FRANCHISE DISCLOSURE DOCUMENT

9ROUND FRANCHISING, LLC
A South Carolina limited liability company
847 NE Main Street
Simpsonville, South Carolina 29681
FDD@9Round.com
Direct Line: (864) 962-4600
www.9Round.com
facebook.com/9roundofficial
instagram.com/9roundofficial
http://twitter.com/9round
http://www.youtube.com/9roundtv
https://www.linkedin.com/company/9-round-boxing-kickboxing

You will operate a fitness center featuring a specialized program that is developed around a system of nine challenging circuit training stations, that incorporates boxing and kickboxing exercises, and that includes personal trainer assistance and nutrition services.

The total investment necessary to begin operation of a 9ROUND franchise ranges from $79,175.00 to $163,275.00. This includes $7,500 to $32,500 that must be paid to the franchisor or an affiliate. Please refer to Item 5 for additional information regarding Initial Fees, including our Development Incentive Program.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact: Shannon Hudson, 847 NE Main Street, Simpsonville, South Carolina 29681, (864) 962-4600, or FDD@9round.com.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC- help or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: August 28, 2020

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only 9Round business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a 9Round franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **<u>Out-of-State Dispute Resolution</u>.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in South Carolina. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in South Carolina than in your own state.
2. **<u>You must make minimum royalty or advertising fund payments, regardless of your sales levels</u>.** Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **<u>Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise.</u>** This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Date: See State Effective Dates Page

NOTICE REQUIRED BY
STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

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

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

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

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

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

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

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, telephone (517) 373-7117.

THIS MICHIGAN NOTICE ONLY APPLIES TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

TABLE OF CONTENTS

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "we" or "us" means 9Round Franchising, LLC, the franchisor. "You" means the person or entity that buys the franchise. If the franchisee is a corporation, partnership or other entity, the term "you" does not include the franchisee's owners unless otherwise stated. Certain provisions of the Franchise Agreement will apply to your owners and will be noted in this disclosure document.

The Franchisor, its Parent and Affiliates

We are a South Carolina limited liability company formed on December 15, 2008. We currently do business only under our corporate name and under the trade name "9ROUND." Our principal business address is 847 NE Main Street, Simpsonville, South Carolina 29681. Our agents for service of process are disclosed in Exhibit A to this disclosure document. We have no controlling parent company.

We acquired the intellectual property related to the 9ROUND concept from our affiliate, 9Round, LLC ("9RSC"), upon our inception in 2008. 9RSC maintains its principal business address at 847 NE Main Street Simpsonville, South Carolina 29681. 9RSC has operated one 9Round gym since 2008. On June 30, 2019, 9RSC sold its 9Round gym to 9Round Franchising, LLC.

Our affiliate, H&S Empire LLC ("H&S"), has operated two businesses of the type you will operate since 2013, which are located in Greenville and Simpsonville, South Carolina. H&S shares our principal business address at 847 NE Main Street, Simpsonville, South Carolina 29681, and has never offered franchises in any line of business. On June 30, 2019, H&S Empire sold two 9Round gyms to 9Round Franchising, LLC.

We have been offering franchises of the type described in this disclosure document since April 2009. Our subsidiary, 9Round International, LLC ("9Round International"), a South Carolina limited liability company, offers master franchise opportunities outside the United States. 9Round International's principal business address is 847 NE Main Street, Simpsonville, South Carolina 29681. Our former subsidiary, 9Round Franchising of Canada, Inc. ("9Round Canada"), a Canadian corporation, offered franchises of the type described in this disclosure document in Canada from February 2014 to December 2018. On January 1, 2019, 9Round Canada amalgamated into our current subsidiary, 9RFranchising Canada, ULC ("9RFranchising Canada"), and 9RFranchising Canada has offered franchises of the type described in this disclosure document since January 1, 2019. 9RFranchising Canada's registered address is Suite 2300, Bentall 5, 550 Burrard Street, Box 30, Vancouver, BC V6C 2B5, Canada.

Neither we nor any of our affiliates has ever offered franchises in any other line of business. None of our affiliates provide products or services to our franchisees. Other than the 9Round Centers we own and operate, we have never operated a business of the type described in this disclosure document.

The Franchise Offered

We have developed a proprietary business format and system ("System") for operating a fitness center ("Center") that features a specialized program developed around a system of nine challenging circuit training stations, that incorporates boxing and kickboxing exercises, and that includes personal trainer assistance and nutrition services. The 9ROUND program combines strength, cardiovascular exercises and circuit training for the entire body to achieve results.

Our System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures and furnishings, operating and customer service standards and procedures including proprietary workout routines, advertising and marketing specifications and requirements, and other standards, specifications, techniques and procedures that we designate (collectively, the "Standards"). Centers operating under the System are identified by the trade name and service mark "9ROUND" and other trademarks, service marks and trade identifiers that we designate (the "Marks").

We grant qualified candidates the right to operate one or more 9ROUND Centers according to our Franchise Agreement (see Exhibit C) and our Standards which will be communicated to you via our confidential operations manuals (the "Manual") (see Item 11). Please see Item 5 regarding our Development Incentive Programs.

The Market and Competition

The market for fitness and workout centers and clubs is well developed and very competitive. You will compete with other fitness clubs offering similar services, including national franchise systems and other regional and local chains. You also will compete to a certain extent with public recreation centers and not-for-profit community organizations, such as the YMCA. Before selecting a site for your Center, you should survey the area for existing competitors and be aware that a competitor may enter the market at any time.

Typically, our services are sold to individuals and are not seasonal, although you may experience peak months and membership fluctuations. For example, January is typically a busier month for health clubs.

Laws and Regulations

In addition to laws and regulations that apply to businesses generally, your Center will be subject to various federal, state, and local government regulations, including those relating to site location and building construction, such as the Americans with Disabilities Act.

The physical fitness industry, particularly providing services through for-profit clubs, is subject to extensive regulation at the local, state, and federal levels. Many states have enacted specific laws (1) regulating membership contract length and terms, advertising and limitations on pre-opening sales, and (2) requiring bonding, buyer's remorse cancellation rights for limited periods (usually three to ten days after sale), and cancellation and partial refund rights for medical or relocation reasons. At the federal level, health clubs who sell memberships on credit may be subject to the federal Truth-In-Lending Act and Regulation Z and various other credit-related statutes like the Equal Credit Act and Fair Debt Collection Practices Act.

Some states have laws that require and regulate the content of service contracts or that require the presence of at least one person trained in administering CPR or the use an external defibrillator. Many states also require that certain types of fitness centers be equipped with working defibrillators.

It is solely your responsibility to comply with all applicable laws and regulations and to obtain and keep in force all necessary licenses and permits required by public authorities. Before purchasing the franchise, we strongly urge you to hire an attorney to review local, state, and federal laws that may affect your operations or impact your operating costs.

ITEM 2
BUSINESS EXPERIENCE

Founder, CEO, and Manager (Director): Shannon Hudson

Shannon is the creator and founder of the 9ROUND business model and system, and has served as our CEO and Manager (Director) since our inception in December, 2008. Shannon opened the first 9ROUND Center in March, 2008, which currently operates in Greenville, South Carolina. Since July, 2008, he also has served as a Manager of 9RSC, which operated a 9ROUND Center in Greenville, South Carolina through June 30, 2019. Since December, 2013, Shannon has served as Manager of H&S, which operated 9Round Centers through June 30, 2019.

Chief Operations Officer and Manager (Director): Heather Hudson

Heather has served as our COO and Manager (Director) since our inception in December, 2008. Since July 2008, Heather also has served as a Manager of 9RSC, which operated a 9ROUND Center in Greenville, South Carolina through June 30, 2019. Since December, 2013, Heather has served as Manager of H&S, which operated 9Round Centers through June 30, 2019.

Chief Financial Officer: Matthew Foreman

Matthew has served as our Chief Financial Officer since September 2017. Before serving at that position, he also served as the External Reporting Manager, Director of Financial Reporting, and Corporate Controller for Coveris Holding Corp. in Greenville South Carolina from February 2013 to September 2017. Matthew also served as the Financial Reporting Manager of ScanSource Inc. in Greenville, South Carolina from November 2010 to February 2013.

General Counsel: Patrick Autry

Patrick has served as our General Counsel since February 2020. Before serving in this position, Patrick was counsel for Denny's Corporation since 2009, most recently serving as Associate General Counsel and Ethics and Compliance Officer from 2016 to February 2020.

Director of Fitness Programming and Franchisee Training: Drew Stauffacher

Drew has served as Director of Fitness Programming for 9Round Franchising, LLC since January 2019. Drew was an owner of two 9ROUND gyms from August of 2014 through March 2020. Before coming to 9ROUND, Drew worked as a certified personal trainer.

Director of Ongoing Franchise Business Support: Brian Burke

Brian has served as the Director of Ongoing Franchise Business Support for 9Round Franchising, LLC since 2018. Brian is a prior 9ROUND franchisee who operated three different gyms between 2010 and 2020. Brian began working with 9Round Franchising LLC in 2016 as a franchise business coach.

Director of Marketing: Anna Lynch

Anna has served as our Director of Marketing, leading our marketing team, since November 2015.

Franchise Systems Specialist: Britiney Evans

Britiney currently leads the Field Visit Program for 9Round Franchising, LLC. Britiney began working at 9Round Franchising, LLC in 2017 as a franchise business coach. Before working at 9Round home office Britiney operated a successful 9Round location for over five years.

Onboarding Supervisor: Thao Tinsley

Thao has served as our Onboarding Supervisor since January 2020 and has been with 9Round since September 2017, previously serving as an Onboarding Coach.

Manager (Director): Alison (Ali) McElroy

Ali McElroy has been on our board of managers since January 1, 2019. From June 2009 to present, Ali has served in various roles with Snap Fitness, Inc. and its parent Lift Brands, Inc., also a minority investor in 9Round Franchising, LLC and 9Round master licensee in select international markets. Ali is currently the Chief Global Development Officer and Chief Legal Officer for Lift Brands, Inc. based in Chanhassen, MN.

ITEM 3
LITIGATION

Settled Actions

1. **9Round Franchising, LLC vs. Porter Health & Fitness, LLC, et al (United States- South Carolina District Court Case Number 6:19-CV-01117) -** This matter was filed on April 17, 2019 with the United States District Court for the District of South Carolina regarding an unapproved marketing promotion being implemented and promoted by certain 9Round franchisees. The parties entered into a settlement agreement to pay 9Round Franchising $29,000.00. 9Round Franchising LLC filed a Notice of Dismissal with Prejudice in the Litigation upon receipt of payment.
2. **9Round Franchising, LLC vs. Tyson Ventures, LLC, Tyson West, LLC, and David Kraniak (American Arbitration Number 01-19-0002-1608)–** This matter was filed on July 10, 2019 by 9Round with the American Arbitration Association due to David Kraniak, a former franchisee, failing to comply with required upgrades to his gym, failure to complete various training modules, and failure to make required monthly payments as directed by the Franchise Agreement; and, subsequently, to comply with post-termination obligations. A judgement was reached by the American Arbitration Association with Mr. Kraniak directed to make payment of $8,848 to 9Round.

Pending Actions

1. **9Round Franchising, LLC vs. Laura Thelen (United States - South Carolina Court of Common Pleas – Greenville County Case Number 2019-CP-23-05658) –** This matter was filed December 31, 2019 due to a franchisee Laura Thelen prematurely closing her location and being in default of the Franchise Agreement. This matter is ongoing.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

You will pay us an initial Franchise Fee when you sign a Franchise Agreement, which secures your Preliminary Designated Area. If you are acquiring franchise rights for a new, single Center, the initial franchise fee is $30,000.

If you are a veteran or a former member of the U.S. Armed Forces and were honorably discharged (you must provide us with a copy of your DD214), we will reduce your initial Franchise Fee for your first Center by fifteen percent (15%) for an initial franchise fee of $25,500 for your first Center ("Veteran Discount"). This one-time Veteran Discount is in addition to the discounts under the Market Accelerator Program, as discussed above, should you choose to participate in the Market Accelerator Program.

A $5,000 Franchise Fee will be utilized for existing Franchisees purchasing an existing franchise location with a new Franchise Agreement that has a 10-year term. A Franchise Fee of $10,000 will be utilized for existing Franchisees purchasing an existing location and assuming the existing Franchise Agreement's then-current Term, Royalty, and National Marketing Fee, but otherwise entering into a new Franchise Agreement.

A $7,500 Franchise Fee will be utilized for new Franchisees purchasing an existing location with a new Franchise Agreement that has a 10-year term. A Franchise Fee of $17,500 will be utilized for new Franchisees purchasing an existing location and assuming the existing Franchise Agreement's then-current Term, Royalty, and National Marketing Fee, but otherwise entering into a new Franchise Agreement.

If you are purchasing an existing franchise location, you will pay an Opening Field Visit Fee of $2,500 upon signing of the Franchise Agreement. If you are purchasing a new franchise location, you will pay an Opening Field Visit Fee of $2,500 upon signing of your lease. This fee will be reduced to $500 for each additional location after the first that we are able to visit during the same initial trip.

The initial Franchise Fee is payable in full when the Franchise Agreement is signed and is nonrefundable. For new locations, the Opening Field Visit Fee is due upon the signing of your lease and is nonrefundable. For existing locations, the Opening Field Visit Fee is due upon signing of the Franchise Agreement and is nonrefundable. The initial Franchise Fee is uniform for all new franchisees but may differ for franchisees under prior existing agreements.

<u>Market Accelerator Programs</u>

If you are acquiring franchise rights for two Centers as part of our **Development Incentive Program**, the total initial franchise fee is $50,000 (a discount of $10,000). After the successful completion of your Development Incentive Program for two Centers, each additional Center shall have an initial franchise fee of $18,000.

Development Incentive Program	**Two Centers Purchased**
Initial Franchise Fee for two Centers	$50,000
Each additional Center Initial Franchise Fee	$18,000
Total initial franchisee fees if you were to open four Centers	$86,000

If you are acquiring franchise rights for three Centers through our Development Incentive Program, the total initial franchise fee is $60,000 (a discount of $30,000). After the successful completion of your

Development Incentive Program for three Centers, each additional Center shall have an initial franchise fee of $15,000.

Development Incentive Program	**Three Centers Purchased**
Initial Franchise Fee for three Centers	$60,000
Each additional Center Initial Franchise Fee	$15,000
Total initial franchisee fees if you were to open four Centers	$75,000

You must open the Center for business no later than nine months after the Franchise Agreement is signed. If you acquired franchise rights for two or three Centers as part of one of our Development Incentive Program, you will sign two or three Franchise Agreements (as applicable) at the same time. You must open the second Center no later than twenty-one months after signing and must open the third Center (if applicable) no later than thirty-three months after signing. If you fail to open a Center within the required time periods, we may terminate the Franchise Agreement or, at our election, may eliminate any designated area protection afforded in the Franchise Agreement.

If you do not participate in our Market Development Program but later would like to acquire franchise rights as part of our **Step Up Program**, the total initial franchise fee for the second Center is $25,000 (a discount of $5,000) and each subsequent Center has an initial franchise fee of $20,000 each (a discount of $10,000).

Step Up Program	**One Center Purchased**
Initial Franchise Fee for first Center	$30,000
Second Center Initial Franchise Fee	$25,000
Third+ Center Initial Franchise Fee	$20,000
Total initial franchisee fees if you open four Centers	$95,000

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	$600 per month	Monthly	See Item 11 for more information about Net Sales and the Royalty Fee.
National Marketing Fee	$200 or 2% of Net Sales, whichever is greater, per month	Monthly	See Item 11 for more information about Net Sales and the National Marketing Fee.
Local Advertising Spend, Local Marketing Fund, or Cooperative Advertising Contribution[2]	At least $6,000 per calendar year	Monthly	See Item 11 for more information about our right to set up and require participation in a Local Marketing Fund or an advertising cooperative.
Technology Fee[3]	Currently $80 per month	Monthly	Subject to increase
9ROUND Music Fee	$34 - $89 per month per Center	Monthly	Subject to increase by an approved supplier.
Heart Rate Zone System	$139 per month	Monthly	You will pay our approved vendor the then-current monthly license fee. The fee may be collected through billing software with your monthly royalties.
Audits	Cost of audit plus interest at 12% or the maximum rate allowable by law	Immediately upon receipt of bill.	You pay for cost of audit only if it shows an understatement of memberships or revenue.
Ongoing Field Visit	$2,500	As arranged	Ongoing Field Visit will take place upon request from Franchisee.
Opening Field Visit Fee	$2,500	At signing of Franchise Agreement or upon signing your lease.	For new locations, the Opening Field Visit Fee is due upon the signing of your lease. For existing locations, the Opening Field Visit Fee is due upon signing of the Franchise Agreement.
Assignment Fee	$250	Upon application to assign your	Payable when you assign your Franchise Agreement to corporation or other business

Type of Fee[1]	Amount	Due Date	Remarks
		Franchise Agreement	entity owned by you or when you alter the percentage ownership of any minority partner, member, or other owner of your business, other than the Principal Owner.
Relocation Fee	$1,500 - $5,000	Upon application to relocate your Center	Payable when you relocate your Center.
Costs and Attorneys' Fees	Will vary under circumstances.	As incurred	Payable only if your non-compliance with the Franchise Agreement causes us to incur legal expenses.
Interest	12% per annum.	Upon demand	Payable only if you fail to pay amounts owed to us when due.
Indemnification	Will vary under the circumstances.	As incurred	You must reimburse us if we are held liable for claims arising out of your franchise operations.
Supplier Review Fee	Our costs and expenses, which we expect will range from $1,000 to $3,000, but may exceed this range depending on the product.	As incurred	See Item 8 for more information on approved suppliers.
Quality Assurance Inspections	Our out of pocket costs which will vary.	Upon demand	If you fail to submit a "walk through" video, you must reimburse us for our costs, including travel costs, that we incur related to evaluating or inspecting your Center with our personnel or third party "mystery shoppers."
Modernization and Maintenance Costs	Our reasonable costs and expenses which will vary.	Upon demand	You must maintain the Center premises and modernize them every five years. If you fail to do so, we may complete these for you, and you must pay us our reasonable costs.
Securities Offering	Will vary under the	Upon demand	If you engage in a private

Type of Fee[1]	Amount	Due Date	Remarks
Costs	circumstances.		offering of securities, we must review the prospectus or other offering documents and you will pay our costs for that review.
Ongoing Training	$249 to $500 per person plus your travel expenses. If our representative provides additional training at your Center, we may require you to reimburse our related travel and lodging costs for our representative.	Upon demand	We may require you and other key employees of the Center to attend ongoing training, which will be held at a location that we designate.
Renewal Fee	25% of the then current Initial Franchise Fee	Before renewal	
Administrative Fee	$250 per enforcement effort (i.e., written or verbal notification and follow up), and $250 per week for each week that the issue remains unresolved	Upon demand	We may assess an administrative fee to compensate us for our time.
Management Fee	5% of the Center's gross revenues, plus reimbursement of our reasonable costs and expenses	Upon demand	If you are in default of the Franchise Agreement, we may send our personnel to manage the Center until the default is cured.
Liquidated Damages[4]	For ceasing operations or committing a default that results in termination of your franchise rights, estimated present value of monthly fees through the end of the franchise term; For selling unauthorized products, an amount equal to 70% of gross revenues derived from the sale; For offering	Upon demand	

Type of Fee[1]	Amount	Due Date	Remarks
	unauthorized services, an amount equal to 100% of gross revenues derived from the offering of services.		

Notes:

Note 1. All fees are imposed by, payable to, and collected by us unless otherwise noted. All fees are imposed uniformly and are non-refundable upon payment. As noted in the chart above, several fees paid to us are subject to adjustment over the ten-year agreement term based on increases in the Consumer Price Index (CPI). Adjustments based on the CPI will be made no more than once per year.

Note 2. Each local advertising cooperative may elect to increase the monthly contribution if approved by a two-thirds majority of the members, and the minimum contribution is subject to adjustment by an amount not to exceed the increase in the CPI. Centers owned by us and our affiliates are also members of their respective local cooperative and each company-owned Center has the same voting rights as the franchised locations within the cooperative. If our company-owned Centers comprise the majority of a given cooperative the maximum and minimum fees for that cooperative will be consistent with the range stated in this Item 6 (subject to adjustment for increases in the CPI).

Note 3. As technology and member demands change, we anticipate providing different or additional services available to members. Some of these services may include different or additional member service fees and you agree to participate in our future member service initiatives and pay the applicable fees that we impose periodically. Currently, member services include access to the online franchisee portal which provides nutritional and fitness information and recipes. The Technology Fee includes membership services, any 9Round app, and the 9Round website.

