF OPERATING EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2013 and 2012

	2013	2012
Salaries and benefits	\$ 4,495,336	\$ 4,272,707
Tournament expense	2,609,699	2,558,515
Advertising	1,050,821	1,223,765
League development	669,063	665,180
Software development	506,428	751,495
Depreciation and amortization	506,662	591,325
Occupancy	254,865	247,487
Repairs and maintenance	93,531	86,902
Professional fees	73,745	77,431
Other operating	250,510	230,234
	<u>\$ 10,510,660</u>	<u>\$ 10,705,041</u>

See independent auditor's report on supplemental information.



T.A. Ohlms and Co., PC
Certified Public Accountants

Principals

Terry A. Ohlms, CPA
Larry Ehlmann, CPA

Debbie Schallenberg
Cindy Owenby

Independent Auditor's Consent

The Board of Directors
American Poolplayers Association, Inc.
Lake St. Louis Missouri

We consent to the inclusion of our report dated March 1, 2014 with respect to the financial statements of American Poolplayers Association, Inc. as of and for the years ended December 31, 2013 and 2012, in American Poolplayers Association, Inc.'s Franchise Disclosure Document for Prospective Franchisees.

This consent should not be regarded as in any way updating the aforementioned report or representing that we performed any procedures subsequent to the date of such report.

T. A. Ohlms & Co. P. C.

T. A. Ohlms & Co. P.C.

St Peters, Missouri
March 1, 2014

Exhibit O

Part I

LIST OF CURRENT APA FRANCHISEES

Area	Franchise Name	Address	City	ST	ZIP	Phone #
ALASKA						
995	Paul Sutton-Jones	7362 W Parks Hwy #310	Wasilla	AK	99623-	(907) 232-5690
ALABAMA						
352	Skip & Joyce Lassiter	PO Box 2057	Alabaster	AL	35007-	(205) 621-4199
358	Cyndi Harbin/Lee Zeiher	2109 Sycamore Street	Huntsville	AL	35805-	(256) 783-5699
361	Bryan & Katherine Alnsworth	157 Maplewood Dr.	Wetumpka	AL	36093-	(334) 303-9609
366	Dan & April Shepherd	25420 Spindle Lane	Daphne	AL	36526-	(251) 219-8902
ARKANSAS						
720	Jenny & Joseph Dees	400 Cottonwood	Hot Springs	AR	71913-	(501) 655-4865
722	Russell & Cyndi Hannahs	2511 Alcoa	Benton	AR	72015-	(501) 315-2120
727	Tom Porch	16132 Cypress Ln	Rogers	AR	72756-	(479) 295-8437
ARIZONA						
851	Doug & Gina Nowlin	6422 W Mercer Lane	Glendale	AZ	85304-	(602) 920-9192
857	Brandon & Adrienne Ferguson	6968 West Tacna Drive	Tucson	AZ	85743-	(520) 370-8656
CALIFORNIA						
906	Liza Gazmen	PO Box 62304	Irvine	CA	92602-	(714) 862-8566
917	Marc Ong	727 E Bickley Dr	Covina	CA	91722-	(877) 274-8272
921	Brian & Jill Frankland	7363 Birchcreek Road	San Diego	CA	92119-	(619) 303-0183
922	Bob Michaels	12403 Central Avenue #598	Chino	CA	91710-	(909) 574-6083
923	A.J. Cabral	12230 Malki Road	Banning	CA	92220-	(951) 660-8059
925	Kim Pankonin & Frank Pankonin	38118 Cypress Point Drive	Murrieta	CA	92563-	(909) 226-7889
926	Victoria Wade	PO Box 1493	Brea	CA	92822-	(714) 674-7665
930	Phil & Taz Brooker	3475 Germain Street	Camarillo	CA	93010-	(805) 388-2036
933	Michelle & Sam Henry	2709 Nicole Way	Bakersfield	CA	93312-	(661) 587-4670
934	Jason Maust & Jerame Mote	1160 E Mariposa St	Altadena	CA	91001-	(805) 766-5713
937	Ken & Beth Mendoza	7447 North Sandrini Ave	Fresno	CA	93723-	(559) 478-5322
939	Ron Flint	1008 San Miguel Cyn Rd #196	Salinas	CA	93907-	(831) 455-6864
941	Ned Tosyaili	PO Box 320178	San Francisco	CA	94132-	(415) 508-8272

