MOTIVATING THE MASSES INC.
A Nevada corporation

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

2121 Palomar Airport Road, Suite 300
Carlsbad, CA 92011

4760-931-9400

MOTIVATING THE MASSES INC.
A NEVADA CORPORATION

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Memorandum No. ______

Name of Prospective Investor________________________________

OFFERING OF 4,000,000 SHARES OF COMMON STOCK
AT $0.50 PER SHARE

Motivating the Masses Inc., a Nevada corporation (the "Company"), hereby offers (the "Offering") to sell 4,000,000 shares of its common stock (the "Common Stock"), at $0.50 per share. The shares of Common Stock are being offered by the Company on a "best efforts" basis. There is no assurance that any of the shares of Common Stock will be sold and there is no firm commitment by any person to purchase or sell any of the shares of Common Stock. There is no minimum offering.

THE SECURITIES OFFERED HEREBY ARE HIGHLY SPECULATIVE, INVOLVE A HIGH DEGREE OF RISK AND SHOULD BE PURCHASED ONLY BY PERSONS WHO CAN AFFORD TO LOOSE THEIR ENTIRE INVESTMENT. THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES LAWS OR THE LAWS OF ANY STATE, BUT ARE BEING OFFERED AND SOLD PURSUANT TO CERTAIN EXEMPTIONS THEREUNDER. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE AGENCY, NOR HAS ANY SUCH REGULATORY BODY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

DATED: November 1, 2013

NOTICE TO INVESTORS

THIS MEMORANDUM HAS BEEN PREPARED FOR DISTRIBUTION TO A LIMITED NUMBER OF ELIGIBLE PERSONS FOR THEIR CONFIDENTIAL USE AND INFORMATION IN EVALUATING AN INVESTMENT IN THE COMPANY. AS YOU READ THIS MEMORANDUM, PLEASE NOTE THE FOLLOWING IMPORTANT FACTS:

- **PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX OR INVESTMENT ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS OWN ATTORNEY, ACCOUNTANT AND BUSINESS ADVISOR AS TO THE PURCHASE OF OWNERSHIP INTERESTS.**

- **THIS OFFERING OF COMMON STOCK IS BEING MADE IN RELIANCE UPON CERTAIN EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND CERTAIN STATE SECURITIES LAWS. THE COMMON STOCK ARE BEING OFFERED TO A LIMITED NUMBER OF PROSPECTIVE INVESTORS MEETING MINIMUM SUITABILITY STANDARDS OR ACCREDITED INVESTORS AS DEFINED UNDER THE SECURITIES ACT. THE COMMON STOCK ARE NOT TRANSFERABLE WITHOUT THE SATISFACTION OF CERTAIN CONDITIONS, INCLUDING REGISTRATION OR THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND THE SECURITIES LAWS OF CERTAIN STATES. THE COMMON STOCK OFFERED HEREBY ARE RESTRICTED SECURITIES FOR WHICH NO PUBLIC OR OTHER MARKET CURRENTLY EXISTS OR IS EXPECTED TO DEVELOP.**

- **AN INVESTMENT IN THE COMMON STOCK IS HIGHLY SPECULATIVE, INVOLVES A HIGH DEGREE OF RISK AND IS SUITABLE ONLY FOR INVESTORS WITH SUBSTANTIAL MEANS WHO CAN BEAR THE ECONOMIC RISK OF THE INVESTMENT, AND WHO ARE ABLE TO WITHSTAND THE TOTAL LOSS OF THEIR INVESTMENT. AN INVESTMENT IN THE COMPANY MUST BE CONSIDERED A LONG-TERM INVESTMENT. SEE 'RISK FACTORS'.**

- **THE PERSON NAMED ABOVE AS A PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO IMMEDIATELY RETURN THIS MEMORANDUM AND ALL ATTACHED OR ENCLOSED DOCUMENTS TO THE COMPANY IF THE PROSPECTIVE INVESTOR DOES NOT ELECT TO MAKE A SUBSCRIPTION OR IF HIS ENTIRE SUBSCRIPTION IS REJECTED BY THE COMPANY. THE PERSON NAMED ABOVE AS A PROSPECTIVE INVESTOR ALSO AGREES TO MAINTAIN STRICT CONFIDENTIALITY OF THIS MEMORANDUM AND ALL INFORMATION CONTAINED HEREIN.**

- **ALTHOUGH MANAGEMENT OF THE COMPANY BELIEVES THAT THIS MEMORANDUM CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF ALL DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN, REFERENCE IS HEREBY MADE TO THE ACTUAL DOCUMENTS FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO. COPIES OF SUCH DOCUMENTS ARE AVAILABLE UPON REQUEST FROM THE COMPANY AND ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE.**

- **DURING THE COURSE OF THE OFFERING AND PRIOR TO SALE, PROSPECTIVE INVESTORS ARE URGED AND INVITED TO ASK QUESTIONS OF AND TO OBTAIN ADDITIONAL INFORMATION FROM THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING, THE COMPANY AND ITS PROPOSED BUSINESS AND ANY OTHER RELEVANT MATTERS (INCLUDING BUT NOT LIMITED TO ADDITIONAL INFORMATION TO VERIFY THE ACCURACY OF THE INFORMATION SET FORTH HEREIN). SUCH INFORMATION WILL BE PROVIDED TO THE EXTENT THAT THE OFFICERS OF THE COMPANY POSSESS SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.**

- **IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

- **THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. PURCHASE OF THE COMMON STOCK SHOULD BE MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO RESELL.**

Genus Zero

WHERE YOU CAN FIND MORE INFORMATION

The Company files annual, quarterly and current reports and other information with the SEC. You may read and copy any document that the Company files at the public reference room of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at (800) SEC-0330. The SEC also maintains an Internet site at *http://www.sec.gov* from which you can access the Company's filings.

This Memorandum includes through incorporation by reference certain of the reports and other information that the Company has filed with the SEC, including the Registration Statement on Form S-1, as amended. This means that the Company is disclosing important information to you by referring you to those documents. The Company incorporates into this Private Placement Memorandum by reference the S-1 Registration Statement, which constitute an important part of this Memorandum.

This Memorandum includes or incorporates by reference information with respect to market share, industry conditions and forecasts that the Company obtained from internal industry research, publicly available information (including industry publications and surveys), and surveys and market research provided by consultants. The publicly available information and the reports, forecasts and other research provided by consultants generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy and completeness of such information. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. Similarly, the Company's internal research and forecasts are based upon the Company's management's understanding of industry conditions, and such information has not been verified by any independent sources.

Motivating the Masses Inc.
Confidential Private Placement Memorandum

Common Stock Description
Price: $0.50 per Share
Total Shares Offered: 4,000,000

Private Placement Memorandum

Summary of the Offering

Motivating the Masses (the "Company") was formed in the State of Nevada on September 2, 1998 to engage in providing top-quality professional development and coaching services. The Company will provide it's professional development services in the most effective manner and with an ongoing effort to provide 100% client satisfaction (collectively, the "Motivating the Masses Programs"). Management believes that the Motivating the Masses Programs and initiation of the following key procedures will enable it to reach its goals: (i) creation of a unique, upscale, innovative environment that will differentiate Motivating The Masses Programs from other coaching or professional development businesses; (ii) educating the business community on what business and strategic coaching has to offer; (iii) formation of a learning environment that will bring people with diverse interests and backgrounds together in a common forum to overcome challenges both professionally and personally; (iv) affordable access to the resources of business coaching and other consulting services; (v) training and developing key individuals to leverage the Company's trainings, coaching programs and platforms; and (vi) hiring the executive team.

The Company plans to use its existing contacts and customer base to generate both short and long-term coaching contracts. Its long-term profitability will rely on professional contracts obtained through strategic alliances, a comprehensive marketing program and a successful referral program. The Company has focused on professional development, strategic workshops, one-on-one coaching and special project relationships. The Company's expansion will provide a separate and comprehensive coaching, mastermind session, and online membership services.

Terms of Offering

The Company is offering an investment opportunity in the Company. The shares of Common Stock will be offered on a "best efforts" basis. The shares of Common Stock will be offered to prospective investors meeting minimum suitability standards or to Accredited Investors under exemptions from the registration requirements of the federal securities laws and under similar exemptions under applicable state securities laws. See "SUBSCRIPTION DOCUMENTS".

Proceeds from subscriptions for the Offering received and accepted by the Company will be available immediately for investment. The Offering will be terminated at the discretion of management of the Company. Investors will become shareholders of the Company upon the receipt and acceptance by management of their subscriptions on the date such subscription was accepted by the Company. The total initial equity offering is $1,500,000.00. The initial offering contemplates sufficient capitalization to cover program development and operational costs for the next 12 months to pursue business development initiatives.

Management

Management of the Company will receive no fees or other compensation in connection with the Offering, except for reimbursement of certain Organizational and Offering Expenses. The Company will pay all expenses directly related to its business operations. These expenses also include, but are not limited to, all taxes, office expenses, office rent, insurance, travel, consulting, professional fees, maintenance, utilities and any extraordinary expenses.

Risk Factors

Investors are cautioned that the Offering and the Company involve certain risks, which are more fully described below in "RISK FACTORS."

Risk Factors

An investment in the Common Stock involves a number of very significant risks. You should carefully consider the following risks and uncertainties in addition to other information in evaluating us and our business before purchasing the Common Stock. The Company's business, operating results and financial condition could be seriously harmed due to any of the following risks. The risks described below are all of the material risks that management is currently aware of that the Company is facing. Additional risks not presently known to management may also impair the Company's business operations. You could lose all or part of your investment due to any of these risks.

You should carefully consider the risks, uncertainties and other factors described below because they could materially and adversely affect our business, financial condition, operating results and prospects and could negatively affect the market price of our common stock. Also, you should be aware that the risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties that we do not yet know of, or that we currently believe are immaterial, may also impair our business operations and financial results. Our business, financial condition or results of operations could be harmed by any of these risks. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment.

In assessing these risks you should also refer to the other information contained in or incorporated by reference to this Private Placement Memorandum, including our financial statements and the related notes filed with our Registration Statement on form S-1, as amended, filed with the Securities and Exchange Commission on ______, 2013 and declared effective by the Securities and Exchange Commission on September __, 2013.

