

# **Your Active World Holdings Inc.: Decentralized Online Event Management, Marketing, Sales & Hosting Platform**

**Our Mission is to facilitate Creation of Business & Job opportunities within a Self-perpetuating Ecosystem**

Utilizing the security, privacy and global reach of Blockchain, we are integrating our existing technologies to a Decentralized platform (Ethereum) and making it available to Individuals, Entrepreneurs and Businesses to generate income in the Peer-Peer, B2B and B2C markets.

This may be the catalyst to become a significant disruptor for two multi-billion\$ industries:

Online Event Registration and Business Franchising.

December 1, 2017

## **Abstract**

Online Registration & Event Management (defined as business & community events, not Ticketmaster type events) is projected to exceed \$10 Billion by 2020<sup>5</sup>. The industry is highly centralized, proprietary, profitable and expensive (annual licensing fees for industries we serve range from USD 1,500 to 20,000 annually). The two largest revenue components are fees for registration and advertising/sponsorship sales.

On a Decentralized and Non-proprietary platform, a new wave of competitors will emerge who will re-distribute the revenue stream, while making Event Management less expensive.

These new competitors will be individuals starting their own businesses, existing businesses who can now offer more powerful tools to better compete and visionary Entrepreneurs.

Your Active World is offering access to its platform via Membership levels. Please carefully read this White Paper & our SAFT Agreement prior to token purchase.

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## Introduction

Your Active World Holdings Inc. (“Company” or “YAW”) is a global marketplace for Event placement, registration (pay by Coins or cc), management and back-office infrastructure (“**Event Management**”). Our white paper discusses how we will integrate our SaaS model with Blockchain technology. <https://youractiveworld.com/ico>

Online Registration & Event Management (defined as business & community events, not Ticketmaster type events) is projected to exceed \$10 Billion by 2020<sup>5</sup>. Integrating our platform to Blockchain has the potential to dwarf the SaaS projections

The industry is highly centralized, proprietary, profitable and expensive (annual licensing fees for industries we serve range from USD 1,500 to 20,000 annually). The two largest revenue components are fees for registration and advertising/sponsorship sales.

On a Decentralized, Permissionless and Non-proprietary platform, control can change from the large hosting companies to new competitors (individuals starting their own businesses, existing businesses and visionary Entrepreneurs). These new competitors can interconnect with one another to be more creative, responsive, and, cost-efficient.

They can re-distribute the revenue stream and create business partnerships that maximize synergistic expertise. As way of example, biz person 1 is best at creating a customer base to list Events and biz person 2 is best at selling advertising. Biz person 3 wants to own real estate (Ad Blocks & Ad Spots) on the various sites to use or re-sell. These parties can partner and benefit from respective expertise or work independently but all are interconnected through the eco-system. Each member has certain rights so all business interests and opportunities are protected, without geographic boundaries.

Also, blockchain allows for the creation of truly private and “invite only” Event networks that are not viable in SaaS environments, and that introduces new market opportunities.

We are selling ActiveWorld Bits (Tokens) to:

1. Allow all Token holders to add Events on ETH Registration sites
2. Create Membership levels to create Businesses
  - a. Software licensing/open source
  - b. Ad Bloc ownership: for use, sale or barter
  - c. Ad Spot sales
3. Facilitate software development to Blockchain
  - a. Integration to the Ethereum platform (open source)
  - b. Expand our Ad Platform
  - c. Add Barter functionality

- d. Enhance Private Network capabilities

### **Benefits to our Token Holders:**

1. Tokens represent eCommerce opportunities for the Token holder
2. Membership rights are determined by the Tokens purchased.
3. Active World Reward Members own advertising space (Ad Blocs) on our sites which they can use, sell or barter.
4. Active World Advertisers have perpetual rights to place banner ads on our sites
5. Active World Business is the buy-in level for Software License or Open Source code rights to create your own private or public online registration site. We host or you host.
6. All Members are permitted to manage and promote events on public networks and "as-invited" on Private Networks.

### **Difference between Public and Private Registration markets:**

- A public market site shows Events the general public can register for and all advertisements, sponsorships and promotions are visible to the public.
- A private market site does not show Events unless you login to the site, and once logged in you see the Events as well as advertisements, sponsorships and promotions.
- A hybrid option is a site that shows all Events, advertisements, sponsorships and promotions BUT some Events are Member-only Events, and the public cannot register. The Event host has the discretion of what events are member only and those open to the public.
  - o Events can also be restricted to levels of Memberships

### **The Business Opportunities:**

We provide the infrastructure to our Members to start their own businesses in a self-perpetuating eco-system. We would think this creates value for our tokens.

New markets: for software, Ad Spots and Ad Blocks

- Target audiences who prefer the anonymity of Private Online Registration
- Target Advertisers/Sponsors who prefer the anonymity of Private Online Registration sites
- Hybrid market to include public and private Events managed through Membership levels, and associated interest for advertising, promotions and sponsorships

Existing Public markets: for software, Ad Spots and Ad Blocks

- Public Blockchain Online Registration market potential has not been defined yet but the number of ICO's betting on advertising revenues is very substantial.
- Advertising needs a driver that Online Registrations can provide
- Market research for SaaS model shows revenues rising to USE 9.3 Billion by 2020
- Hybrid registration models have the greatest growth potential in blockchain due to the de-centralized platform.

**Members' Revenue Streams:** (please note, as based on Membership level)

- Recurring license fees from clients

- Recurring event registration fees from registrants
- Event revenue from hosting our own events or other third-party events (non-client events offered on our clients' sites). Affiliate programs for travel, etc.
- Owning Ad Blocs for use, sale or Barter
- Selling Digital Content to others
  - Affiliate programs (including advertising events of competitors)
  - Sponsorships
  - Local events such as garage sales, estate sales...

### **How the models works:**

All Members have rights based on their Membership level. If you are a Business Member, operating a Public Calendar (site), you manage Events listed on the site and own the majority of the advertising rights. Certain Ad Blocs and Ad Spots have been pre-sold to other Membership classes. Token holders can add their Events to Public Calendars. All Members can contact each other to expand business relationships. This is how the eco-system develops, independent but supporting all Members.