Note 4. If you prematurely cease operations, or if you commit a default that results in termination of your franchise rights, you must pay us, as liquidated damages, an amount equal to the average monthly fees paid to us over the past 12 months multiplied by the number of months remaining in the then-current term, reduced to present value at a rate of 6%. If you sell any products or offer any services that we have not authorized for sale, you must pay us an amount equal to 70% of the gross revenue that you derived from the sale of unauthorized products, and 100% of the gross revenues that you derived from the offer of unauthorized services. We have the right to collect these amounts in the same way as we collect payment of royalty fees. We also have the right to collect these amounts in installments, payable at six percent interest for a term of up to 24 months.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[1]	$5,000-$30,000	Lump sum	At signing of the Franchise Agreement	Us
Opening Field Visit Fee[2]	$500-$2,500	Lump sum	At signing of Franchise Agreement or upon signing your lease.	Us
Computer, Technology System, Sound System and Security System [3]	$2,500 to $3,000	As arranged	Before opening as incurred	Vendors
Lease Deposits, Utilities, and Insurance[4]	$2,000 to $5,500	As arranged	Before opening	Landlord, Utility Suppliers, and Insurer
Leasehold Improvements [5]	$0 to $15,000	As arranged	Before opening	Contractors
Leasehold Finishes and Fixtures [6]	$6,000 to $7,000	As arranged	Before opening	Contractors
Sound Proofing (optional)[7]	$0 to $10,000	As arranged	Before opening	Contractors
Grand Opening Marketing[8]	$5,000	As arranged	Before opening	Approved Vendors
Opening Equipment and Inventory Package[9]	$35,000 to $37,000	As arranged	Before opening as incurred	Approved Vendors
Exterior Signage[10]	$2,000 to $6,000	As arranged	Before opening	Vendors
Heart Rate Zone System[11]	$775	As arranged	Before opening	Approved Vendor
Shipping and Handling (for both Grand Opening Marketing Materials and Opening Equipment and Inventory Package)	$4,000 to $5,500	As arranged	As arranged	Vendors
Travel, Lodging and Meals for Initial Training Program[12]	$1,000 to $2,000	As arranged	As incurred	See Item 11 and Note 8
Business Licenses and Other Professional Fees[13]	$400 to $1,000	As arranged	Before opening	Appropriate Licensing Authorities and

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
				Third Parties
Additional Funds – 3 months[14]	$15,000 to $33,000	As arranged	As incurred	Third Parties
Total[15]	$79,175 to $163,275			

These figures represent the estimated costs to develop a Center and to operate it during the initial phase – which is estimated to be three months. We cannot guarantee that you will not have additional expenses during this period. Your actual costs will depend on how closely you follow the 9ROUND system standards, your management skill, experience and business acumen, local economic conditions, acceptance by local consumers of our approved services, prevailing wage rates, competition, the size of your Center, and other factors. If you purchase franchise rights for multiple Centers under one of our Market Accelerator Programs, you will incur these expenses for each Center you develop, less the applicable initial franchise fee discount. In preparing your budget, you should also consider the potential effect of inflation on future costs. All fees are nonrefundable unless otherwise stated and may not include applicable taxes.

Note 1. A $5,000 Franchise Fee will be utilized for existing Franchisees purchasing an existing franchise location with a new Franchise Agreement that has a 10-year term. A $7,500 Franchise Fee will be utilized for new Franchisees purchasing an existing location with a new Franchise Agreement that has a 10-year term. A Franchise Fee of $30,000 will be utilized for new Franchisees opening a new location. See Item 5 for a description of the Initial Franchise Fee and available discounts available in our Market Accelerator Programs and Veteran Discount.

Note 2. Opening Field Visit will take place as soon as practical following the opening of a new gym, or as soon as practical after new owners take over an existing gym. If you are purchasing multiple units that can be visited in one trip, the Opening Field Visit Fee for the first location will be $2,500 and each additional location visited on the same trip will be an additional $500.

Note 3. The range includes the estimated cost for computers, software, printers, high-speed internet connection, sound system, television, scanner for membership cards, surveillance system, telephone(s) with answering system, and 9ROUND radio subscription.

Note 4. These estimates are based on leasing a 1,200 to 1,500 square foot facility in vanilla shell condition, located in a strip center in the Greenville, South Carolina area, and include your first month's rent, security deposit, utility deposits, and insurance. The space must be enclosed and separate from other businesses with its own locking door. Except for the security deposit, lease payments generally are not refundable.

The estimated deposits for utilities include electric, gas, and water, but your deposit may vary due to policies of local utility companies.

See Item 8 for more information about our insurance requirements and our designated insurance program. This estimate includes premium for three months of the insurance plan from our designated supplier. If you need additional insurance for your Center (for example, state workers' compensation or a surety bond), you may have additional costs. A surety bond may range from $100 to $500 per year, depending on the state. Workers' compensation coverage may range from $450 to $1,000 and may be more depending on the number of employees and your state requirements.

Note 5. These figures include the estimated cost of interior alterations and improvements to a location in vanilla shell condition. This cost depends on the extent of the renovations needed to convert space into separate areas, costs of labor and materials in the area, local building and other code requirements, landlord construction criteria, any allowance you negotiate with the lessor for construction, and other factors. We recommend that you find a location that needs minimal leasehold improvements or fixtures. You may choose to invest in leasehold improvements, but we do not recommend it.

Note 6. Includes the cost of paint, paneling, mirrors, lighting, and entry and bathroom tile. These estimates do not include the cost of purchasing real property, as we do not expect that you will buy real property. These figures do not incorporate any landlord concessions, such as free rent or landlord build out of your space.

Note 7. We recommend, but do not require, that you soundproof your Center, according to our specifications. The figures included reflect these costs.

Note 8. Before your Center opens for business, you will pay approved vendors a Grand Opening Marketing Fee of $5,000 for certain digital marketing services and pre-opening and grand opening advertising materials, including business cards featuring workout passes, club brochures, and vinyl banners. The Grand Opening Marketing Fee will also cover the costs of digital marketing.

Note 9. The Opening Equipment and Inventory Package includes the exercise equipment and floor mats necessary to operate the Center (including punching bags, weights, jump ropes, medicine balls and racks, speed bags, speed bag platforms and high-end industrial quality floor mats), interior signage, entry furniture and displays, and your initial opening inventory of retail items (including gloves, hand wraps, heart rate monitors, apparel, and nutritional products).

Note 10. This includes estimated purchase cost of exterior signage and related delivery and installation. You may use a local vendor.

Note 11. You must purchase our 9ROUND Heart Rate Zone system called 9ROUND PULSE. You also must purchase all equipment required to implement and use the system, which includes a minimum 60-inch flat screen television to display live workout statistics. You also must pay us an additional monthly license fee, currently $139 per month.

Note 12. Training is held at our corporate headquarters (currently, Greenville, South Carolina). You are responsible for all costs associated with attending such as travel, room and board. See Item 11 for more information about training.

Note 13. We recommend that you hire an attorney to help you evaluate this franchise offering, to identify the laws and regulations that may apply to your Center, to help you set up a business entity, to review and negotiate your lease and for whatever other purpose you deem appropriate.

Note 14. The figures in the chart represent the estimated amount of working capital you will need to cover other initial operating expenses for a period of three months. This includes the minimum $500 per month that you must spend on local advertising and marketing. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. The figures in the chart include the estimated amounts of employee salary or wages and rent, excluding any distributions or draw to the franchisee.

Note 15. The total estimated initial investment is an estimate only of the range of start-up expenses you may incur. We relied on our principals' combined expertise when preparing these figures. The actual amount of additional funds you will need depends on a variety of factors, including the size of your Center, the time of year when you start your business, type and quantity of exercise equipment in your Center, implementation of a marketing plan, your own management skill, economic conditions, competition in your area, and other factors. The estimate of initial investment funds is based on owner-operated business, and does not include salaries or benefits for full-time employees. As your business grows, you may choose to hire employees to carry out support service tasks. The estimate does not include any finance charges, interest, or debt service obligation, or your living expenses. You should have sufficient capital or other means to pay for your living expenses for at least 12 months.

You should also allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Site Selection

You must operate the Center at a location that meets our site selection requirements and that we have approved. If you lease the location, you and the landlord must execute the standard form of lease addendum (attached to the Franchise Agreement as Attachment E).

You must construct and equip your Center according to our approved design, specifications and standards. In addition to meeting our design specifications and standards, it is your responsibility to ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state and local laws. You must also use equipment (including hardware and software for the Technology System, as further described in Item 11), signage, fixtures, furnishings, products, supplies and marketing materials that meet our specifications and standards.

Approved and Designated Suppliers

Currently, we are the only approved supplier of your ongoing inventory of gloves, supportive hand wraps, punching bags, certain print materials, heart rate monitors and belts, apparel, furniture, and website and nutrition services. Other than this, neither we nor our affiliates are approved suppliers of any other products or services, and none of our officers hold an interest in any other privately-held suppliers, or a material interest in any publicly-held suppliers, to our franchise system. Occasionally, our officers may own non-material interest in publicly-held companies that may be suppliers to our franchise system.

You must purchase from approved sources our required opening equipment and inventory package (which includes equipment and initial inventory), grand opening and pre-opening advertising services, certain heart rate monitoring equipment and 9ROUND radio services. You also must maintain and communicate at all times and for all business purposes through an email address provided by our approved vendor.

We will provide you with a list of approved manufacturers, suppliers and distributors (“Approved Suppliers List”) and other approved equipment, signs, stationery, supplies and other items or services that we periodically designate as necessary to operate the Facility (“Approved Supplies List”). We, an affiliate, or a third-party vendor or supplier, may be the only approved supplier for certain products. The Supplies List also may include other specific products without reference to a particular manufacturer, or they may designate the specifications and/or standards for other approved products. We may revise the Approved Suppliers List and Approved Supplies List. We give you the approved lists as we deem advisable.

You may use in the operation of the Center only the proprietary or non-proprietary equipment that we specify, and must purchase and lease all equipment that we designate from our approved suppliers.

Except for instances where we designate a single source supplier, if you wish to purchase any products or services for which we have established approved suppliers from an unapproved supplier, you may request our consent in writing. If we request, you must submit samples and other information as we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality and safety standards. We generally will notify you in writing of supplier approval or disapproval within 30 days of our receipt of all the information and samples we request. You must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. The supplier also may be required to sign a supplier agreement. We may re-inspect the facilities and products of any supplier of an approved supplier or item and revoke our approval of any supplier or item that fails to continue to meet any of our criteria. Once approved, you may contract directly with the approved supplier. We will send written notice of any revocation of an approved supplier or item.

We apply the following general criteria in approving a proposed supplier: (1) ability to make product in conformity with our specifications; (2) reputation and integrity of supplier; (3) financial condition and insurance coverage of the supplier; and (4) system-wide strategic direction and system uniformity.

Insurance

You must maintain at your expense the types of insurance and the minimum policy limits specified in the Manual and our written directives. Where applicable law permits us to designate an insurance provider, we require our franchisees to purchase insurance from our preferred insurance provider.

Your insurance policies must be underwritten by approved insurers licensed and admitted to write coverage in the state in which the Center is located and with a rating of "A" or better. They must protect you, us, and our affiliates, and our and our affiliates' respective, past, present, and future officers, directors, owners, members, managers, employees, consultants, attorneys, and agents against any loss, liability, personal injury, death, property damage, or expense whatsoever arising out of or occurring upon or in with the condition, operation, management, use, or occupancy of your Center. The policy must provide for the following coverages:

Type of Insurance	Amount
General Liability including Hired Non-Owned Auto, Sexual Abuse or Sexual Molestation Liability, Medical Expense, and Business Income Coverage	$1,000,000 per occurrence; $5,000,000 in the aggregate
Property	$50,000
Professional	$1,000,000

In addition, you must carry workers' compensation and employer liability coverage as required by the jurisdiction in which you operate the Center.

We, our affiliates, and other parties we designate must be named as additional insureds on a primary non-contributory basis under each policy, except for policies required by statute in your jurisdiction, including, but not limited to, workers' compensation and employer's liability insurance policies. You and your insurers must also waive rights of subrogation against us. We may require additional types of coverage or increase the required minimum amount of coverage upon reasonable notice. We recommend, and may require in the future, that you to obtain cyber liability insurance. Your obligation to obtain coverage is not limited in any way by insurance that we maintain. Upon our request or as specified in the Manual, you must provide us with certificates of insurance evidencing the required coverage. Your insurer(s) must commit not to cancel or amend the policy or policies without at least 30 days' prior written notice to us. If you fail to obtain and maintain required insurance coverage, we have the right, but not the obligation, to obtain the required insurance on your behalf and to charge you for the cost of the insurance plus a reasonable fee for our services in procuring the insurance.

Marketing and Promotional Materials

You may only use marketing and promotional materials that meet our standards (see Item 11 for more information on advertising and marketing).

Revenue Derived from Franchisee Purchases and Leases

We have an agreement with various merchandise suppliers where we receive a rebate of up to 35% of the sale price of each item.

During our fiscal year ending on December 31, 2019, we derived $9,880,754 from franchisee purchases and leases, which amount represents 42% of our total revenue of $23,332,164, based on our audited financial statements.

Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that your required purchases or leases (meaning purchases or leases from approved or designated sources) will represent approximately 35%-55% of your total purchases and leases in establishing the franchised business, and approximately 15%-25% of your total purchases and leases in operating the franchised business.

Description of Purchasing Cooperatives; Purchasing Arrangements

We negotiate purchase arrangements for the benefit of the System but not on behalf of individual franchisees. This does not guarantee that the price for these products or services will be lower than other products or services on the market. We are not aware of any purchasing or distribution cooperatives in the System as of the date of this disclosure document. We do not provide you any material benefits (such as renewal rights or the right to acquire additional franchises) based on your purchases from approved or designated suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Sections 2B, 2C and 5A	Items 7 and 11
b.	Pre-opening purchases/leases	Sections 5A, 5B, 5C, 6A and 6C	Items 5, 6, 7 and 8
c.	Site development and other pre-opening requirements	Sections 2B, 2C, 5A, 5B and 5C	Items 7, 8 and 11
d.	Initial and ongoing training	Sections 7B and 7C	Items 5, 6 and 11
e.	Opening	Section 5D	Items 5 and 11
f.	Fees	Sections 6K, 7C, 8, 9, 11C(ix) and 11H	Items 5, 6 and 7
g.	Compliance with standards and policies/Operations Manual	Section 6	Items 6, 7, 8, 11, 14 and 16
h.	Trademarks and proprietary information	Sections 3, 6H, 10E and 10F	Items 13 and 14
i.	Restrictions on products/services offered	Section 6	Items 6, 7, 8, 11, and 16
j.	Warranty and customer services requirements	No provisions relating to warranty requirements. Customer services, see Sections 6 and 9D	Items 6 and 11
k.	Territorial development and sales quotas	Sections 2B and 2C and Attachment A	Item 12
l.	Ongoing product/service purchases	Section 6	Items 6, 7 and 8
m.	Maintenance, appearance, modernization and remodeling requirements	Section 5	Items 8 and 11
n.	Insurance	Section 10C	Items 7 and 8
o.	Advertising	Section 8	Items 6, 7 and 11
p.	Indemnification	Section 10B	Item 6
q.	Owner's participation/ management/staffing	Sections 7 and 15F	Item 15
r.	Records/reports	Sections 6D and 9I	Not Applicable
s.	Inspections/audits	Sections 5C, 6E and 9I	Items 6 and 11

Obligation	Section in Franchise Agreement	Disclosure Document Item
t. Transfer	Section 11	Items 6 and 17
u. Renewal	Section 4	Item 17
v. Post-termination obligations	Sections 10D and 14	Item 17
w. Non-competition covenants	Section 10D	Item 17
x. Dispute resolution	Section 12	Item 17
y. Guarantee	Section 15F	Item 15

ITEM 10
FINANCING

As of the date of this disclosure document we do not offer direct or indirect financing and we do not guarantee your note, lease or obligation.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, 9Round Franchising, LLC, is not required to provide you with any assistance.

Before you open your Center, we will:

1. Provide you with site selection criteria, and the general design for your Center (Franchise Agreement, Sections 5A and 5C).
2. Provide you with the names of Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6C).
3. Provide you with access to the Manual that details the specifications and procedures incidental to the operation of the Center. (Franchise Agreement, Section 6G). These include specifications for equipment, signs, fixtures, opening inventory, and supplies. We do not install the equipment, signs, or fixtures, but we provide installation instructions for certain items.
4. Provide the training programs described below (Franchise Agreement, Sections 7B and 7C).
5. Provide grand opening assistance (Franchise Agreement, Section 8B).

During the operation of your Center, we will:

1. Provide updates to the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6C).
2. Evaluate your business and provide ongoing support and service as we determine necessary (Franchise Agreement, Section 6E).
3. Provide refresher training courses as we determine necessary (Franchise Agreement, Section 7C).

<u>Advertising and Marketing</u>

Before the Center opens for business, you must pay approved vendors the Grand Opening Marketing Fee. After receiving your Grand Opening Marketing Fee payment, our approved vendors will provide to you digital marketing services and pre-opening and grand opening advertising materials for promoting the launch of your Center.

You must use your best efforts to aggressively promote and advertise the Center in your local area and participate in any local promotional programs that we establish. On an ongoing basis, you must spend at least $6,000 per calendar year (an average of $500 per month, which may be more during peak months and less during non-peak months) on advertising or marketing that conforms to our standards and specifications. The advertising program for the products and services offered by 9ROUND Centers currently consists of print, direct mail, digital advertising and special promotions designed for use by franchisees in their local markets. We are not required to spend any amount on advertising in the area or territory where your franchise is located.

Any marketing material not designed or provided by us must be pre-approved; you must submit your marketing materials to us for approval prior to using (print, electronic or other forms of media) and actively promote your Center and the system through use of approved local marketing and marketing materials. We will not unreasonably withhold approval of your marketing materials, which must be factually accurate and current, dignified, up-to-date, and in good condition, and must accurately depict the 9ROUND Marks. The marketing materials will be deemed approved if we do not disapprove or comment within 10 business days of receipt.

<u>National Marketing Fee</u>

You must pay us a National Marketing Fee of $200, or 2% of Net Sales, whichever is greater, per month. "Net Sales" is defined as all sales of services and goods at your Center, whether for cash or credit (and regardless of collectability), but does not include the sale price of goods returned by members and does not include any sales tax or other taxes collected from members by you for remittance to the appropriate taxing authority. This is a fee that you pay to us, and not a contribution to an adverting fund or any kind of group or pooled advertising program. Payments are accounted for as general operating revenue, and we do not provide a separate accounting for how this revenue is spent. In consideration for this fee, we provide general marketing and promotional services for the 9ROUND brand. These services may include any or all of the following: creative development services (such as designing new logos, graphics, and promotional pieces), public relations services, web design services, social media, developing and implementing promotions, tie-ins, contests, or sweepstakes, direct mail advertising, sponsorships and endorsements, trade association memberships (such as IHRSA). Services may be provided by in-house personnel and/or third-party service providers and vendors.

Local Marketing Fund or Cooperative; Franchisee Advertising Council

We have the right to designate, in our discretion, any geographical area in which at least two 9ROUND franchises are located as a "designated advertising area" for the purposes of establishing a Local Marketing Fund that we control ("Local Marketing Fund") or local or regional advertising cooperative controlled by its members ("Cooperative"). If a Local Marketing Fund or Cooperative is established in your market, you will be required to participate and contribute. Any amount contributed to a Local Marketing Fund or Advertising Co-op will be in addition to, and not in lieu of, the National Marketing Fee. We have the right to determine the amount of contribution, in our sole judgment, provided that aggregate monthly contributions will not exceed $500 per month (subject to adjustment for increases in the Consumer Price Index). Any contributions you make to a Local Marketing Fund or Cooperative will count toward the minimum local advertising and marketing expenditure described above.

If we have established a Cooperative in your area, you must participate in the Cooperative and its programs, execute any participating documents we require and abide by its bylaws. A Cooperative may vote to increase the required contribution amount referenced above if approved by members representing at least two-thirds of the Centers in the Cooperative. Each Center in the Cooperative will have one vote. Centers owned by us and our affiliates will be a member of the Cooperative and will make the same contribution and have the same voting rights as franchised locations. Each Cooperative will be required to adopt governing bylaws that meet our approval and that we may require the Cooperative to amend from time to time. The Cooperatives must submit to us its meeting minutes on our request. All advertising cooperatives must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. The members of each Cooperative and their elected officers will be responsible for the administration of the Cooperative. If you wish to obtain an accounting of your local Cooperative you may do so by submitting your request in writing to the officers of the Cooperative. We reserve the right to administer the Cooperatives' funds and will require payment from its members via electronic funds transfer. The governing documents are available for review upon reasonable request. We reserve the right to require advertising and marketing cooperatives to be formed, changed, dissolved or merged.

In the future, we may elect to form an advertising council composed of franchisees to advise us on advertising policies. As of the date of this disclosure document, there is no advertising council in effect for the franchise system.

Technology System

You must acquire, maintain, and use all computer hardware and related accessories and peripheral equipment, including the point of sale, music, and computer system (collectively, the "Technology System") that we require for use by the Center, and may not use any cash registers or computer hardware, accessories or peripheral equipment that we have not approved for use. Requirements for use may include, among other things, connection to remote servers, off-site electronic repositories, and high-speed Internet connections, and establishment of one or more e-mail accounts.