Risks Related to the Company

We are an "emerging growth company," and we cannot be certain if the reduced reporting requirements applicable to emerging growth companies will make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act, or the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, delay compliance with new or revised accounting standards that have different effective dates for public and private companies until they are made applicable to private companies, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We could be an emerging growth company for up to five years, although we could lose that status sooner if our revenues exceed $1 billion, if we issue more than $1 billion in non-convertible debt in a three year period, or if the market value of our common stock held by non-affiliates exceeds $700 million as of any June 30 before that time, in which case we would no longer be an emerging growth company as of the following December 31. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. We have decided to take advantage of the exemptions provided to emerging growth companies and as a result our financial statements may not be comparable to companies that comply with public company effective dates. In addition, some investors might find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We Have a History of Operating Losses and There Can Be No Assurance We Will Be Profitable in the Future.

We have a history of operating losses, expect to continue to incur losses, and may never be profitable, and we must be considered to be in the developmental Further, we may be dependent on sales of our equity securities and debt financing to meet our cash requirements. We have incurred losses from operations totaling $334,089 for the six months ended June 30, 2013 as well as a loss of $84,251 for the fiscal year ended December 31, 2012. As of June 30, 2013, we had an accumulated deficit of $1,375,825. Further, we do not expect positive cash flow from operations in the near term. There is no assurance that actual cash requirements will not exceed our estimates. There is no assurance that the demand for personal development coaching products will allow us to achieve profitability. In particular, additional capital may be required in the event that further working capital is necessary because our operating costs increase beyond our expectations or we encounter greater costs associated with general and administrative expenses or offering costs.

Our recent growth, the introduction of our Motivating the Masses Programs, products and services and our entry into new markets makes it difficult for us to evaluate our current and future business prospects, and we may be unable to effectively manage our growth and new initiatives, which may increase the risk of your investment and could harm our business, financial condition, results of operations and cash flow.

We were incorporated on September 2, 1998 under the laws of the State of Nevada. Since inception, we have developed and marketed our Motivating the Masses Programs with continually evolving new content based on client's needs and current demands. Because many of our current products and services are relatively new and we have recently entered a new market, we may be unable to evaluate the relative success and future prospects, particularly in light of our goals to continually grow our existing and new customer base, expand our product and service offerings, acquire and integrate complementary businesses and enter new markets.

In addition, our growth, recent product introductions and entry into a relative new market may place a significant strain on our resources and increase demands on our executive management, personnel and systems, and our operational, administrative and financial resources may be inadequate. We may also not be able to maintain or accelerate our current growth rate, effectively manage our expanding operations, or achieve planned growth on a timely or profitable basis, particularly if the number of consumers and businesses using our products and services increase or their demands and needs change as our business expands. Our management is required to expand its knowledge of diverse aspects of strategic coaching programs as well as professional development coaching programs, leadership, career or management coaching and maintain relationships with our consumers and businesses across several sectors of the business industry and market. If we are unable to manage our growth and expand operations effectively, we may experience operating inefficiencies, the quality of our products and services could deteriorate, and our business and results of operations could be materially adversely affected.

The recent ongoing adoption of strategic coaching and professional development coaching programs makes it difficult for us to evaluate our current and future business prospects. If strategic coaching and professional development coaching programs fail to achieve widespread acceptance by consumers and businesses and/or other institutions, our growth and profitability may suffer.

The use of strategic coaching and professional development coaching programs is one approach in the traditional business educational markets. There can be no assurance that strategic coaching and professional development coaching programs and services will achieve long-term success in the business educational markets. Our success depends in part upon the continued adoption by businesses and consumers of professional development coaching programs educational initiatives. Some may oppose third-party education in principle and the strategic coaching and professional development coaching programs in general. As a necessary corollary to the acceptance of sour Motivating the Masses Programs, our growth depends in part on acceptance of the role of strategic coaching and professional development coaching programs and the availability of access. If the acceptance of strategic coaching and professional development coaching programs do not continue to increase, our ability to continue to grow our business could be materially impaired.

Certain components of our revenue are generated by sales of our seminars. Consumer and professional revenue rates may be difficult to predict and declines in sales of our strategic and personal development coaching products may materially adversely affect our business and results of operations.

For the six months ended June 30, 2013, sales of live seminars and coaching services accounted for approximately 95.5% of our revenues. For the year ended December 31, 2012, sales of live seminars and coaching services accounted for approximately 90.40% of our revenue and we anticipate that revenue from sales of our seminars will continue to account for a substantial majority of our revenue for the next few years. Typical coaching contracts vary by client and can span anywhere from 3-9 months depending on need. We also have an annual program of our Global Leadership Program (GLP) which consists of a 3-day event 4 times per year along with group coaching calls in between the live events. Clients that have cancelled out of that program have enrolled into one-on-one coaching for more personalized coaching. If a client wants to cancel their services from one of our programs, there is a no refund policy. The Company can apply the clients credit toward other products or services. Sales of our ancillary products, such as books, CDs and software, accounted for approximately 3.71% of our revenue. Sales of our strategic coaching and professional development coaching programs and/or products or services may decline or fluctuate as a result of a number of factors, including decreased demand, adverse regulatory actions, pricing pressures, competitive factors or any other reason. These and other factors that may affect our sales are not predictive of the future, and, as a result, we cannot accurately predict consumer and/or professional business demand. If sales to new consumers and professional businesses decline or our current consumers and professional businesses do not continue to attend our seminars, our revenue may decline, which would negatively impact our business, financial condition, results of operations and cash flow.

System disruptions, vulnerability from security risks to our networks, databases and an inability to expand and upgrade our systems in a timely manner could damage our reputation, impact our ability to generate revenue and limit our ability to attract and retain consumers and professional businesses to attend our seminars and purchase our products.

The performance and reliability of our technology infrastructure is critical to our business. Any failure to maintain satisfactory online performance, reliability, security or availability of our web platform infrastructure may significantly reduce customer satisfaction and damage our reputation, which would negatively impact our ability to attract new customers. The risks associated with our web platform include: (i) breakdowns or system failures resulting in a prolonged shutdown of our servers, including failures attributable to power shutdowns or attempts to gain unauthorized access to our systems, which may cause loss or corruption of data or malfunction of software or hardware; (ii) disruption or failure in our collocation providers, which would make it difficult or impossible for our consumers to log on to our websites; (iii) damage from fire, flood, tornado, power loss or telecommunications failures; (iv) infiltration by hackers or other unauthorized persons; and (v) any infection by or spread of computer viruses.

In addition, increases in the volume of traffic on our website could strain the capacity of our existing infrastructure, which could lead to slower response times or system failures. This would cause a disruption or suspension of our product and service offerings. Any web platform interruption or inadequacy that causes performance issues or interruptions in the availability of our websites could reduce consumer satisfaction and result in a reduction in the number of consumers using our products and services. If sustained or repeated, these performance issues could reduce the attractiveness of our websites and products and services. We may need to incur additional costs to upgrade our computer systems in order to accommodate system disruptions, security risks and increased demand if we anticipate that our systems cannot handle higher volumes of traffic in the future. However, the costs and complexities involved in expanding and upgrading our systems may prevent us from doing so in a timely manner and may prevent us from adequately meeting the demand placed on our systems.

Any significant interruption in the operations of our data centers could cause a loss of data and disrupt our ability to manage our network hardware and software and technological infrastructure, and any significant interruption in the operations of our call center could disrupt our ability to respond to requests for help or service and process orders in a timely manner.

All of our web platform servers and routers, including backup servers, are currently located in co-location facilities in California. As part of our disaster recovery arrangements, we will replicate all of our customers' data in a separate backup facility. If we are not successful in implementing this plan, we will face additional risks relating to the central location of our servers. Any disruption of operations or damage to these servers could materially harm our ability to operate our business. We also may need to make additional investments to improve the performance of our platform and prevent disruption of our services. Any disruption or significant interruption in the operations of our data centers may result in a loss of customer satisfaction and limit our ability to retain and attract customers.

Domestic and foreign government regulation relating to the internet or our Motivating the Masses programs and services could cause us to incur significant expense, and failure to comply with applicable regulations could make our business less efficient or even impossible to continue to operate.

As web-based commerce continues to evolve, increasing regulation by federal, state or foreign agencies becomes more likely. In addition, taxation of services provided over the internet or other charges imposed by government agencies or by private organizations for accessing the internet may also be imposed. Any regulation imposing greater fees for internet use or restricting information exchange over the internet could result in a decline in the use of the internet and the viability of internet-based services, which could materially harm our business.

If we are unable to maintain and enhance our Motivating the Masses brand identity, our business and results of operations may suffer.

The continued development of our Motivating the Masses brand identity is important to our business, and expanding strategic coaching and professional development coaching brand awareness is critical to attracting and retaining our consumers and professional businesses. Our existing and potential consumers may not be aware of the relationship of our product brands with one another, particularly the books, CDs and seminars, which serve as an umbrella for our Motivating the Masses Programs. If we intend to increase revenues and extend our geographic reach, maintaining quality and consistency across all of our products and services may become more difficult to achieve, and any significant and well-publicized failure to maintain this quality and consistency will have a detrimental effect on our Motivating the Masses brand.

We cannot provide assurances that our sales and marketing efforts will be successful in further promoting our Motivating the Masses brand in a competitive and cost-effective manner. If we are unable to maintain and enhance our Motivating the Masses brand recognition and increase awareness of our products and services, or if we incur excessive sales and marketing expense, our business and results of operations could be materially adversely affected.

Our future growth and profitability may depend in large part upon the effectiveness and efficiency of our marketing expenditures in recruiting new consumers and professional businesses.

Our future growth and profitability will depend in large part upon the effectiveness and efficiency of our marketing expenditures, including our ability to: (i) create greater awareness of our Motivating the Masses Programs and band name; (ii) select the right market, media and specific media vehicles in which to advertise; (iii) identify the most effective and efficient level of spending in each market, media and specific media vehicle; (iv) determine the appropriate creative message and media mix for advertising, marketing and promotional expenditures; (v) effectively manage marketing costs, including creative and media expense in order to generate and maintain acceptable consumer acquisition costs; (vi) generate leads for sales, including obtaining lists of businesses in a cost-effective manner; (vii) drive traffic to our website; and (viii) convert consumer and business inquiries into actual attendance at seminars.

We are hiring a nationally recognized Public Relations firm, to give us exposure and awareness in the market. Our current model has relied on word of mouth and events. We have never invested in a public relations firm. With the expansion of our training team it will allow us to serve more clients and more markets increasing sales and services.

Our planned marketing expenditures may not result in increased revenue or generate sufficient levels of Motivating the masses Programs and brand awareness, and we may not be able to increase our net sales at the same rate as we increase our advertising expenditures.