#### **Model 1: Active World Business Membership**

Pricing is quoted in USD, Bitcoin and ETH are also accepted currencies

1. An Entrepreneur or business ("Business Member", or "BM") buys Tokens that provides them access to our Online Registration platform or open source code (for those interested in personalizing the software).
2. Business Member determines pricing schedule. BM buys Tokens for USD 10,500 for unlimited software rights meaning unlimited amount of clients.
3. Business Member identifies entity that currently offer or would like to offer Events online and shares with these perspective clients the advantages of blockchain (specifically Hybrid, Public & Private options).
4. Business Member enters into an agreement with new client and charges them an annual or monthly fee for usage. If Registration fees are paid in Coin then the fees go directly to the entity hosting the Event. If paid by credit, and BM utilizes YAW's platform, a credit card fee is charged to the Registrant, and the registration fee, net of credit fees, are ACH'ed to the Event host. BM has the ability to increase the credit fees and such increase will be ACH'ed to the BM.
5. The BM must elect to have YAW host the site or the BM hosts the site. If YAW hosts the site or provides software updates for year 1, there is a fee of USD 300 per site. Beginning in year 2, there is an annual fee per site of USD 500. BM will most likely charge their Client and add a markup for BM profit.
6. Other Revenue potential: BM has advertising spots to sell (in addition to the Ad Bloc spots as detailed later in the White Paper). BM owns these spots and takes full responsibility for uploading them to the site.
7. The BM can create a Master account that shows all Events posted from all Clients' sites (usually this is done under the BM's business name) or keep each Client separate.

#### **Model 2: Active World Reward Membership**

1. Active World Reward members ("AWR") buy Tokens that provides access to Ad Blocs which is similar to real-estate ownership in that this Membership class owns spots on Public and Hybrid sites and on Private sites "as-invited".
2. Ad Bloc's cost USD 7,500 for first Ad Bloc and additional spots are available at a 50%

discount, while available. Ad Bloc size is (225 X 75 Pixels).

3. Ad Blocs appear on all site pages that contain Ads and Sponsorships (presently 4 pages per Client)
4. AWR's own their spots for the life of the site(s).
5. Sites are defined as ETH sites hosting Public and Hybrid Registration sites and possibly Private sites "as-invited."
6. AWR's take responsibility to use, sell or barter this spots for financial gain.
7. AWR's are responsible for uploading content to these sites and must adhere to the content guidelines as set forth in section: **Advertising Content.**

#### Model 3: Active World Advertising Membership

1. Active World Advertising members ("AWA") buys Tokens that provides them access to Ad Spots which is similar to real-estate ownership in that this Membership class owns spots on a Public and Hybrid sites and on Private sites "as-invited".
2. Ad Spots cost USD 4,500 for first Ad Spot and additional spots are available at a 50% discount, while available. Ad Bloc size is (150 X 150 Pixels).
3. These Ad Spots only appear on the Town Hall page.
4. AWA's own these spots for the life of the sites
5. Sites are defined as ETH sites hosting Public and Hybrid Registration sites and possibly Private sites "as-invited."
6. AWA's take responsibility to use, sell or barter this spots for financial gain.
7. AWA's are responsible for uploading content to these sites and must adhere to the content guidelines as set forth in section: **Advertising Content.**

#### Model 4: All Active World Members

1. All Members have the right to place Events on the Public ETH sites as well as Hybrid and Private Sites "as-invited".

#### **Value proposition for ActiveWorld Bits**

Business & Job Creation      +      Revenue Creation      =      Token Valuation

Entrepreneurs and Businesses can leverage the infrastructure that YAW has in place for Online Registration, Event Management and Advertising. Motivated individuals can be in business within 24 hours. As more members join, the model becomes self-perpetuating. Assuming the model performs as designed, the value of Active World Bits (Tokens) should reflect performance

There are numerous revenue opportunities prior to and after we migrate to the Ethereum platform, including tokens received from users creating private networks, income from ad placement on the pages the YAW team creates to populate with data accessible through search engine throughout the world, sale of product and a portion of the registration fees event registrants make through the platform.

Our intention is that the tokens shall become a preferred currency for our clients and their users whereby we will capitalize on our ecommerce capabilities to allow end users to list, buy or exchange their goods and services using our tokens. This insures a market and viability of the tokens after the ICO.

The YAW tokens will be EC-20 compatible hence users will be able to receive, send and hold them using standard Ethereum wallets. After the initial crowd sale, the tokens will be available on various exchanges where users can convert them to ether (Ethereum native cryptocurrency) before converting further to fiat. This will ensure the economy in the YAW platform is connected to the real-world economy.

Even though the YAW is not a security asset, we expect that its value will grow with time as more people choose YAW for event management. The blockchain will help connect any person to activities/events they follow, regardless of who hosts the event. This opens further opportunities to sell digital products through the platform across the world adding revenue streams for users.

## **The Move to Blockchain**

New technologies are generating opportunities not viable in the SaaS model.

Specifically, blockchain technology has ushered in an era of decentralized architectures that is disrupting how people share, secure and use data as well as how they send and receive value over the internet. The blockchain offers effective ways of running event management in public or private venues, advertising/sponsorships (promotions) and back-office management through public and private peer-to-peer networks with little compromise to the security and privacy of users and their data.

On these networks, nodes use protocols such as proof of work (PoW) to execute processes and arrive at consensus on the status of applications [1]. The first application that was successful on the blockchain is a cryptocurrency—bitcoin. Since 2009 when bitcoin went live, developers have designed and created more blockchain applications. YAW is one more addition to the growing list.

Of the most interest to YAW are smart contracts on the Ethereum blockchain, agreements written in code that self-execute automatically when pre-defined conditions are met [2]. It is through this application that YAW plans to develop its platform on top of Ethereum and use it as a virtual machine to execute operations. As a matter of fact, YAW will duplicate its existing platform onto the Ethereum blockchain. It will also create tokens (ActiveWorld Bits) on the blockchain that will serve as in-app currency.

But what are the advantages of running YAW application on the Ethereum (“ETH”)?

First, the blockchain provides improved security to YAW through cryptography and by removing single points of failures. For any operation to be valid on this new architecture, it has to be approved by thousands of independent computers in a peer-to-peer network through a proof of work protocol [3].

Second, it provides the necessary tools to create digital tokens that may be used as in-app currency for buying event related digital products and paying registration fees. As the tokens will be on the blockchain, they may offer qualities traditional centralized payment methods such as credit cards lack. For instance, with the tokens, users will not need to share personally identifying data that becomes security risk to pay for a service.

Third, even when data is collected, it is not stored in centralized servers that can be hacked or compromised through single points of weaknesses. Also, the ActiveWorld Bits (tokens) will support micropayments with the location of the sender and the receiver notwithstanding. This is especially important considering no one centralized payment method is available in all countries and their models can hardly support micropayments [4].

Fourth, through cryptography of private and public key, it is easier to create truly private networks on applications on a public blockchain with accessibility offered through keys of issued tokens. We believe this feature will make YAW a unique service as it will enable users to have more control on who they invite to the private networks they create on the YAW platform, even more as they will not be relying on trusted third parties to secure their data.