You must: *(i)* use any proprietary software programs, system documentation manuals, and other proprietary materials that we provide to you in connection with your operation of the Center; *(ii)* input and maintain in your computer such data and information as we require in the Manual and other written directives; *(iii)* purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever we adopt such new or upgraded programs, manuals, and materials system-wide; and *(iv)* purchase from our approved supplier a 9ROUND radio subscription which is currently $34-$89 a month for each Center, depending on the subscription package you select. You must enter into all software license agreements, "terms of use" agreements, and software maintenance agreements, in the form and manner we require, and pay all fees imposed by us or any third party software and software service providers hereunder. As technology or software is developed in the future, we may, in our sole discretion, require you to: *(i)* add to your Technology System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software; and *(ii)* replace or upgrade your Technology System and software as we require.

The Technology System will collect and compile customer identification data and other membership data. We may independently access from a remote location, at any time, all information (including member information) input to and compiled by your Technology System or an off-site server.

The point of sale membership management equipment, including computer, scanner, printer, signature pad (optional), and credit card reader, costs $1,000 to $1,500 and $149 a month for support. The credit and debit card processing software is without initial charge, at this time. Leasing is not available. You are obligated to repair and maintain all point of sale and computer systems necessary for the operation of your business. We estimate that this cost may be up to $300 per year. You are required to update and upgrade all necessary point of sale and computer systems in response to changes in the Operations Manual, or changes in our policies that are communicated to you in writing. There are no restrictions on the frequency or cost of such updating and upgrades.

<u>Site Selection</u>

You will select the site for the Center within the Preliminary Designated Area that will be identified in the Summary Pages when you sign the Franchise Agreement. You will identify a site within the Preliminary Designated Area (or if no sites are available in the Preliminary Designated Area, in proximity to it) for our approval. In evaluating the site, we will consider the following factors: demographics, visibility, ability to reflect image to be portrayed by 9ROUND businesses, access and parking, and market type (rural, suburban, and urban). Within 15 days after you have submitted all requested information concerning the site, we will notify you whether or not the site is approved. You must acquire a site for the Center within 90 days after the Franchise Agreement is signed, or we may terminate the Franchise Agreement (Section 2B, 13B and 13D).

<u>Typical Length of Time Before You Open Your Center</u>

Franchisees typically begin operating their Centers within three to six months from the time they sign the franchise agreement or pay any consideration for the franchise. Factors that may impact this time period include the extent of your site selection activities before you sign the Franchise Agreement, local real estate market conditions, and the time it takes to prepare a site survey, negotiate with the landlord, finalize your lease, complete leasehold improvements, and obtain necessary permits.

You must open the Center for business no later than nine months after the Franchise Agreement is signed. If you acquired franchise rights for two or three Centers as part of one of our Market Accelerator Programs, you will sign two or three Franchise Agreements (as applicable) at the same time. You must open the second Center no later than twenty-one months after signing, and must open the third Center (if applicable) no later than thirty-three months after signing. If you fail to open a Center within the required time periods, we may terminate the Franchise Agreement or, at our election, may eliminate any designated area protection afforded in the Franchise Agreement.

Manual

We will provide you with an electronic copy of our Operating Manual, which currently consists of 62 pages and is a definitive source of information that includes brand standards and information on how to run your 9Round Center. The Table of Contents for the Operating Manual including number of pages on each subject, is included herein as Exhibit E. In addition to the Operating Manual, we also communicate operations information to franchisees through system bulletins, newsletters, and our online franchisee portal.

INITIAL TRAINING PROGRAM

We will provide the following initial training to at least two people in your organization. Unless we agree in writing that you may designate someone else to attend training, you (or each owner of the franchisee entity) must complete the initial training program to our satisfaction within 30 days of signing your location lease. If you have a general manager, he or she must also complete training to our satisfaction. We do not charge for this training, but you must pay the travel and living expenses and supply costs for you and your employees. Our training program is four days and includes:

Subject	Classroom Hours	On The Job Training	Location
The 9ROUND System	1 Hour	1 Hour	Greenville, SC or as we otherwise specify.
9ROUND Standards, Client Satisfaction and Retention	1 Hour	2 Hours	Greenville, SC or as we otherwise specify
9ROUND Workout Stations, Boxing and Kickboxing Disciplines		3 Hours	Greenville, SC or as we otherwise specify
Equipment Specifications and Cleanliness of Center	1 Hour	1 Hour	Greenville, SC or as we otherwise specify
Floor Design	1 Hour		Greenville, SC or as we otherwise specify
Safety Procedures	1 Hour	1 Hour	Greenville, SC or as we otherwise specify
Teaching Techniques	1 Hour	1 Hour	Greenville, SC or as we otherwise specify
Business Operations	1 Hour		Greenville, SC or as we otherwise specify
Boxing and Kickboxing Disciplines		2 Hours	Greenville, SC or as we otherwise specify
Merchandising, Supplements Product Sales and Promotions	2 Hours		Greenville, SC or as we otherwise specify
Floor Operations and Drills	2 Hours		Greenville, SC or as we otherwise specify
Membership Packages and Overcoming Client Objections	1 Hour		Greenville, SC or as we otherwise specify
Training Clients and Workout		3 Hours	Greenville, SC or as we otherwise specify
Daily Operations and Checklists	1 Hour		Greenville, SC or as we otherwise specify
Technology and Web Site	1 Hour		Greenville, SC or as we otherwise specify
Administrative and Bookkeeping Responsibilities	2 Hours		Greenville, SC or as we otherwise specify
Training Clients and Workout		4 Hours	Greenville, SC or as we otherwise specify
Starting Your 9ROUND Business	1 Hour		Greenville, SC or as we otherwise specify
Marketing Your Business To Attract Clients	1 Hour		Greenville, SC or as we otherwise specify
Strategic Planning	2 Hours		Greenville, SC or as we otherwise specify
Staffing and Working with Trainers	1 Hour		Greenville, SC or as we otherwise specify
Boxing and Kickboxing Disciplines		2 Hours	Greenville, SC or as we otherwise specify

Subject	Classroom Hours	On The Job Training	Location
Follow Up and Review of previous topics (as needed)	2 Hours		Greenville, SC or as we otherwise specify
Total	23 Hours	20 Hours	

The training program will be conducted by or under the supervision of Shannon Hudson and Heather Hudson, and other instructors as we designate periodically. Shannon Hudson has been immersed in martial arts and fitness training since 1987 and has been with us since our inception in 2008. Heather Hudson has been involved in martial arts and fitness training since 2005 and has been with us since our inception in 2008. The training is subject to change.

Periodically, we may offer ongoing training programs and we may charge a fee for attending these training programs. Currently, our fee ranges from $249 to $500 per person, plus the wages, travel and living expenses, and supply costs for you and your employees. If our representative provides additional training at your Center, we may require you to reimburse us our related out-of-pocket costs. If you designate a new general manager after the initial training program, the new general manager must complete the training to our satisfaction. We reserve the right to charge a fee to train any replacement general manager. We have the right to develop certification programs for Center personnel who provide personal fitness instruction, teach any form of exercise, or provide any kind of fitness or nutrition instruction or counseling. If we implement a certification program for a particular service provider, the service provider must become certified and comply with all certification requirements before providing services. We may charge a fee which you must pay for providing certification-related courses and services. In addition, we may hold and require that your Principal Owner (a person who owns a 25% or greater interest in the franchisee entity) and general manager or other designated employees attend, at your expense, any conference, meeting, convention or seminar to present new methods and programs for operation, training, management, sales or marketing.

ITEM 12
TERRITORY

When the Franchise Agreement is signed, you will select a general geographic area in which you intend to operate your Center ("Preliminary Designated Area"). We generally will approve your selection unless we determine, in our sole judgment, that it may negatively affect the interest of another 9ROUND franchisee or is otherwise unavailable for development under our current policies.

Your Preliminary Designated Area will be identified on the Summary Pages of the Franchise Agreement. Within 90 days after the Franchise Agreement is signed, you must acquire a site for the Center within the Preliminary Designated Area; provided that, if no sites are available in the Preliminary Designated Area, we generally will approve a site in proximity to the Preliminary Designated Area. Once you have acquired the site, we will complete the Franchise Agreement to reflect the site (which will become the Center's "Authorized Location") and to define your "Designated Area" around the Authorized Location. If your approved site is within the Preliminary Designated Area, your Designated Area will be substantially the same as your Preliminary Designated Area in terms of size, shape or demographics. Once defined in Attachment A, your Designated Area will remain constant throughout the initial term of the franchise.

A minimum Designated Area will consist of one city block and, in suburban and rural areas, may be as large as a three-mile driving distance from the anticipated location. The actual size and boundaries of your Designated Area will depend upon a variety of factors, including the population base; density of population; growth trends of population; the density of residential and business entities; and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas.

Unless approved by us, all membership sales must be made face-to-face, although you may solicit membership sales *within* your Designated Area by mail, telemarketing (so long as you abide by all applicable federal, state, and local laws and the no-call lists) or other non-face-to-face basis. You may solicit, advertise and accept memberships online or outside your Designated Area only with our prior approval or according to our then-current policies. There are no other restrictions on your right to solicit or accept memberships inside or outside of your Designated Area. You may not sell merchandise or services through other channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing without our prior written approval.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. During the term of this Agreement, however, neither we nor our affiliates will develop or operate, or grant to anyone else the right to develop or operate, a 9ROUND Center physically located in the Designated Area. We and our affiliates have the right to develop and operate and grant others the right to develop and operate 9ROUND Centers outside the Designated Area, regardless of their proximity to the Designated Area or any negative impact they may have on your Center. We have the right to develop and sell, or authorize others to develop and sell, online memberships for streaming live and on-demand workouts nationwide, including in your territory.

We also have the right to develop and operate, and grant others the right to develop and operate, fitness clubs and other businesses under a different trademark within and outside the Designated Area, which may be similar to or competitive with 9ROUND Centers. We will not operate, franchise or license the operation of a fitness center with 90% or more of its business based on a boxing and kickboxing circuit training program in your Designated Area, except in connection with our acquisition of a multi-unit brand. If we acquire a multi-unit brand (through a stock purchase, asset purchase, merger or otherwise), we or our affiliate may operate, franchise or license the operation of the acquired brand within and outside the Designated Area without offering any rights to you.

Certain locations are by their nature unique and separate in character from sites generally developed as 9ROUND Centers ("Special Sites"). These Special Sites are excluded from the Designated Area and we have the right to develop, license or franchise Centers at these locations within or outside your Designated Area: (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complexes; and (7) corporate office buildings or office parks.

We reserve to ourselves all other rights to use the System and Marks anywhere and in any manner including, without limitation, the right to offer, sell or distribute items such as workout and training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. These distribution channels or methods may include, without limitation, retail stores, mail order, wholesale or the internet (or any other existing or future form of electronic commerce). Our reserved rights also include the right to provide and to license third parties to provide the 9ROUND program, and other ancillary programs developed by or for us or our affiliates, at host locations (such as apartments, condo associations, corporate office buildings, schools, community centers and other gyms and fitness centers).

There are no restrictions on our rights to solicit or accept orders in or outside of your Designated Area. We are not required to compensate you for soliciting or accepting orders in the Designated Area.

Except for the territorial protections described above, you may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Continuation of your Designated Area does not depend on the achievement of a certain sales volume, market penetration or other contingency. You do not have any right to sublicense or sub-franchise within or outside of the Designated Area. You do not receive the right to acquire additional franchises within or outside of your Designated Area (although we may allow you to open another Center if you sign another Franchise Agreement with us and meet our requirements).

If you fail to acquire a site for the Center within 90 days after the Franchise Agreement is signed, instead of terminating this Agreement, we may amend the Franchise Agreement to eliminate the Designated Area protection and open that area for development by us or another franchisee. If you participate in the Market Accelerator Program and fail to meet the deadlines for one or more Centers, we may eliminate the Designated Area protection for the remaining Franchise Agreements for Centers yet to be developed (but not for any Center that is already open). We also may unilaterally modify your Designated Area upon renewal or if you transfer your franchise rights (see Item 17). Other than described above, we have no right to modify your territorial rights except by mutual written consent of the parties.

You may relocate your Center under certain circumstances and subject to our approval. You must pay us a relocation fee in connection with any relocation of your Center. If you need to relocate because of condemnation, destruction, or expiration or cancellation of your lease for reasons other than your breach, we will permit you to relocate the Center to a site that is acceptable to us, that is within your Designated Area, that is reasonably suited for a Center, and that does not infringe on the rights of any other 9ROUND franchisee. The new Center must be open and operating within 60 days after you discontinue operation at the present Center. If you voluntarily decide to relocate the Center, you must notify us of your intent to relocate at least 60 days before you close the present Center. You also must have procured a site within your Designated Area that we accept 15 days prior to closure, have opened the new Center for business within 24 hours after closing the present Center, and must have complied with any other conditions that we reasonably require. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur. Upon relocation of your Center for any reason, we may modify your Designated Area, in our sole judgment, to take into account the designated areas of neighboring Centers and other factors. We have the right to refuse to consent to a relocation if you lose the right to occupy the Center premises because of the termination of your lease due to your breach.

ITEM 13
TRADEMARKS

We own the following Marks, which are registered on the Principal Register of the U.S. Patent and Trademark Office. All required affidavits have been filed.

Trademark	Register	Registration Date	Registration Number
9ROUND	Principal	July 22, 2014	4571726
9ROUND 30 MIN KICKBOX FITNESS	Principal	March 21, 2015	4713987
9R	Principal	May 12, 2015	4736191
9R	Principal	September 22, 2015	4818919
9ROUND PULSE	Principal	June 27, 2017	5233947
9ROUND PULSE	Principal	June 27, 2017	5233948
TRAIN. TRACK. TRIUMPH.	Principal	June 27, 2017	5233949
KICKBOXOLOGY	Principal	August 7, 2018	5536965

There are no agreements currently in effect which significantly limit our rights to use or license the use of the marks in any manner material to you.

You may not make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing. We may change the System presently identified by the Marks including the adoption of new Marks, new program offerings, new equipment or new techniques and you must adopt the changes in the System, as if they were part of the Franchise Agreement at the time of its execution. You must comply, at your cost, within a reasonable time if we notify you to discontinue or modify your use of any Mark. We will have no liability or obligation as to your modification or discontinuance of any Mark. Any goodwill resulting from your use of the Marks inures to our benefit.

There are currently no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the Marks. There are no infringing uses actually known to us that could materially affect your use of the Marks.

If there is any infringement of, or challenge to, your use of the Marks, you must immediately notify us, and we will take action that we deem appropriate. We have the right to control all administrative proceedings and litigation involving the Marks. The Franchise Agreement does not require us to take affirmative action if notified of the claim. The Franchise Agreement also does not require us to participate in your defense or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding based on your use of the Marks, or if the proceeding is resolved unfavorably to you. If we determine that a trademark infringement action requires changes or substitutions to the Marks, you must make the changes or substitutions at your own expense.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own a registered copyright for the video entitled "9Round Circuit Workout," which was registered with the U.S. Copyright Office on December 24, 2009, registration number PA0001690875. Except for this video, there are no registered copyrights or patents, or pending patent applications, material to the franchise. We claim copyright protection, however, for several elements of the System including the design elements of our Marks, and the content of our Manual, training materials, web site, and promotional and other materials.

There are currently no effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to any patents and copyrights and we have the sole right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify us promptly of any infringement or unauthorized use of the patents or copyrights of which you become aware.

You must keep confidential during and after the term of the Franchise Agreement all proprietary information, including but not limited to the manuals. Upon termination of your Franchise Agreement, you must return to us all proprietary information, including but not limited to the manuals and all other copyright material. You must notify us immediately if you learn about an unauthorized use of proprietary information. We are not obligated to take any action and we have the sole right to decide the appropriate response to any unauthorized use of proprietary information. You must comply with all changes to the manuals at your cost.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

During the term of the Franchise Agreement, you (if franchisee is an individual) or your general manager must devote sufficient time and best efforts to the management of the Center. You are expected to stay informed about our organizational plans, initiatives and direction by regular review of communications sent to you electronically or otherwise.

You or your general manager must provide direct on-premises supervision to the Center. The general manager must complete our training course. He or she need not have any equity interest in the franchisee or the business entity that owns or operates the franchise. If he or she fails to satisfactorily complete the training program, you may designate a different individual and you must notify us immediately. We may request that you are present at the Center for any inspection or evaluation we conduct.

All officers, directors, members and all managers, instructors and other employees having access to our proprietary information must execute non-disclosure agreements in a form we accept. If we so require, your managers, instructors and other employees receiving training must execute covenants not to compete in a form that we approve.

Any individual or entity that holds, directly or indirectly any equity interest in the franchisee must sign a personal guaranty. If this is your second or additional franchise, your entity must sign a corporate guaranty.

ITEM 16
RESTRICTIONS ON LOCATION AND WHAT THE FRANCHISEE MAY SELL

You must offer at the Center all of the products, equipment and services that we periodically require and you may not offer at the Center any unapproved products or use the premises for any purpose other than the operation of the Center. We have the unlimited right to change the types of authorized services you may offer.

If permitted by state and local law, you must be open for business for the numbers of days and hours we require, currently a minimum of 58 hours per week (we recommend 73 hours per week). You may solicit and accept Memberships within your Designated Area. We may periodically negotiate contracts with corporations, affinity groups and insurance plans that will require that certain terms or discounts be offered to members of that corporation, affinity group or insurance plan by all franchisees at all locations ("National Accounts"). You must provide the special terms and discounts to these National Accounts. You are not otherwise limited in the customers to whom you may sell products or services.

You may not install or maintain on the Center premises any gaming, entertainment or vending machine without our prior written approval and you must agree to participate in any vending or media program we establish for the system.

You must participate in all marketing promotions that we prescribe, including price promotions to the extent permitted by applicable law. We also have the right to establish your membership and retail prices to the extent permitted by applicable law.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the Agreements attached to this disclosure document.

Provision		Section in Franchise or Other Agreement	Summary
a.	Length of the franchise term	Section 4A	Term is 10 years.
b.	Renewal or extension of the term	Section 4B	Renewal for one additional 10-year term.
c.	Requirements for franchisee to renew or extend	Section 4B	You must give us written notice of your decision to renew at least 6 months but not more than 12 months before the end of the expiring term; you must sign our then-current form of Franchise Agreement, the terms and conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to you, including different fees and a different Designated Area; you must pay a renewal fee; you must have complied with the modernization requirements for your Center; you are not in default and have satisfied your obligations on a timely basis; if leasing, you have written proof of your ability to remain in possession of the Center premises throughout the renewal term and provide any then-required lease addendum; you comply with our training requirements; and you sign a release (provided that any release will not be inconsistent with any state law regulating franchising).
d.	Termination by franchisee	Section 13B	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow at least 60 days' notice and opportunity to cure such breach and, if not cured, wait 90 days from the original notice of breach before terminating the Franchise Agreement. This provision is subject to state laws.
e.	Termination by franchisor without cause	Not applicable	Not applicable.

Provision		Section in Franchise or Other Agreement	Summary
f.	Termination by franchisor with cause	Sections 13A and 13B	We can terminate the Franchise Agreement only if you default or fail to comply with your obligations.
g.	"Cause" defined – curable defaults	Sections 13A and 13B	You have 10 days to cure the non-submission of reports and non-payment of amounts due and owing; 7 days to cure defaults relating to misuse of our Marks and the sale of unauthorized products and services; and 30 days to cure defaults for the failure to abide by our other standards and requirements in connection with the operation of your business, and any other default not listed in h below.
h.	"Cause" defined – non-curable defaults	Sections 13A and 13B	Non-curable defaults include: failure to acquire a site for the Center within 90 days after the Franchise Agreement is signed, or to open the Center for business within nine months after the Franchise Agreement is signed, abandonment, loss of lease, the failure to timely cure a default under the lease, the loss of your right of possession or failure to relocate, closing of Center, insolvency, unapproved assignments or transfers, convictions, intentionally understating or underreporting Memberships or fees, multiple defaults, or failure to cure within seven days of notice a default which materially impairs the goodwill associated with any of our Marks. We also may terminate the franchise agreement in the event of (1) termination, on account of your default, of any other franchise agreement between you or your affiliate and us or (2) abandonment or unauthorized closure of any other Center operated under a franchise agreement between you or your affiliate and us.
i.	Franchisee's obligations on termination/non-renewal	Sections 10D and 14A-C	Obligations include complete de-identification and payment of amounts due, assignment of your lease to us upon our demand, assignment to us of your telephone numbers, return of manuals and proprietary materials, refunding members, and our right to purchase assets of the Center (also see o and r below).

Provision		Section in Franchise or Other Agreement	Summary
j.	Assignment of contract by franchisor	Section 11F	No restriction on our right to assign.
k.	"Transfer" by franchisee – defined	Section 11A	Includes any transfer of your interest in the Franchise Agreement or in the business or any ownership change listed in Section 11A of the Franchise Agreement.
l.	Franchisor approval of transfer by franchisee	Section 11B	We have the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 11B-D	Transferee meets all of our then-current requirements for one of the franchise development programs then being offered, transferee must sign our then-current form of Franchise Agreement, the terms and conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to the transferee, including different fees and a different Designated Area; all amounts owed by prior franchisee paid, required modernization is completed, training completed, required guaranties signed, necessary financial reports and other data on franchise business is prepared, and release signed by you (provided release will not be inconsistent with any state law regulating franchising (also see r below).
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 11E	We can match any offer for your Center assets and, in the case of a proposed stock sale, we can purchase your Center assets at a price determined by an appraiser, unless you and we agree otherwise.
o.	Franchisor's option to purchase franchisee's business	Section 14B	Upon expiration or termination, we have the right to assume your lease for the Center premises, to assume all membership contracts, to assume all telephone numbers used in connection with the operation of your Center, and to purchase or designate a third party that will purchase all or any portion of the assets of your Center, including the equipment, fixtures, signs, furnishings, supplies, leasehold improvements and inventory. Qualified appraiser(s) will determine price as described in the Franchise Agreement.