We operate in a market which is subject to rapid technological and other changes, and increasing competition could lead to pricing pressures, reduced operating margins, loss of market share and increased capital expenditures.

The markets for our strategic coaching and professional development coaching products and services are highly competitive, and we expect increased competition in the future that could adversely affect our revenue and market share. Although many individuals and businesses are attempting to address this need in the market place, the bulk of this education still takes the form of explaining product details. Those current competitors include but are not limited to: (i) providers of strategic coaching and professional development coaching seminars, products and materials; (ii) companies that provide strategic coaching and professional development coaching product software and web-based services; (iii) traditional print strategic coaching and professional development coaching product materials; and (iv) non-profit and membership educational organizations and government agencies that offer online and offline strategic coaching and professional development coaching products and services, including in some cases at no cost. Some of our competitors may have more resources than we do, and several may have larger customer bases and greater brand recognition in the industry markets we serve. Further, larger established companies with high brand recognition may develop online strategic coaching and professional development coaching products and services that are competitive with our core products and services. These competitors may be able to devote greater resources than us to the development, promotion and sale of their services and respond more quickly than we can to new technologies or changes in literacy, consumer requirements or preferences. We may not be able to compete effectively with current or future competitors, especially those with significantly greater resources or more established customer bases, which may materially adversely affect our sales and our business.

Protection of our intellectual property is limited, and any misuse of our intellectual property by others could harm our business, reputation and competitive position.

Our trademarks, copyrights, trade secrets, trade dress and designs are valuable and integral to our success and competitive position. However, we cannot assure you that we will be able to adequately protect our proprietary rights through reliance on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual provisions and technical measures from outside influences. Protection of trade secrets and other intellectual property rights in the markets in which we operate and compete is highly uncertain and may involve complex legal questions. We cannot completely prevent the unauthorized use or infringement of our intellectual property rights, as such prevention is inherently difficult.

We also expect that the more successful we are, the more likely that competitors will try to illegally use our proprietary information and develop products that are similar to ours, which may infringe on our proprietary rights. In addition, we could potentially lose future trade secret protection for our source code if any unauthorized disclosure of such code occurs. The loss of future trade secret protection could make it easier for third parties to compete with our products by copying functionality. Any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our confidential information and trade secret protection. If we are unable to protect our proprietary rights or if third parties independently develop or gain access to our or similar technologies, our business, service revenue, reputation and competitive position could be materially adversely affected.

The confidentiality, non-disclosure and other agreements we use to protect our products, trade secrets and proprietary information may prove unenforceable or inadequate.

We protect our products, trade secrets and proprietary information, in part, by requiring all of our employees and consultants to enter into agreements providing for the maintenance of confidentiality. We also enter into non-disclosure agreements with our technical consultants to protect our confidential and proprietary information. We cannot assure you that our confidentiality agreements with our employees, consultants and other third parties will not be breached, that we will be able to effectively enforce these agreements, that we will have adequate remedies for any breach, or that our trade secrets and other proprietary information will not be disclosed or will otherwise be protected.

Other than securing protection for our trademarks, we do not have protection of any of our other intellectual property and any misuse of our intellectual property by others could harm our business, reputation and competitive position.

We have secured protection of certain trademarks as follows: (i) Yes! Yes!; (ii) Motivating the Teen Spirit; (iii) No Mater What; and (iv) Lisa Nichols. Our trademarks, copyrights, trade secrets and designs are valuable and integral to our success and competitive position. Other than the protection afford our trademarks as referenced by the U.S. Patent, Copyright and Trademark Office, we have not filed for any further protection with the U.S. Patent, Copyright and Trademark Office regarding our intellectual property. And, we cannot assure you that we will be able to adequately protect our proprietary rights through reliance on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual provisions and technical measures from outside influences. Protection of trade secrets and other intellectual property rights in the markets in which we operate and compete is highly uncertain and may involve complex legal questions. We cannot completely prevent the unauthorized use or infringement of our intellectual property rights, as such prevention is inherently difficult.

We also expect that the more successful we are, the more likely that competitors will try to illegally use our proprietary information and develop products that are similar to ours, which may infringe on our proprietary rights. In addition, we could potentially lose future trade secret protection for our source code if any unauthorized disclosure of such code occurs. The loss of future trade secret protection could make it easier for third parties to compete with our products by copying functionality. Any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our confidential information and trade secret protection. If we are unable to protect our proprietary rights or if third parties independently develop or gain access to our or similar technologies, our business, service revenue, reputation and competitive position could be materially adversely affected.

Although we have obtained protection for certain of our trademarks, we have not registered copyrights for all of our Motivating the Masses Programs and products, which may limit our ability to enforce them.

We have not registered our copyrights in all of our materials, website information, designs or other copyrightable works. The United States Copyright Act automatically protects all of our copyrightable works, but without registration we cannot enforce those copyrights against infringers or seek certain statutory remedies for any such infringement. Preventing others from copying our products, written materials and other copyrightable works is important to our overall success in the marketplace. In the event we decide to enforce any of our copyrights against infringers, we will first be required to register the relevant copyrights, and we cannot be sure that all of the material for which we seek copyright registration would be registrable in whole or in part, or that once registered, we would be successful in bringing a copyright claim against any such infringers.

We must monitor and protect our internet domain name to preserve its value. We may be unable to prevent third parties from acquiring a domain name that is similar to, infringe on or otherwise decrease the value of our trademarks.

We own the domain name “MotivatingtheMasses.com. Third parties may acquire substantially similar domain names that decrease the value of our domain name and trademarks and other proprietary rights which may hurt our business. Moreover, the regulation of domain names in the United States and foreign countries is subject to change. Governing bodies could appoint additional domain name registrars or modify the requirements for holding domain names. Governing bodies could also establish additional “top-level” domains, which are the portion of the web address that appears to the right of the “dot,” such as “com,” “net,” “gov” or “org.” As a result, we may not maintain exclusive rights to all potentially relevant domain names in the United States or in other countries in which we conduct business, which could harm our business and reputation.

Our future success depends on our ability to retain our key employees.

We are dependent on the services of Lisa Nichols, our founder, Chief Executive Officer, and Susie Carder, our President, Chief Operating Officer, Chief Financial Officer, and a member of our Board, and our other executive officers and members of our senior management team. Other than non-compete provisions of limited duration included in employment agreements that we may or will have with certain executives, we do not generally seek non-compete agreements with key personnel, and they may leave and subsequently compete against us. The loss of service of any of our senior management team, particularly those who are not party to employment agreements with us, or our failure to attract and retain other qualified and experienced personnel on acceptable terms, could have a material adverse effect on our business.

We may be unable to attract and retain the skilled employees needed to sustain and grow our business.

Our success to date has largely depended on, and will continue to depend on, the skills, efforts and motivations of our executive team and employees, who generally have significant experience with our Company and within the motivational speaking industry. Our success also depends largely on our ability to attract and retain highly qualified IT engineers and programmers, to train professionals for content writing and editing sales and marketing managers and corporate management personnel. We may experience difficulties in locating and hiring qualified personnel and in retaining such personnel once hired, which may materially and adversely affect our business.

Although we do not currently transact a material amount of business in foreign countries, we intend to expand into international markets- which will subject us to additional economic, operational and political risks that could increase our costs and make it difficult for us to continue to operate profitably.

We market our Motivating the Masses Programs and products primarily in the United States and intend to expand into other international markets, including Canada and Europe. The addition of international operations may require significant expenditure of financial and management resources and result in increased administrative and compliance costs. The international market has been demanding our services for the past 4 years, with limited resources we haven’t been able to capitalize on the growth opportunity. With the investment funds it will allow us to strategically penetrate those markets. As a result of such expansion, we will be increasingly subject to the risks inherent in conducting business internationally, including: (i) foreign currency fluctuations, which could result in reduced revenue and increased operating expense; (ii) potentially longer payment and sales cycles; (iii) increased difficulty in collecting accounts receivable; (iv) the effect of applicable foreign tax structures, including tax rates that may be higher than tax rates in the United States or taxes that may be duplicative of those imposed in the United States; (vi) tariffs and trade barriers; (vii) general economic and political conditions in each country; (ix) inadequate intellectual property protection in foreign countries; (x) uncertainty regarding liability for information retrieved and replicated in foreign countries; (xi) the difficulties and increased expense in complying with a variety of domestic and foreign laws, regulations and trade standards, including the Foreign Corrupt Practices Act; and (xi) unexpected changes in regulatory requirements.

We may need additional capital in the future, but there is no assurance that funds will be available on acceptable terms, or at all.

We may need to raise additional funds in order to achieve growth or fund other business initiatives. This financing may not be available in sufficient amounts or on terms acceptable to us and may be dilutive to existing stockholders if raised through additional equity offerings. Additionally, any securities issued to raise funds may have rights, preferences or privileges senior to those of existing stockholders. If adequate funds are not available or are not available on acceptable terms, our ability to expand, develop or enhance services or products, or respond to competitive pressures may be materially limited.

Any existing indebtedness could adversely affect our financial condition and we may not be able to fulfill our debt obligations.

Any proposed indebtedness may contain various covenants that may limit our ability to, among other things: (i) incur or guarantee additional indebtedness; (ii) pay dividends or make other distributions to our stockholders; (iii) make restricted payments; (iv) engage in transactions with affiliates; and (v) enter into proposed business transactions or combinations. These restrictions could limit our ability to withstand general economic downturns that could affect our business, obtain future financing, make acquisitions or capital expenditures, conduct operations or otherwise capitalize on business opportunities that may arise. Additionally, if we incur substantial debt for working capital purposes, we may use a significant portion of our cash flow to pay interest on our outstanding debt, limiting the amount available for working capital, capital expenditures and other general corporate purposes.

We may be more vulnerable to adverse economic conditions than less leveraged competitors and thus less able to withstand competitive pressures. If our cash flow is inadequate to make interest and principal payments on our debt, we might have to refinance our indebtedness or issue additional equity or other securities and may not be successful in those efforts or may not obtain terms favorable to us. Additionally, our ability to finance working capital needs and general corporate purposes for the public and private markets, as well as the associated cost of funding, is dependent, in part, on our credit ratings, which may be adversely affected if we experience declining service revenue. Any of these events could reduce our ability to generate cash available for investment or debt repayment or to make improvements or respond to events that would enhance profitability.

We are considered an "emerging growth company" as defined under the Jumpstart Out Business Startups Act ("JOBS"). As an emerging growth company, we have elected to delay the adoption of new or revised accounting standards that have different effective dates for public and private companies. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates.