YAW's use of the Ethereum will be on two fronts; to redesign YAW's SaaS model to run on a peer-to-peer network and use it to create and facilitate the use of digital tokens clients and their communities will use as in-app currency. The benefits are more fully detailed in the **YAW Tokens & Crowd Sales** section.

The move to Ethereum will enable the use of the platform to create private networks with access by Members only and/or invited guests. Access Control is determined by the Client. This is an opportunity not available in the SaaS model and one that YAW believes will be a significant untapped market opportunity. YAW has the possibility to create the largest private event market place.

### **The Ethereum input**

With our application running on Ethereum ("ETH"), we can offer many features that we aren't able to offer on the SaaS model, especially because everything is public on our SaaS model.

1. Private or Member only sites that are accessible through public-private key cryptography.
2. Allowing anyone to add an Event if they have YAW tokens. Spending coins will deter spamming and reduce instances of not useful event posts
3. It is YAW's intention to integrate the decentralized storage or hosting services through the IPFS protocol within seven (7) months of funding We will also create an API functionality that will allow users to host their files using whatever platform they prefer.

### **YAW Tokens & Crowd sales**

In total, 39,472,000 ActiveWorld Bits (Tokens, Bits, or ActiveWorld Bits will be used interchangeably) will be pre-mined on Ethereum blockchain. The development team has assigned a price of 25 cents (\$USD) per token, making the entire batch worth USD 8.38 million. The 6,000,000 Bits reserved as a Bonus Rewards have \$0 value and if not issued as a Bonus shall be kept as reserve\* and sold later at the then Fair Market Value (FMV). The remaining tokens will be issued to developers and other contributors to the project as a form of payment for their services, loan repayment and to early investors.

At the main crowd sale or ICO, 20 million tokens valued at US\$ 5 million will be made



available for the public to buy.

Summary:	Tokens	\$ Value
Tokens issued for YAW (software):	20,000,000	\$ 5,000,000
Tokens issue to insiders for work performed:	9,200,000	\$ 2,300,000
Tokens issued to Investors:	272,000	\$ 68,000
Tokens issued for loan:	4,000,000	\$ 1,000,000
Tokens held in reserve:	6,000,000	\$ 0*
Total Tokens created (initially)	39,472,000	\$ 8,368,000

## Bonus Rewards Plan

YAW's Bonus Rewards are listed below, minimum purchase is USD 500.00, Tokens will be priced at USD 0.25. If the launch is delayed, YAW reserves the right to extend the bonus dates set forth below. Investors must meet all requirements in SAFT Agreement, attached separately.

- Pre-sale Bonus: 20% bonus-tokens must be reserved prior to Live Sale
- Live Sale: 10% bonus if Purchased within 30 days of sale begin date
- Start Coding Bonus: once a total of 4,000,000 Tokens have been sold, all purchasers will receive a 20% Bonus.
- Thank You Bonus: When a total of 12,000,000 Tokens have been sold, all purchasers will receive an additional 5% Bonus.
- Surge Bonus: When a total of 20,000,000 Tokens have been sold, all purchasers will receive an additional 5% Bonus.

## How to purchase ActiveWorld Bits (Tokens):

Pricing is quoted in USD, Bitcoin and ETH are also accepted currencies

Refer to Section: **How the Model Works** for further detail

Purchase options for ActiveWorld Bits: (any combination is acceptable)

- 1) All Token owners may add Events to Public site and “as-invited” to Hybrid & Private ETH sites
- 2) Buy individual Tokens: **Minimum Investment USD 500**
  - a) Use of funds:
    - i) Support YAW’s Integration to the Ethereum platform (open source);
    - ii) Expanding our Ad Platform;
    - iii) Adding Barter functionality; and,
    - iv) Enhancing Private Network capabilities
- 3) Buy Tokens to own site Ad Blocs: (for use, sale or Barter) **USD 7,500**
  - (1) Ad Bloc size: 225 X 75 Pixels
  - (2) Purpose: use by owner or can be sold or bartered
  - (3) Additional spots available at a 50% discount
- 4) Buy Tokens as Advertiser: **USD 4,500**
  - (1) Ad Spot size: 150 X 150 Pixels
  - (2) additional spots 50% discount
- 5) Buy Tokens as Active World Business Members: **USD 10,500**
  - (1) Rights to use YAW’s software or access to open-source code

**Advertising and posting to the Town Hall page:** Tokens can be exchanged for venue appropriate advertising placements as well as notices posted on the Town Hall page (Client specific page). YAW will provide a SaaS model based on Ethereum rules until the integration is completed. With token requirement to access the platform, users are incentivized not to spam the platform or use it in an unproductive way.

### **Advertising Content:**

A key component of our sales model is the advertising/sponsorship blocks, these are new features released only recently. Same is true of our Town Hall page which serves as center of information for the Client, Member base and its Community. Ad Blocs will be shown on all pages offering Sponsorship while Ad Spots will only show on Town Hall page (one per site). If Ad Bloc content is deemed appropriate for all age groups, YAW shall include the content on its SaaS sites as well at Ethereum sites.

Disclosures: Ad Bloc and Ad Spot placement selection is first purchase, first position, etc. till sold out. These sites are owned by the ActiveWorld Bit Members (“Owner”) and is their “real estate” for the life of the web site(s). The Owner assumes all responsibility to use, sell or barter the Ad Blocs and Ad Spots. The Owner is responsible for all costs and efforts related to creation of Ad Blocs and Ad Spots and placement on YAW sites (through YAW App).

*Terms of Agreement: “TV-G” rated material as determined by the FCC is the only type of advertising that shall be permitted on all sites, including within YAW’s SaaS model. All other content shall only appear on the Ethereum Platform on Member Only/Private Networks unless otherwise approved by YAW in advance of placement.*

**TV-G** – Most parents would find this program suitable for all ages. Programs rated TV-G are generally suitable for all ages. The FCC states that “this rating does not signify a program designed specifically for

children, most parents may let younger children watch this program unattended."The thematic elements portrayed in programs with this rating contain little or no violence, no strong language, and little or no sexual dialogue or situations.<sup>[9]</sup>

## **YAW Software overview**

YAW's online registration and event management platform can be used in a closed environment for members, and their guests. The peer-to-peer network that Ethereum is creates the right environment for privacy and security since the platform doesn't rely on trusted centralized servers that are susceptible to compromise to host data and files. This state is improved with the engagement of other similar protocols such as IPFS. Anyone who possesses enough tokens can create, promote and manage events without exposing their data to anyone, not even the creators of the platform.

Our goal is to engage the registrants with a community & registrant-centric site. YAW's patent pending calendaring technology includes a Personal Event Calendar and Event-minder to assist in organizing daily activities. We added the capability to add personal events as well. Every event the client registers for automatically shows on their 'My Calendar' page.