Provision		Section in Franchise or Other Agreement	Summary
p.	Death or disability of franchisee	Section 11D	You can transfer your franchise right to your heir or successor in interest like any other transfer, but if assignee is an existing franchisee, your spouse or your child, no Initial Franchise Fee is required.
q.	Non-competition covenants during the term of the franchise	Section 10D	No direct or indirect involvement in the operation of any fitness business other than one authorized in the Franchise Agreement. Non-compliance provisions are subject to state law.
r.	Non-competition covenants after the franchise is terminated or expires	Section 10D	No direct or indirect involvement in a competing business for two years at the premises of the former Center; within 25 miles of the former Center; within any other franchisee's Designated Area; or within 25 miles of any other business or Center using the System. Non-compliance provisions are subject to state law.
s.	Modification of agreement	Section 15B	No modifications generally, but we have the right to change the Manual and the list of authorized trademarks. We also have the right to define your Designated Area once you have acquired a site for the Center.
t.	Integration/merger clause	Section 15B	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and Franchise Agreement may not be enforceable. We do not disclaim any representations made in this disclosure document.
u.	Dispute resolution by arbitration or mediation	Section 12	Except for certain claims, all disputes must first be submitted to mediation and, if not resolved by mediation, must be arbitrated in the city where our corporate headquarters are located (currently, Simpsonville, South Carolina) (subject to state law).
v.	Choice of forum	Section 15I	Litigation must be in the city where our corporate headquarters are located (currently, Simpsonville, South Carolina), except as restricted or prohibited by applicable state law regulating franchising.

Provision		Section in Franchise or Other Agreement	Summary
w.	Choice of law	Section 15H	South Carolina law governs construction of the Franchise Agreement and the parties' relationship, except as restricted or prohibited by applicable state law regulating franchising.

ITEM 18
PUBLIC FIGURES

We currently do not use any public figure to promote our franchise; however, in the future and in our sole discretion, we may use social media influencers to promote the 9ROUND brand.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised or franchisor-owned outlets, if there is a reasonable basis for the information and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The COVID-19 outbreak is a developing matter. We, and the fitness industry as a whole, have experienced significant disruptions in business operation. Studios have closed temporarily pursuant to state and local orders or otherwise, and most Studios currently are required to operate at reduced capacity. There is significant uncertainty regarding the extent and duration of the outbreak.

MEMBERSHIP NUMBERS AS OF JULY 31, 2020
FOR THE 506 9ROUND CENTERS
IN OPERATION FOR THE FULL 12 MONTHS ENDED JULY 31, 2020

As of July 31, 2020, there were 755 9ROUND Centers operating in 19 countries. Of these 755 Centers, 546 were in the United States across 41 states. In the United States, 7 Centers are operated by 9Round Franchising, LLC and 538 are franchised locations. Of these 545 U.S. Centers, 506 (499 franchised and 7 affiliate-owned) were in operation for the full 12-month period ending July 31, 2020.

The chart below reflects historical membership information concerning the 499 Franchised Centers that were open and operating in the United States for at least the full 12-month period ending July 31, 2020. None of the following information is based on international operations.

<u>499 Franchised Centers[1]</u>

Trailing 12 Months Ended July 31, 2020	Average Number of Members as of July 31, 2020	Centers that Attained or Surpassed the Average Member Number[3]	Median Number of Members as of July 31, 2020	Centers that Attained or Surpassed the Median Member Number
Centers with top 10% membership counts (50 centers)[2]	294	20 or 40%	280	25 or 50%
Centers with middle 80% membership counts (399 centers)	157	189 or 47%	155	200 or 50%
Centers with bottom 10% membership counts (50 centers)	76	30 or 60%	80	25 or 50%

<u>Note 1</u>. The 9ROUND centers reflected in the above chart are located in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin. The figures reflected in the chart were compiled from unaudited information reported to us by our franchisees. We have

not independently verified any of the sales information upon which this financial performance representation is based.

Note 2. Membership counts in the top tier (top 10%) ranged from 436 to 239, membership counts in the middle tier (middle 80%) ranged from 238 to 94, and membership counts in the bottom tier (bottom 10%) ranged from 93 to 46.

Note 3. As of July 31, 2020, a 9ROUND center in Billings, Montana has 367 members, which is the highest in the System. This Center is located in a strip mall of a suburban area that contains numerous competitive businesses including several boutique fitness centers and other kickboxing and boxing clubs.

The chart below reflects historical membership information concerning the seven Affiliate-Owned Centers that were open and operating for at least the full 12-month period ending July 31, 2020.

7 Affiliate-Owned Centers[1]

Trailing 12 Months Ended July 31, 2020	**Average Number of Members as of July 31, 2020**	**Centers that Attained or Surpassed the Average Member Amount**	**Median Number of Members as of July 31, 2020**	**Centers that Attained or Surpassed the Median Member Amount**
Centers with top 10% membership counts (1 center)[2]	294	1 or 100%	295	1 or 100%
Centers with middle 80% membership counts (5 centers)[3]	200	2 or 40%	195	3 or 60%
Centers with bottom 10% membership counts (1 center)[4]	74	1 or 100%	76	1 or 100%

Note 1. The affiliate-owned centers are all located in South Carolina. The figures reflected in the chart were compiled from unaudited information reported to us by our affiliates. We have not independently verified any of the sales information upon which this financial performance representation is based.

Note 2. In determining how relevant these affiliate-owned centers' sales data may be to your situation, these centers have been operating for several years and are operated by various employees within our organization with vast experience in fitness center management. Therefore, characteristics of affiliate-owned centers may differ substantially from the center that you will operate depending on your previous experience, competition and demographics in your area, and length of time that affiliate-owned centers have operated as compared to your center.

Note 3. Membership counts in the middle tier (middle 80%) ranged from 276 to 130.

Note 4. The affiliate-owned center in the bottom tier (bottom 10%) is a store that is used for primarily for training and media content creation. It is closed to public use most hours of the day. This center is physically located in the same commercial center as the Home Office and has broad territorial overlap with two other affiliate-owned centers.

The chart below reflects historical membership information concerning all 506 Centers (franchised and affiliate-owned) that were open and operating for at least the full 12-month period ending July 31, 2020.

All 506 Centers (Franchised and Affiliate-Owned)[1]

Trailing 12 Months Ended July 31, 2020	Average Number of Members as of July 31, 2020	Centers that Attained or Surpassed the Average Member Number	Median Number of Members as of July 31, 2020	Centers that Attained or Surpassed the Median Member Number
Centers with top 10% membership counts (51 centers)[2]	295	19 or 37%	280	26 or 51%
Centers with middle 80% membership counts (404 centers)	158	192 or 48%	155	202 or 50%
Centers with bottom 10% membership counts (51 centers)	76	30 or 59%	80	26 or 51%

Note 1. The 9ROUND centers reflected in the above chart are located in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin. The figures reflected in the chart were compiled from unaudited information reported to us by our franchisees and, with respect to locations operated or managed by our affiliates, from unaudited information provided to us by our affiliates. We have not independently verified any of the sales information upon which this financial performance representation is based.

Note 2. Membership counts in the top tier (top 10%) ranged from 425 to 238, membership counts in the middle tier (middle 80%) ranged from 234 to 90, and membership counts in the bottom tier (bottom 10%) ranged from 89 to 45.

Some outlets have attained these results. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, 9Round Franchising, LLC, does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of future income, you should report it to the franchisor's management by contacting Shannon Hudson, 847 NE Main Street, Simpsonville, South Carolina 29681 (864) 962-4600, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2017 to July 31, 2020

Outlet Type	Year	Outlets and the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2017	385	490	+105
	2018	490	576	+86
	2019	576	571	-5
	July 31, 2020	571	539	-32
Company Owned	2017	6	7	+1
	2018	7	7	0
	2019	7	7	0
	June 30, 2020	7	7	0
Total Outlets	2017	391	497	+106
	2018	497	583	+86
	2019	583	578	-5
	July 31, 2020	578	546	-32

Table 2
Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
For Years 2017 to July 31, 2020

State	Year	Number of Transfers
Alabama	2017	0
	2018	0
	2019	0
	July 31, 2020	0
California	2017	3
	2018	2
	2019	7
	July 31, 2020	2
Colorado	2017	2
	2018	6
	2019	0
	July 31, 2020	1
Connecticut	2017	0
	2018	1
	2019	1
	July 31, 2020	0
Delaware	2017	0
	2018	0

State	Year	Number of Transfers
	2019	1
	July 31, 2020	0
Florida	2017	2
	2018	4
	2019	5
	July 31, 2020	2
Georgia	2017	2
	2018	0
	2019	0
	July 31, 2020	2
Illinois	2017	1
	2018	1
	2019	1
	July 31, 2020	0
Indiana	2017	0
	2018	0
	2019	0
	July 31, 2020	1
Iowa	2017	0
	2018	1
	2019	0
	July 31, 2020	0
Kansas	2017	3
	2018	2
	2019	0
	July 31, 2020	0
Kentucky	2017	2
	2018	1
	2019	0
	July 31, 2020	0
Maryland	2017	0
	2018	1
	2019	0
	July 31, 2020	0
Massachusetts	2017	0
	2018	1
	2019	1
	July 31, 2020	0
Michigan	2017	0
	2018	2
	2019	2
	July 31, 2020	0
Minnesota	2017	1
	2018	2
	2019	0

State	Year	Number of Transfers
	July 31, 2020	2
Missouri	2017	4
	2018	2
	2019	3
	July 31, 2020	1
Nebraska	2017	0
	2018	1
	2019	3
	July 31, 2020	0
Nevada	2017	1
	2018	0
	2019	1
	July 31, 2020	0
New Hampshire	2017	1
	2018	1
	2019	0
	July 31, 2020	0
New York	2017	2
	2018	0
	2019	0
	July 31, 2020	0
North Carolina	2017	2
	2018	6
	2019	5
	July 31, 2020	0
Ohio	2017	0
	2018	0
	2019	0
	July 31, 2020	1
Pennsylvania	2017	0
	2018	1
	2019	0
	July 31, 2020	0
South Carolina	2017	6
	2018	2
	2019	0
	July 31, 2020	2
South Dakota	2017	2
	2018	0
	2019	0
	July 31, 2020	0
Tennessee	2017	4
	2018	0
	2019	2
	July 31, 2020	0

State	Year	Number of Transfers
Texas	2017	4
	2018	13
	2019	10
	July 31, 2020	1
Utah	2017	0
	2018	0
	2019	0
	July 31, 2020	1
Virginia	2017	0
	2018	2
	2019	0
	July 31, 2020	1
Washington	2017	0
	2018	1
	2019	1
	July 31, 2020	0
Wisconsin	2017	0
	2018	2
	2019	0
	July 31, 2020	4
Total	2017	37
	2018	55
	2019	43
	July 31, 2020	21

Table 3
Status of Franchise Outlets
For Years 2017 to July 31, 2020

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Alabama	2017	7	1	0	0	0	0	8
	2018	8	2	0	0	0	0	10
	2019	10	3	0	0	0	1	12
	July 31, 2020	12	1	0	0	0	0	13
Arizona	2017	4	0	0	0	0	0	4
	2018	4	1	0	0	0	0	5
	2019	5	1	0	0	0	0	6
	July 31, 2020	6	1	0	0	0	0	7
Arkansas	2017	2	2	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	July 31, 2020	4	0	0	0	0	1	3
California	2017	34	20	0	0	0	0	54
	2018	54	20	0	0	0	1	73
	2019	73	11	0	0	0	7	77
	July 31, 2020	77	5	0	0	0	4	78
Colorado	2017	14	1	0	0	0	0	15
	2018	15	3	0	0	0	0	18
	2019	18	1	0	0	0	4	15
	July 31, 2020	15	1	0	0	0	4	12
Connecticut	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
	July 31, 2020	5	0	0	0	0	1	4
Delaware	2017	1	1	0	0	0	0	2
	2018	2	4	0	0	0	0	6
	2019	6	0	0	0	0	1	5
	July 31, 2020	5	0	0	0	0	0	5
Florida	2017	24	10	0	0	0	0	34
	2018	34	12	0	0	0	2	44
	2019	44	11	0	0	0	1	54
	July 31, 2020	54	3	0	0	0	3	54
Georgia	2017	10	2	0	0	0	1	11
	2018	11	5	0	0	0	0	16
	2019	16	2	0	0	0	1	17
	July 31, 2020	17	0	0	0	0	1	16
Idaho	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	July 31, 2020	0	1	0	0	0	0	1
Illinois	2017	10	1	0	0	0	0	11
	2018	11	3	0	0	0	0	14
	2019	14	2	0	0	0	3	13

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	July 31, 2020	13	0	0	0	0	1	12
Indiana	2017	7	3	0	0	0	0	10
	2018	10	3	0	0	0	0	13
	2019	13	1	0	0	0	2	12
	July 31, 2020	12	0	0	0	0	0	12
Iowa	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	1	1
	2019	1	0	0	0	0	0	1
	July 31, 2020	1	1	0	0	0	1	2
Kansas	2017	5	2	0	0	0	0	7
	2018	7	1	0	0	0	0	8
	2019	8	0	0	0	0	0	8
	July 31, 2020	8	1	0	0	0	1	8
Kentucky	2017	6	0	0	0	0	1	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	2	3
	July 31, 2020	3	0	0	0	0	0	3
Louisiana	2017	1	1	0	0	0	0	2
	2018	2	0	0	0	0	1	1
	2019	1	0	0	0	0	0	1
	July 31, 2020	1	1	0	0	0	0	2
Maine	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	July 31, 2020	1	0	0	0	0	0	1
Maryland	2017	5	1	0	0	0	0	6
	2018	6	1	0	0	0	2	5
	2019	5	0	0	0	0	1	4
	July 31, 2020	4	0	0	0	0	1	3
Massachusetts	2017	4	2	0	0	0	0	6
	2018	6	2	0	0	0	0	8
	2019	8	0	0	0	0	1	7

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	July 31, 2020	7	0	0	0	0	0	7
Michigan	2017	7	5	0	0	0	0	12
	2018	12	0	0	0	0	0	12
	2019	12	1	0	0	0	4	9
	July 31, 2020	9	0	0	0	0	0	9
Minnesota	2017	13	1	0	0	0	0	14
	2018	14	3	0	0	0	3	14
	2019	14	0	0	0	0	2	12
	July 31, 2020	12	0	0	0	0	3	9
Missouri	2017	24	1	0	0	0	1	24
	2018	24	0	0	0	0	0	24
	2019	24	2	0	0	0	1	25
	July 31, 2020	25	0	0	0	0	3	22
Montana	2017	1	2	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	July 31, 2020	3	0	0	0	0	0	3
Nebraska	2017	3	1	0	0	0	0	4
	2018	4	2	0	0	0	0	6
	2019	6	0	0	0	0	1	5
	July 31, 2020	5	0	0	0	0	0	5
Nevada	2017	1	0	0	0	0	0	1
	2018	1	3	0	0	0	0	4
	2019	4	0	0	0	0	0	4
	July 31, 2020	4	0	0	0	0	0	4
New Hampshire	2017	3	5	0	0	0	0	8
	2018	8	3	0	0	0	0	11
	2019	11	0	0	0	0	1	10
	July 31, 2020	10	0	0	0	0	0	10
New Jersey	2017	3	2	0	0	0	0	5
	2018	5	4	0	0	0	2	7
	2019	7	0	0	0	0	2	5

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	July 31, 2020	5	0	0	0	0	2	3
New Mexico	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	2	0
	July 31, 2020	0	0	0	0	0	0	0
New York	2017	4	2	0	0	0	0	6
	2018	6	2	0	0	0	0	8
	2019	8	1	0	0	0	2	7
	July 31, 2020	7	1	0	0	0	1	7
North Carolina	2017	32	5	0	0	0	2	35
	2018	35	3	0	0	0	3	35
	2019	35	2	0	0	0	2	35
	July 31, 2020	35	1	0	0	0	1	35
North Dakota	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	1	0
	2019	0	0	0	0	0	0	0
	July 31, 2020	0	0	0	0	0	0	0
Ohio	2017	12	8	0	0	0	0	20
	2018	20	0	0	0	0	1	19
	2019	19	0	0	0	0	0	19
	July 31, 2020	19	0	0	0	0	4	15
Oklahoma	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	1	2
	2019	2	0	0	0	0	0	2
	July 31, 2020	2	1	0	0	0	0	3
Oregon	2017	7	1	0	0	0	0	8
	2018	8	0	0	0	0	2	6
	2019	6	0	0	0	0	2	4
	July 31, 2020	4	0	0	0	0	1	3
Pennsylvania	2017	5	2	0	0	0	0	7
	2018	7	1	0	0	0	0	8
	2019	8	0	0	0	0	3	5

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
	July 31, 2020	5	0	0	0	0	0	5
South Carolina	2017	32	2	0	0	1	1	32
	2018	32	3	0	0	1	7	27
	2019	27	0	0	0	0	1	26
	July 31, 2020	26	1	0	0	0	5	22

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
South Dakota	2017	2	0	0	0	0	0	2
	2018	2	1	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	July 31, 2020	3	0	0	0	0	0	3
Tennessee	2017	12	2	0	0	0	1	13
	2018	13	1	0	0	0	1	13
	2019	13	0	0	0	0	4	8
	July 31, 2020	8	0	0	0	0	3	5
Texas	2017	38	20	0	0	0	3	55
	2018	55	21	0	0	0	3	76
	2019	76	17	0	0	0	2	91
	July 31, 2020	91	1	0	0	0	7	85
Utah	2017	0	1	0	0	0	0	1
	2018	1	2	0	0	0	0	3
	2019	3	0	0	0	0	0	3
	July 31, 2020	3	0	0	0	0	0	3
Virginia	2017	20	2	0	0	0	1	21
	2018	21	5	0	0	0	1	25
	2019	25	0	0	0	0	9	16
	July 31, 2020	16	0	0	0	0	3	13
Washington	2017	3	3	0	0	0	0	6
	2018	6	5	0	0	0	0	11
	2019	11	2	0	0	0	0	13
	July 31, 2020	13	0	0	0	0	0	13
Wisconsin	2017	16	5	0	0	0	0	21
	2018	21	2	0	0	0	2	21
	2019	21	1	0	0	0	2	20
	July 31, 2020	20	0	0	0	0	1	19
Totals	2017	385	117	0	0	1	11	490
	2018	490	119	0	0	1	32	576
	2019	576	59	0	0	0	64	571
	July 31, 2020	571	19	0	0	0	51	539

Table 4
Status of Company-Owned Outlets
For Years 2017 to July 31, 2020

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
South Carolina	2017	6	0	1	0	0	7
	2018	7	1	1	2	0	7
	2019	7	0	0	0	0	7
	July 31, 2020	7	0	0	0	0	7
Totals	2017	6	0	1	0	0	7
	2018	7	1	1	2	0	7
	2019	7	0	0	0	0	7
	June 30, 2020	7	0	0	0	0	7

Table 5
Projected New Franchised Outlets
As of July 31, 2020

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Alabama	7	0	0
Arkansas	0	0	0
Arizona	4	0	0
California	24	5	0
Colorado	7	1	0
Delaware	1	0	0
District of Columbia	1	0	0
Florida	21	2	0
Georgia	2	1	0
Illinois	5	1	0
Indiana	1	0	0
Iowa	3	0	0
Kansas	1	1	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	2	1	0
Maryland	1	0	0
Massachusetts	1	1	0
Michigan	3	0	0
Minnesota	12	1	0
Missouri	2	0	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Nebraska	1	1	0
Nevada	1	0	0
New Hampshire	1	0	0
New Jersey	1	0	0
New York	2	1	0
North Carolina	6	0	0
Ohio	4	0	0
Oregon	3	0	0
Pennsylvania	3	1	0
South Carolina	2	1	0
South Dakota	0	0	0
Tennessee	5	0	0
Texas	31	4	0
Vermont	1	1	0
Virginia	5	0	0
Washington	8	1	0
Wisconsin	1	0	0
Total	173	24	0

Attached at Exhibit D is a list of 9ROUND Centers open as of July 31, 2020 and a list of franchisees who are in the process of opening Centers. Exhibit D also includes a list of franchisees who have left the system within the last fiscal year or who have not communicated with us within 10 weeks of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisee has signed, within the last three years, a confidentiality clause with us that would restrict the franchisee's ability to openly communicate with you.

There is a 9ROUND Franchisee Advisory Council comprised of ten (10) members representing various geographic areas: eight (8) U.S. 9ROUND franchisees, one (1) Canadian 9ROUND Franchisee, and one (1) 9ROUND franchisor representative. Franchisee council candidates self-nominate at 9Round's annual convention, and then are elected by other 9ROUND franchisees. Council members typically serve one (1) year terms, but some members may be asked or elected to serve an additional one (1) year term. Council members meet once a month via phone and then meet twice a year in person: once at 9Round's home office in Simpsonville, South Carolina, and then again at 9Round's annual convention.