An emerging growth company is a company with annual gross revenues of less than $1,000,000,000 during its most recently completed fiscal year. We will retain our emerging growth status and reduced regulatory and reporting requirements associated with it until the earliest of:

- the last day of the first fiscal year during which we have annual gross revenues of $1,000,000,000 or more;
- the last day of the first fiscal year following the fifth anniversary of our initial public offering ("IPO");
- the date on which we have, during the previous three year period, issued more than $1,000,000,000 in non-convertible debt; or
- the date on which we are deemed to be a large accelerated filer.

As an emerging growth company, we are exempt from certain regulatory and reporting requirements under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The JOBS Act facilitates the IPO process for emerging growth companies by exempting them from:

- Section 14A(a) and (b) of the Exchange Act implemented by Section 951 of the Dodd-Frank Act, which requires companies to hold shareholder advisory votes on executive compensation and golden parachute compensation;
- Section 14(i) of the Exchange Act, which will require companies to disclose the relationship between executive compensation actually paid and the financial performance of the company;
- Section 953(b)(1) of the Dodd-Frank Act, which will require companies to disclose the ratio between the annual total compensation of the chief executive officer and the median on the annual total compensation of all employees of the respective company;
- The requirement to provide certain other executive compensation disclosure under Item 402 of Regulation S-K, of which an emerging growth company will be required to comply only with the more limited provisions of Item 402 applicable to smaller reporting companies.
- An emerging growth company will not be required to provide an auditor's attestation report on internal financial reporting controls under Section 404(b) of the Sarbanes-Oxley Act of 2002;
- An emerging growth company will not have to comply with any new or revised financial accounting standards not applicable to private companies; and
- An emerging growth company will not have to comply with any rules that the Public Company Accounting Oversight Board might adopt requiring audit firm rotation or auditor discussion and analysis of the issuer's financial statements.

Risks Related To This Private Placement Offering

There is no market for our shares of common stock and we may never develop a market, which would render investors' investment illiquid.

SEC Rule 15c2-11 was designed to allow non-reporting company's securities to be quoted on The Financial Industry Regulatory Authority ("FINRA") Over-the-Counter Bulletin Board or other market by filing disclosures. Rule 15c2-11 requires market makers to review basic issuer information prior to publishing quotations for the issuer's securities. Market makers must have a reasonable basis for believing that the information is accurate and from reliance sources.

If a security has eligible status, it means one or more market makers has received clearance to quote the issue on the OTC Bulletin Board within the last 30 days. During the "eligible" period, a frequency-of-quotation test is administered. The frequency-of-quotation test is based on whether a broker/dealer has itself published quotations in the security in the applicable interdealer quotation system on at least 12 business days during the preceding 30 calendar days with not more than four consecutive business days without quotations. Once this criteria has been satisfied, authorized participants may register online in a security. As long as the security remains in an "active" state, any participant may quote the security without a Form 211 submission.

We have engaged a market maker to file our 15c2-11. However, as of the date of this Private Placement Memorandum, our common shares are not listed on any stock market or exchange, making the selling and trading of our shares exceedingly difficult. Without a secondary market, one is not easily able to sell or trade our shares after purchasing them, and therefore may be stuck with their shares, rendering them illiquid. A market maker has verbally agreed (but is not bound by such agreement) to submit a Form 211 application for a priced quotation on a market on our behalf, but there is no guarantee that our application will be approved. And even if we are accepted, quotation on a market doesn't assure that a meaningful market will be created and sustained. It is common, in fact, for newly listed companies to have a non-existent trading volume on any given day.

Our management has broad discretion over the use of proceeds from this Offering, and the failure of management to apply these funds effectively could seriously harm our business.

Our management will have broad discretion as to how we spend the proceeds from this Private Placement Offering, and stockholders may not agree with how we use the proceeds. You will not have the opportunity to evaluate the economic, financial or other information on which we base our decisions on how to use the proceeds. We may not be successful in using the proceeds from this Private Placement Offering in ways that will yield favorable operating results.

The offering price of the shares of Common Stock has been arbitrarily determined by the Company and such offering should not be used by an investor as an indicator of the fair market value of the shares.

Currently there is no public market for the Company's common stock. The offering price for the Shares has been arbitrarily determined by the Company and does not necessarily bear any direct relationship to the assets, operations, book or other established criteria of value of the Company. Thus an investor should be aware that the offering price does not reflect the fair market price of the Shares.

Any future market price for our shares may be volatile.

In the event we obtain a listing on an exchange , the market price for our shares is likely to be highly volatile and subject to wide fluctuations in response to various factors, including the following: (i) actual or anticipated fluctuations in our quarterly operating results and revisions to our expected results; (ii) changes in financial estimates by securities research analysts; (iii) conditions in the market for our financial literacy products; (iv) changes in the economic performance or market valuations of companies specializing in the financial literacy education industries; (v) announcements by us or our competitors of new services, strategic relationships, joint ventures or capital commitments; (vi) addition or departure of key personnel; (vii) fluctuations of exchange rates between foreign currency and the U.S. dollar; (viii) litigation related to any intellectual property; and (ix) sales or perceived potential sales of our shares.

In addition, the securities market has from time to time, and to an even greater degree since the last quarter of 2007, experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also have a material adverse effect on the market price of our ordinary shares. Furthermore, in the past, following periods of volatility in the market price of a public company's securities, shareholders have frequently instituted securities class action litigation against that company. Litigation of this kind could result in substantial costs and a diversion of our management's attention and resources.

Our common stock will be classified as a "penny stock" under SEC rules which will limits the market for our common stock.

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in "penny stocks." Penny stocks generally are equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system). Penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, to deliver a standardized risk disclosure document prepared by the SEC, which specifies information about penny stocks and the nature and significance of risks of the penny stock market. A broker-dealer must also provide the customer with bid and offer quotations for the penny stock, the compensation of the broker-dealer, and sales person in the transaction, and monthly account statements indicating the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the trading activity in the secondary market for stock that becomes subject to those penny stock rules. If a trading market for our common stock develops, our common stock will probably become subject to the penny stock

Purchasers in this offering will have limited control over decision making because Lisa Nichols and Susie Carder, our Chief Executive Officer and President/Chief Operating Officer, respectively, control a majority of our issued and outstanding common stock.

Presently, Lisa Nichols, our Chief Executive Officer and a director, and Susie Carder, our President/Chief Operating Officer and a director, together beneficially owns approximately 67.99% of the total issued and outstanding shares of common stock. In the event that all 2,000,000 shares offered by Lisa Nichols were sold, the combined ownership of Lisa Nichols and Susie Carder would be approximately 54.00%. Because of such ownership, investors in this offering will have limited control over matters requiring approval by our shareholders, including the election of directors. Such control may also make it difficult for our shareholders to receive a premium for their shares of common stock in the event the Company enters into transactions which require stockholder approval.

In addition, certain provisions of Nevada law could have the effect of making it more difficult or more expensive for a third party to acquire, or of discouraging a third party from attempting to acquire, control. For example, Nevada law provides that not less than two-thirds vote of the stockholders is required to remove a director for cause, which could make it more difficult for a third party to gain control of our Board of Directors. This concentration of ownership limits the power to exercise control by the minority shareholders. See "__________________

Our Chief Executive Officer and President/Chief Operating Officer, respectively, have little or no experience managing a public reporting company and may not be fully aware of all the requirements under the Securities Exchange Act of 1934, as amended, including those regarding internal controls. Neither executive officer has previously managed a public reporting company and, therefore, will need to rely on the expertise of others, including the Company's outside accountant, auditors and legal counsel, regarding preparation of reports under the Securities Exchange Act, preparation of financial statements according to U.S. GAAP, establishment of internal controls and procedures, and overall compliance with the Sarbanes-Oxley Act.

Nevada law and our Articles of Incorporation may protect our directors from certain types of lawsuits.

Nevada law provides that our officers and directors will not be liable to us or our stockholders for monetary damages for all but certain types of conduct as officers and directors. Our Bylaws permit us broad indemnification powers to all persons against all damages incurred in connection with our business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing stockholders from recovering damages against our officers and directors caused by their negligence, poor judgment or other circumstances. The indemnification provisions may require us to use our limited assets to defend our officers and directors against claims, including claims arising out of their negligence, poor judgment, or other circumstances.

Sales of our common stock relying upon Rule 144 may depress prices in the market for our common stock by a material amount.

As of the date of this Private Placement Memorandum, all of our common stock held by non-affiliates that was issued approximately one year prior and was either issued in a registered offer for sale or exchange or has been issued and outstanding beyond applicable holding periods imposed by Rule 144 under the Securities Act of 1933, as amended. Thus, certain of the common stock issued over one year ago and held by non-affiliates may be freely tradeable. There is a significant risk that sales under Rule 144 or under any other exemption from the Securities Act, if available, or pursuant to registration of shares of Common Stock of present stockholders, may have a depressive effect upon the price of our common stock in the over-the-counter market, especially in situations where a large volume of shares is offered for sale at the same time.

Securities saleable pursuant to the Rule 144 exemption from registration may only be resold, however, if all of the requirements of Rule 144 have been met, including, but not limited to, the requirement that the issuer of the securities have made available all required public information. However, there is no limit on the amount of restricted securities that may be sold by a non-affiliate (i.e., a stockholder who has not been an officer, director or control person for at least 90 consecutive days) after the restricted securities have been held by the owner for a period of at least six months and the other requirements of Rule 144 have been satisfied. Presently shares of restricted Common Stock held by non-affiliates of the Company may be sold, subject to compliance with Rule 144, six months after issuance, provided that our Exchange Act registration remains in effect and we are current in our disclosure reporting obligations.

USE OF PROCEEDS

	Price to Public (1)	Commissions (2)	Proceeds (3)
Per Share	$1,500,000	0	$1,500,000

Selling all of the shares of Common Stock in this private placement offering will result in net proceeds of $1,996,500 after estimated legal and accounting . The funds will be made immediately available to the Company and used at management's discretion to build the business. Subscription agreements and monies paid are irrevocable and funds will only be returned upon rejection of the subscription by the Company. We generally expect to disburse the proceeds from this offering in the priority set forth below:

- $500,000 in marketing;
- $150,000 back office technology to include servers, phone system, computers and content delivery development;
- $150,000 back office salaries;
- $150,000 coaching salaries;
- $200,000 content creation with third party vendors;
- $250,000 legal and professional fees;
- $400,000 general working capital to include leasing additional office space and all associated costs with growth; and
- $200,000 advertising

(1) The Price to investors of the Common Stock has been arbitrarily determined by management and is not based on earnings or any other recognized criterion of value, nor is it a representation that each share of Common Stock has a market value of or can be sold at that price.