The software platform that YAW offers is more intuitive and less expensive for our clients while providing them an incremental revenue stream. We drive business to our clients by engaging the registrant through social networking and social marketing. Our registrants can view & manage their events; add personal events to their 'Event Calendar'; share pictures, videos and comments; invite friends to events; and, Community Fund raising.

YAW offers a simple to use, web-based and redundant software platform that simplifies the event management process and gets the fun underway. Attendees and event managers in all organizations – from YMCAs to universities to military organizations – will all benefit from the numerous features that it provides. YAW brings social aspects into the forefront that keep the connections going long after the event is over, and opens the door for an incredibly fruitful revenue stream – digital advertising and affiliate programs.

## **Corporate Highlights**

- YAW-LLC was founded in 2013 and is wholly owned by YAW, which was founded in 2016 as a Florida Corporation. YAW was formed as a Holding company as it plans to make similar acquisitions in the future
- YAW's revenues grew 542% between 2014 and 2016
- The Company has audited financials for 2014 and 2015, as well as reviewed financials for 2016 (attached as Exhibits).
- Growth opportunities include organic client generation and acquisitions.
- Linking Communities to YAW's existing Town Hall communities adds the potential to dramatically increase digital media sales for itself and its clients
- Client testimonials state that YAW has the most intuitive and user-friendly software in the industry.

## **The Market**

According to a study by the research firm MarketsandMarkets, the global event management software market grows at an annual growth rate of 11.3% [5]. This translates to an expected growth in market value from USD 5.44 Billion in 2015 to USD 9.28 Billion by 2020.

The report identifies software demand in the industry as growing as fast as that of professional services. This is because event organizers recognize it as a critical component in the lifecycle of any event from ordinary informal social meetings to conferences and exhibitions.

## **Technical Information**

SaaS: YAW uses Amazon Hosting Services that has a 99.7% reliability rating. Key technical salient points to YAW's prospects are:

- Use of the Cloud for redundant data storage
- Client updates are seamless, it's all on YAW end
- Does not require the use of IT specialists on local computers.

However, to make it even more decentralized, YAW will incorporate the InterPlanetary File System (IPFS) protocol [6] so that users can have a permanent and decentralized method of hosting and sharing files. IPFS enables independent nodes to contribute or share storage space to a network in exchange of reward in fees. Through cryptography, it secures data so that only the owner of a file who can recall its shards (pieces) to reconstruct it for reading.

Meanwhile, the both SaaS and Ethereum Platforms will use PCI-3 Software [7] and be SSL compliant [8]. That means we do not store any credit card information (even on the SaaS model).

On the YAW platform, users will be able to access three types of event pages. The first type of web is one that the YAW team creates and allows Clients to populate the Calendar with public events that anyone from anywhere around the world can access and use without paying any fees. On the Ethereum platform, the platform will have Meta search technologies similar to what is available on Kayak.com to enable users to access information on this page.

The second Events are those that individuals will create and share with public through the YAW's sites. The property rights of the content on this category of pages will remain with its creators.

The third type of Events that can be posted to YAW are those that are private, and, accessible only through invites that their creators send out. The creators of these event pages may decide to charge fees to grant access, which will be paid in ActiveWorld Bits.

Both creators who make their content public and those who decide to grant access through invites will need to pay these Bits to the platform. They can recoup their cost through access fee, event registration fees or by accepting third party ads on their pages.

## **Software Functionality & Features**

- Your personally branded Registration & Event Management web site
- On-line Event Registration
- Activity/ Event Management
- Town Hall page
- Waitlist Capabilities
- Community Calendars (capability to add multiple Event Calendars merged into a Master Calendar) **NEW**
- Personal Calendar for Registrants that stores all their Events and Personal Events they add
- Membership Management
- Discount Management
- Registrant Management
- Financial Transaction Management
- Document Storage
- Rentals
- User Alerts
- Individualized Event Room for Registrants to manage and share their Events
- Facility Management
- Staff Scheduling and Management
- Team Management



## CLIENT TESTIMONIALS REFERENCED IN THIS ARTICLE

Marple Newtown

Lee County

City of Trenton

City of Passaic

Long Beach Island Foundation of the Arts & Sciences

Lacey Township



Online Registration & Event Management.

**Intuitive Design. Engaging Experience.**

Clients providing Testimonials:

<https://lbif.youractiveworld.com/>

<https://marpletwp.youractiveworld.com>

<https://trentonrec.youractiveworld.com>

<https://laceytp.youractiveworld.com/>

*"Support, enhancements, they are the best. They have made our registrations and accounting so much easier!!!"*

*- Rick Bushnell; LBI Foundation of the Arts and Sciences, NJ*

*"We had no online registration system and within 12 months our Community loves it"*

*"Tremendous Customer Support & Innovation"*

*- Jessica Lezcano; City of Passaic, NJ*

*"They really helped us stream line operations"*

*- Rich Ehnaw; Marple Newtown, PA*

*"Great program, intuitive and most importantly, easy to use"*

*"I love their Rental module, as well as, ability to create teams. Simple to use, very short learning curve. Always there when I have a question"*

*- Jim Wioland; Lacey Twp, NJ*

*-Thaddeus Dickey II; Lee County, SC*

## **Your Active World Benefits**

### **To administrators**


- Ease of use
- Program tracking
- Manual Registration
- Data management
- Revenue sharing
- Client Branded website
- Import Client data (where permitted)
- Coach/Team management
- Mass email
- Marketing opportunities
- Member tracking
- Host of other management tools
- Waitlist Capabilities

### **To registrants:**

- Easy to understand User Interface
- Quick registration
- User tracking My Calendar & My Events
- Easy to operate team room
- Interactive forum between user and instructors/coaches
- Carpool blog.


- 'What to bring' blog
- Fundraising
- Team Room/ Coaches' Corner
- My Event Room

The LBI Foundation Town Hall page as an example:



THE LONG BEACH ISLAND FOUNDATION  
OF THE ARTS & SCIENCES


Partnering with  
**YOUR ACTIVE WORLD**



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[Community Events](#)
[Rentals](#)
[My Calendar](#)
[My Events](#)
[Coaches Corner](#)
[Town Hall](#)
[Admin](#)

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ebambach@comcast.net  
[My Profile](#)  
[My Events](#)

[Add Post Here](#)




**Family Night: Cascading Circus**  
[Report](#)

Date: 08-29-2017

Don't miss out on the last family night of the summer!


LBIF is bringing your favorite one-man circus to the island to entertain! This event is for all ages and strongly encourages audience participation. So get ready for a magical night!!