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942	Gary Frerking	155 Silver Hill Court	Lincoln	CA	95648-	(866) 401-7665
947	Gwenn & Levent Ertöz	2810 Foothill Oaks Drive	Pleasanton	CA	94588-	(510) 463-7665
950	Doug Coleman	5255 Stevens Creek Blvd., Suite 315	Santa Clara	CA	95051-	(408) 873-7665
952	Brian Peck	1115 Silver Brook Pl	Manteca	CA	95337-	(209) 629-6998
COLORADO						
800	Kevin & Erin Leivonen	1437 N. Denver Ave. Unit #146	Loveland	CO	80538-	(303) 862-0466
					—	
804	Chuck Rooney	20368 East Briarwood	Centennial	CO	80016-	(720) 427-4629
805	Peggy LeBlanc	12005 W. 20th Ave	Lakewood	CO	80215-	(303) 205-9781
809	Dennis Mersman	1375 Winding Ridge Ter.	Colorado Springs	CO	80919-	(719) 499-4612
					—	
810	John & Barbara Anderson	1994 E Akholt Lane	Pueblo West	CO	81007-	(719) 404-3277
815	Autumn Kuhn	814 Mazatlan Drive	Grand Junction	CO	81506-	(970) 623-6438
816	Sheryl Barrett	PO Box 770341	Steamboat Springs	CO	80477-	(970) 734-4357
					—	
CONNECTICUT						
010	Bruce & Ann Barthelette	P.O. Box 1290	Enfield	CT	06083-	(413) 536-3838
011	George Trabucchi	275 Springbrook Road	Old Saybrook	CT	06475-	(860) 388-1207
200	Jamey Gray	73 Brown Ave	Jewett City	CT	06351-	(978) 710-6403
DELAWARE						
197	Mark Gokey	P.O. Box 10064	Wilmington	DE	19850-	(302) 276-0332
232	Duke Black & Charlyn Wilson-Black	303 E. Hazeldell Ave.	New Castle	DE	19720-	(302) 652-5944
					—	
FLORIDA						
320	Pamela Rowdon	2268 Oriole Lane	Daytona Beach	FL	32119-	(386) 788-0729
322	Ken Lewis	5609 Maverick	Middleburg	FL	32068-	(904) 291-6860
323	Stacey Elliott	1131 Havana Highway	Quincy	FL	32352-	(850) 566-8885
324	Chuck & Claudia Strange	537 S. CR 21	Hawthorne	FL	32640-	(352) 481-4014
325	James Brewer & Daniel Ball	7940 Front Beach Rd #189	Panama City Beach	FL	32407-	(850) 624-3774
					—	
326	Matt Miley	211 Santa Rosa Road	Cantonment	FL	32533-	(850) 450-4610
327	Jim Rowe	629 Sunset Blvd W	Fort Walton Beach	FL	32547-	(850) 226-4150
					—	
328	"Linda" Lindsey	340 S. Candler Avenue.	Orlando	FL	32835-	(407) 293-4717

Exhibit O

329	Rich Chamberlain	3576 Rose Drive	Rockledge	FL	32955-	(321) 917-2274
330	Gary & Howard Kalos	18014 S.W. 33 Ct.	Miramar	FL	33029-	(305) 896-6786
331	Gene Weaver	7450 SW 15th Street	Plantation	FL	33317-	(954) 530-1491
332	Eric & Kim Aiken	1955 SW Agüero Street	Port St. Lucie	FL	34953-	(561) 721-5925
333	Joe Straussner	1462 Deering Ave	Spring Hill	FL	34609-	(352) 514-7014
334	Jeff Howell	3189 SW Letchworth St	Port Saint Lucie	FL	34953-	(919) 669-9027
336	Jeanette Lee/Jason & Misty Dusel	23110 State Rd. 54 # 313	Lutz	FL	33549-	(813) 977-1499
337	Michael & Sherie Strout	6 Harbor Oaks Circle	Safety Harbor	FL	34695-	(727) 724-9248
339	Tim Pollet	9424 Scarlett Oak Ave	Ft. Myers	FL	33967-	(239) 281-5905
340	Steve & Nina Myers	437 Edgewood Road	Venice	FL	34293-	(941) 441-8978
341	Nikki Bruty	15995 Arbor View Blvd. #524	Naples	FL	34110-	(239) 777-1902
342	Rex Sharrai	3511 Wisteria Place	Punta Gorda	FL	33950-	(941) 457-2722
347	Robin & Russ Dunnam	PO Box 1253	Valrico	FL	33595-	(813) 505-3648
398	Beth Whittington	50 Cherokee Drive	Havana	FL	32333-	(850) 443-0019
GEORGIA						
301	Bev Brooks	116 Kenton Place	Peachtree City	GA	30269-	(404) 433-2904
303	Woody & Pamela McClure	702 Bombay Lane	Roswell	GA	30076-	(770) 667-1105
305	Charli McAllister	6454 Roy Road	Ellijay	GA	30536-	(404) 433-2904
306	Joe & India Kirkland	228 Pleasant Hill Church Rd. SE	Winder	GA	30680-	(770) 725-8516
312	Larry Herrington	755 North 2nd Street	Danville	GA	31017-	(478) 804-1459
HAWAII						
968	Dante Guagliardo	PO Box 502	Aiea	HI	96701-	(808) 520-1135
IOWA						
503	Randy Jones	2712 Kingman Blvd.	Des Moines	IA	50311-	(515) 321-9114
528	Chad & Meghan Howell	1813 LeClaire Street	Davenport	IA	52803-	(563) 320-4527
IDAH0						
836	Steve Morton	753 W. Sunwood Court	Kuna	ID	83634-	(208) 866-4745
ILLINOIS						
531	Chris & John Rossing	3241 Mini Drive	Wadsworth	IL	60083-	(224) 280-4736
599	Nick Diaz	761 Regal Lane	Algonquin	IL	60102-	(773) 905-9983