(2) The Company intends to offer the Common Stock to the public through its officers and directors. No commissions or any other form of remuneration will be paid on sales made directly to the public by the managers of the Company.

(3) Reflects amount before payment of the Organizational and Offering Expenses. The Company has allocated $3,000.00 for payment of the Organizational and Offering Expenses. There can be no assurance that Organizational and Offering Expenses will not exceed that amount. The Organizational and Offering Expenses are being estimated herein and represent those expenses incurred or anticipated to be incurred in connection with the Offering, including legal fees, accounting fees, printing costs and offering, marketing, distributing and issuing the Common Stock. Management will receive no fees or other compensation in connection with the Offering, except for reimbursement of Organizational and Offering Expenses.

BUSINESS OF THE COMPANY

Description of Business

We will provide top-quality professional development and coaching services through our Motivating the Masses Programs. Our Chief Executive Officer believes that most small businesses and entrepreneurs suffer two major challenges. She believes they lack training or development resources and the depth of knowledge needed to focus on their businesses from a true "ownership" perspective. Both lead to lowered expectations, lack of business and personal growth and frequent owner burnout. We believe that we can improve upon and exploit these weaknesses to gain local market share.

We will provide our professional development services in the most effective manner and with an ongoing comprehensive quality-control program to provide 100% client satisfaction. We view each contract as an agreement not between a business and its clients, but between partners who wish to create a close and mutually-beneficial long-term relationship. We believe this will help to provide greater long-term profits through referrals and repeat business.

We believe that the initiation of the following key procedures will enable us to reach our goals:

- The creation of a unique, upscale, innovative environment that will differentiate our Motivating The Masses Programs from other coaching or professional development businesses.

- Educating the business community on what business and strategic coaching has to offer.
- The formation of a learning environment that will bring people with diverse interests and backgrounds together in a common forum to overcome

challenges both professionally and personally.

- Assorted programs and pricing structures that offer affordable access to the resources of business coaching and other consulting services.
- Train and develop key individuals to leverage our trainings, coaching programs and platforms
- Hire the executive team

We plan to use our existing contacts and customer base to generate both short and long-term coaching contracts. Our long-term profitability will rely on professional contracts obtained through strategic alliances, a comprehensive marketing program and a successful referral program. Our Chief Executive Officer has fifteen years of industry experience. We intend to partner with the national marketing organizations to provide services.

We are focused on professional development, strategic workshops, one-on-one coaching and special project relationships offered through our Motivating the Masses Programs. Our expansion will provide a separate and comprehensive coaching, mastermind session, and online membership services.

Coaches

The coaches at Motivating the Masses, if not a salaried employee, are hired on as contractors for 1 year contracts. The coaches coach clients for the duration of their programs. Each program varies in length depending on the need of the client. Products and programs vary from online programs that have their speed and duration dictated by the client, to one-day VIP days, 6 session coaching and then there is a one year program called the Global Leadership Program.

The clients typically elect a payment program that usually is the length of their program which means that their payments usually coincide with the progress of their programs. Clients wishing to cancel usually downgrade to a lesser costing program as most reasons to cancel are financial. In the event the client wishes to cancel and they have paid ahead of the value received, no refunds are given and the credit will remain on the books to use within 12 months. Clients usually elect to close out their credits with coaching sessions.

As of June 1, 2013, our coaches were hired on as full time employees in lieu of being a hired contractor. Clients have, on the rare occasion, changed coaches if the coaching did not align with the client's particular needs. In the case of a coach resigning, they typically close out coaching with their clients prior to ending their coaching contracts.

Our core team of coaches consists of Allyson Byrd, Nicole Robers Jones and Tia Ross.

- Ms Byrd from 2010 to 2012 was CEO and President of Purpose Within, a motivational support company. Prior to that she worked as a Corporate Field Trainer for Blackberry focusing on motivating retail management teams. From 2006 to 2009 she worked as a senior training team leader for Hoover developing employee training programs.

- Nicole Roberts Jones has a Masters in social work from USC and for the past 10 years was the founder and chairwoman for IMANI Corporation an organization designed to help minorities maximize their work potential.

- Tia Ross received her Bachelors of Science Degree from San Diego State University. She previously worked as program coordinator for CAT/Wings, a San Diego probation department

We will offer small business owners, managers, and entrepreneurs a reliable, high-quality resource for business coaching and professional and management development on both a local and national scale. Our mission is to help clients develop the strategy, motivation, and accountability required to succeed in their business and personal lives. We must be able to maintain a financial balance by charging a high value for our services and delivering an even higher value to our clients while offering affordable programs and pricing structures**.**

Products and Services

The Company's main source of revenue is generated through its strategic coaching and professional development services. They market these services to small business owners, entrepreneurs, and self-employed professionals. The core services that are offered from day one will be:

- Two Year Strategic mindset Program: these quarterly workshops include strategic planning, peer advisory counseling, marketing/sales planning, accountability processes, business planning and work/life balance implementation.

- One-on-One Coaching includes ongoing reinforcement to support strategic coaching programs, as well as professional development coaching, leadership, and career management.

- On Demand Coaching (for time restricted clients) includes but is not limited to, affordable "on-demand," access to private and strategic business or professional coaching via phone/email.

- Special Projects includes strategic business planning and implementation, marketing plans and implementation, leadership development, people management and systematizing businesses.

We will also offer keynote speaking events as follows:

- Industry Events where we are paid to teach, receives wide exposure to the industry, and can sell our Motivating the Masses Programs and products and tools. We will deliver 27 of these type events annually (24.1%).

- Industry Events where we are NOT paid to teach, receives wide exposure to the industry, and can sell our Motivating the Masses Programs and products and tools. We will deliver 58 of these type events annually (51.8%).

- Private Events where we are paid to teach but there is little to no exposure or opportunity to sell our Motivating the Masses Programs and products and tools. We will deliver 27 of these type events annually (24.1%).

We will provide training and development through live seminars. These training and development seminars are one to eight hours held over one to five days depending on the needs of the client. They are as follows:

- Speak & Write to Make Millions- 2 days live training

We will focus on teaching how to speak powerfully, move and inspire an audience to action. Touch and connect to the hearts of those you are speaking to and overcome the fear of speaking in public. We will also present the 10 steps to writing a best seller, how to make more money than one can imagine doing what one loves to do and how to triple one's speaking and writing income instantly.

- No Matter What Training - 2 days live training

We will focus on teaching how to push past one's personal limitations to create a life one loves, shift from the limiting beliefs that have limited people in the past, create tangible shift in one's mindset behavior and actions and gain and maintain a peace of mind

- Wisdom & Wealth - 12 week tele-course in six modules

We will uncover the secrets of building wealth and wisdom, learn to leverage one's most value asset - you, identify what is holding one back from one's financial greatness, create the money system and the financial strategy to live one's dreams.

- Love & Money - 3 days live training

We will focus on whether you are ready to increase your wealth and be more in love? We will focus on whether one is having trouble breaking through to the next level of financial success and whether money has gotten in the way one's love life? The training also emphasizes whether one is looking to find their dream partner or re-ignite their passion for their partner.

- Global Leadership Program - 12 months with group coaching.

This program will accelerate one's effectiveness in front of the room and more importantly in the back of the room. The global leadership program is offered to only a few who are interested in mastering the art of presenting in front of a room. We will focus on: (i) 6 critical steps for increasing the impact of current content; (ii) ways to have any audience member feel like they are the only ones in the room; (iii) learning the secrets of having participants take action in their goals; (iv) uncover how the masters have people run to the back of the room to purchase more; (v) build trust and rapport in 60 seconds; (vi) be one's authentic self in front of any audience size; and (vii) learn to structure fees and multiply income streams

We will also be offering Motivating the Masses Program books and CDs: (i) "No Matter What" home course study guide and book, which is a new personal coaching course.; (ii) "You Deserve It" CD, which focuses on owning one's past, releasing it and freeing their power to create life anew, replace fear with self-confidence and strength and how to respond to challenges and opportunities with mindful awareness; (iii) "Ladies Can We Talk CD, which focuses on creating healthier and more fulfilling relationships, enhancing money mindset, self image, health and champion -- finding one's passion and setting one's champion free. and (iv) "Proven Life Secrets" CD, which focuses on the secrets to personal, spiritual and financial prosperity.

Contracts are not cancelable except as noted and initialed on the sales form under the 3-day rescission clause. If a client does happen to cancel, any monies paid into their account in excess of the products and services already received, will remain as a credit on their account to use toward other products or services. Payment plan payments are received prior to or in conjunction with services/coaching. This avoids any bad debt issues as well as solidifies the client into their individual programs. No refunds are given.

Market Analysis

We intend to focus on small business owners, managers and entrepreneurs who are concerned that their businesses have not grown at the rate they want or need them to. Many of whom are frustrated that they are spending too much time in their businesses and may be burning out and worried that their business will not survive without them. These companies will have revenues of $10 million or less. Our marketing strategy is simple and cost-effective: we get exposure through their live business seminars, which are delivered all over North America. In 2010, these companies delivered 124 seminars which had an estimated audience of 35,000 professionals.

Our primary keys to success are: (i) market exposure - building reputation and mind share; (ii) market penetration - both breadth and depth; (iii) client acquisition; (iv) client retention; and (v) achieving or surpassing projections through strong performance and fiscal management. The reason we believe this strategy is effective is because participants who attend these workshops have in essence pre-qualified themselves as someone who is interested in learning about business and is willing to invest time and money to do so. This allows us to get right to the point and to aggressively sell our Motivating the Masses Programs, tools and support to participants. At a typical seminar, 19% of the participants will spend at least $347 for some sort of after training education or support.

Advertising

We have historically done very little print advertising in industry magazines but have instead spent the money to market directly to our own database of nearly 47,000 professionals. This is a database of past and current clients, as well as any participant who has attended a Motivating the Masses seminar and filled out an evaluation. Our database is used to send a quarterly newsletter which features new products and services, success stories, and information on upcoming events. We send out a monthly press release to industry press contacts and submit business articles to industry magazines when requested. We believe that has resulted in considerable and consistent exposure over the years with minimal cost.