**Support Local**  
[Report](#)

Date: 09-01-2017

Before you head home make sure to stop by Barnegat Light fishing docks for some of the freshest caught fish! Fresh fish, scallops and clams all can be found at Viking Village, located at 1801 Bayview Ave, Barnegat Light, NJ 08006



**Chowderfest Weekend 2017**  
[Report](#)

Date: 09-30-2017

It's never too early to start planning! Don't miss out on the annual Chowderfest Weekend September 30th- October 1st 2017!

Come and taste samples of red and white chowder from some of your favorite restaurants on the island! Make sure to vote for your favorite local shop. After you are finishing sampling the best of the best stop by the Beach Haven firehouse to support your local firehouse with live music!



## **The YAW team**

### **John Bambach, Co-Founder, Chairman**

The company's co-founder is a serial entrepreneur, having been involved in three successful startups (and one failed). Over 20 years' experience as CEO and CFO. Won Startup of the Year award (1995) for his technology firm; led M&A, leveraged buyouts and equity funding for cable television partnerships; integration of ops following acquisitions; establishing financial controls & procedures and analyzing cost structures/capitalization issues.

After sale of his companies in 2000, various VC's and Attorneys retained his firm, Bambach Advisors, to function as Chief Restructuring Officer during the dot com implosion that led to other restructuring opportunities in many diversified industries. Engineered the successful turnaround of multiple companies, in and out of Ch. 11 and was a CH 11 Trustee.

Startup of the Year Award- 1995 > In 1992, Cable Labs published the RFP for converting cable advertising from analog to digital ad insertion, John recognized that the existing analogue companies (2) were not capable of developing such a sophisticated platform. John started AdVision that pioneered the development of real-time ad insertion software – which he sold in 1999 to SkyConnect and nCube, the latter a Larry Ellison company.

John retains his restructuring firm, Bambach Advisors ([www.bambachadvisors.com](http://www.bambachadvisors.com)), and serves as Chairman to YAW John's passion and drive for YAW to succeed is backed up by his investment to date of \$550,000.

*Mr. Bambach:*

*“What makes this so enticing are two unique plays: offering our own Event content in addition to our clients' (which is not in conflict with our clients), and engaging the Registrant through a series of social pages ranging from our Personal Calendar, Town Hall sites and our meta search app to be built from funds generated from this offering”*

### **Elizabeth Bambach, Co-Founder/President**

Elizabeth has held management positions with the Philadelphia Phillies and Tampa Bay Buccaneers prior to attending the University of Tampa's Graduate School. While completing her MBA degree, Elizabeth served as CFO for the University of Tampa's Graduate Organization for Leadership and Development before forming YAW.

During her time at the Buccaneers, Elizabeth renegotiated contracts, realizing a 44% saving on projects assigned to her. She managed daily accounting activities, created PO's, and was involved in trade and barter negotiations while maintaining and monitoring daily business operations. Elizabeth also acted as a liaison between partners, vendors, and members of the organization in negotiating contractual arrangements, processing orders and monitoring contracts.

After graduating from the University of Tampa in 2013 with her MBA and Finance degree, Elizabeth joined a corporate restructuring firm. Elizabeth had the responsibility of developing weekly cash flow forecasts, assisting with maintenance on the 13- week cash flow and

developed variance reports for analysis and discussion with management, Board of Directors, and senior leader. This all led up to Elizabeth co-founding Your Active World where she currently is responsible for customer support, creative vision and sales.

### **Peggy Lee, Senior Advisor**

Founder and creator of b-there.com and the patented Event Registration System, Sales, Business Development and Marketing expert in digital, travel, mobile and social. Results-charged career with measurable success creating strategy, executing dynamic vision, and leading high impact sales, marketing and new business development. Leadership roles in world-class enterprises and start-up organizations including British Telecom Consulting & Systems Integration, a BIG 5 Global Consulting Firm; b-there, Inc.; Pepsi Cola; and Duracell.

Strong senior level relationships in event, associations, travel, hospitality and leisure verticals. Hold patents for group events—registration, housing and travel in one integrated solution. Expert in linking corporate sales and business development functions with all areas of marketing and operations, i.e. people, technology, competitive market position, and channel /alliance programs. Recognized for stellar relationship management and sales capabilities; digital marketing and social media expertise; and leadership qualities.

Characterized as entrepreneurial, high energy and visionary.

### **Jim McDonough, CFO**

With over 25 years of experience in accounting, Jim most recently oversaw the closing activities, accounting, transactional systems and account analysis of a company that grew from \$130 million to \$750 million sales. Jim left this firm to join the YAW team as he previously worked with John Bambach (Co-Founder). Jim also worked at Certain Teed, Integrated Tele-Communications (John's company) and Atlantic Financial F.A. I RTC (hired during the first financial crisis in 1991).

### **Nils Stuart, CTO**

With over 25 years of experience in transactional systems, Nils brings a unique perspective to Your Active World. He is a seasoned business veteran within many different landscapes, from Fortune 100 companies to emerging startups like Buyfigure and Bidtrac. Prior to this position with YAW, he led technical teams that various companies into updated hybrid cloud environments, amongst other IT makeovers. Earlier in his career, Nils served in the USN as a nuclear operator aboard submarines. For YAW, he will direct software development and provide technical leadership over the platform.

### **Jim Damm, Lead Developer**

Jim is the hands-on creator of the YAW platform. Jim's area of specialty lies in ecommerce transactions having 15 years' experience developing and delivering customer facing, high transaction, solutions for diverse clients ranging from new startups to established banks. As lead developer for YAW, Jim is responsible for the entire YAW stack under the direction and guidance of Nils. Jim, Nils and John have worked together for 15 years on a variety of projects.

## **Lokesh Bansal, Software Partner**

Your Active World's independent software partner is Lokesh Bansal out of India. He is a well-known full stack engineer who has worked on a variety of different fronts and headed up the development of many popular platforms, including EduRev and Gamifyd. For YAW, his role will lie in the development of new modules.

## **Risk factors**

Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) PL and its affiliates derive independent economic value from such confidential information not being generally known, and (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy. The recipient further agrees that the contents of this Memorandum are a trade secret, the disclosure of which is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, is prohibited. Each person who has received this Memorandum is deemed to agree to return this Memorandum to the Company upon request. The existence and nature of all conversations regarding the Company and this offering must be kept confidential.

A prospective purchase of Tokens involves a high degree of risk, volatility and illiquidity. A prospective purchaser should thoroughly review the confidential information contained herein and the terms of the Tokens, and carefully consider whether the purchase of Tokens is suitable per the individuals' financial situation and goals. The Ethereum Platform does not guarantee that that there will be a market into which a Token holder may be able to sell their Tokens.

No person has been authorized to make any statement concerning the Company or the sale of the Tokens discussed herein other than as set forth in this White Paper, and any such statements, if made, must not be relied upon.