Exhibit O

600	Robin & George Kwiatkowski	1669 N Holly Ave	Northbrook	IL	60062-	(847) 962-8906
					—	
602	Braden Hall	2904 Scottlynn Dr.	Park Ridge	IL	60068-	(773) 575-4157
603	Bob & Diane Smith	773 N. State Rt. 1-17	Momence	IL	60954-	(815) 277-7353
604	Johnny & Gloria Marich	P. O. Box 273	Lansing	IL	60438-	(708) 745-8244
605	Joe Parrillo	209 Lee Lane	Bolingbrook	IL	60440-	(630) 854-9300
607	Rob & Mary Guzzo	319 Emery Avenue	Romeoville	IL	60446-	(815) 886-2057
608	Sylvia & Pat Prendergast	5746 W. 85th Street	Burbank	IL	60459-	(708) 595-5259
609	Ross Schaefer	1920 W Cortland, Apt. 2	Chicago	IL	60622-	(312) 550-5491
610	Karl Nordeen	1009 Edward Street	Prospect Heights	IL	60070-	(847) 754-8409
					—	
613	Mary Dixon	2561 Champlain St.	Ottawa	IL	61350-	(815) 324-9155
616	Maggie Moore	2713 Overhill Drive	Pekin	IL	61554-	(309) 208-2427
619	Brian Garwood	594 Phillip Circle	Forsyth	IL	62535-	(217) 827-9333
620	JR and Katie Conn	810 W. Main Street	Clinton	IL	61727-	(217) 622-5336
621	Donnie & Bobbie Jeffers	517 E. Main St.	Casey	IL	62420-	(217) 712-0493
622	Doug Gellner	421 Wyatt Ave	Lincoln	IL	62656-	(217) 671-1339
625	Kim Jones	120 Lewis Park Drive	Mt. Zion	IL	62549-	(217) 864-1274
627	Wes Wilkinson	656 Dickens Lane	Bluffs	IL	62621-	(217) 320-4560
632	Bruce & Dana Patton	805 E. 5th Street	Trenton	IL	62293-	(618) 578-8955
637	Rob Ahne	605 N 21st Street	Herrin	IL	62948-	(618) 713-7509
INDIANA						
461	John Schoonveld & Matt Gillespie	5347 1/2 North Keystone Ave.	Indianapolis	IN	46220-	(317) 259-7665
					—	
466	Ananda Hilton	56252 Autumn Drive	Elkhart	IN	46516-	(574) 575-9735
468	Redonna Simmons	2904 Witchwood Drive	Ft. Wayne	IN	46809-	(260) 515-1889
469	Yvette Grantham	5503 Council Ring Blvd	Kokomo	IN	46902-	(765) 513-1401
473	Troy Jones & Tammie Jones	8920 W CR 500 N	Muncie	IN	47304-	(765) 808-7830
					—	
474	Stacey Bostic & Shawn Wilson	1818 S. Curry Pike	Bloomington	IN	47403-	(812) 219-4184
					—	
477	Chuck & Tina Austin	200 S. Tekoppel Avenue	Evansville	IN	47712-	(812) 423-3333
478	Danny Pound	4470 E. Poplar Dr.	Terre Haute	IN	47803-	(812) 917-2009
479	Dan Carter	3108 Eagles Way Drive Apt 1307	Lafayette	IN	47909-	(765) 366-2879
					—	