We have hired a market leader in lead generation and lead conversion which allows us to capitalize on our untapped market. Our primary goal is to build and leverage our database and client base. We want to increase those numbers and focus more on leveraging those relationships with hiring inside sales support and outside sales support.

We are hiring a nationally recognized Public Relations firm to give us exposure and awareness in the market. Our current model has relied on word of mouth and events. We have never invested in a public relations firm. With the expansion of our training team it will allow us to serve more clients and more markets, thus increasing sales and services.

Market Segmentation

We will focus on two markets within the United States, the small business segment (businesses with more than one employee/owner), and the entrepreneur segment, which includes home-based and one-person business operations. Although we can handle larger organizations, the greatest benefit will come to businesses with under $10 million in annual sales. The majority of these companies are comprised of "technicians" who are gifted in the work of their business, but typically do not have the resources to have in-house staff dedicated to strategic planning, professional development and/or coaching. Our goal is to eventually obtain approximately two-thirds of all our business from the small business segment, since this generates the greatest cash flow. Furthermore, this segment has the lowest percentage of variable costs. The small business segment is considered to be the company's cash cow.

The small business and entrepreneur markets are ideal targets for several reasons. As a small or entrepreneurial business, resources are often limited to core business functions such as production, administration, finance and distribution. Professional development, training, coaching and planning frequently goes unnoticed or even forgotten. As economic pressures increase and competition becomes more intense, these companies are always looking for effective ways to make themselves more prosperous. Furthermore, as a small or entrepreneurial business, the owner is typically an accountable technician which means he or she has everything on the line with regard to their business succeeding or not, and that their area of expertise is in the business they are "in." Frequently, a technician will be attracted to the "work" of the business and neglect the fundamental health of the business, which includes nurturing both themselves and the customer base.

We believe that the United States spends more per capita on education than any other country. According to the American Society for Training and Development, as much as $210 billion is spent annually on employee training in the U.S. There are five basic groups that need training as follows:

1. Large Businesses – These are firms with 100 or more employees. This group spends more than $28 billion in training, with the largest portion going to training managers and career personnel
2. Small Businesses – These are firms with fewer than 100 employees. There are more than 79 million small businesses in the U.S. This group spends more than $20 billion on training each year.
3. Professional Service Firms – This group includes doctors, lawyers, accountants, engineers, consultants, etc. Continuing education requirements move this group to spend training dollars disproportionate to their size, more than $11 billion per year.
4. Individuals – Those who buy training with their own money and on their own time. This group spends more than $2.5 billion on training and they tend to be highly motivated.

5. Government – Those employed in federal, state, and local governments, the military, post office personnel, school teachers and administrators. This group spends more than $23 billion in training funds annually.

Marketing Strategy

We plan to reach our target companies by four methods which have been proven to be effective. They are as follows:

Lead Generation Program or Affiliate Marketing: We will do a direct mailing with key affiliate partners.

Sample Previews: These are invitation-only workshops that we will host for referral sources (i.e., accountants, attorneys, financial planners, insurance professionals) as well as owners of businesses in a target market. The previews will be the actual first year program offered to paying clients. The intent is to provide value and proof of the strategic workshop process so that clients will be comfortable making referrals. We will be responsible for the generation of the lists to which these invitations will be sent.

Free Talks/Networking: This is an excellent opportunity for new coaches and new trainers to get exposure. These talks are given to Chambers of Commerce, trade councils, professional organizations, etc. It has been industry experience that it is most beneficial to have at least two of these talks per month and attend two networking events per month.

Referrals: Referrals make up a large part of our business. They create an effective drip campaign and concentrated effort will leverage this opportunity.

Other Income Generators: Special Project Assistance. This includes writing private programs for specific businesses, designing custom programs, and retainer based coaching on an ongoing basis.

Competition

The key element in purchase decisions made at Motivating The Masses client level is trust in the professional reputation and reliability of the professional development firm. The professional development industry is pulverized and disorganized, with thousands of smaller consulting organizations and individual consultants for every one of the few dozen well-known companies. Competitors range from major international name-brand consultants to tens of thousands of individuals. One of our challenges will be establishing itself as a *complete* professional development company, creating "other" experts the client trust outside of Lisa Nichols while creating trust and confidence at the same level on a consistent basis. When dealing with the small or entrepreneurial business market, cost or price will be one of the greatest obstacles Motivating The Masses Programs will face. It will be up to us to assist our clients in the discovery of how much it may cost them NOT to pursue professional development and establish Motivating The Masses Programs as the most effective solution to their challenges. With time, reputation and referrals will allow for a steady stream of new clients as well as regular price increases. This is not a business to build brand as much as it is to build reliability.

However, we believe the most unique benefit that Motivating The Masses Programs offer to clients is the ability to experience ongoing, reinforcement development, versus a typical "one-time" seminar format. Motivating The Motivating the Masses Programs provide development and support for a year or more. Since each strategic workshop client will be immediately qualified for one-on-one coaching, we will manage and monitor the specific progress of each client to ensure appropriate development

Patents, Trademarks, Franchises, Concessions, Royalty Agreements, or Labor Contracts

The Company has secured trademarks with the following names;

- Yes! Yes!
- Motivating the Teen Spirit
- No Matter What
- Lisa Nichols

Employees

Currently, the Company has nine employees, Lisa Nichols, CEO; Alex Henderson, Director of Finance; Margaret Packer, Executive Manager; Lauren Griswold, Administrative Assistant; Jennifer Kem, Marketing Director. We have recently hired four consultants as Company employees in the first half of 2013. These consultants who became employees are Susie Carder, President/COO; Allyson Byrd, Trainer/Business Coach; Nicole Roberts-Jones, Trainer/Business Coach; and Tia Ross, Business Coach/Master Facilitator of Motivating the Teen Spirit.

There are formal employment agreements between the Company and its two officers Lisa Nichols and Susie Carder.

The Company's CEO Lisa Nichols is contracted to receive an annual salary of $160,000 plus bonuses if revenue targets are met for the fiscal year 2012. Lisa received a salary of $135,000 in 2011.

In November of 2011, the Company signed a one year consulting contract with Susie Carder for sales and operational services. The consultant will receive an annual salary of $72,000 with potential bonuses if monthly revenue targets of $50,440 are met in the fiscal year 2012. The Company renewed their contract with Susie Carder in November 2012 for another year with the same terms. In 2013, the consulting contract with Susie Carder was terminated upon her becoming an employee.

Description of Property

The Company currently occupies office space at 2121 Palomar Airport Road, Carlsbad, California. The Company signed an eleven month sublease agreement starting September 1, 2011 to July 31, 2012 for $3,159 per month. In July of 2012, the Company signed a new three year lease for the same office space starting August 1, 2012 for $3,127 a month for the first year, $5,686 a month for the second year, and $5,844 a month for the third year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following analysis of our consolidated financial condition and results of operations for the years ended December 31, 2012 and 2011 should be read in conjunction with the Consolidated Financial Statements and other information presented elsewhere in this Private Placement Memorandum.

Overview

The Company is currently working on a backend system that will utilize previously created evergreen material that will be sold online in the form of instructional videos and webinars that will incrementally increase revenues without increasing costs. The costs are being incurred now through the creation of the technology but the revenues will be realized in the years to come with very minimal costs in the form of website hosting and video hosting.

With more product mixes that increase revenues while minimally increasing expenses, the company plans to utilize creative material it has already produced to capture this revenue. These revenues are projected to start at $100,000 per year and increase to $500,000 by the end of year 3. The Company started implementing this in early 2012.

The Company has also employed new coaches that will broaden the capacity and depth for coaching clients. With a broader, deeper product mix, the company will be able to attain and maintain profitability by the summer of 2014.

Results of Operation

Six Month Period Ended June 30, 2013 Compared to Six Month Period Ended June 30, 2012

Revenues. Revenues for the three months ended June 30, 2013 were $470,461 compared to $655,922 for the three months ended June 30, 2012 which was a decrease of $185,461. The decrease in revenues was the result of two factors. The first was that a few major events were canceled or postponed which resulted in less revenues being recognized in the period. The other factor was that we scaled back a few events that Lisa was to attend to allow her to help build content for the ecommerce sales material.

Revenues for the six months ended June 30, 2013 were $655,473 compared to $806,650 for the six months ended June 30, 2012 which is a decrease of $151,177. The decrease in revenues was mainly due to the factors described in the previous paragraph.

The Company generates a significant amount of their revenue from holding event seminars and/or multi-day conferences which are usually held during the last six months of each calendar year. Due to the seasonal timing when these event seminars and/or multi day conferences are held, the Company will recognize a significant amount of their revenue in the later part of each year. As a result of these seminars and/or multi day conferences, the Company is able to generate multi-month (anywhere from two to twelve months in term) consulting contracts. Therefore, the revenues reported for the first two quarters ended June 30, when annualized, will be substantially lower than the revenues reported for the full fiscal year.

The Company generated $1,786,885 in revenues for the year ended December 31, 2012 as compared to $1,248,869 in revenues for the year ended December 31, 2011. The increase in revenues was the result of a couple factors. The first is that two new coaches were hired, Melissa Evans in January of 2012 and Nicole Roberts Jones in August 7012. This resulted in an increase in coaching revenues in 2012 and contributed to an increase in overall revenues. Another contributing factor to increased revenues in 2012 was the introduction of new products and services. The new products that were introduced in 2012 were 9 Environments for Success, No Matter What-28 Days to Results, Powerhouse Speakers, Contracts & Proposals, and a DVD set called Powerful Parenting.

Cost of Revenues. The gross margin for the three months ended June 30, 2013 was 41% of sales compared to 67% for the three months ended June 30, 2012. The sharp decrease in gross margin was due to a few factors. The most significant factor was that a few major events were canceled or postponed which resulted in less revenues being recognized in the period. Another factor was increased website production costs for a new web series that was recently launched. Also, the Company is currently revising its compensation plan to consulting coaches whereby they will become employees and receive less coaching commissions which will increase gross margins in the future. The Company anticipates that implementing this strategy in 2013 will better control costs and be more profitable to the Company. The Company believes that restructuring coaching costs and continuing to invest in website production will lead to increased revenues and lower costs of services in the future.