This White Paper does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in the Company

Purchase of the Tokens are denominated in United States dollars (\$) and Investors may tender United States dollars, Bitcoin, Ether, or ZCash in exchange for the Tokens. Such currencies are subject to any fluctuation in the rate of exchange and, in the case of digital assets, the exchange valuations. Such fluctuations may have an adverse effect on the value, price or income of an End User's Tokens.

The risk factors include:

- No assurances there will be a market to buy or sell the Tokens issued by YAW
- No assurances there will be sufficient ecommerce opportunities on YAW's Ethereum Partner sites to use the tokens
- No assurances there will be sufficient Ethereum Partner sites for YAW's concepts as identified in the White Paper to be viable
- No assurances that the Ethereum marketplace remain open

- Risks associated with an investment in the Tokens.

YAW has entered into an Escrow Agreement whereby its Attorney will have access to the Company's software code. Certain purchasers of the Tokens as defined in the White Paper will have access to the software code in the event YAW does not complete development to integrate its current SaaS platform into the Ethereum platform.

While YAW has existing Clients, YAW cannot make any representation as to the value of the software code being held in Escrow and/or usability of the software of the Ethereum platform.

Should YAW be forced to cease operations or take actions that result in a Dissolution Event, the software in Escrow shall become available to certain Token holders but YAW cannot provide assurance a market for its Tokens shall continue to exist.

Risks associated with the Tokens and YAW's Ethereum Integration.

The Network may not be widely adopted and may have limited users.

Alternative networks may be established that compete with or are more widely used than the Ethereum Network.

The open-source structure of the Ethereum Network protocol means that the Ethereum Network may be susceptible to developments by users or contributors could damage the Ethereum Network and YAW's reputation and could affect the utilization of the its Tokens.

The Ethereum Network may be the target of malicious cyberattacks or may contain exploitable flaws in its underlying code, which may result in security breaches and the loss or theft of Tokens.

Risks related to blockchain technologies and digital assets.

The regulatory regime governing the blockchain technologies, cryptocurrencies, tokens and token offerings such as Ethereum Network and YAW's Tokens is uncertain, and new regulations or policies may materially adversely affect the development of the Ethereum Network, the utility of the Tokens and the value of the Tokens.

Regulation of tokens (including Ethereum) and token offerings such as this, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of the Ethereum Network and the adoption and utility of the Tokens. Failure by the Company, the Ethereum Network to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

Blockchain networks also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions may, soon, adopt

laws, regulations or directives that affect the Ethereum Network. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of the Ethereum Network and the adoption and utility of the Tokens.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the currency in which the Tokens may be exchanged, the value of the distributions that may be made by the Ethereum Foundation, the liquidity of the Tokens, the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens.

YAW will offer a utility token that has a specific B2B use as defined in the White Paper. Due to the nature of YAW's software sharing, we do not think it should be considered a "security" as that term is defined in the Act.

There may be occasions when certain individuals involved in the development and launch of the Ethereum Network may encounter potential conflicts of interest in connection with the Network Launch, such that said party may avoid a loss, or even realize a gain, when other Investors in the Pre-sale are suffering losses.

**WHILE YAW IS NOT OFFERING SECURITIES FOR SALE, IT IS CREATING TOKENS FOR SALE TO BE USED AS LICENSING RIGHTS FOR ITS SOFTWARE. YAW IS MAKING THE PREEMPTIVE MOVE TO LIST RISK FACTORS THAT WOULD BE USED IN THE SALE OF SECURITIES IN THE EVENT THE SEC DECIDED TO LOOK AT ICO'S SIMILAR TO THE ISSUANCE OF A "SECURITY" UNDER U.S. FEDERAL SECURITIES LAWS.**

The discussions and information in this White Paper may contain both historical and forward-looking statements. To the extent that the White Paper contains forward-looking statements regarding the financial condition, operating results, business prospects, or any other aspect of our business, please be advised that our actual financial condition, operating results, and business performance may differ materially from that projected or estimated by us in forward-looking statements. We have attempted to identify, in context, certain of the factors we currently believe may cause actual future experience and results to differ from our current expectations. The differences may be caused by a variety of factors, including but not limited to adverse economic conditions, lack of market acceptance of our products, unrecoverable losses from theft, intense competition, including entry of new competitors, falling demand for our products, adverse federal, state, and local government regulation, reduction of consumer demand, unexpected costs and operating deficits, lower sales and revenues than forecast, default on leases or other indebtedness, loss of suppliers, loss of supply, loss of distribution and service contracts, price increases for capital, supplies and materials, inadequate capital, inability to raise capital or financing, failure to obtain customers, loss of customers and failure to obtain new customers, the risk of litigation and administrative proceedings involving us or our employees, loss of government licenses and permits or failure to obtain them, higher than anticipated labor costs, the possible acquisition of new businesses or products that result in operating losses or that do not perform as anticipated, resulting in unanticipated losses, the possible fluctuation and volatility of our operating results and financial condition, adverse publicity and news coverage, inability to carry out marketing and sales plans, loss of key executives, changes in interest rates, inflationary

factors, and other specific risks that may be alluded to in this White Paper or in other reports issued us or third party publishers.

### **Risks Related to Business**

***We have a limited operating history, which makes it difficult to accurately evaluate our business prospects.*** Our limited operating history makes it difficult to evaluate our business and prospects. We were originally started in 2013 and have operated our event management services for only three years. As a result, we have only limited historical financial data upon which to predict our future operating results. In addition, the business of providing event management services to the participatory sports and activities industry is relatively new and unproven. You must consider our business and prospects considering the risks and uncertainties we will continue to encounter as a company with an unproven business model. These risks and uncertainties include those risks disclosed throughout this Risk Factors section. Any failure to address these risks and uncertainties successfully would seriously harm our business and prospects.

***We have a limited operating history and have yet to earn a profit because we have earned relatively little revenue, which makes it difficult to accurately evaluate our business prospects.***

Your Active World, LLC (“the LLC”), our predecessor company, was formed under the laws of Florida on September 25, 2013. Your Active World Holdings, Inc. was incorporated under the laws of Florida on July 25, 2016. Your Active World, LLC, which was owned by Bambach Enterprises, became a wholly owned subsidiary of the new company in exchange for new company stock. YAW provides Online Registration & Event Management software to various business entities individuals, governments, non-profit organizations, clubs, schools, and other entities that offer and/or wish to offer paid Events in an Online Marketplace.