Exhibit O

KANSAS						
664	Kent Henderson	1955 SW, Arrowhead Rd.	Topeka	KS	66604-	(785) 273-1232
666	Roy Harris	323 East Ave E	Hutchinson	KS	67501-	(620) 664-3197
KENTUCKY						
402	Danielle & Jesse Hecht	5610 Secret Way	Louisville	KY	40272-	(502) 498-5313
405	Tommy Day	308 Williamsburg Drive	Nicholasville	KY	40356-	(859) 887-5929
410	Gary Muzzillo	1601 Caddle Cir	Florence	KY	41042-	(859) 488-1489
420	Luke Garrett/ Jeff Brown	5631 KY 93 South	Eddyville	KY	42038-	(270) 201-0824
423	Quentin Spooner	2321 Hwy 144	Owensboro	KY	42303-	(270) 570-4973
LOUISIANA						
617	Steve Floyd	2248 Landau Lane	Bossier City	LA	71111-	(318) 918-7430
701	Darin & Stacy Dausat	PO Box 2662	Mandeville	LA	70470-	(504) 525-1007
705	Joe Holden	28759 L.J. Methvien Rd.	Holden	LA	70744-	(985) 520-2186
707	Preston & Lisa Granger	415 Fort Hamilton	Opelousas	LA	70570-	(337) 407-2267
708	Noel & Lena Goldsby	PO Box 46217	Baton Rouge	LA	70855-	(225) 272-5243
712	Kati & Paul Hennessey	2905 Cuba Blvd	Monroe	LA	71201-	(318) 732-1504
MASSACHUSETTS						
013	Kelly Hall	P.O. Box 215	Feeding Hills	MA	01030-	(413) 301-8097
023	Steve & Lisa Blaney	PO Box 678	Granby	MA	01033-	(508) 431-3565
024	Rick Burt	129 Montvale Rd	Woburn	MA	01801-	(978) 430-6534
120	Matt MacPhail	PO Box 188	Chicopee	MA	01014-	(518) 708-9567
122	Claude Gaudette	40 Bardwell St	South Hadley	MA	01075-	(413) 533-7056
MARYLAND						
212	Terry & Valerie Justice	8518 Ft Smallwood Road	Pasadena	MD	21122-	(410) 255-5400
213	Mike & Sarah Gelter/Dave & Vicki Beatty	7845 Flintshire Ct	Pasadena	MD	21122-	(410) 439-9400
MAINE						
060	John & Pauline Ostro	P.O. Box 400	Lisbon Falls	ME	04252-	(207) 353-6466
MICHIGAN						
465	Dean Johnson	1106 Huntly Road	Niles	MI	49120-	(269) 470-1212
480	Tom & Judy Jenkins	PO Box 74341	Romulus	MI	48174-	(734) 941-8504
484	Christine Piefer & Michael Sexton	8101 Capac Road	Yale	MI	48097-	(810) 627-4649
485	Lonnie Ward	PO Box 419	Clarkston	MI	48347-	(810) 397-8005
					0419	

Exhibit O

489	John Easton	3710 Buffalo Road	Niles	MI	49120-	(269) 695-0809
490	Jim Cavender	6103 Brooklyn Rd	Jackson	MI	49201-	(517) 416-0745
491	Mike & Daryl Keeler	1406 Nazareth	Kalamazoo	MI	49048-	(269) 929-6618
492	Julie & Steve Hinds	179 Ridge Rd	Quincy	MI	49082-	(517) 617-9961
495	Norman Wright & Rhonda Ayers	8173 Birchwood Ave	Jenison	MI	49428-	(616) 292-8599
					—	
MINNESOTA						
550	Dan & Renae Freinwald	12635 Germene Avenue #2	Apple Valley	MN	55124-	(612) 205-8009
553	James & Trina Henry	18397 Chennault Way	Eden Prairie	MN	55346-	(952) 937-2001
MISSOURI						
633	St Louis APA	1000 Lake St. Louis Blvd, Suite 325	Lake St. Louis	MO	63367-	(636) 755-5900
634	Joe & Kelly Wilmes	PO Box 76	Silex	MO	63377-	(636) 358-7665
635	Eric Pfeiffer & Jason Schempp	PO Box 405	Kirkville	MO	63501-	(660) 341-6683
					—	
638	Brad & Temper Jones	523 Columbine St.	Cape Girardeau	MO	63701-	(573) 450-7383
640	Rob Hough	113 E 2nd St Apt A	Holden	MO	64040-	(816) 616-5900
641	Tom Campbell	15816 E 27th Street South	Independence	MO	64055-	(816) 795-8544
642	Greg & Alana Pierce	1300 NE Englewood Rd.	Gladstone	MO	64118-	(816) 214-5037
648	Dan & Jennifer Pinta	1105 N. Rosedale Sq	Webb City	MO	64870-	(417) 439-8989
654	Mark & Tracy Berger	P.O. Box 555	St. Clair	MO	63077-	(573) 953-8655
656	Tony Morrison	3131 W. Golden Valley Ct.	Springfield	MO	65807-	(573) 579-5956
661	James Johnston	PO Box 46656	Kansas City	MO	64188-	(816) 589-4730
MISSISSIPPI						
381	Marc Lancaster/Jim Badger	4375 Hwy 51 N 32-201	Horn Lake	MS	38637-	(901) 481-4368
					—	
392	Bl Walker	221 Coke Road	Florence	MS	39073-	(601) 573-1592
395	Susan & Randy Church	6260 Kimbrough Blvd.	Biloxi	MS	39532-	(228) 860-6925
MONTANA						
594	John Amelsberg	737 14th Street S W	Great Falls	MT	59404-	(406) 899-7665
596	Bob & Becky Zapata	640 Euclid	Helena	MT	59601-	(406) 442-0014
NORTH CAROLINA						
241	David Thomas	7125 Lake Dr.	Matthews	NC	28104-	(919) 563-5669
273	Michael Fuller	109 Service Road	Roxboro	NC	27574-	(336) 504-3033