The following independent franchisee organizations have asked to be included in this disclosure document:

IA9RF
an Independent Association of 9Round Fitness Franchisees
a Chapter of the
American Association of Franchisees & Dealers
PO Box 10158
Palm Desert, CA 92255-1058
Phone: 619-209-3775
Fax: 866-855-1988
Email: IA9RF@aafdchapters.org

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit B are our audited balance sheets as of December 31, 2019, December 31, 2018, and December 31, 2017, and the related consolidated statements of operations and comprehensive income, and changes in member equity and cash flows for the years then ended.

ITEM 22
CONTRACTS

This disclosure document includes a sample of the following contracts:

Exhibit C - Franchise Agreement, Renewal Addendum, and State Specific Addenda

Exhibit F - Sample Membership Agreement

Exhibit G - Sample Form of General Release Agreement

ITEM 23
RECEIPTS

Attached to this disclosure document in Exhibit H are two detachable acknowledgments of receipt.

STATE APPENDIX TO DISCLOSURE DOCUMENT

FOR THE STATE OF CALIFORNIA

The State Cover Page is supplemented by the following:

7. THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT A FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLAIMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

The California Corporations Code, Section 31125, requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

Item 3 of the disclosure document is supplemented by the following:

> Neither the franchisor nor any person identified in Item 2 of the disclosure document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A., 78a *et. seq.*, suspending or expelling such persons from membership in such association or exchange.

Item 6 of the disclosure document is supplemented by the following:

Interest	12% per annum or the highest lawful interest rate in California, currently 10% per annum	Upon demand	Payable only if you fail to pay amounts owed to us when due.

Item 17 of the disclosure document is supplemented by the following:

> California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning transfer, termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
>
> You must sign a release if you renew or transfer your franchise. California Corporations Code voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
>
> The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
>
> The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).
>
> The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
>
> The Franchise Agreement requires binding arbitration. The arbitration will occur at the city where our corporate headquarters are located (currently, Simpsonville, South Carolina). This provision may not be enforceable under California law.

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

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

While the earnings claims figures do reflect historical gross sales ranges, they do not reflect all operating expenses or other costs and expenses that must be deducted from gross sales to obtain net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

Our website can be found at www.9round.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

FOR THE STATE OF ILLINOIS

Notwithstanding the provisions of the Franchise Agreement that South Carolina law shall govern, Illinois law shall apply to and govern any claim between the parties under the Franchise Agreement that alleges violation of the Act.

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

Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Item 1 of the disclosure document is supplemented by the following paragraphs:

The Illinois Physical Fitness Facility Medical Emergency Preparedness Act requires that a physical fitness facility (which excludes any facility serving less than 100 individuals or that does not employ any persons to provide instruction, training, or assistance for persons using the facility) have at least one automated external defibrillator (AED) and ensure that there is a trained AED user on staff and present during all staffed hours. Other provisions apply. See 210 ILCS 74 *et seq*.

The Illinois Dance Studio Act (which applies to any person or business entity which contract with members of the general public to provide dance studio services, including instruction, training or assistance in dancing, the use of studio facilities, membership in any group formed by a dance studio, and participation in dance competitions or showcases) requires that every contract for dance studio services be in writing and its contents must conform to the Act's requirements. The Act provides for contract execution, cancellation and refund. Other provisions apply. See 815 ILCS 610 *et seq*.

FOR THE STATE OF MARYLAND

Item 17 of the disclosure document is supplemented by the following:

(a) Any release or waiver provision contained in the Franchise Agreement or any release required as a condition of the sale, renewal, and/or assignment/transfer of the franchise shall not apply to any liability incurred under the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law").

(b) Any claims arising under the Maryland Franchise Law must be brought within three years after the grant of the franchise;

(c) Subject to your arbitration obligations, any provision in the Franchise Agreement requiring litigation in a forum outside the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland.

FOR THE STATE OF MINNESOTA

Item 13 of the disclosure document is supplemented by the following:

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols ("Marks") or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred that you incur in the defense of your right to use the Marks, so long as you were using the Marks in the manner that we authorized, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 of the disclosure document is supplemented by the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that (1) a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

To the extent that any condition, stipulation, or provision contained in the Franchise Agreement (including any choice of law provision) purports to require any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota, to waive compliance with the Minnesota Franchises Law, such condition, stipulation, or provision may be void and unenforceable under the non-waiver provision of the Minnesota Franchises Law.

FOR THE STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND

NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added to the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order or any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor nor its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of this Franchise Disclosure Document: (a) filed as a debtor (or had filed against it) a petition to star an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17 (m), entitled "**Conditions for franchisor approval of transfer**".

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**".

You may terminate the agreement on any grounds available by law.

7. The following is added the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**".

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**".

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

FOR THE STATE OF NORTH DAKOTA

1. The Securities Commissioner for the State of North Dakota has held that the provisions stated below in (a) through (h) are unfair, unjust, or inequitable to North Dakota Franchisees (Section 51-19-09, N.D.C.C.) and may be unenforceable under North Dakota Law:

(a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the Franchise Agreement;

(b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;

(c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;

(d) A provision requiring a choice of law contrary to the North Dakota Franchise Investment Law;

(e) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;

(f) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;

(g) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages; and

(h) A provision requiring the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the Franchise Agreement.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the Franchise Agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The site of any mediation or arbitration of the parties' disputes shall be at a site mutually agreeable to all parties. If all parties cannot agree upon a location, the arbitration or mediation shall be Fargo, North Dakota.

FOR THE STATE OF RHODE ISLAND

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

FOR THE COMMONWEALTH OF VIRGINIA

Item 1 of the disclosure document is supplemented by the following:

> Health spas in Virginia are regulated by the Department of Agriculture, Office of Consumer Affairs who can be reached at (804)786-1343.

Item 6 of the disclosure document is supplemented by the following:

> Any securities offered or sold by the Investor Franchisee as part of the 9Round Franchising, LLC franchise must either be registered or exempt from registration under Section 13.1-514 of the Virginia Securities Act.

Item 17 of the Franchise Disclosure Document is amended as follows:

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document for 9Round Franchising, LLC, for use in the Commonwealth of Virginia is supplemented by the following:

> "Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel.

Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

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

FOR THE STATE OF WISCONSIN

Item 17 of the disclosure document is supplemented by the following:

For franchisees subject to the Wisconsin Fair Dealership Law, Ch. 135, Stats., provisions in the Fair Dealership Law supersede any inconsistent provisions of the Franchise Agreement or a related contract.

EXHIBIT A
LIST OF STATE ADMINISTRATORS
LIST OF AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

California
Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, California 90013
(213) 576-7500

Hawaii
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois
Office of Attorney General
500 S. Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana
Franchise Section, Securities Division
302 W. Washington St., Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Maryland
Office of Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-7042

Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise Section
525 W. Ottawa Street
G. Mennen Williams Bldg., 1st Floor
Lansing, Michigan 48913
(517) 373-7117

Minnesota
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

New York
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

North Dakota
North Dakota Securities Department
600 East Blvd. Avenue
State Capitol, Fifth Floor Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Oregon
Division of Consumer and Business Services
350 Winter St. N.E. Labor & Industries Bldg., Rm 21
Salem, Oregon 97310
(503) 378-4387

Rhode Island
Department of Business Regulation
Securities Division
1511 Pontiac Avenue, Bldg. 69-1
Cranston, Rhode Island 02920
(401) 462-9527

South Dakota
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Washington
Department of Financial Institutions, Securities Div.
150 Israel Road, S.W.
Tumwater, Washington 98501
(360) 902-8760

Wisconsin
Division of Securities
Department of Financial Institutions
345 W. Washington Street, 4th Floor
Madison, WI 53703
(608) 266-8559

LIST OF AGENTS FOR SERVICE OF PROCESS

California
Commissioner of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, California 90013

Hawaii
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana
Indiana Secretary of State
302 W. Washington St., Room E-111
Indianapolis, Indiana 46204

Maryland
Maryland Securities Commissioner
Office of the Attorney General
200 St. Paul Place
Baltimore, Maryland 21202-2020

Michigan
Michigan Department of Attorney General
Consumer Protection Division
Franchise Section
525 W. Ottawa Street
G. Mennen Williams Bldg., 1st Floor
Lansing, Michigan 48913

Minnesota
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198

New York
Secretary of State of The State of New York
One Commerce Plaza
99 Washington Avenue
Albany, New York 12231

North Dakota
Securities Commissioner
600 East Boulevard Avenue, 5th Floor
Bismarck, North Dakota 58505

Oregon
Director
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

Rhode Island
Director of Department of Business Regulation
1511 Pontiac Avenue, Bldg. 69-1
Cranston, Rhode Island 02920

South Dakota
Director
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Virginia
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

Washington
Director
Department of Financial Institutions
150 Israel Road, S.W.
Tumwater, Washington 98501

Wisconsin
Commissioner of Securities
Fourth Floor
345 West Washington Avenue
Madison, Wisconsin 53703

EXHIBIT B
FINANCIAL STATEMENTS

9Round Franchising, LLC

Report on Consolidated Financial Statements

For the years ended December 31, 2019 and 2018

Contents

Page

Independent Auditor's Report

To the Members
9Round Franchising, LLC
Simpsonville, South Carolina

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of 9Round Franchising, LLC and its subsidiaries (collectively the "Company"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the related consolidated statements of operations and comprehensive income, changes in members' deficit and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of 9Round Franchising, LLC and its subsidiaries as of December 31, 2019 and 2018, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company has changed its method of accounting for revenue from contracts with customers effective January 1, 2019 due to the adoption of Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)* and all subsequent ASU's that modified Topic 606.

Subsequent Events

As discussed in Note 11 to the consolidated financial statements, the Company has been adversely impacted and may continue to be adversely impacted by the COVID-19 global pandemic. Our opinion is not modified with respect to that matter.

Elliott Davis, LLC

Greenville, South Carolina
April 1, 2020

9Round Franchising, LLC

Consolidated Balance Sheets

As of December 31, 2019 and 2018

	2019	2018
Assets		
Current assets		
Cash and cash equivalents	$ 3,550,867	$ 3,133,556
Trade accounts receivable	928,825	951,201
Inventory	2,001,175	2,417,304
Prepaid expenses	536,782	339,994
Current portion of deferred franchise costs	603,616	1,273,257
Due from related parties	-	230,125
Income taxes receivable	9,016	-
Current portion of notes receivables	19,842	31,622
Total current assets	7,650,123	8,377,059
Noncurrent assets		
Property, plant and equipment, net	5,602,744	6,582,772
Notes receivable, net of current portion	12,543	19,058
Intangibles, net	142,255	205,580
Deferred franchise costs, net of current portion	4,400,232	3,863,103
Deferred tax asset	141,887	131,638
Other assets	11,834	14,619
Total noncurrent assets	10,311,495	10,816,770
Total assets	$ 17,961,618	$ 19,193,829
Liabilities and Members' Deficit		
Current liabilities		
Accounts payable	$ 407,954	$ 697,726
Accrued expenses	343,532	525,585
Income taxes payable	-	12,375
Current portion of deferred franchise revenue	1,729,480	3,153,556
Current portion of capital lease payable	38,217	111,140
Other current liabilities	169,036	57,567
Total current liabilities	2,688,219	4,557,949
Long-term liabilities		
Capital lease payable, net of current portion	4,478,604	5,622,668
Deferred franchise revenue, net of current portion	12,117,207	10,600,067
Other long-term liabilities	-	62,620
Total long-term liabilities	16,595,811	16,285,355
Total liabilities	19,284,030	20,843,304
Members' deficit	(1,322,412)	(1,649,475)
Total liabilities and members' deficit	$ 17,961,618	$ 19,193,829

See Notes to Consolidated Financial Statements

9Round Franchising, LLC

Consolidated Statements of Operations and Comprehensive Income

For the years ended December 31, 2019 and 2018

	2019	2018
Revenues		
Franchise fee revenue	$ 3,246,071	$ 2,741,148
Master and area license fee revenue	256,723	326,878
Royalty revenue	3,838,083	3,364,411
Fee revenue	3,332,218	2,877,582
Product revenue	9,880,754	9,373,747
Rebate revenue	1,741,198	1,725,837
Other revenue	1,037,117	545,032
Total revenues	23,332,164	20,954,635
Cost of product revenue	5,928,468	5,470,565
Operating expenses		
Advertising and marketing	2,487,717	1,821,976
Depreciation and amortization	629,878	474,590
Commissions	1,397,158	1,125,532
Professional fees	811,717	845,330
Rent and lease expense	30,604	47,293
Personnel costs	3,030,145	2,660,324
Other operating expenses	3,498,132	3,050,401
Total operating expenses	11,885,351	10,025,446
Income from operations	5,518,345	5,458,624
Other income (expense)		
Interest expense	(185,641)	(77,790)
Interest income	6,163	7,836
Unrealized foreign currency gain (loss)	1,887	(17,374)
Loss on disposal of property, plant and equipment	-	(10,036)
Other (expense) income, net	(30,126)	19,756
Total other income (expense), net	(207,717)	(77,608)
Income before income taxes	5,310,628	5,381,016
Income tax (expense) benefit	(6,459)	48,404
Net income	5,304,169	5,429,420
Other comprehensive loss		
Changes in cumulative translation adjustments	(8,244)	(16,325)
Total comprehensive income	$ 5,295,925	$ 5,413,095

See Notes to Consolidated Financial Statements

9Round Franchising, LLC

Consolidated Statements of Changes in Members' Deficit

For the years ended December 31, 2019 and 2018

	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Members' Deficit
Balance, January 1, 2018	$ (3,324)	$ (1,556,692)	$ (1,560,016)
Distributions to members	-	(5,502,554)	(5,502,554)
Net income	-	5,429,420	5,429,420
Other comprehensive loss	(16,325)	-	(16,325)
Balance, December 31, 2018	(19,649)	(1,629,826)	(1,649,475)
Distributions to members	-	(4,968,862)	(4,968,862)
Net income	-	5,304,169	5,304,169
Other comprehensive loss	(8,244)	-	(8,244)
Balance, December 31, 2019	$ (27,893)	$ (1,294,519)	$ (1,322,412)

See Notes to Consolidated Financial Statements

9Round Franchising, LLC

Consolidated Statements of Cash Flows

For the years ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Net income	$ 5,304,169	$ 5,429,420
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	629,878	474,490
Decrease in discount on notes receivable	116	(2,269)
Loss on disposal of property, plant and equipment	-	10,036
Loss on modification of capital lease	81,874	-
Write-off of uncollectible notes and long-term receivables	9,000	44,088
Deferred taxes	(4,113)	(60,938)
Changes in operating assets and liabilities:		
Trade accounts receivable	25,623	(315,334)
Inventory	416,129	(1,780,835)
Prepaid expenses	(196,689)	227,630
Deferred franchise costs	180,386	98,414
Due from related parties	117,908	(178,076)
Other assets	2,787	(11,733)
Accounts payable	(290,284)	13,776
Accrued expenses	(184,764)	189,142
Income taxes payable	(21,536)	(32,126)
Other current liabilities	111,469	-
Deferred franchise revenue	13,992	478,193
Other long-term liabilities	(62,620)	-
Net cash provided by operating activities	6,133,325	4,583,878
Cash flows from investing activities		
Purchase of property, plant and equipment	(745,922)	(657,695)
Purchase of intangible assets	-	(59,521)
Issuance of notes receivable	(23,800)	(27,500)
Collections on notes receivable	32,979	51,705
Net cash used for investing activities	(736,743)	(693,011)
Cash flows from financing activities		
Principal payments on capital leases	(55,865)	(96,699)
Distributions to members	(4,968,862)	(5,502,554)
Net cash used for financing activities	(5,024,727)	(5,599,253)
Net increase (decrease) in cash and cash equivalents	371,855	(1,708,386)
Exchange rate effect on cash and cash equivalents	45,456	(62,827)
Cash and cash equivalents, beginning of year	3,133,556	4,904,769
Cash and cash equivalents, end of year	$ 3,550,867	$ 3,133,556
Supplemental disclosure		
Cash paid for interest	$ 185,641	$ 77,794
Cash paid for income taxes	$ -	$ 1,569
Property and equipment purchased under a capital lease obligation	$ 322,278	$ 2,415,232
Modification of a capital lease	$ (1,565,274)	$ -
Intangible assets purchase financed	$ -	$ 120,187

See Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies and Activities

Description of business:

9Round Franchising, LLC and its subsidiaries (collectively the "Company") were formed for the purpose of granting franchises for the establishment and operation of a center ("Center") offering a service-oriented boxing and kickboxing fitness program combining strength, cardiovascular exercises and circuit training for the entire body to achieve results. A 9Round Center offers boxing and kickboxing fitness programs that provide professional assistance to clients for a total body workout using our proprietary system of challenging workout stations. A 9Round Center franchise will offer clients a variety of comprehensive services that include but are not limited to teaching various boxing and kickboxing disciplines in addition to selling retail and fitness products utilizing the Company's proprietary business format and system.

On December 15, 2008, 9Round Franchising, LLC was formed under the laws of the State of South Carolina.

On November 27, 2013, the Company incorporated 9Round Franchising of Canada, Inc. under the British Columbia Corporations Act. On January 1, 2019, 9Round Franchising of Canada, Inc. was amalgamated as one company under the name 9RFranchising Canada, ULC. 9RFranchising Canada, ULC is a wholly owned subsidiary of 9Round Franchising, LLC.

On December 16, 2014, the Company formed 9Round International, LLC under the laws of the State of South Carolina. 9Round International, LLC is a wholly owned subsidiary of 9Round Franchising, LLC.

During 2008, the Company began offering franchises pursuant to federal and state laws that regulate the sale of franchises including the Federal Trade Commission's Franchise Rule. The Company's accounting for franchising operations is in accordance with franchisor accounting, generally accepted in the United States of America.

The franchise agreements typically require the franchisee to pay an initial, nonrefundable fee, as well as continuing royalties to the Company generally based upon a fixed fee stated in the contract. In most cases, under these arrangements, franchisees are granted the right to use and operate the location for a period of ten years with an additional ten year renewal option contingent on payment of a renewal fee.

Principles of consolidation:

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of 9Round Franchising, LLC and its wholly owned subsidiaries, 9RFranchising Canada, ULC and 9Round International, LLC. All significant intra-entity balances and transactions have been eliminated.

Cash and cash equivalents:

The Company places its cash with high quality financial institutions. The Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. At times, such investments may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits. The Company has not experienced losses in such investments and does not believe it is exposed to any significant risk on its cash and cash equivalents.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Trade accounts receivable:

Trade accounts receivable consist primarily of franchise fees, royalties, and other fees due from franchisees, less an allowance for doubtful accounts. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. No interest is charged on outstanding receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts. As of December 31, 2019 and 2018, no allowance for uncollectible accounts was recorded.

Inventory:

Inventory consisting of gym supplies, personal equipment, and apparel is stated at lower of cost or net realizable value. Net realizable value represents the estimated selling price for inventory less all estimated costs to sell. The cost of inventory is based on the first-in, first-out (FIFO) basis, and includes expenditures incurred in acquiring the inventory and other costs incurred in bringing them to their existing location and condition. A provision or write off is made for any obsolete or damaged inventory identified by management. Damaged inventory is written down as identified. Obsolescence is assessed based on factors such as consumable inventory and comparison of the level of inventory holding to the projected likely future sales using factors existing at the reporting date. As of December 31, 2019 and 2018 there was no reserve for slow-moving or obsolete inventory.

Deferred franchise costs:

Deferred franchise costs consist of commissions and other direct costs relating to initial franchise fees, development agreements and license fees for which revenue has not been recognized are deferred until the related revenue is recognized.

Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the asset, and leasehold improvements are amortized over the shorter of the estimated useful lives or the period of the respective leases. The estimated useful lives of the assets are as follows:

	Estimated Useful Life
Buildings	30.25 Years
Leasehold improvements	30.25 Years
Furniture and fixtures	7 Years
Vehicles, software and equipment	3-5 Years

Upon disposition, the asset cost and related accumulated depreciation are removed from the books and the resulting gain or loss is included in other expenses in the accompanying consolidated statements of operations and comprehensive income. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Notes receivable:

Notes receivable consist of amounts due from new franchisees when a portion of the franchise sale has been financed by the Company, less an allowance for doubtful accounts for estimated losses resulting from franchisees' failure to make note payments in accordance with the terms of their respective loan agreements. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Amounts charged to the allowance for doubtful accounts are accounted for as a reduction in franchise fee revenue. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful notes. As of December 31, 2019 and 2018, no allowance for uncollectible notes was recorded. Certain notes receivable from franchisees do not have a stated interest rate, the Company determines an effective interest rate in accordance with Accounting Standards Codification ("ASC") 835-30-35 *Interest on Receivables and Payables*. The Company recognizes interest income from these notes in the period earned.

Intangible assets:

Intangible assets primarily consist of certain legal and related costs incurred in connection with trademark applications as well as costs to acquire the franchise development rights for Wisconsin from a franchisee. The Company capitalizes such costs to the extent that an economic benefit is anticipated from the resulting trademark and development rights or an alternative future use is available to the Company. Amortization of trademark costs and development rights is provided for by the straight-line method over the estimated useful lives of the assets. The Company's assessment of future economic benefit of its intangible assets involves management judgment, and a different conclusion could result in impairment charge up to the carrying value of these assets.