The gross margin for the six months ended June 30, 2013 was 40% of sales compared to 69% of sales for the six months ended June 30, 2012. The sharp decrease was due to a few factors which are described in the previous paragraph. The gross margin for the year ended December 31, 2012 was 63% of sales compared to 68% in 2011. The decrease was due to higher costs for travel, seminars, and coaching fees. The increase in the cost of services as a percentage of revenues for the year ended December 31, 2012 was 37% as compared to 32% in 2011. The Company anticipates the costs of travel to steadily increase which will be unfavorable to the gross margin. The Company plans to mitigate this uncertainly by increasing their revenues through their website sales and over the phone coaching services. In 2012, the Company had increased coaching fees as they started to execute their strategy of building their coaching services by contracting with additional coaches. The Company anticipates this strategy will create new coaching revenue sources in the near future.

Total operating loss for the six months ended June 30, 2013 was $335,127 as compared to the operating income for the six months ended June 30, 2012 of $67,753 which was an increase in loss of $267,364.

Bad debt expense was $15,057 for the six months ended June 30, 2013 as compared to $54,873 for the six months ended June 30, 2012, resulting in a decrease of $39,816. The decrease was based on management's estimate of the uncollectible accounts receivable balance.

Consulting expense was $172,711 for the six months ended June 30, 2013 as compared to $250,509 for the six months ended June 30, 2012, resulting in a decrease of $77,798. The decrease was from the Company hiring four of its consultants as employees.

Professional fees were $4,389 for the six months ended June 30, 2013 as compared to $4,712 for the six months ended June 30, 2012, resulting in a decrease of $323. The decrease is immaterial as the legal and outside accounting fees have stayed constant.

Wages and other compensation expense was $265,114 for the six months ended June 30, 2013 as compared to $140,757 for the six months ended June 30, 2012, resulting in an increase of $124,357. The increase was from the Company hiring four employees who were previously consultants.

Liquidity and Capital Resources

For the six months ended June 30, 2013

Our cash balance is $345,947 as of June 30, 2013 as compared to $595,128 as of December 31, 2012. We expect that we will have adequate funds available to pay for our minimum level of operations for the next twelve months.

As of June 30, 2013, total current assets were $980,702 compared to $1,176,100 at December 31 2012. The decrease of $195,398 in current assets is mainly a result of the cash balances.

As of June 30, 2013, total current liabilities were $516,707, which consisted of $54,227 of accounts payable and accrued expenses, $2,904 of line of credit and $459,575 of deferred revenues. As of December 31, 2012, total current liabilities were $462,732, which consisted of $51,006 of accounts payable and accrued expenses, $406,677 of deferred revenues, $1,508 of line of credit, and $3,541 of notes payable. The decrease in our current liabilities is mainly due to the recognition of deferred revenues.

During the six months ended June 30, 2013, net cash used by operating activities was $325,509. For the six months ended June 30, 2012, net cash used by operating activities was $149,331.

Net cash provided from financing activities for the six months ended June 30, 2013, were $75,129 consisting of $84,000 in net proceeds from the private sale of common shares and $8,871 in payments on notes. Net cash provided from financing activities for the six months ended June 30, 2012, were $440,947 consisting of $442,500 in net proceeds from the private sale of common shares and $1,553 in payments on notes.

OFF BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

MANAGEMENT

Directors and Executive Officers

The following table includes the names and positions held of our executive officers and directors as of the date of this Private Placement Memorandum:

NAME	AGE	POSITION
Lisa Nichols	46	Chief Executive Officer and Director
Susie Carder	48	President, Chief Operating Officer and Director

Lisa Nichols CEO/ Chief Creative Officer. Ms. Nichols is a best-selling author, a popular public speaker, a powerful coach, and a charismatic teacher! Her participation in the self-development phenomenon, The Secret, catapulted her popularity across the globe. Lisa has appeared on the "Oprah Winfrey Show," "Extra," "Larry King Live" and on NBC's Emmy Award-winning show, "Starting Over." In addition, Ms. Nichols is the founder of Motivating the Masses and CEO of Motivating the Teen Spirit, LLC. Her new book, No Matter What! Hit 6 bestsellers list, including the New York Times list, in the first 37 days of being released and has already been sold in 20 foreign languages. Lisa has been coined "The Break through Specialist" by her peers in the industry.)

Ms. Nichols has been honored with many awards in recognition for her empowering work, including the Humanitarian Award from South Africa, the Ambassador of Good Will Award, Emotional Literacy award, The Legoland Foundation's Heart of Learning Award. The Mayor of Henderson, Nevada has proclaimed November 20th as Motivating the Teen Spirit Day. And recently the Mayor of Houston, Texas proclaimed May 9th as Lisa Nichols day for her dedication to service, philanthropy and healing.

Ms. Nichols is a dynamic speaker with an extraordinary story and a tremendous ability to touch people's hearts and souls. She is a master at accomplishing unfathomable goals and teaching others to do the same. Lisa Nichols has transformed her life from struggling single mom to a motivational millionaire entrepreneur, and she has dedicated her life to teaching others how to do the same.

Susie Carder President/COO. Susie Carder is an expert in providing companies with training, organizational development, management leadership development, and growth solutions. As CEO of Salon Training International from 1995 to 2010 she gained expertise in operations management, finance, sales accountabilities systems, and marketing. She developed and implemented strategic business plans at Salon Training International which led the company to increase its revenues and investment opportunities. Furthermore, she has excelled in creating both the structure and team necessary to guide the company through the turbulence and uncertainty of this dramatic growth. Susie Carder has been instrumental in the development of MTM systems, procedures, company culture, revenue steams, and service delivery for the past 10 years as a consultant and/or as an Executive Coach to the founder Lisa Nichols. In the eyes of the organization no one was better positioned, educated and invested to occupy a Director's position.

Involvement in Certain Legal Proceedings

None of our officer nor directors, promoters or control persons have been involved in the past ten years in any of the following:

(1) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
(2) Any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
(3) Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, or any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
(4) Being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Audit Committee

The board of directors has established an audit committee, and the functions of the audit committee are currently performed by our Corporate Secretary, with assistance by expert independent accounting personnel and oversight by the entire board of directors. We are not currently subject to any law, rule or regulation requiring that we establish or maintain an audit committee.

Board of Directors Independence. Our board of directors currently consists of three members. We are not currently subject to any law, rule or regulation requiring that all or any portion of our board of directors include "independent" directors.

Audit Committee Financial Expert. Our board of directors has determined that we do not have an audit committee financial expert serving on our audit committee within the meaning of Item 407(d)(5) of Regulation S-K. In general, an "audit committee financial expert" is an individual member of the audit committee who (a) understands generally accepted accounting principles and financial statements, (b) is able to assess the general application of such principles in connection with accounting for estimates, accruals and reserves, (c) has experience preparing, auditing, analyzing or evaluating financial statements comparable to the breadth and complexity to the Company's financial statements, (d) understands internal controls over financial reporting and (e) understands audit committee functions.

We have not yet replaced our former audit committee financial expert, but we are engaged in finding a suitable replacement.

EXECUTIVE COMPENSATION

This section explains our executive compensation plans objectives and compensation-setting process with our current named executives Lisa Nichols, CEO and Susie Carder, COO/CFO. Our compensation program for our named executives is built to support the following objectives:

- Attract top talent in our leadership position
- Deliver the highest level of motivation within the Company's culture
- Ensure our compensation package encourages long term retention
- Align the interest of our executives with those of our shareholders

In the early stages of the Company, it was imperative that the Company hire and retain executives who could develop and grow the business model. The Company executed one year employment agreements with its executives due to the uncertainty of the future financial position of the Company. The agreements were structured to provide large commissions so as to provide a strong incentive to increase sales which is vital to a newly developing Company. Commissions are based on a percentage of sales and are paid to executives as the sales are completed, ie services performed and monies received.

The Company Board of Directors, made up of Lisa Nichols and Susie Carder, independently approve each other's executive compensation plan. Recently, the Company Board of Directors has taken a closer look at the executive plans and have decided to restructure them in a way that will benefit the Company. Currently, compensation to executives is heavily based on their own coaching commissions. In turn this left little time to devote to managing and growing the business. In the third quarter of this fiscal year, the Board of Directors has decided to raise the annual salary of the executives and decrease the coaching commission percentage. This aims to accomplish two things. It will allow the executives to focus on the overall growth and strength of the company and less on individual coaching. The other goal is by lowering commissions, the company will see greater gross profits and be able to more efficiently budget its executive compensation.

The following summary compensation table sets forth all compensation awarded to, earned by, or paid to the named executive officer during the six months ended June 30, 2013, and for the years ended December 31, 2012, and 2011 in all capacities for the accounts of our executive, including the Chief Executive Officer (CEO) and Chief Operating Officer (COO)/Chief Financial Officer (CFO):

SUMMARY COMPENSATION TABLE

Name and principal position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Lisa Nichols,	2013	$ 80,000	-	-	$ -	-	$ -	26,409	$ 106,409

CEO	2012	$ 160,000	126,284	- $	-	- $	-	77,026 $	363,310
	2011	$ 132,964	12,000	- $	-	- $	-	30,615 $	175,579
Susie Carder, COO/CFO	2013	$ 36,000	51,152	- $	-	- $	-	61,275 $	148,427
	2012	$ 72,000	254,173	- $	-	- $	-	96,670 $	422,843
	2011	$ 64,000	88,777	- $	-	- $	-	93,750 $	246,527

Employment Agreements

For the fiscal year 2012, the Company's CEO Lisa Nichols was contracted to receive an annual salary of $160,000, 60% commissions on new coaching contracts, and a potential bonus based on the performance of the Company. For the fiscal year 2012, Lisa Nichols was paid her executive salary of $160,000 in addition to earning $77,026 in coaching commissions and $126,284 in bonuses. For the fiscal year 2011, Ms. Nichols was scheduled to receive a salary of $135,000, 60% commissions on new coaching contracts, and a bonus based on the performance of the Company. For the fiscal year 2011, Lisa Nichols was paid $132,964 as part of her executive salary. The Company also accrued commission payments to Ms. Nichols for $30,615 and a bonus payment of $12,000 which were both paid in 2012.

In November of 2010, the Company signed a one year consulting contract with Susie Carder for sales and operational services. The consultant was contracted to receive an annual salary of $64,000 as well as commissions if monthly revenue targets of $50,440 were met. The Company renewed its one year contract with Susie Carder in November 2011 and again in November 2012 which included the same terms as 2010 but for an increase in annual consulting salary to $72,000. For the fiscal year 2012, Ms. Carder was paid her consulting salary of $72,000 in addition to earning $96,670 in coaching commissions and $254,173 in bonuses. For the fiscal year 2011, Ms. Carder was paid her consulting salary of $64,000 in addition to earning $93,750 in coaching commissions and $88,777 in bonuses.

