

RISK FACTORS

NO LAND/BUILDING SITE ACQUIRED

As of this date we have not acquired a site to build the facility. There are many unknown costs associated with this, including land price, and needs specific to the site.

ZONING

We have not acquired zoning approval to build the pool in the Central Ohio area.

WE CANNOT ASSURE YOU THAT WE WILL BE PROFITABLE.

Our ability to develop revenue or become profitable depends on many factors, including site approval for our facility, our ability to retain swimmers at our facility, and acceptance of our programming by local residents. Our expenses are expected to increase substantially and continue to increase substantially, primarily for staffing and overhead involved in maintaining a safe pool environment. Accordingly, there can be no assurance that we will achieve or sustain significant sales or profitability.

THE ECONOMY

Our industry is dependent on the economy remaining stable enough that parents are able to continue to afford swim lessons, aquatic related programs and swim team for their children

WE ARE IN A COMPETITIVE MARKET SEGMENT, FACE COMPETITION FROM ESTABLISHED INDOOR POOLS & RECREATION OUTLETS, AND MAY NOT BE ABLE TO COMPETE EFFECTIVELY.

We cannot control competition within our area. Competitors include new indoor pools and other recreational sports outlets such as indoor soccer, basketball and tennis. Competitors can choose to out price us or offer a program that is more desirable. We can mitigate this risk by offering the best programs within our means.

Our competitors include Central Ohio YMCA branches, Community Swim Pools (Westerville Rec Center, Worthington Swim Club, Westerville Aquatic Club, etc.). Several of our competitors enjoy advantages over us, including: a financial relationship within the community government (paid for by local taxes or supported by local community in some official way), established business protocol, established clientele.

WE WILL NEED TO RAISE ADDITIONAL FUNDS IN THE FUTURE AND SUCH FUNDS MAY NOT BE AVAILABLE ON ACCEPTABLE TERMS, IF AT ALL.

We will need to seek additional funds from private offerings or other sources in order to expand our facility and replace the bubble with a building. If we cannot raise funds on acceptable terms, we may not be able to develop or enhance our products or execute our business plan.

IF WE BECOME SUBJECT TO LIABILITY CLAIMS, WE MAY BE REQUIRED TO PAY DAMAGES THAT EXCEED OUR INSURANCE COVERAGE.

Our business exposes us to potential liability claims that are inherent in aquatic instruction. Any liability claim brought against us, with or without merit, could result in the increase of our liability insurance rates or our inability to secure future coverage on reasonable terms, if at all. In addition, if our liability insurance proves to be inadequate to pay a damage award, we may have to pay the excess out of our cash. Even a meritless or unsuccessful product liability claim could harm our reputation in the industry, lead to significant legal fees and result in the diversion of management's attention from managing the business.

OUR BUSINESS PLAN RELIES ON CERTAIN ASSUMPTIONS PERTAINING TO THE MARKET FOR OUR SERVICES THAT, IF INCORRECT, MAY ADVERSELY AFFECT OUR GROWTH AND PROFITABILITY.

We allocate our resources based on our business plan, which includes assumptions about service demand primarily originating in the local southern Delaware County community. However, these trends are uncertain and some are beyond our control. There can be no assurance that our assumptions with respect to a growing family population, which we expect to lead to increased numbers of families seeking our programs. The opening of new indoor pools in the area may decrease the demand for our service.

THE NOTE AND WARRANT ARE ILLIQUID.

The note and warrant being offered will not be registered with the Securities and Exchange Commission nor with any state securities commission, and in offering the note and warrant, we may rely upon one or more exemptions from registration. As such, the note and warrant will be restricted and neither may be sold without registration under the Securities Act unless such resale is made pursuant to exemption thereunder. Accordingly, you should carefully consider the potentially illiquid and long-term nature of your investment in us.

WE MAY ISSUE STOCK IN THE FUTURE WITH PREFERENTIAL RIGHTS.

We may sell stock to venture capital funds or other investors in the future on terms negotiated by us without your participation. We may grant rights to such venture capital funds and other investors that are preferential to the rights granted to you.

WE ARE MAKING FINANCIAL PROJECTIONS THAT MAY NOT BE REALIZED.

The Company's financial projections are forward-looking statements and are based on certain assumptions that may change. Actual events are difficult to project and often depend on factors that are beyond the control of the Company. Consequently, those projections should not be regarded as a representation by the Company or any other person that the Company will achieve those projected results.