Impairment of long-lived assets:

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to undiscounted future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Management believes there is no impairment with long-lived assets as of December 31, 2019 and 2018.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition:

The Company recognizes revenue in accordance with Topic 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing revenue from contracts with customers.

The Company's revenue consists of franchise revenue, master and area license fee revenue, product revenue, rebate revenue, and Company-owned gym revenue. The Company's products and services are sold primarily to customers in the United States, Canada and certain international markets. Our results of operations are substantially affected by economic conditions, which can vary significantly by market and can be impacted by consumer disposable income levels and spending habits.

Franchise revenue: Franchise revenue consists primarily of initial and renewal franchise fees, royalties, advertising revenue, and other fees.

Our franchise agreements include (a) the right to use our symbolic intellectual property over the term of each franchise agreement, (b) pre-opening services, such as training, and (c) ongoing services, such as management of the advertising contributions, development of training materials and gym monitoring. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. Revenue from franchise agreements, which consists of royalties, advertising, and other frees, is recognized evenly over the term of the agreement with the exception of sales-based fees.

Sales-based royalty and sales-based advertising revenues are recognized in the period in which the sales occur. Sales-based royalties and sales-based advertising are variable consideration related to the Company's performance obligation to the franchisees to maintain the intellectual property being licensed.

Franchise fee revenue consists of initial and transfer franchise fees. Initial franchise fees are billed and received upon the signing of the franchise agreement. Recognition of these fees occur over time based on the term of the underlying franchise agreement. In the event a franchise agreement is terminated, any remaining deferred fees are recognized in the period of termination.

Master and area license revenue: The Company sells master and area licenses that grant the sole rights to develop 9Round Centers and grant individual franchises within a specific geographical area. These agreements transfer franchise rights within a geographical area permitting the opening of a number of franchised outlets. Decisions regarding the number of outlets and their locations are primarily made by the master franchisee with approval of the Company. The Company believes the license and development rights are distinct from the franchise agreements.

Similar to the franchise agreements, the right to use our symbolic intellectual property over the term of the license agreement is accounted for as a single performance obligation recognized evenly over the term of the license agreement. In the event a license agreement is terminated, any remaining deferred fees are recognized in the period of termination.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition, continued:

Product revenue: Revenue from the sale of products is recognized upon transfer of control to the customer, which is typically upon shipment. The Company has elected to treat shipping and handling activities related to contracts with customers as costs to fulfill the promise to transfer the associated equipment and not as a separate performance obligation. The Company collects and remits sales taxes on transactions with customers and reports such amounts under the net method in the consolidated statements of operations and comprehensive income. Accordingly, these taxes are not included in gross revenue.

Rebate revenue: Rebates are received based on purchases of goods or services by a franchisee to approved vendors required in the franchise agreements. Revenue is recognized at a point in time each month.

Company-owned gym revenue: Gym revenue consists of membership fees and merchandise sales. Membership revenue is a stand-ready performance obligation with a series of distinct time increments and therefore is a single performance obligation. Revenue from gym memberships is recognized evenly over the term of the membership agreement. The Company records revenue from sales of merchandise upon delivery of the good to the customer, which is when our performance obligation is satisfied.

Revenue from products and merchandise sales and rebates is recognized at a point in time, whereas franchise fee, master and area license fee, royalty, and fee revenue is recognized over time. Total revenue recognized at a point in time and over time was as follows for the years ended December 31:

	2019	2018
Revenue recognized at a point in time	$ 12,659,069	$ 11,644,616
Revenue recognized over time	10,673,095	9,310,019
	$ 23,332,164	$ 20,954,635

With the exception of initial, renewal, and master area and license fees, all other revenue is either collected on the date of transaction or within one month. The Company believes its franchising, master and area licensing agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Income taxes:

The Company is taxed as a partnership for federal income tax purposes. Consequently, federal income taxes are not provided for or payable by the Company. The Company is subject to various state level taxes. The Company has elected to file composite filings for state income taxes in those states in which the Company meets the requirements for composite filing. The Company is considered a non-resident in foreign jurisdictions and is subject to corporate withholding taxes for payments of royalties and similar payments made by its foreign franchisees. The Company recognizes these state income taxes and withholding taxes in the provision (benefit) for income taxes in the consolidated statements of operations and comprehensive income. The Company's net income or loss is allocated to the members who are taxed individually on their share of each Company's earnings. The

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Income taxes, continued:

Company recognizes income tax related interest and penalties in interest expense and other operating expenses, respectively, in the consolidated statements of operations and comprehensive income.

9Round International, LLC is a single member LLC and, as such, is treated as a division of 9Round Franchising, LLC for federal income tax purposes.

Because of its status, the Company is disregarded as a separate entity for income tax purposes, therefore the Company itself does not file an income tax return separate and apart from its parent, 9Round Franchising, LLC.

9RFranchising Canada, ULC is a corporation and accounts for income taxes in accordance with generally accepted accounting standards, which requires the use of the liability method of accounting for income taxes. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred income taxes are provided for the temporary differences in basis of the Company's assets and liabilities and their reported amounts. The deferred tax assets and liabilities represent the future tax consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are determined based on the enacted rates that are expected to be in effect when these differences are expected to reverse. Deferred tax expense or benefit is the result of the changes in the deferred tax assets and liabilities. The Company records a valuation allowance to reduce deferred tax assets if it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The Company recognizes income tax related interest and penalties in interest expense and other operating expenses, respectively, in the consolidated statements of operations and comprehensive income.

Advertising:

All costs associated with advertising and marketing are expensed in the period incurred. Advertising and marketing costs were approximately $2,488,000 and $1,822,000 for the years ended December 31, 2019 and 2018, respectively.

Personnel costs:

Personnel costs include all salaries, wages, and contract labor paid to employees and contract laborers. Personnel costs also include charges for employee benefits, various payroll taxes and other payroll related fees.

Shipping and handling costs:

Amounts billed to a customer in a sales transaction related to shipping and handling are included in revenue in the accompanying consolidated statements of operations and comprehensive income. Costs incurred for shipping and handling are included in cost of revenues in the accompanying consolidated statements of operations and comprehensive income.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Presentation of sales taxes:

The states and municipalities in which the Company operates impose sales tax on all of the Company's nonexempt revenue. The Company collects sales tax from its franchisees and remits the entire amount to the appropriate taxing authority. The Company's policy is to exclude the tax collected and remitted from revenue and cost of product revenue in the accompanying consolidated statements of operations and comprehensive income. The Company accrues sales tax liabilities as it records sales, maintaining the amount owed to the taxing authorities as a current liability.

Other comprehensive income:

Other comprehensive income consists of foreign currency translation adjustments.

Foreign currency:

Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date. Results of operations and cash flows are translated using the average exchange rates throughout the period. The effect of exchange rate fluctuations on translation of assets and liabilities is included as a component of member's equity in accumulated other comprehensive loss. Gains and losses from foreign currency transactions are included in other income and expense.

Use of estimates:

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

Fair value of assets and liabilities:

The carrying values of all of the Company's financial instruments approximate their fair values. The Company applies the guidance related to fair value for certain non-financial assets and liabilities. The non-financial assets and liabilities include items such as long-lived assets and intangibles.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Recent accounting pronouncements:

Recently Adopted

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606) which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in U.S. generally accepted accounting principles. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. Topic 606 is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The Company adopted Topic 606 with a date of the initial application of January 1, 2019, using the full retrospective transition method.

As part of the adoption of Topic 606, the Company elected to use the following transition practical expedients: (1) revenue from contracts which begin and end in the same fiscal year has not been restated; (2) hindsight when determining the transaction price for contracts that include variable consideration, rather than estimating variable consideration amounts in the comparative reporting period; (3) the amount of transaction price allocated to unsatisfied performance obligations and when those amounts are expected to be recognized, for the reporting periods prior to the date of initial application of the guidance, have not been disclosed; and (4) all contract modifications that occurred prior to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price have been reflected in the aggregate.

The following tables summarize the effect of adopting Topic 606 on our consolidated financial statement line items.

	As of December 31, 2018		
	As Previously Reported	Effect of Topic 606 Adoption	As Adjusted
Deferred franchise costs - current	$ 1,529,369	$ (256,112)	$ 1,273,257
Deferred franchise costs - noncurrent	-	3,863,103	3,863,103
Deferred tax asset	40,272	91,366	131,638
Deferred revenue - current	3,961,507	(807,951)	3,153,556
Deferred revenue - noncurrent	-	10,600,067	10,600,067
Members' equity (deficit)	4,444,284	(6,093,759)	(1,649,475)

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Recent accounting pronouncements, continued:

	For the year ended December 31, 2018		
	As Previously Reported	Effect of Topic 606 Adoption	As Adjusted
Franchise fee revenue	$ 4,488,490	$ (1,747,342)	$ 2,741,148
Master and area license fee revenue	410,000	(83,122)	326,878
Commissions	1,641,463	(515,931)	1,125,532
Income tax (expense) benefit	(7,070)	55,474	48,404
Net income (loss)	6,688,479	(1,259,059)	5,429,420
Changes in cumulative translation adjustment	(26,700)	10,375	(16,325)
Total comprehensive income	6,661,779	(1,248,684)	5,413,095

	For the year ended December 31, 2018		
	As Previously Reported	Effect of Topic 606 Adoption	As Adjusted
Net income	$ 6,688,479	$ (1,259,059)	$ 5,429,420
Deferred taxes	(5,464)	(55,474)	(60,938)
Changes in operating assets and liabilities:			
Deferred franchise costs	600,109	(501,695)	98,414
Deferred franchise revenue	(1,338,035)	1,816,228	478,193

	For the year ended December 31, 2018		
	Accumulated Other Comprehensive Loss	Members' Equity (Deficit)	Total
Balance, January 1, 2018 – as reported	$ (3,324)	$ 3,288,383	$ 3,285,059
Cumulative-effect adjustment of Topic 606	-	(4,845,075)	(4,845,075)
Balance, January 1, 2018 – as adjusted	$ (3,324)	$ (1,556,692)	$ (1,560,016)
Year ended December 31, 2018 – as reported	(26,700)	1,185,925	1,159,225
Effect of Topic 606 adoption	10,375	(1,259,059)	(1,248,684)
Balance, December 31, 2018 – as adjusted	$ (19,649)	$ (1,629,826)	$ (1,649,475)

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Recent accounting pronouncements, continued:

The adoption of Topic 606 had two primary impacts on our consolidated financial statements related to (1) previously recognized revenue for initial and renewal fees and master and area license fees and (2) previously recognized commissions and other direct costs relating to initial franchise fees, development agreements and license fees. This resulted in cumulative effect adjustments as of January 1, 2018 and adjustments to previously reported amounts as of and for the year ended December 31, 2018. The deferred revenue and deferred franchise costs will be amortized over the remaining life of the individual franchise and license agreements.
Not Yet Adopted

In February 2016, the FASB amended the Lease topic of the Accounting Standards Codification to revise certain aspects of recognition, measurement, presentation, and disclosure of lease transactions. In November 2019, the FASB issued Accounting Standards Update ("ASU") 2019-10 *Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842) – Effective Dates* which deferred the Lease topic effective date for certain entities by an additional year. The amendments will be effective for fiscal years beginning after December 15, 2020, and interim period within fiscal years beginning after December 15, 2021. Management is currently evaluating the impact of this standard on its financial position, results of operations and cash flows.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies are not expected to have a material impact on the Company's consolidated financial position, results of operations or cash flows.

Subsequent events:

The Company has evaluated events and transactions for potential recognition or disclosure through April 1, 2020, the date the consolidated financial statements were available for issuance.

Note 2. Property, Plant and Equipment

Property, plant and equipment consisted of the following as of December 31, 2019 and 2018:

	2019	2018
Leasehold improvements	$ 1,209,793	$ 687,134
Furniture and fixtures	209,024	128,498
Vehicles and equipment	214,253	184,858
Software	409,840	356,285
Construction in progress	70,173	39,000
	2,113,083	1,395,775
Less: accumulated depreciation	(736,448)	(442,829)
	1,376,635	952,946
Buildings under capital leases – net of accumulated amortization of $361,402 and $200,681 in 2019 and 2018, respectively	4,226,109	5,629,826
Property and equipment, net	$ 5,602,744	$ 6,582,772

Note 2. Property, Plant and Equipment, Continued

Depreciation expense for the years ended December 31, 2019 and 2018 was approximately $567,000 and $406,000, respectively, which includes approximately $161,000 and $172,500 of amortization expense related to capital leases for the years ended December 31, 2019 and 2018, respectively.

Note 3. Intangible Assets

Intangible assets consisted of the following as of December 31, 2019 and 2018:

	December 31, 2019		
	Cost	**Accumulated Amortization**	**Net**
Development rights	$ 179,708	$ 103,333	$ 76,375
Trademark	94,115	28,235	65,880
	$ 273,823	$ 131,568	$ 142,255

	December 31, 2018		
	Cost	**Accumulated Amortization**	**Net**
Development rights	$ 179,708	$ 49,420	$ 130,288
Trademark	94,115	18,823	75,292
	$ 273,823	$ 68,243	$ 205,580

Amortization expense for the years ended December 31, 2019 and 2018 was approximately $63,000 and $68,000, respectively. The estimated amortization of intangible assets for the years subsequent to December 31, 2019, is as follows:

2020	$ 63,324
2021	31,875
2022	9,412
2023	9,412
2024	9,412
Thereafter	18,820
	$ 142,255

Note 4. Contract Balances

Contract balances related to contracts with customers consist of receivables, deferred franchise costs, and deferred revenue. See Note 1 for details on accounts receivable.

Deferred franchise costs (contract asset) consist of commissions and other direct costs relating to initial franchise fees, developmental agreements, and license fees for which revenue has not been recognized.

Note 4. Contract Balances, Continued

Deferred franchise revenue (contract liability) represents that portion of the total revenue from initial franchise, license, and development agreements attributable to service required to be provided by the Company that have not yet been performed.

The opening balance of deferred franchise costs and deferred franchise revenue as of January 1, 2018 was $5,037,946 and $13,527,884, respectively.

Note 5. Capital Lease Obligations

The Company leases its office and warehouse facilities in Simpsonville and Greer, South Carolina under capital leases, which including renewals, expire between March 2048 and July 2049. The interest rate implicit on these leases ranges from 1.5% to 11.6%.

Future minimum lease payments under capital leases together with the present value of net minimum lease payments are as follows as of December 31, 2019:

2020	$ 265,369
2021	268,754
2022	272,191
2023	275,682
2024	279,228
Thereafter	8,240,372
Total minimum lease payments	9,601,596
Less: amount representing interest	(5,084,775)
Present value of net minimum lease payments	4,516,821
Current installments of capital lease obligations	(38,217)
	$ 4,478,604

Note 6. Income Taxes

The Company is taxed as a partnership under the provisions of Subchapter K of the Internal Revenue Code. Consequently, federal income taxes are not provided for or payable by the Company. 9Round International, LLC is a single member LLC and, as such, is treated as a division of 9Round Franchising, LLC for federal income tax purposes. Because of its status, the Company is disregarded as a separate entity for income tax purposes, therefore the Company itself does not file an income tax return separate and apart from its parent, 9Round Franchising, LLC. 9Round Franchising, LLC files income tax returns in the U.S. federal jurisdiction, and the various states in which it operates. 9Round Franchising, LLC is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. 9Round Franchising, LLC believes it is no longer subject to income tax examinations for the years prior to 2015.

The Company is considered a non-resident in foreign jurisdictions and is subject to corporate withholding taxes for payments of royalties and similar payments made by its foreign franchisees.

Note 6. Income Taxes, Continued

In accordance with FASB ASC 740-10, *Income Taxes*, 9Round Franchising, LLC is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

9Round Franchising, LLC has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. 9Round Franchising, LLC believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations or cash flows. Accordingly, 9Round Franchising, LLC has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2019 and 2018.

9RFranchising Canada, ULC is taxed as a general corporation under the Canadian federal tax regulations. For the years ending December 31, 2019 and 2018, 9RFranchising Canada, ULC was subject to provincial taxes.

9RFranchising Canada, ULC files income tax returns in the Canadian federal jurisdiction. 9RFranchising Canada, ULC is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. 9RFranchising Canada, ULC is no longer subject to income tax examinations for the years prior to 2015.

The income tax (expense) benefit consisted of the following for the years ended December 31, 2019 and 2018:

	2019	2018
Current:		
Foreign	$ (16,708)	$ (12,376)
Deferred:		
Foreign	10,249	60,780
Income tax (expense) benefit	$ (6,459)	$ 48,404

Deferred income taxes are provided for temporary differences between the basis of assets and liabilities for financial reporting purposes and income tax purposes.

The significant components of the deferred tax asset as of December 31, 2019 and 2018 consisted of the following:

	2019	2018
Deferred tax asset:		
Deferred revenue	$ 385,654	$ 401,542
Deferred franchise costs	(243,767)	(269,904)
Net deferred tax asset	$ 141,887	$ 131,638

Note 6. Income Taxes, Continued

In accordance with FASB ASC 740-10, *Income Taxes*, 9RFranchising Canada, ULC is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

9RFranchising Canada, ULC has analyzed tax positions taken for filing with the Canadian Revenue Agency. 9RFranchising Canada, ULC believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations or cash flows. Accordingly, 9RFranchising Canada, ULC has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions as of December 31, 2019 and 2018.

Note 7. Operating Leases

The Company leases its office and warehouse facilities, seven corporate stores and office equipment in Simpsonville and Greer, South Carolina under certain month-to-month and non-cancelable leases that mature between December 2020 and March 2024.

For the years ended December 31, 2019 and 2018, rent and lease expense was approximately $178,000 and $47,300 respectively.

The future minimum lease payments under operating leases are as follows:

2020	$ 164,816
2021	152,013
2022	124,070
2023	78,200
2024	13,132
Total	$ 532,231

Note 8. Related Party Transactions

The majority members own an interest in H&S Empire, LLC (“H&S”). During both years, the Company leased its main office facilities and warehouse facilities from H&S under capital lease agreements (Note 5).

During 2018, the majority members owned four franchise locations which the Company reported the activity of those four locations as related party balances on the consolidated balance sheets and statements of operations and comprehensive income.

Note 9. Summary of Franchises

The following is a summary of changes in the number of U.S. franchises during the years ended December 31, 2019 and 2018:

	2019	2018
Outlets in operation at beginning of year	583	497
Outlets opened during the year	59	121
Outlets terminated or closed during the year	(64)	(35)
Outlets in operation at end of year	578	583
Franchised outlets	571	576
Affiliate and company owned outlets	7	7

Note 10. Commitments and Contingencies

Various legal actions and claims which have arisen in the normal course of business may be pending against the Company from time to time. It is the opinion of management that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

Note 11. Subsequent Events

The 2019 novel coronavirus (or "COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the Company's and its customers' costs, demand for the Company's products and services, and the global economy. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. As a result, a significant number of the Company's franchisee locations have been temporarily closed. In the event that these locations remained close for an extended period of time, these conditions will adversely affect the Company's business, financial condition, and results of operations. COVID-19 may result in health or other government authorities requiring further closures and restrictions for an unknown period impacting the Company's operations or other businesses of the Company's customers and suppliers, which could significantly disrupt the Company's operations and the operations of the Company's customers. The extent of the adverse impact of the COVID-19 outbreak on the Company cannot be predicted at this time.