We incurred a net loss (including the LLC) of approximately \$100,000 for fiscal year 2017, \$96,245 for fiscal year 2015 and a net loss of approximately \$81,788 for fiscal year 2014. We have had cumulative net losses since our inception. Currently our liabilities exceed our assets. We believe that we may continue to incur operating and net losses. If we are to ever achieve consistent profitability it will be dependent upon growth in our sales, and the successful development, commercial introduction, and acceptance of our products, which may not occur.

Because we will incur the costs and expenses from these efforts before we receive any incremental revenues with respect thereto, our losses in future periods will be significantly greater than the losses we would incur if we developed our business more slowly. In addition, we may find that these efforts are more expensive than we currently anticipate or that these efforts may not result in increases in our revenues, which would further increase our losses.

***Customer complaints regarding our services could hurt our business.*** From time to time, we may receive complaints from customers regarding the quality of services purchased from us. In the past, we have not received such complaints. However, that is no guarantee that we will not experience complaints regarding our services. Any resulting litigation could be costly for us, divert management attention, and could result in increased costs of doing business, or otherwise have a material adverse effect on our business, results of operations, and financial condition. Any negative publicity generated because of customer frustration with our products or services, or with our websites, could damage our reputation and diminish the value of our brand name, which

could have a material adverse effect on our business, results of operations, and financial condition.

***We have an unproven business model, which may make it difficult for you to evaluate our business and prospects.*** We will derive our revenue primarily from simplified event planning, both individual consumers and businesses, inside and outside of the United States. Our business strategy may be unsuccessful. Our business and prospects are difficult to evaluate and must be considered in light of the risks and uncertainties often experienced by companies in the early stages of development. Some of these risks and uncertainties relate to our ability to do the following:

- maintain and strengthen our relationships with customers;
- augment and improve marketing channels to attract customers to use our products;
- improve our operational, financial and management controls and reporting systems and procedures;
- identify gaps in our industry that can be exploited;
- respond effectively to competition;
- increase profit margins; and
- respond to government regulations relating to our industry and other aspects of our business.

If we are unable to do any of these successfully, our business and operations could be materially adversely affected.

***Event organizers, park and recreation department administrators, and league administrators may not widely adopt application services such as ours to manage important aspects of their businesses, which would cause our revenues to decline.*** If demand for and market acceptance of application services for the participatory sports and activities industry does not grow, our ability to grow our business will be adversely affected. Application services for managing important aspects of participatory sports and activities are relatively new and have not been widely adopted by event organizers, park and recreation department administrators, or league administrators. A market for application services such as ours for the sports and activities industry may not continue to develop and grow. Participatory sports and activities organizers who have already invested substantial resources in other registration methods may be reluctant to adopt a new approach like ours to supplement or replace their existing systems or methods. In addition, concerns about fraud, privacy, security, reliability and other issues may cause participatory sports and activities organizers not to adopt application services for managing important aspects of their business, including participant registrations. If event organizers, park and recreation department administrators, and league administrators do not widely adopt application services such as ours for managing aspects of their businesses, this will materially and adversely affect our business, operating results, financial condition and prospects.

***Our businesses could be negatively affected by changes in Internet search engine algorithms and dynamics, or search engine disintermediation.*** Search engines, including Google, frequently update and change the logic that determines the placement and display of results of a user's search, such that the purchased or algorithmic placement of links to our websites can be negatively affected. In addition, a search engine could, for competitive or other purposes, alter its

search algorithms or results causing our websites to place lower in search query results. If a major search engine changes its algorithms in a manner that negatively affects the search engine ranking of our websites or those of our partners, or if competitive dynamics impact the cost or effectiveness of SEO or SEM in a negative manner, our business and financial performance would be adversely affected, potentially to a material extent. Furthermore, our failure to successfully manage our SEO and SEM strategies could result in a substantial decrease in traffic to our websites, as well as increased costs if we were to replace free traffic with paid traffic.

***If we are unable to continue to increase visitors to our website and to cost-effectively convert these visitors into repeat users or contributors, our revenue could decline.*** The primary asset that we use to attract visitors to our website and convert these visitors into repeat users is our ability to provide an enjoyable event organizing experience that meets users' interests and enables them to use the content and interact with their peers. There can be no assurances that we will continue to obtain content in a cost-effective manner or in a manner that meets rapidly changing consumer demand. Any failure to obtain and manage such content in a manner that will engage users, or a failure to provide content and products that are perceived as useful, reliable and trustworthy.

***There is no assurance that any of our research and development activities will result in any further proprietary technology.*** As discussed, we plan to continue to develop new proprietary services for the event management industry. The development efforts for these services may fail to result in any commercial technology, products or services, or any proprietary or patentable technology. The technology may not work, competitors may develop and sell superior services performing the same function, or industry participants may not accept or desire those services. We may not be able to protect our proprietary rights, if any, from infringement or theft by third parties. We may have inadequate capital to successfully execute this aspect of our business plan.

***Additional Financing may not be available.*** We cannot assure that we will earn net profits. Bambach Enterprises, a related and affiliated party, has provided funding of \$550,000 in the past, but there is no assurance that it will provide funding in the future. We cannot assure that we will be able to raise capital in this placement of common stock, or that we will have sufficient capital to fund our business operations. We cannot assure that we could obtain additional financing or capital from any source, or that such financing or capital would be available to us on terms acceptable to us.

***We may not be able to successfully compete against companies with substantially greater resources.*** Some of our competitors are much larger companies than us and better capitalized. They could choose to use their greater resources to finance their continued participation and penetration of this market, which may hamper our ability to generate sufficient revenue to cover our costs. Their better financial resources could allow them to significantly out spend us on research and development, as well as marketing and production. We might not be able to maintain our ability to compete in this circumstance

There can be no assurance that the Company's products or services, existing or to be developed, will be more effective, innovative, or achieve greater market acceptance than competitive products or services, or that our competitors will not succeed in developing products, services and technologies that are more effective than those owned by or being used by us or that would render our products, services and technologies less competitive or obsolete.



***Our business is subject to various government regulations.*** The impact of current laws and regulations, the effect of future changes in laws or regulations that impose additional requirements and the consequences of litigation relating to current or future laws and regulations, or an insufficient or ineffective response to significant regulatory or public policy issues, could increase our cost structure, operational efficiencies and talent availability, and therefore have an adverse effect on our results of operations. Failure to comply (whether actual or perceived) with the laws and regulatory requirements of federal, state and local authorities could result in, among other things, negative publicity, revocation of required licenses, administrative enforcement actions, fines and civil and criminal liability. Compliance with these laws and regulations and any changes thereto can be costly and can increase our exposure to litigation or governmental investigations or proceedings.