Exhibit O

275	Don Humphreys	2805 Brookhaven Dr	Kinston	NC	28504-	(252) 253-9848
277	Marc Lancaster	103 Mint Court	Cary	NC	27513-	(980) 721-7397
278	Bernie Condlin	3830 Glencorra	Fayetteville	NC	28314-	(910) 489-3838
280	KT Thompson	PO Box 803	Harrisburg	NC	28075-	(704) 598-4555
288	Vicki Catalano	PO Box 16632	Asheville	NC	28816-	(828) 329-8197
NEBRASKA						
515	Chuck Walls	PO Box 390604	Omaha	NE	68139- 0604	(402) 915-1755
690	Joe & Carmen Bond	P O Box 1033	McCook	NE	69001-	(308) 344-4811
NEW HAMPSHIRE						
030	Tracie Hersey / Doug Hersey	PO Box 1692	Rochester	NH	03866-	(603) 948-2034
NEW JERSEY						
070	Gary Barsky/ Bob Vandertoorn	1711 48 Street	North Bergen	NJ	07047-	(201) 424-4808
071	Cyndi Mahon	1 Knollwood Court	Manalapan	NJ	07726-	(908) 420-7359
074	Al Pferssch	3 Deer Ct.	Chester	NJ	07930-	(862) 251-4288
076	Anthony Narducci	200 Grant av apt. c2	Somerdale	NJ	08083-	(856) 278-5555
082	Dave Piotrowski & Michelle Miller	313 West Broad Street	Burlington	NJ	08016-	(609) 526-2000
085	Dawn Hopkins	407 Deuce Drive	Wall Township	NJ	07719-	(609) 226-0646
088	Brian & Marlene Boyle	Box 367	Millford	NJ	08848- 0367	(908) 448-2145
100	Stuart Scheer	P.O. Box 422	Cresskill	NJ	07626-	(201) 569-2602
191	Jeff Duda	PO Box 100	Somerdale	NJ	08083-	(215) 437-3558
NEW MEXICO						
871	Beau Harrison	PO Box 398	Bernalillo	NM	87004-	(505) 659-9250
NEVADA						
891	Marvin Rethman & Ursula Rethman	1608 Azure Springs Ave.	Henderson	NV	89014-	(702) 684-7665
895	Seth & Heather Allison	221 Shady Grove Lane	Dayton	NV	89403-	(775) 443-8844
NEW YORK						
064	Jackie Levine	1312 Holiday Park Drive	Wantagh	NV	11793- 2536	(516) 679-2272
065	Ed & Laura Stein	1299 Jonathan Lane	Wantagh	NV	11793-	(516) 783-4610
066	Jerry Bayer / Melissa Cossidente	PO Box 186	Port Jefferson Station	NV	11776-	(631) 923-2701
112	Ross & Smith Banfield	312 Saint James Place #1C	Brooklyn	NV	11238-	(917) 589-5867

Exhibit O

126	Kathy McAleer/Ryan McAleer	13 Blossom Grove Court	Highland	NY	12528-	(845) 883-5557
131	Gregg Cordero	38 Victoria Dr.	Binghamton	NY	13904-	(607) 743-7474
132	Brad & Kim Rees	203 Hickory Way	Central Square	NY	13036-	(315) 391-2723
133	Kelly & David Dreidel	PO BOX 66	Yorkville	NY	13495-	(315) 796-8156
134	Ivan & Tina Quintana	374 Johnson Ave Ext.	Gloversville	NY	12078-	(518) 222-1153
142	Chris & Veronica Washy	41 Park Street	Gowanda	NY	14070-	(716) 545-0505
145	Daisy Hutchinson	850 Winton Road South	Rochester	NY	14618-	(585) 259-7665

OHIO						
160	Corey Mason	P.O. Box 206	New Springfield	OH	44443-	(330) 549-0870
260	Jason Pugh	47036 McDonald Street	East Liverpool	OH	43920-	(304) 459-9654
432	Richard & Nancy Whaley	P O Box 215	Lithopolis	OH	43136-	(614) 833-1009
434	Ken Calliguri	7117 Township Rd. 212	Findlay	OH	45840-	(567) 525-0821
443	Scott Nelson	5073 Lockwood Boulevard	Youngstown	OH	44511-	(330) 322-5176
444	Brian & Pat Mosko	PO Box 8716	Warren	OH	44484-	(330) 299-0211
445	Bernie & Noulhad Pavlock	P.O. Box 7	Girard	OH	44420-	(330) 545-1951
449	Matt Ringle/ Chad Bolles	25955 Cherbourg Lane	Perrysburg	OH	43551-	(419) 779-3590
452	Ernie & Laura Byrd	P.O. Box 18281	Fairfield	OH	45014-	(513) 870-0885
453	Larry Barnes	814 Arthur	Trenton	OH	45067-	(513) 988-0739
458	Jamie Roller	P.O. Box 517	Kalida	OH	45853-	(419) 796-9139