9Round Franchising, LLC

Consolidated Financial Statements

Years ended December 31, 2017 and 2016

9Round Franchising, LLC

Consolidated Financial Statements

Years ended December 31, 2017 and 2016

Table of Contents

A&G LLP
CERTIFIED PUBLIC ACCOUNTANTS

Dallas Office
2425 N Central Expy.
Suite 200
Richardson, TX 75080
Phone 972 238 5900
Fax 972 238 5920

Marshall Office
215 East Austin Street
Marshall, TX 75670
Phone 903 938 9255
Fax 903 938 9254

www.agllp-cpa.com

Independent Auditor's Report

To the Members
9Round Franchising, LLC
Simpsonville, South Carolina

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of 9Round Franchising, LLC and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the related consolidated statements of comprehensive income, changes in members' equity and cash flows for the years then ended, and related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We did not audit the financial statements of 9Round Franchising of Canada, Inc., which statements reflect total assets constituting 14.7 and 23.2 percent, respectively, of consolidated total assets at December 31, 2017 and 2016, and total revenues constituting 4.2 and 3.2 percent, respectively, of consolidated total revenues for the years then ended. Those statements, which were prepared in accordance with Canadian accounting standards for private enterprises, were audited by other auditors in accordance with Canadian generally accepted auditing standards, whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of 9Round Franchising of Canada, Inc., which conform those financial statements to the accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for 9Round Franchising of Canada, Inc., prior to these conversion adjustments, is based solely on the report of, and additional audit procedures to meet the relevant requirements of auditing standards generally accepted in the United States of America performed by, the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of 9Round Franchising, LLC and its subsidiaries as of December 31, 2017 and 2016, and the consolidated results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A+G LLP

A & G, LLP
Dallas, Texas
April 19, 2018

Consolidated Balance Sheets

As of December 31,		**2017**		2016
Assets				
Current assets:				
Cash and cash equivalents	**$**	**4,904,769**	$	3,021,035
Accounts receivable, net		**640,553**		653,865
Inventory, net		**636,469**		561,554
Prepaid expenses		**567,624**		626,029
Deferred franchise costs		**2,087,315**		1,711,917
Due from related party		**52,049**		-
Current portion of notes and long-term receivables		**48,796**		77,528
Total current assets		**8,937,575**		6,651,928
Property and equipment, net		**3,926,128**		313,766
Other assets:				
Notes and long-term receivables, net		**67,908**		129,784
Intangible assets		**94,115**		30,290
Deferred tax asset		**34,808**		27,188
Other assets		**2,886**		-
Total other assets		**199,717**		187,262
Total assets	**$**	**13,063,420**	$	7,152,956
Liabilities and Members' Equity				
Current liabilities:				
Accounts payable	**$**	**701,955**	$	657,966
Accrued expenses		**336,443**		167,155
Income taxes payable		**55,370**		148,910
Deferred franchise revenue		**5,269,318**		3,874,242
Current portion of capital lease		**64,416**		-
Total current liabilities		**6,427,502**		4,848,273
Capital lease, net of current portion		**3,350,859**		-
Total liabilities		**9,778,361**		4,848,273
Members' equity		**3,285,059**		2,304,683
Total liabilities and members' equity	**$**	**13,063,420**	$	7,152,956

Consolidated Statements of Comprehensive Income

For the years ended December 31,	**2017**	2016
Revenues:		
Franchise fee revenue	**$ 3,192,250**	$ 2,828,913
Master and area license fee revenue	**96,961**	397,500
Royalty revenue	**2,633,309**	1,927,364
Fee revenue	**2,720,462**	1,203,341
Product revenue	**6,751,969**	4,067,208
Rebate revenue	**435,066**	513,236
Other revenue	**330,801**	99,967
Total revenues	**16,160,818**	11,037,529
Cost of revenues	**4,437,086**	2,539,265
Gross profit	**11,723,732**	8,498,264
General and administrative expenses:		
Advertising and marketing	**1,054,910**	794,538
Depreciation	**143,889**	40,600
Commissions	**1,242,876**	1,385,400
Professional fees	**466,472**	382,822
Rent and lease expense	**139,938**	88,052
Personnel costs	**1,733,572**	957,146
Other general and administrative expenses	**2,487,919**	1,557,142
Total general and administrative expenses	**7,269,576**	5,205,700
Income from operations	**4,454,156**	3,292,564
Other income (expense):		
Interest income	**8,409**	22,672
Interest expense	**-**	(109)
Other income	**12,818**	16,932
Total other income	**21,227**	39,495
Income before provision for income taxes	**4,475,383**	3,332,059
Provision for income taxes	**(6,099)**	192,666
Net income	**4,481,482**	3,139,393
Other comprehensive income (loss):		
Changes in cumulative translation adjustments	**(1,106)**	6,044
Total comprehensive income	**$ 4,480,376**	$ 3,145,437

Consolidated Statements of Changes in Members' Equity

	Other Comprehensive Income (loss)	Retained Earnings	Total Members' Equity
Balance at December 31, 2015	**$ (8,262)**	**$ 2,071,144**	**2,062,882**
Distributions to members	-	(2,903,636)	(2,903,636)
Net income	-	3,139,393	3,139,393
Other comprehensive income	6,044	-	6,044
Balance at December 31, 2016	**$ (2,218)**	**$ 2,306,901**	**$ 2,304,683**
Distributions to members	-	(3,500,000)	(3,500,000)
Net income	-	4,481,482	4,481,482
Other comprehensive loss	(1,106)	-	(1,106)
Balance at December 31, 2017	**$ (3,324)**	**$ 3,288,383**	**$ 3,285,059**

Consolidated Statements of Cash Flows

For the years ended December 31,	**2017**	2016
Operating Activities		
Net income	**$ 4,481,482**	$ 3,139,393
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**143,889**	40,600
Provision for doubtful accounts	**-**	5,000
Decrease in discount on notes receivable	**(3,296)**	(17,669)
Deferred taxes	**(5,545)**	(12,482)
Changes in operating assets and liabilities:		
Accounts receivable	**33,473**	(87,292)
Inventory	**(74,915)**	(411,435)
Prepaid expenses	**69,065**	(308,027)
Deferred franchise costs	**(473,422)**	(900,285)
Due from related party	**(52,049)**	-
Other assets	**(2,886)**	2,000
Accounts payable	**48,475**	363,591
Accrued expenses	**154,783**	100,448
Income taxes payable	**(104,110)**	149,039
Deferred franchise revenue	**1,485,318**	1,690,293
Net cash provided by operating activities	**5,700,262**	3,753,174
Investing Activities		
Purchases of property and equipment	**(340,976)**	(318,976)
Purchases of intangible assets	**(63,825)**	-
Issuance of notes and long-term receivables	**-**	(9,000)
Collections on notes and long-term receivables	**75,904**	401,729
Net cash provided (used) by investing activities	**(328,897)**	73,753
Financing Activities		
Payments on long-term debt	**-**	(5,059)
Distributions to members	**(3,500,000)**	(2,903,636)
Net cash used by financing activities	**(3,500,000)**	(2,908,695)
Net increase in cash and cash equivalents	**1,871,365**	918,232
Exchange rate effect on cash and cash equivalents	**12,369**	4,163
Cash and cash equivalents, beginning of year	**3,021,035**	2,098,640
Cash and cash equivalents, end of year	**$ 4,904,769**	$ 3,021,035

Consolidated Statements of Cash Flows (continued)

For the years ended December 31,		**2017**		2016
Supplemental Disclosure of Cash Flow Information				
Interest paid	**$**	**-**	$	109
Taxes paid	**$**	**54,186**	$	66,813
Noncash activities				
Purchase of property and equipment under capital lease obligation	**$**	**3,415,275**	$	-

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. Organization and Operations

The consolidated financial statements include the accounts of 9Round Franchising, LLC and its subsidiaries (Collectively, “we”, “us”, “our”, “9RF” and the “Company”). 9Round Franchising, LLC is a limited liability company operating under the laws of the State of South Carolina. 9Round Franchising, LLC was formed on December 15, 2008.

The Company was formed for the purpose of granting franchises for the establishment and operation of a center (“Center”) offering a service-oriented boxing and kick boxing fitness program combining strength, cardiovascular exercises and circuit training for the entire body to achieve results. 9Round® Centers offer boxing and kick boxing fitness programs that provide professional assistance to clients for a total body workout using our proprietary system of challenging workout stations. A 9Round® Center franchise will offer clients a variety of comprehensive services that include but are not limited to teaching various boxing and kick boxing disciplines in addition to selling retail and fitness products utilizing the Company’s proprietary business format and system.

The following table summarizes 9Round Franchising, LLC’s ownership of each subsidiary and its operating location:

Subsidiaries	**9Round Franchising, LLC Ownership %**	**Principal location**
9Round International, LLC	100%	United States
9Round Franchising of Canada, Inc.	100%	Canada

Subsidiaries

9Round International, LLC (“9RI”) is a wholly owned subsidiary of 9Round Franchising, LLC. 9Round International, LLC is a limited liability company operating under the laws of the State of South Carolina. 9Round Franchising, LLC was formed on December 16, 2014.

9Round Franchising of Canada, Inc. (“9RFC”) is a wholly owned subsidiary of 9Round Franchising, LLC. 9Round Franchising of Canada, Inc. is a Canadian corporation incorporated under the British Columbia Corporations Act on November 27, 2013.

Going Concern

Management has evaluated our ability to continue as a going concern as of December 31, 2017. Due to the positive cash flows from our operations we have concluded that there is not significant doubt about our ability to continue as a going concern.

2. Significant Accounting Policies

Basis of Presentation
The consolidated financial statement has been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and include the accounts of 9Round Franchising, LLC and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Foreign Currency
Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date. Results of operations and cash flows are translated using the average exchange rates throughout the period. The effect of exchange rate fluctuations on translation of assets and liabilities is included as a component of shareholder's equity in accumulated other comprehensive income (loss). Gains and losses from foreign currency transactions, which are included in other income and expense, have not been significant.

Estimates
The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Estimates are used for the following, among others: revenue recognition, allowance for doubtful accounts, valuation of acquired assets, and useful lives for depreciation and amortization of long-lived assets. Actual results could differ from those estimates.

Comparative Financial Statements
Certain prior period amounts have been reclassified to conform to current year presentation.

Fair Value
Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist primarily of cash and cash equivalents, trade receivables, trade payables, and debt instruments. The carrying values of cash and cash equivalents, trade receivables and trade payables are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Non-recurring fair value measurements include the assessment of property and equipment and intangible assets for impairment. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as Level 3.

Cash and Cash Equivalents
For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Accounts Receivable
Accounts receivable consist primarily of franchise fees, royalties, other fees due from franchisees, less an allowance for doubtful accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts aged longer than thirty days are considered past due. No interest is charged on outstanding receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts.

Inventory
Inventory is stated at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method. Management believes the inventory is properly valued, thus no provision for obsolescence is recorded.

Deferred Franchise Costs
Deferred franchise costs consists of commissions and other direct costs relating to initial franchise fees, development agreements and license fees for which revenue has not been recognized are deferred until the related revenue is recognized.

Property and Equipment
Property and equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives of the respective asset:

	Estimated Useful Life
Building	30.25 Years
Furniture and fixtures	7 Years
Office and computer equipment	3-5 Years
Vehicles	5 Years
Machinery and equipment	5 Years
Leasehold improvements	5 Years
Construction in progress	

Maintenance and repair costs are expensed in the period incurred. Expenditures for purchases and improvements that extend the useful lives of property and equipment are capitalized.

Notes and Long-term Receivables
Notes and long-term receivables consist of amounts due from new franchisees when a portion of the franchise sale has been financed by the Company, less an allowance for doubtful notes for estimated losses resulting from franchisees' failure to make note payments in accordance with the terms of their respective loan agreements. Management determines the allowance for doubtful notes by identifying troubled accounts and by using historical experience applied to an aging of accounts. Amounts charged to the allowance for doubtful notes are accounted for as a reduction in franchise fee revenue in the period of occurrence, in accordance with FASB ASC 952-605-25, *Accounting for Franchise Fee Revenue*. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful notes. Certain notes receivable from franchisees do not have a stated interest rate, the Company determine an effective interest rate in accordance with FASB ASC 835-30-35 *Interest on Receivables and Payables*. The Company recognizes interest income from these notes in the period earned

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Intangible Assets
The Company has certain intangible assets not subject to amortization in accordance with FASB ASC 350, *Goodwill and Other Intangible Assets*. Intangible assets not subject to amortization include trademarks.

Intangible assets not subject to amortization are evaluated for impairment in accordance with FASB ASC 360-10-20, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Intangible assets are tested for impairment annually at the Company's year-end, or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test is conducted by comparing the fair value with the carrying value of the reporting unit. Fair value is determined using a discounted cash flow and market method analysis. If the carrying value of intangible assets exceeds the fair value of the reporting unit, intangible assets may be impaired. The Company would then recognize an impairment loss in its financial statements. For the years ended December 31, 2017 and 2016, the impairment test compared the carrying value of the Company to the fair value. Based on the Company's testing, there was no indication of impairment to these assets.

Revenue Recognition
The Company recognizes franchise fee revenue in accordance with FASB ASC 952-605-25, *Accounting for Franchise Fee Revenue.*

The Company recognizes franchise fee revenue when all material services or conditions relating to the sale have been substantially performed or satisfied by the Company, but not earlier than the franchisee's opening date. Initial fees for which required services have not been substantially performed are classified as deferred revenue as a liability on the balance sheet.

The Company also sells master licenses that grant the licensee the sole rights to develop 9Round Centers and grant individual franchises within a specific geographical area. These agreements transfer franchise rights within a geographical area permitting the opening of a number of franchised outlets. Decisions regarding the number of outlets and their location are primarily made by the master franchisee with approval of the Company. Revenue is recognized when substantially all significant services to be provided to the franchisee/licensee have been performed.

Deferred revenue represents that portion of the total revenue from initial franchise, license and development agreements attributable to service required to be provided by the Company that have not yet been performed.

Revenue from royalties, which is based upon a fixed monthly fee of $449 ($499 CAD) and is recognized when earned.

The Company also receives other fees from its franchisees and recognizes this revenue in the period earned.

The Company recognizes product revenue from the sale of products at the time products are shipped.

Advertising
All costs associated with advertising and marketing are expensed in the period incurred.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Personnel Costs
Personnel costs include all salaries, wages, and contract labor paid to employees and contract laborers. Personnel costs also include charges for employee benefits, various payroll taxes and other payroll related fees.

Income Tax Status

United States
9Round Franchising, LLC is taxed as a Partnership for federal income tax purposes. Consequently, federal income taxes are not provided for or payable by the Company. The Company is subject to various state level taxes. The Company has elected to file composite filings for state income taxes in those states in which the Company meets the requirements for composite filing. The Company is considered a non-resident in foreign jurisdictions and is subject to corporate withholding taxes for payments of royalties and similar payments made by its foreign franchisees. The Company recognizes these state income taxes and withholding taxes in the provision (benefit) for income taxes in the consolidated statements of comprehensive income. The Company's net income or loss is allocated to the members who are taxed individually on their share of each Company's earnings. The Company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

9Round International is a single member LLC and, as such, is treated as a division of 9Round Franchising, LLC for federal income tax purposes. Because of its status, the Company is disregarded as a separate entity for income tax purposes, therefore the Company itself does not file an income tax return separate and apart from its parent, 9Round Franchising, LLC.

Foreign
9Round Franchising of Canada Inc. is a corporation and accounts for income taxes in accordance with generally accepted accounting standards, which requires the use of the liability method of accounting for income taxes. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred income taxes are provided for the temporary differences in basis of the Company's assets and liabilities and their reported amounts. The deferred tax assets and liabilities represent the future tax consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are determined based on the enacted rates that are expected to be in effect when these differences are expected to reverse. Deferred tax expense or benefit is the result of the changes in the deferred tax assets and liabilities. The Company records a valuation allowance to reduce deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

Other Comprehensive Income
Other comprehensive income consists of foreign currency translation adjustments.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Recent Accounting Pronouncements
In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 “Revenue from Contracts with Customers (Topic 606).” ASU 2014-09 supersedes the current revenue recognition guidance, including industry-specific guidance. The guidance introduces a five-step model to achieve its core principal of the entity recognizing revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In March 2016, the FASB issued ASU 2016-08, “Revenue from Contracts with Customers: Principal versus Agent Considerations (Reporting Revenue Gross versus Net).” ASU 2016-08 provides specific guidance to determine whether an entity is providing a specified good or service itself or is arranging for the good or service to be provided by another party. In April 2016, the FASB issued ASU 2016-10, “Revenue from Contracts with Customers: Identifying Performance Obligations and Licensing.” ASU 2016-10 provides clarification on the subjects of identifying performance obligations and licensing implementation guidance. In December 2016, the FASB issued ASU 2016-20, “Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers.” ASU 2016-20 provides corrections or improvements on 13 issues that affect narrow aspects of the guidance issued in Topic 606.

The requirements for these standards relating to Topic 606 will be effective for interim and annual periods beginning after December 15, 2018. (January 1, 2019 for the Company) Early adoption is permitted for interim and annual periods beginning after December 15, 2016. The Company expects to adopt these standards upon their effective date. The Company is currently evaluating the impact of adopting ASU 2014-09 on its financial statements.

In February 2016, the FASB issued ASU 2016-02, “Leases.” ASU 2016-02 requires for lease arrangements spanning more than 12 months, an entity to recognize an asset and liability. The updated guidance is effective for interim and annual periods beginning after December 15, 2019, and early adoption is permitted. We believe the adoption of ASU 2016-02 will materially impact our financial statements by significantly increasing our non-current assets and non-current liabilities on our balance sheets in order to record the right of use assets and related lease liabilities for our existing operating leases. We are currently unable to estimate the impact on our financial statements.

In August 2016, the FASB issued ASU 2016-15, “Statement of Cash Flows: Classification of Certain Cash Receipts and Payments.” ASU 2016-15 provides guidance on eight specific cash flow issues with the objective of reducing diversity in practice. The guidance is effective for interim and annual periods beginning after December 15, 2018. Early adoption is permitted for any entity in any interim or annual period. We are currently evaluating the impact of the guidance, but do not believe it will materially impact our financial statements.

In November 2015, the FASB issued ASU 2015-17, “Income Taxes.” ASU 2015-17 requires that deferred income tax liabilities and assets be classified as non-current in a statement of financial position. The Company elected early adoption of this guidance for the year ended December 31, 2015, on a prospective basis. The adoption of this ASU allows the Company to simplify its presentation of deferred income tax liabilities and assets.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

2. Significant Accounting Policies (continued)

Recent Accounting Pronouncements (continued)
In August 2014, FASB issued Accounting Standards Update No. 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern (ASU 2014-15). ASU 2014-15 requires management to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. In doing so, companies will have reduced diversity in the timing and content of footnote disclosures compared to footnote disclosures under today's guidance. ASU 2014-15 is effective for the Company in 2016 with early adoption permitted. The Company has included the required disclosure in Note 1.

We reviewed all other significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

3. Certain Significant Risks and Uncertainties

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents. The Company maintains its deposits in two financial institutions.

4. Accounts Receivable

Accounts receivable consisted of the following at December 31:

	2017	2016
Accounts receivable	**$ 640,553**	$ 653,865
Less: allowance for doubtful accounts	**-**	-
Accounts receivable, net	**$ 640,553**	$ 653,865

For the years ended December 31, 2017 and 2016, bad debt expense related to accounts receivable was $0 and $5,000 respectively.

The allowance for doubtful accounts activity was as follows:

	2017	2016
Balance at beginning of year	**$ -**	$ -
Provision for doubtful accounts	**-**	5,000
Write-offs, net of recoveries	**-**	(5,000)
Balance at end of year	**$ -**	$ -

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

5. Inventory

Inventory consisted of the following at December 31:

	2017	2016
Inventory – Equipment/Gym Supplies	**$ 636,469**	$ 561,554
Less: allowance for inventory reserve	**-**	-
Inventory, net	**$ 636,469**	$ 561,554

6. Property and Equipment

The major classes of property and equipment consisted of the following at December 31:

	2017	2016
Building	**$ 3,415,275**	$ -
Furniture and fixtures	**79,787**	16,470
Office and computer equipment	**180,459**	6,818
Vehicles	**39,612**	39,612
Machinery and equipment	**49,233**	37,733
Leasehold improvements	**362,290**	317,234
Construction in progress	**47,462**	-
Less: accumulated depreciation	**(247,990)**	(104,101)
Property and equipment, net	**$ 3,926,128**	$ 313,766

For the years ended December 31, 2017 and 2016, depreciation expense was $143,889 and $40,600, respectively.

7. Notes and Long-term Receivables

The Company holds notes and long-term receivables from franchisees for the initial purchase of the franchise. These notes and long-term receivables are payable based on the terms and conditions agreed to at the time of sale. The notes and long-term receivables generally bear interest at 0.0% and 5.0% and have repayment terms ranging from two to five years in length. The Company issued notes receivable and long-term receivables to franchisees and a master franchisee during 2017 and 2016 which do not have a stated interest rate. In accordance with FASB ASC 835-30-35 *Interest on Receivables and Payables*, the effective rate of interest on these notes and long-term receivables was determined to be 5.75%.

Notes receivable consists of the following at December 31:

	2017	2016
Notes and long-term receivables:	**$ 119,869**	$ 213,773
Less: discount on notes and long-term receivables	**(3,165)**	(6,461)
Less: allowance for doubtful notes and long-term Receivables	**-**	-
Less: current portion of notes and long-term receivables	**(48,796)**	(77,528)
Notes and long-term receivables, net	**$ 67,908**	$ 129,784

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

7. Notes and Long-term Receivables (continued)

For the years ended December 31, 2017 and 2016, the Company recognized interest income $3,296 and $17,669, respectively, related to the amortization of the discount on notes receivable.

For the years ended December 31, 2017 and 2016, amounts charged to the allowance for doubtful notes and long-term receivables and accounted for as a reduction in franchise fee revenue was $0 and $9,500, respectively.

8. Intangible Assets

Intangible assets at December 31, 2017 and 2016, consist of trademarks. These assets are considered indefinite lived assets as a trademark can be renewed indefinitely and as such are not subject to amortization. At December 31, 2017 and 2016 the Company had capitalized cost related to trademarks of $94,115 and $30,290, respectively.

9. Deferred Revenue

Deferred revenue consisted of the following at December 31:

	2017	2016
Deferred master and license fee revenue	**$ 90,000**	$ -
Deferred franchise fee revenue	**5,179,318**	3,874,242
Deferred revenue	**$ 5,269,318**	$ 3,874,242

10. Capital Lease Obligations

The Company leases a warehouse building under a capital lease, which including renewals, expires in December 2047. The interest rate implicit on the lease is 1.5%.