Plans

There are no annuity, pension or retirement benefits or stock options proposed to be paid to officers, directors or employees in the event of retirement at normal retirement date pursuant to any presently existing plan provided or contributed to by the Company or any of its subsidiaries, if any. There are no stock option plans.

Indemnification of Directors and Officers

Our Articles of Incorporation, as amended and restated, and our Bylaws provide for mandatory indemnification of our officers and directors, except where such person has been adjudicated liable by reason of his negligence or willful misconduct toward the Company or such other corporation in the performance of his duties as such officer or director. Our Bylaws also authorize the purchase of director and officer liability insurance to insure them against any liability asserted against or incurred by such person in that capacity or arising from such person's status as a director, officer, employee, fiduciary, or agent, whether or not the corporation would have the power to indemnify such person under the applicable law.

DESCRIPTION OF THE COMMON STOCK

General

The following description of our capital stock and the provisions of our Articles of Incorporation and By-Laws, each as amended, is only a summary.

Our Articles of Incorporation authorize the issuance of 75,000,000 shares of common stock and 1,000,000 shares of preferred stock, both $0.001 par values per share. As of August 7, 2013, there were 14,297,900 outstanding shares of common stock and 0 outstanding shares of Preferred Stock. Set forth below is a description of certain provisions relating to our capital stock.

Common Stock

We are authorized by our Articles of Incorporation to issue 75,000,000 shares of common stock, par value $0.001 per share. As of August 7, 2013 there were 14,297,900 shares of common stock issued and outstanding. Holders of shares of common stock have full voting rights, one vote for each share held of record. Stockholders are entitled to receive dividends as may be declared by the Board out of funds legally available therefore and share pro rata in any distributions to stockholders upon liquidation. Stockholders have no conversion, pre-emptive or subscription rights. All outstanding shares of common stock are fully paid and non-assessable.

Preferred Stock

We are authorized by our Articles of Incorporation to issue 1,000,000 shares of preferred stock, par value $0.001 per share. As of August 7, 2013 there were 0 shares of preferred stock issued and outstanding. Authority shall be vested in the board of directors to designate the voting powers, designations, preferences, limitations, restrictions, and rights of preferred stock. As of August 7, 2013 the board of directors has not designated any preferences to the 1,000,000 authorized shares of preferred stock.

Warrants

There are no outstanding warrants to purchase our securities.

Options

There are no outstanding options to purchase our securities.

Dividend Policy

We currently intend to retain any earnings for use in our business, and therefore do not anticipate paying cash dividends in the foreseeable future. The authorized but unissued shares of our common stock are available for future issuance without our stockholders' approval. These additional shares may be utilized for a variety of corporate purposes including but not limited to future public or private offerings to raise additional capital, corporate acquisitions and employee incentive plans. The issuance of such shares may also be used to deter a potential takeover of the Company that may otherwise be beneficial to stockholders by diluting the shares held by a potential suitor or issuing shares to a stockholder that will vote in accordance with the Company's Board of Directors' desires. A takeover may be beneficial to stockholders because, among other reasons, a potential suitor may offer stockholders a premium for their shares of stock compared to the then-existing market price.

Transfer Agent and Registrar

We presently serve as our own transfer agent and registrar for our common stock.

BENEFICIAL OWNERSHIP CHART

The following tables set forth information as of the date of this Private Placement Memorandum regarding the beneficial ownership of our common and preferred stock (Series A), (a) each stockholder who is known by the Company to own beneficially in excess of 5% of our outstanding common stock; (b) each director known to hold common or preferred stock; (c) the Company's chief executive officer; and (d) the executive officers and directors as a group. Except as otherwise indicated, all persons listed below have (i) sole voting power and investment power with respect to their shares of stock, except to the extent that authority is shared by spouses under applicable law, and (ii) record and beneficial ownership with respect to their shares of stock. The percentage of beneficial ownership of common stock is based upon 14,297,900 shares of common stock outstanding as of November 1, 2013.

Name and Address(1)	Number of Shares Beneficially Owned	Class	Percentage of Class Before Offering (2)	Percentage of Class After Offering (2)
Lisa Nichols, CEO and Director	6,721,500	Common	47.01%	36.73%
Susie Carder, President, COO and Director	3,000,000	Common	20.98%	16.40%
Corso, Steven	1,500,000	Common	10.49%	8.209%
All directors and executive officers (2 persons)	9,721,500	Common	67.99%	53.13%
*Denotes less than 1%				

1. Unless noted otherwise, the address for all persons listed is c/o the Company at 2121 Palomar Airport Road, Suite 300, Carlsbad, CA 92011.

2. The above percentages are based on the assumption that all of the 4,000,000 shares of common stock will be sold and thus 18,297,900 shares of common stock outstanding.

RELATED PARTIES AND CERTAIN TRANSACTIONS

Sale of Fixed Asset

On February 1, 2013, the Company sold the automobile and related note payable to an officer of the Company. On the date of sale, the automobile had a net book value of $7,416 and related note payable balance of $8,589 which resulted in the Company recording a gain on the sale of assets in the amount of $1,174.

Share Exchange Agreement

Motivating the Teen Spirit, LLC, (MTS) was founded by the Company's CEO, Lisa Nichols, and provided similar products and services that were also offered by the Company. Over the years, the Company and MTS have loaned money to and from each other at zero percent interest and payable on demand. At December 31, 2012 and 2011, the Company had a related party receivables balance of $0 and $26,836, respectively.

In August of 2012, MTS was dissolved and ceased operations. In conjunction with the dissolution of MTS, the Company acquired the assets and intellectual property of MTS through a share exchange, whereby the Company issued 70,000 shares of common stock to 14 individuals in exchange for their rights in the assets and intellectual property of MTS having a value of $35,000 based upon recent market value. At the time of the share exchange, the Company received $60,000 in cash and intellectual property, representing all of the assets of MTS. The Company allocated the $60,000 received as follows: $26,836 for the repayment of the loan to MTS, and the remaining $33,164 of cash was recorded as an additional cash asset to the Company. As a result of the share exchange, the Company valued the intellectual property of MTS at $1,836 which is the difference between the value of shares given and value of assets received.

Director Independence

At this time the Company does not have a policy that it's directors or a majority be independent of management as the Company has at this time only two directors. It is the intention of the Company to implement a policy that a majority of the Board member be independent of the Company's management as the member's of the board of director's increases. A Director is considered independent if the Board affirmatively determines that the Director (or an immediate family member) does not have any direct or indirect material relationship with the Company or its affiliates or any member of senior management of the Company or his or her affiliates. The term "affiliate" means any corporation or other entity that controls, is controlled by, or under common control with the Company, evidenced by the power to elect a majority of the Board of Directors or comparable governing body of such entity. The term "immediate family member" means spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in law, brothers- and sisters-in-laws and anyone (other than domestic employees) sharing the Director's home.

TERMS OF THE OFFERING

Subject to the conditions set forth in this Memorandum and in accordance with the terms and conditions of the Articles of Incorporation and the Bylaws, the Common Stock is being offered by the Company on a "best efforts" basis. The full purchase price is payable in cash upon subscription. Each investor will be required to meet certain investor suitability standards and also comply with his respective state requirements, if any, as to financial qualifications. There is no assurance as to the number of shares of Common Stock will be sold, if any.

Plan of Distribution

The Common Stock is being offered directly to the public by the managers of the Company. No commissions or any other remuneration will be paid on sales of the Common Stock made directly to the public by any such officer or director.

This Offering will terminate at the discretion of the Company. The Offering will remain open for an indefinite period of time until either a certain number of shares of Common Stock have been sold as determined by the Company or the Company, in its sole discretion, terminates the Offering, whichever date occurs earlier.

How to Subscribe

Prospective investors who satisfy the investor suitability standards set forth in the Subscription Agreement under "Suitability Standards" may subscribe for the Common Stock by completing, signing and delivering to the Company an executed copy of the Subscription Documents to be furnished by the Company. All subscriptions must be accompanied by a check payable to the order of "Motivating the Masses Inc." in the amount subscribed for. By his or her execution of the Subscription Documents, the investor agrees to all the terms of the Subscription Agreement of the Company. The Board of Directors has the unconditional right to accept or reject any subscription in whole or in part in its sole discretion for any reason. If the Board of Directors rejects or fails to accept any subscription, or part of any subscription, the subscription and the funds paid by the investor, without interest, will be returned to the subscriber. A subscriber cannot cancel or withdraw his or her subscription.

Who May Invest

An investment in the Common Stock offered hereby is highly speculative and involves a high degree of risk, including the risk of the entire loss of the investment. In addition, these securities lack liquidity as compared to other securities investments. There is not currently and may never be any public or private market for the Common Stock. Additionally, these securities are "restricted securities" as such term is defined under the Securities Act and may not be resold or transferred without compliance with applicable federal and state securities laws. Accordingly, an investment in the Common Stock is suitable only for persons of substantial financial means who either meet the definition of "Accredited Investors" under Regulation D or the suitability standards of a "Non-Accredited Investor". See "SUBSCRIPTION AGREEMENT."

Restriction of Transfer

The Common Stock offered hereby have not been registered under the Securities Act or the securities laws of any state. Consequently, investors may not subsequently sell any of the securities acquired in this Offering unless those securities are subsequently registered under applicable securities laws or unless exemptions from such registration are available. Accordingly, investors herein must be prepared to bear the economic risk of the investment and the total loss of their investment.

INVESTOR REPRESENTATION

Each prospective investor represents to the Company by execution of the Confidential Purchaser Questionnaire that, among other things, the prospective investor:

(i) is familiar with the terms of the Offering and this Memorandum, and has received and reviewed all other documents he has requested from the Company;

(ii) is able to bear the economic risk of an investment in the Common Stock offered hereby and the total loss of his investment;

(iii) is purchasing the Common Stock for his own account and not with a view to resell or otherwise participate in a public distribution of the shares of Common Stock; and

(iv) has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment in the Common Stock.

Prospective investors who wish to subscribe for the Common Stock must represent to the Company that they meet certain suitability standards by completing and returning to the Company a Subscription Agreement available from the Company. Prospective investors who are acting in a fiduciary capacity must submit documentation to the Company to demonstrate their authority to so act.

CONFIDENTIALITY

The Company will to the extent allowed by the Securities Act of 1933, as amended, and the various state securities laws, keep confidential the identities of investors in the Company and the information supplied to the Board of Directors by said investors in the Confidential Purchaser Questionnaire.