OKLAHOMA						
730	Butch Patchell	30 Ash Avenue	Yukon	OK	73099-	(405) 361-7691
731	Judy Duncan	10429 South Trafalgar Dr.	Oklahoma City	OK	73139-	(405) 790-0600
735	Ezra Davis & Adriene Davis	926 SW 34th St.	Lawton	OK	73505-	(580) 351-6523
741	Jeff & Tricia Howard	1131 N. Ironwood Avenue	Broken Arrow	OK	74012-	(918) 630-5465

OREGON						
972	Merle & Boomer Humphreys	1280 70th Avenue SE	Salem	OR	97317-	(503) 243-6725
973	Randee Lee	1920 Hoffman Rd NE	Salem	OR	97305-	(503) 362-0133
975	Jason & Deanna Hunt-Sherman	2081 Martin Drive	Medford	OR	97501-	(541) 993-2216
977	Janelle Tomason	88123 5th St	Veneta	OR	97487-	(541) 508-6663

PENNSYLVANIA

Exhibit O

150	David Hanna	1915 Kennedy Blvd.	Alliquippa	PA	15001-	(724) 601-1614
156	Chuck & Kim Zerebnick	1184 Rebecca Street	Export	PA	15632-	(724) 468-6121
162	Mark Kasjorek	256 Oakland Road	Mercer	PA	16137-	(724) 662-2709
174	Dan Simming / Rob & Jen Miller	651 Graceton Rd.	Fawn Grove	PA	17321-	(410) 688-9588
					—	
179	Walter & Alix Jarrett	1789 Running Deer Drive	Auburn	PA	17922-	(610) 628-2814
181	Michael Boyle	122 N York Road, Suite 7	Hatboro	PA	19040-	(215) 675-3794
182	Charles & Carol Lewis	PO Box 276	Plymouth	PA	18651- 0276	(570) 779-7678
183	Alex Holtzman	P.O. Box 2236	Pocono Summit	PA	18346-	(570) 977-1330
189	Rob Peuplie/Mark Mandic	122 N. York Rd., Suite 7	Hatboro	PA	19040-	(215) 675-3794
193	Denise Ross	807 Reservoir Road	Honey Brook	PA	19344-	(717) 368-5928
220	Kane Miller/ Paul Adolini	P.O. Box 147	Waynesboro	PA	17268- 0147	(717) 404-1086
SOUTH CAROLINA						
292	Richard & Regina Johnson	273 E. Thorncliff Rd	Florence	SC	29505-	(843) 250-3630
293	Tim & Linda Morton	184 Clearview Heights	Boiling Springs	SC	29316-	(864) 814-7665
294	Scott Bates/Stephanie Bates	10533 Hwy 78	Summerville	SC	29483-	(843) 871-4105
					—	
295	Ewa & Mitch Laurance/ Nikki & Toby Graham	PO Box 70970	Myrtle Beach	SC	29572-	(843) 685-5625
					—	
309	Billy Sweat	2844 Wilton Road	West Columbia	SC	29170-	(803) 796-1723
SOUTH DAKOTA						
571	Jim Geiszler	1508 N Lalley Lane	Sioux Falls	SD	57107-	(605) 759-6321
577	Nathan & Erin Chowning	PO Box 3034	Custer	SD	57730-	(605) 517-1012
TENNESSEE						
372	Ken Stapp	1519 St. Andrews Drive	Murfreesboro	TN	37128-	(615) 691-0767
374	Valerie Reagan	3002 Wilson Avenue	Signal Mountain	TN	37377-	(423) 886-6903
376	Justin Bledsoe	140 Virginia Street	Kingsport	TN	37665-	(423) 384-0058
379	Paul Baird & Elizabeth McWhirter	9032 Candlewood Dr	Knoxville	TN	37923-	(865) 692-9235
					—	
TEXAS						
750	Steve & Tammie McBay	4802 CreekrIDGE Court	Garland	TX	75043-	(972) 203-1888
751	Sam Holliday	8125 Rainbow Dr	Rowlett	TX	75089- 2650	(972) 412-5717
752	Shannon & Nikki Brown	8413 Sailors St.	Rowlett	TX	75089-	(972) 412-0297
753	Lori Way	3912 Palo Duro Drive	Plano	TX	75074-	(972) 422-7949