We are also subject to government laws and regulations governing health, safety, working conditions, employee relations, wrongful termination, wages, taxes and other matters applicable to businesses in general. We are not currently subject to direct federal, state or local regulation, or laws or regulations applicable to access to or commerce on the Internet, other than regulations applicable to businesses generally. It is possible that a number of laws and regulations may be adopted with respect to the Internet or other online services covering issues such as user privacy, freedom of expression, pricing, content and quality of products and services, taxation, advertising, intellectual property rights and information security. In addition, applicability to the Internet of existing laws governing issues such as property ownership, copyrights and other intellectual property issues, taxation, libel, obscenity and personal privacy is uncertain. The vast majority of such laws was adopted prior to the advent of the Internet and, as a result, do not contemplate or address the unique issues of the Internet and related technologies. We cannot assure that any state will not attempt to impose additional regulations upon us in the future or that such imposition will not have a material adverse effect on our business, results of operations, and financial condition. Several states have also proposed legislation that would limit the uses of personal user information gathered online or require online services to establish privacy policies. Changes to existing laws or the passage of new laws intended to address these issues, including some recently proposed changes, could create uncertainty in the marketplace that could reduce demand for our services or increase the cost of doing business as a result of litigation costs or increased service delivery costs, or could in some other manner have a material adverse effect on our business, results of operations, and financial condition. In addition, because our services are expected to be accessible worldwide, and we expect to eventually facilitate sales of services to users worldwide, other jurisdictions may claim that we are required to qualify to do business as a foreign corporation in a particular state or foreign country. We are qualified to do business in one state in the United States, and our failure to qualify as a foreign corporation in a jurisdiction where it is required to do so could subject us to taxes and penalties for the failure to qualify, and could result in our inability to enforce contracts in such jurisdictions. Any such new legislation or regulation, or the application of laws or regulations from jurisdictions whose laws do not currently apply to our business, could have a material adverse effect on our business, results of operations, and financial condition.

***We cannot assure that we will earn a profit or that our services will be accepted by consumers.*** Our operating performance will be heavily dependent on whether or not we are able to earn a profit on the sale of our services. We cannot assure that we will be successful or earn any revenue or profit, or that investors will not lose their entire investment.

***We may not have adequate capital to fund our business.*** We will have limited capital available to us, to the extent that we raise capital from this offering. If our entire original capital is fully expended and additional costs cannot be funded from borrowings or capital from other sources, then our financial condition, results of operations, and business performance would be materially adversely affected. We cannot assure that we will have adequate capital to conduct our business.

***We may incur uninsured losses.*** Although we maintain modest theft, casualty, liability, and property insurance coverage, along with workmen's compensation and related insurance, we cannot assure that we will not incur uninsured liabilities and losses as a result of the conduct of our business. Should uninsured losses occur, the holders of our common stock could lose their invested capital.

Like most purveyors of commercial services, and companies that raise capital, we will be subject to potential litigation. As a purveyor of commercial services, and a company that raises capital, we will be exposed to the risk of litigation for a variety of reasons, including employee lawsuits, commercial contract disputes, government enforcement actions, shareholder and investor lawsuits, and other legal proceedings. We cannot assure that future litigation in which we may become involved will not have a material adverse effect on our financial condition, operating results, business performance, and business reputation.

***We cannot assure that we will have the resources to repay all our liabilities in the future.*** We have liabilities and may in the future have other liabilities to affiliated or unaffiliated lenders. These liabilities represent fixed costs, which are required to be paid regardless of the level of business or profitability experienced by us. We cannot assure that we will not incur debt in the future, that we will have sufficient funds to repay our indebtedness or that we will not default on our debt, jeopardizing our business viability. Furthermore, we may not be able to borrow or raise additional capital in the future to meet our needs or to otherwise provide the capital necessary to conduct our business. We may utilize purchase order financing from third party lenders when we are supplying or distributing goods, which would increase our costs and the risks that we may incur a default, which would harm our business reputation and financial condition. We cannot assure that we will be able to pay all our liabilities, or that we will not experience a default on our indebtedness.

***We may incur cost overruns in the development, production and distribution of our various products.*** Management is not obligated to contribute capital to us. Unanticipated costs may force us to obtain additional capital or financing from other sources, or may cause us to lose our entire investment in us if we are unable to obtain the additional funds necessary to implement our business plan. We cannot assure that we will be able to obtain sufficient capital to successfully continue to implement our business plan. If a greater investment is required in the business because of cost overruns, the probability of earning a profit or a return of the shareholders' investment in us is diminished.

***If we are unable to pay for material and services timely, we could be subject to liens.*** If we fail to pay for materials and services for our business on a timely basis, our assets could be subject to liens. We may also be subject to bank liens in the event that we default on loans from banks, if any.

***Directors and officers have limited liability.*** Our bylaws provide that we will indemnify and hold

harmless our officers and directors against claims arising from our activities, to the maximum extent permitted by Florida law. If we were called upon to perform under our indemnification agreement, then the portion of our assets expended for such purpose would reduce the amount otherwise available for our business.

***If we were to lose the services of our key personnel, we may not be able to execute our business strategy.*** Our success is substantially dependent on the performance of our executive officers and key employees. The loss of any of our officers or directors would have a material adverse impact on us. We will generally be dependent upon Elizabeth Bambach for the direction, management and daily supervision of our operations. See “MANAGEMENT.”

***If we are unable to hire, retain or motivate qualified personnel, consultants, independent contractors, and advisors, we may not be able to grow effectively.*** Our performance will be largely dependent on the talents and efforts of highly skilled individuals. Our future success depends on our continuing ability to identify, hire, develop, motivate and retain highly qualified personnel for all areas of our organization. Competition for such qualified employees is intense. If we fail in attracting excellent personnel or in retaining or motivating them, we may be unable to grow effectively. In addition, our future success will depend in large part on our ability to retain key consultants and advisors. We cannot assure that any skilled individuals will agree to become an employee, consultant, or independent contractor of Your Active World Holdings, Inc. Our inability to retain their services could negatively impact our business and our ability to execute our business strategy.

The consideration being paid to our management was not based on arm’s length negotiation. The common stock and cash consideration paid or being paid by us to our management have not been determined based on arm’s length negotiation. While management believes that the consideration is fair for the work being performed, we cannot assure that the consideration to management reflects the true market value of its services.

Our bylaws may be amended by our board and our articles and bylaws may be amended by a majority vote of our shareholders. Under Florida Corporations Law, a corporation’s articles of incorporation may be amended by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote, and a majority of the outstanding shares of each class entitled to vote as a class, unless the certificate requires the vote of a larger percentage of shares. Our Articles of Incorporation, as amended, do not require the vote of a larger percentage of shares. As permitted under the Florida Corporations Law, our bylaws give our board of directors the power to adopt, amend, or repeal our bylaws. Our shareholders entitled to vote have concurrent power to adopt, amend, or repeal our bylaws.

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