Exhibit O

754	Allison & David Miller	609 N. Hwy 175 Ste 204	Seagoville	TX	75159-	(972) 900-7224
755	Bobbie & Michael Hayes	PO Box 1009	Whitewright	TX	75491-	(903) 818-2848
756	Jose & Reyna Herrera	407 Blanco St.	Duncanville	TX	75137-	(214) 609-5588
757	John Ervin	821 Augusta Ave.	Tyler	TX	75701-	(903) 780-6893
761	Les & Francee Moore	3432 Vine Ridge	Bedford	TX	76021- 3928	(817) 684-0006
762	Robert Santana	2200 Barton Springs Drive	Corinth	TX	76210-	(940) 321-8800
765	Larry & Michelle Nicholson	580 Centex Sportsman Club Road	Belton	TX	76513-	(210) 843-4557
766	Jay & Tish Gaines	206 W. Nolan Street	Lorena	TX	76655-	(254) 214-9710
770	Robert Hamilton	719 Misty Creek	Richmond	TX	77406-	(346) 901-1186
771	Shonah Reed	29711 Roland Orchard Court	Spring	TX	77386- 3131	(832) 451-8030
772	Tony Walker	9322 Canaday Park Lane	Houston	TX	77075-	(866) 678-7665
773	Roger Schuett	13315 Veterans Memorial #406	Houston	TX	77014-	(281) 682-2144
774	Chad & Kim Horton	58 Apricot Ct.	Lake Jackson	TX	77566-	(979) 299-6818
776	Andrus Granger	653 Birchwood Drive	Port Neches	TX	77651-	(409) 722-0023
782	Scott & Karen Racy	6115 Outlook Ridge	San Antonio	TX	78233-	(210) 599-4140
785	Erin Cano	316 Thunderbird Ave	McAllen	TX	78504-	(956) 821-6925
786	Shawn Rutledge	700 Centre St	San Marcos	TX	78666-	(512) 667-7587
787	Grady & Betty Dunagan	1703 Travis Heights Blvd	Austin	TX	78704-	(512) 436-8831
791	Robert Ray	7001 Wolflin Ave, Apt 1037	Amarillo	TX	79106-	(919) 949-9933
793	Gary & Karen Wright	8214 Clinton Avenue	Lubbock	TX	79424-	(806) 438-5174
796	Derniel Smith	626 FM. 1750	Ablene	TX	79602-	(214) 544-5656
VIRGINIA						
231	Marguerite Rueger & Dawn Buchanan	1405 Westshire Lane	Henrico	VA	23238-	(804) 740-7225
235	Mike Ristaino	8412 Westberry Court	Williamsburg	VA	23188-	(757) 871-5760
236	Mike & Michelle Arrigo	6479 Kenlake Court	Norfolk	VA	23518-	(757) 479-2774
240	Andrew & Joy Skerritt	145 Kimball Lane	Christiansburg	VA	24073-	(540) 250-1458
243	Josh & Nikki Cook	745 College St.	Christiansburg	VA	24073-	(540) 494-8414
245	Susan Kinsinger & Bruce Northrop	100 Chadwick Drive	Lynchburg	VA	24502-	(434) 316-9019
VERMONT						
056	Liz Ford	PO Box 735	Montpelier	VT	05601-	(802) 777-9429

Exhibit O

WASHINGTON						
946	John Wenglewski	P.O. Box 9536	Spokane	WA	99209-	(509) 327-2591
982	Larry & Andrea Maes	1242 State Ave. Unit I PMB 105	Marysville	WA	98270-	(425) 280-8422
984	Tracy Ahlstrom-Layton & Jace Layton	30008 155th Ave SE	Kent	WA	98042-	(253) 631-9325
985	Michelle Barkdoll	3919 88th St E	Tacoma	WA	98446-	(253) 627-0652
WISCONSIN						
544	Ben Zeman/Brandon & Sharon Jacoby	303 Prospect Avenue	Nekoosa	WI	54457-	(715) 451-3023
WYOMING						
820	Jeff Olson	PO Box 50165	Casper	WY	82605-	(307) 262-7457

PART II

LIST OF FRANCHISSE WHO LEFT THE FRANCHISE SYSTEM DURING THE LAST FISCAL YEAR

(JANUARY 1, 2015 - DECEMBER 31, 2015)

Franchisee Name	Address	City	ST	Zip	Phone #
Justin Adams	PO Box 200810	Anchorage	AK	99520	(907) 631-7051
Joseph Woolery	PO Box 61569	Colorado Springs	CO	80960	(719) 244-2702
Jan Maerz & Kim Reid	646 1/2 Brooks Court	Grand Junction	CO	81504	(970) 261-7460
Dave & Ros Labonte	718 Concha Drive	Sebastian	FL	39258	(772) 388-0190
Doug & Denise Hurst	1462 Deering Avenue	Spring Hill	FL	34609	(352) 514-7014
Pat Giorgianni	11401 N. 19th Street	Tampa	FL	33612	(813) 503-5401
Joel & Sandra Chue	1668 John Wilkes Rd	Lyons	GA	30436	(912) 526-5971
Teresa Adams	319 Lincoln Ave.	Lincoln	IL	62656	(309) 261-2162
Eddie & Carol Layton	1342 Grand Ave.	Terre Haute	IN	47804	(812) 878-0069
Rube Ardillo	PO Box 226	Amite	LA	70422	(985) 507-7121
John Waidlich	156 East Mineral Rd	Miller Falls	MA	03149	unknown
Lee Tiani	220 Oak Hollow Court	Pasadena	MD	21122	(410) 384-1615
Matt & Brandi Bass	494 Oak Meadow Dr	Jackson	MO	63755	(573) 573-0590
Brad English	1214 West Gregory Blvd	Kansas City	MO	64114	(816) 674-6107
Dennis Stotler	10455 Antioch Rd	Vandave	MS	39565	(228) 297-2292
Eamon Moran	9503 Cahce Creek	Albuquerque	NM	87114	(505) 506-7725
Greg Lancaster/John Alden	21194 Phily Ave	Bend	OR	97702	(541) 410-5220

Exhibit O

Dale Henry	457 North Second Street	Sunbury	PA	17801	(570) 286-9796
Leon & Jamie Morris	5672 CR 927	Nevada	TX	75173	(469) 338-1513

Index of Defined Words and Phrases

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<u>APA 9-Ball League</u>	<u>32</u>
<u>APA Licensed Supplier/Vendor</u>	<u>134</u>
<u>APA Marks</u>	<u>1</u>
<u>APA Merchandise</u>	<u>134</u>
<u>APA Pool League</u>	<u>3</u>
<u>Basic Weekly Fee</u>	<u>3</u>
<u>Canadian Poolplayers Association or CPA</u>	<u>2</u>
<u>Championship Tournaments</u>	<u>1</u>
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<u>Croft Action</u>	<u>5</u>
<u>Deposit</u>	<u>6</u>
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<u>LTC</u>	<u>9</u>
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You	2

The words and phrases listed below are defined on the page of the Franchise Disclosure Document set forth opposite the word or phrase.

RECEIPT

(KEEP THIS COPY FOR YOUR RECORDS)

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 APA OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR-DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE, OR SOONER IF REQUIRED BY APPLICABLE STATE LAW.

IF APA DOES NOT DELIVER THIS DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL LAW AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND YOUR STATE'S AGENCY LISTED ON EXHIBIT A.

THE FRANCHISOR IS AMERICAN POOLPLAYERS ASSOCIATION, INC., LOCATED AT 1000 LAKE ST. LOUIS BLVD, LAKE ST. LOUIS, MO 63367. ITS TELEPHONE NUMBER IS (636) 625-8611.

ISSUANCE DATE: ~~APRIL 2~~MARCH 17, 2015-~~6~~

THE FRANCHISE SELLER FOR THIS OFFERING IS KEVIN HINKEBEIN, DIRECTOR OF DEVELOPMENT, AMERICAN POOLPLAYERS ASSOCIATION, INC., 1000 LAKE ST. LOUIS BLVD, LAKE ST. LOUIS, MO 63367, TELEPHONE NO. (636) 625-8611 (EXT. 5120)

WE AUTHORIZE THE APPLICABLE STATE AGENT LISTED ON EXHIBIT B TO RECEIVE SERVICE OF PROCESS FOR US.

I HAVE RECEIVED A DISCLOSURE DOCUMENT DATED MARCH 17, 2016~~APRIL 2, 2015~~, THAT INCLUDED THE FOLLOWING EXHIBITS:

- | | | | |
|---|--|---|---|
| A | List of State Agencies | J | Authorization Agreement for Direct Payments |
| B | Agents for Service of Process | K | Confidentiality Agreement |
| C | Franchise Agreement | L | League Operator Manual, Table of Contents |
| D | State Addendum (if applicable) | M | Franchisee Release upon Renewal or Transfer |
| E | APA Addendum | N | APA Financial Statements |
| F | Franchisee Ownership Schedule | O | List of Franchisees |
| G | Guaranty & Assumption Agreement of Franchisee's Owners/Spouses | P | Index of Defined Words and Phrases |
| H | Confidentiality and Non-Competition Agreement | Q | Receipts |
| I | Software License Agreement | | |

Signature of Prospective Franchisee

Print Name

Date (do not leave blank)

RECEIPT

(RETURN THIS COPY TO US AT THE ADDRESS BELOW)

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Signature of Prospective Franchisee

Print Name

Date (do not leave blank)