The following is a summary of leased assets included in property and equipment at December 31:

	2017	2016
Building	**$ 3,415,275**	$ -
Less: accumulated depreciation	**(28,225)**	-
Leased assets, net	**$ 3,387,050**	$ -

Depreciation of assets recorded under capital leases is included in depreciation expense.

Future minimum lease payments under capital leases together with the present value of net minimum lease payments are as follows as of December 31, 2017:

Year ended December 31, 2018	$ 115,200
Year ended December 31, 2019	116,352
Year ended December 31, 2020	117,515
Year ended December 31, 2021	118,690
Year ended December 31, 2022	119,877
Thereafter	3,740,108
Total minimum lease payments	4,327,742
Less: amount representing interest	(912,467)
Present value of net minimum lease payments	$ 3,415,275

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

11. Income Taxes

United States

9RF is taxed as a Partnership under the provisions of Subchapter K of the Internal Revenue Code. Consequently, federal income taxes are not provided for or payable by the Company.

9RI is a single member LLC and, as such, is treated as a division of 9RF for federal income tax purposes. Because of its status, the Company is disregarded as a separate entity for income tax purposes, therefore the Company itself does not file an income tax return separate and apart from its parent, 9RF.

9RF files income tax returns in the U.S. federal jurisdiction, and the various states in which it operates. 9RF is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. 9RF believes it is no longer subject to income tax examinations for the years prior to 2013.

The Company is subject to various state level taxes. The Company has elected to file composite filings for state income taxes in those states in which the Company meets the requirements for composite filing.

For the years ending December 31, 2017 and 2016, the Company recognized $43,544 and $117,405, respectively, related to these state income taxes in the provision (benefit) for income taxes in the consolidated statements of comprehensive income.

The Company is considered a non-resident in foreign jurisdictions and is subject to corporate withholding taxes for payments of royalties and similar payments made by its foreign franchisees. For the years ending December 31, 2017 and 2016, the Company recognized $(55,546) and $78,128, respectively, related to these withholding taxes in the provision (benefit) for income taxes in the consolidated statements of comprehensive income.

In accordance with FASB ASC 740-10, *Income Taxes*, 9RF is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

9RF has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. 9RF believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations or cash flows. Accordingly, 9RF has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017 and 2016.

Foreign

9RFC is taxed as a general corporation under the Canadian federal tax regulations. For the years ending December 31, 2017 and 2016, 9RFC was not subject to any provincial taxes.

9RFC files income tax returns in the Canadian federal jurisdiction. 9RFC is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. 9RFC is no longer subject to income tax examinations for the years prior to 2013.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

11. Income Taxes (continued)

The provision (benefit) for income taxes consisted of the following for the year ended December 31:

	2017	2016
Current:		
Federal	**$ -**	$ -
State	**-**	-
Foreign	**11,448**	9,647
Deferred:		
Federal	**$ -**	$ -
State	**-**	-
Foreign	**(5,545)**	(12,513)
Net provision (benefit) for income taxes	**$ 5,903**	$ (2,866)

For the years ended December 31, 2017 and 2016, the income tax expense (benefit) on reported income of 9RFC was different than the amount computed using the statutory income tax rate due to the following:

	2017	2016
Expected tax provision (benefit) at statutory rates:	**$ 6,003**	$ (2,835)
Rate differential	**(100)**	(31)
Provision (benefit) for income taxes	**$ 5,903**	$ (2,866)

Deferred income taxes are provided for temporary differences between the basis of assets and liabilities for financial reporting purposes and income tax purposes.

The significant components of the deferred tax asset at December 31, 2017 and 2016, consisted of the following:

	2017	2016
Deferred tax asset:		
Deferred revenue	**$ 298,402**	$ 254,201
Deferred franchise costs	**(264,399)**	(227,766)
Other	**805**	753
Net deferred tax asset	**$ 34,808**	$ 27,188

In accordance with FASB ASC 740-10, *Income Taxes*, 9RFC is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

9RFC has analyzed tax positions taken for filing with the Canadian Revenue Agency. 9RFC believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations or cash flows. Accordingly, 9RFC has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017 and 2016.

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

12. Commitments and Contingencies

Rent and lease expense

The Company leases its office and warehouse facilities and office equipment in Simpsonville and Greer, South Carolina under certain month-to-month and non-cancelable leases that mature between December 2018 and September 2024.

For the years ended December 31, 2017 and 2016, rent and lease expense was $139,938 and $88,052 respectively.

The future minimum lease payments under operating leases are as follows:

Year ended December 31, 2018	$	167,857
Year ended December 31, 2019		141,151
Year ended December 31, 2020		134,587
Year ended December 31, 2021		109,099
Year ended December 31, 2022		83,611
Thereafter		88,599
Total	$	724,904

Other

Various legal actions and claims which have arisen in the normal course of business may be pending against the Company from time to time. It is the opinion of management that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

13. Related Party Transactions

During the year ending December 31, 2014, the company entered into a master and area license agreement with its minority member Health Fran, LLC. At December 31, 2017and 2016, the Company had a balance due from Health Fran, LLC of $0 and $329,581, net of discount, which is included in notes and long-term receivables.

The majority members own an interest in H&S Empire, LLC (“H&S”). The Company leases its warehouse facilities from H&S. During the years ended December 31, 2017 and 2016, the Company recognized rent expense of $48,300 and $24,150 under this lease.

14. Summary of Franchises

Following is a summary of changes in the number of franchises during the years ended December 31:

	2017	2016
Outlets in operation at beginning of year	**391**	274
Outlets opened during the year	**117**	120
Outlets terminated or closed during the year	**(11)**	(3)
Outlets in operation at end of year	**497**	391
Franchised outlets	**490**	385
Affiliate owned outlets	**7**	6

NOTES TO CONSOLDIATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

15. Subsequent Events

The Company has evaluated subsequent events through the date of the report which was the date the financial statements were available to be issued.

EXHIBIT C
FRANCHISE AGREEMENT AND STATE ADDENDA

Franchise Agreement
Summary Page

Franchisee Information:

Complete Business Name: ____________________

Principal Owner(s): ____________________ %
(25% or more ownership, direct or indirect)

Full Name	Percentage Interest %
Full Name	Percentage Interest %
Full Name	Percentage Interest %
Full Name	Percentage Interest

Additional Owners: ____________________ %
(less than 25% ownership)

Full Name	Percentage Interest %
Full Name	Percentage Interest

Address for Notices (not a P.O. Box): ____________________

Telephone No.: ____________________

Facsimile No.: ____________________

Mobile Phone: ____________________

Email Address: ____________________

Preliminary Designated Area:	____________________
Initial Franchise Fee:	$30,000
Royalty Fee:	$600 per month
National Marketing Fee:	$200 or 2% of Net Sales, whichever is greater, per month
Opening Field Visit Fee:	$2,500
Technology Fee:	$80 per month*

*Subject to increase.

See Sections 8 and 9 for additional fee information.

To be completed by us:

Effective Date: ____________________

Franchise Number: ____________________

TABLE OF CONTENTS

9ROUND FRANCHISE AGREEMENT

This Franchise Agreement is made between 9Round Franchising, LLC, a South Carolina limited liability company with its principal business located at 847 NE Main Street, Simpsonville, South Carolina 29681 ("**we**" or "**us**"), and the Franchisee identified in the Summary Pages ("**you**"), to be effective on the Effective Date identified in the Summary Pages.

RECITALS

A. We have developed a proprietary business format and system ("**System**") for operating a fitness center (the "**Center**") that features a specialized program developed around a system of challenging circuit training stations, that incorporates boxing and kickboxing exercises, and includes personal trainer assistance and nutrition services.

B. The System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures and furnishings, operating and customer service standards and procedures including proprietary workout routines, advertising and marketing specifications and requirements, and other standards, specifications, techniques and procedures that we designate (collectively, the "**Standards**").

C. Centers operating under the System are identified by the trade name and service mark "9ROUND" and other trademarks, service marks and trade identifiers that we designate to identify businesses operating under the System (the "**Marks**").

D. You have applied for the right to operate a Center using the System and Marks, and we have approved your application in reliance on the representations contained therein, including those concerning your financial resources, your business experience and interests, and the manner in which the Center will be owned and operated.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

1. DEFINITIONS

1. For purposes of this Agreement:

A. "**Affiliate**" means an affiliate of a named person identified as any person or entity that is controlled by, controlling or under common control with such named person.

B. **"Owner**" means any person who directly or indirectly owns any interest in the franchisee, including the Principal Owner(s). It includes all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of a trust. If any "Owner" is, itself, a partnership or other entity, then the term "Owner" includes each individual or entity holding a beneficial ownership in the partnership or entity; the intent being that the term "Owner" is intended to include all individuals holding a beneficial interest in the franchisee, either directly or indirectly.

C. "**Principal Owner**" means any person who directly or indirectly owns a 25% or greater interest in the franchisee when the franchisee is a corporation, limited liability company or a similar entity other than a partnership entity. If the franchisee is a partnership entity, then each general partner is a Principal Owner, regardless of the percentage ownership interest. If the franchisee is one or more individuals, each individual is a Principal Owner of the franchisee. Each franchisee must have at least one Principal Owner.

D. All capitalized terms not defined in this Section or the Recitals have the meaning given in the text of this Agreement.

2. GRANT OF LICENSE

2. The following provisions control with respect to the license granted hereunder:

A. Grant of License. We hereby grant you the right and license, and you undertake the obligation, subject to the terms and conditions of this Agreement ***(i)*** to operate a single 9ROUND Center, ***(ii)*** to sell at retail authorized products and services at and from the Center premises, ***(iii)*** to use the Marks in connection with operating and promoting the Center, and ***(iv)*** the right to solicit memberships in the Designated Area. You may not solicit memberships online, in person or through advertising or other direct marketing method outside your Designated Area, except with our prior written approval and in strict accordance with our then-current policies and restrictions (which may include membership assignment policies).

The license granted by this Agreement does not include ***(i)*** any right to sell services or products identified by the Marks at any location other than the Authorized Location, or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), catalog sales, telemarketing or other direct marketing, ***(ii)*** any right to sell services or products identified by the Marks to any person or entity for resale or further distribution, or ***(iii)*** except for the designated area protection described in Section 2.C., any right to exclude, control or impose conditions on our development of future franchised, company or affiliate owned Centers at any time or at any location.

B. Authorized Location. You may operate the Center only at the location identified, or to be identified on Attachment A (the "**Authorized Location**"). If the Authorized Location is not known at the time this Agreement is signed, you must acquire an acceptable site for the Center premises no later than 90 days from the Effective Date of this Agreement, at which time you authorize us to define the Authorized Location in Attachment A. You must identify a site for the Center that meets our site selection criteria and that is located within the Preliminary Designated Area identified in the Summary Page (see Section 5.A.). Our permission to operate the Center at the Authorized Location constitutes neither a representation nor guarantee that the Center will be successful at the Authorized Location; it means only that the Authorized Location meets our minimum site selection criteria for 9ROUND Centers. You may not use the Center premises or Authorized Location for any purpose other than the operation of a 9ROUND Center during the term of this Agreement.

C. Designated Area.

(i) The Preliminary Designated Area identified on the Summary Page, if any, is the general location where you intend to secure a site for the Center. If a Preliminary Designated Area is specified on the Summary Page, we will not grant anyone else the right to develop or operate a Center in the Preliminary Designated Area for 90 days from the Effective Date of this Agreement.

(ii) Once the Authorized Location has been identified, we will determine the boundaries of your "Designated Area," based on our then-current criteria for size, population, demographics, and topographical features, in our sole discretion, and such boundaries will be reflected on Attachment A; provided that the Designated Area will be substantially the same as the Preliminary Designated Area in terms of size, shape or demographics. Your Designated Area is nonexclusive, meaning that it may overlap the designated area of another franchisee. Once defined in Attachment A, your Designated Area will remain constant throughout the initial term of this Agreement. Notwithstanding the foregoing, we may modify your Designated Area if you relocate the Center or you renew or transfer your franchise rights.

(iii) During the term of this Agreement, neither we nor our Affiliates will develop or operate, or grant to anyone else the right to develop or operate a 9ROUND Center that is physically located in the Designated Area (other than at Special Sites, as described in Section 2.D.). We also will not operate, franchise, or license the operation of a fitness center with 90% or more of its business based on a boxing and kickboxing circuit training program in your Designated Area, except in connection with our acquisition of a multi-unit brand. If we acquire a multi-unit brand (through a stock purchase, asset purchase, merger, or otherwise), we or our Affiliate may operate, franchise, or license the operation of the acquired brand within and outside the Designated Area, without offering any rights or compensation to you.

(iv) You acknowledge and agree that we and our Affiliates have the right to develop and operate and grant others the right to develop and operate 9ROUND Centers outside the Designated Area, regardless of their proximity to the Designated Area or any negative impact they may have on your Center.

(v) We and our Affiliates also have the right to develop and operate and grant others the right to develop and operate fitness centers and other businesses under a different trademark within and outside the Designated Area which may be similar to or competitive with 9ROUND Centers.

(vi) You do not have any right to sublicense or sub-franchise within or outside of the Designated Area and under this Agreement you do not have the right to operate more than one Center within the Designated Area without our prior written approval and must sign a separate Franchise Agreement for an additional Center.

D. Reserved Rights.

(i) We reserve to ourselves all other rights to use the System and Marks anywhere and in any manner including, without limitation, the right to offer, sell or distribute items such as workout and training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee.

(ii) These distribution channels or methods may include, without limitation, retail stores, mail order, wholesale or the internet (or any other existing or future form of electronic commerce).

(iii) These rights also include the right to provide and license third parties to provide the 9ROUND workout program and other ancillary programs developed by or for us or our Affiliates at host locations (such as apartments, condo associations, corporate offices, schools, community centers and other gym and fitness centers) within and outside your Designated Area and without compensation to you.

(iv) You acknowledge and agree that certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as 9ROUND Centers. As a result, you agree that the following locations ("**Special Sites**") are excluded from the Designated Area and we have the right to develop, license or franchise Centers within such locations: (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complexes; and (7) corporate office buildings or office parks.

E. Additional Centers. This Agreement does not grant you a right to acquire one or more additional franchises. If you or any of your Affiliates is party to an agreement with us to operate any other 9ROUND center, other than the one contemplated by this Agreement, as of the Effective Date, you and each Affiliate, as applicable, shall enter into the Franchise Expansion Amendment in substantially the form attached hereto as Attachment I to modify the terms of the franchise agreement(s) governing such centers such that the provisions of all franchise agreements between you or your Affiliates and us are substantially similar. The parties acknowledge and agree that the Franchise Expansion Amendment may result in material changes to, and have different provisions than, any previous franchise agreement. You and each Affiliate must also execute and deliver to us a corporate guaranty in substantially the form attached hereto as Attachment C-3 to guaranty the obligations of your and/or your Affiliates operating under franchise agreements with us.

3. TRADEMARK STANDARDS AND REQUIREMENTS

3. You acknowledge and agree that, as between you and us, the Marks are our property. You further acknowledge that your right to use the Marks is specifically conditioned upon the following:

A. Ownership of the Marks. The Marks are our valuable property or the valuable property of our Affiliate, and we are the owner of all right, title and interest in and to the Marks and all past, present or future goodwill of the Center and of the business conducted at the Authorized Location that is associated with or attributable to the Marks. Your use of the Marks will inure solely to our benefit or the benefit of our Affiliate. You may not, during or after the term of this Agreement, engage in any conduct directly or indirectly that would infringe upon, harm or contest our rights in any of the Marks or the goodwill associated with the Marks, including any use of the Marks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media.

B. Use of the Marks. You shall use only the Marks designated by us. You may use the Marks only in connection with such services and products as we specify and only in the form and manner we require in writing. You must comply with all trademark, trade name and service mark notice marking requirements. You may use the Marks only in association with services and products approved by us and that meet our standards or requirements with respect to quality, safety and performance. You must refrain, and cause each Covered Person (as defined in Section 10.D.(i)) and each of your employees and independent contractors to refrain from making or publishing any remarks that disparage or derogate us or the 9ROUND brand. This prohibition applies to oral remarks and remarks that are published in print, electronic, and social media. Your use of the Marks on the internet is governed by Section 6.K. below. A breach of your obligations under this Section 3.B. is a material default under this Agreement.

C. Center Identification. You must use the name "9ROUND" as the trade name of the Center and you may not use any other mark or words to identify the Center without our prior written consent. You may not use the word "9ROUND" or any of the other Marks as part of the name of your corporation, partnership, limited liability company or other similar entity. You may use the Marks on various materials, such as business cards, stationery and checks, provided you ***(i)*** accurately depict the Marks on the materials, ***(ii)*** include a statement on the materials indicating that the business is independently owned and operated by you, ***(iii)*** do not use the Marks in connection with any other trademarks, trade names or service marks unless we specifically approve in writing prior to such use, and ***(iv)*** make available to us, upon our request, a copy of any materials depicting the Marks. You must post a prominent sign in the Center identifying you as a 9ROUND franchisee in a format we deem reasonably acceptable, including an acknowledgment that you independently own and operate the Center and that the 9ROUND Mark is owned by us and your use is under a license we have issued to you.

D. Litigation. In the event any person or entity improperly uses or infringes the Marks or challenges your use or our use or ownership of the Marks, we will control all litigation and we have the right to determine whether suit will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you are aware or any challenge or claim arising out of your use of any Mark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses with any such action, unless the challenge or claim results from your misuse of the Marks in violation of this Agreement.

E. Changes. You may not make any changes or substitutions to the Marks unless we direct in writing. We reserve the right to change the Marks at any time. Upon receipt of our notice to change the Marks, you must cease using the former Marks and commence using the changed Marks, at your expense.

4. TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement will commence on the Effective Date and will expire at midnight on the day preceding the tenth anniversary of this Agreement. Upon your written request, we may extend this initial term in writing for a limited period of time to correspond with the end of a calendar month.

B. Renewal Term and Conditions of Renewal. You may renew your license for one ten-year renewal term, provided that with respect to each renewal: ***(i)*** you meet our then-current criteria and qualifications for new franchisees; ***(ii)*** you have given us written notice of your decision to renew at least six months but not more than 12 months prior to the end of the expiring term; ***(iii)*** you pay a renewal fee equal to 25% of the then-current initial franchise fee; ***(iv)*** you sign at least six months but not more than twelve months prior to the end of the expiring term, at our option either (1) our then-current form of franchise agreement, the terms and conditions of which may be materially different than the terms and conditions of our current franchise agreement and may reflect, among other things, different fees and advertising obligations and a modified Designated Area or (2) an instrument extending for the duration of the renewal term, all the covenants, conditions and provisions contained in this Agreement; ***(v)*** you have complied with the provisions of Section 5.F. regarding modernization and have agreed, in writing, to make such capital expenditures necessary to refurbish, replace and modernize your Center so that it will conform to our then-current standards for Centers; ***(vi)*** you are not in default of this Agreement, any other agreement pertaining to the franchise, any other agreement with us, or any obligation to us, and have satisfied all monetary and material obligations on a timely basis during the term and are in good standing; ***(vii)*** if leasing the Center premises, you have renewed the lease and have provided written proof of your ability to remain in possession of the premises throughout the renewal period; ***(viii)*** you comply with our then-current training requirements; ***(ix)*** you and your Owners and guarantors execute a general release in a form we require in favor of us and our Affiliates and each company's respective present and former officers, directors, managers, and employees; provided, however, that such release will not be inconsistent with any state law regulating franchising; and ***(x)*** you have submitted to us a walk-through video of your Center, or other forms of proof acceptable to us, enabling us to virtually tour and inspect every element of the Center that we require, including without limitation, the storefront of the Center, all exterior and interior signage, the interior of the Center (including the entrance, each station, the restroom, and any additional areas), measurements of equipment placements and distances between equipment or furnishings, all doors, light switches and outlets, and visibility of equipment, furnishing, accessories and licenses.

C. <u>Interim Period</u>. If you continue to accept the benefits of this Agreement after the expiration of the initial term but do not complete the requirements in Section 4.B., then at our sole option, this Agreement may be treated as ***(i)*** expired as of the date of the expiration and you will be operating without a franchise or license to do so and in violation of our rights to the Marks and System; or ***(ii)*** continued on a month-to-month basis (an "**Interim Period**") and all your obligations will remain in full force and effect during the Interim Period as if the Agreement had not expired except that the Royalty Fee will be $1,600 per month (subject to adjustment based on the CPI as provided in Section 9.D.). Each Interim Period expires at the end of each calendar month unless this Agreement is continued as provided in this Section. The Interim Period does not create any new franchise rights and upon expiration of the final Interim Period, you will be bound by all post-term obligations as provided in this Agreement.

5. CENTER STANDARDS AND MAINTENANCE

5. You acknowledge and agree that we have the right to establish, from time to time, quality standards regarding the business operations of 9ROUND Centers to protect the distinction, goodwill and uniformity symbolized by the Marks and the System. Accordingly, you agree to maintain and comply with our quality standards and agree to the following terms and conditions:

A. <u>Site Selection</u>. You must identify a site for the Center within the Preliminary Designated Area that meets our site selection criteria and that we have approved. You must provide us notice of the site you have selected and we have 15 days to accept or reject the site. If we do not accept the site within 15 days it will be deemed disapproved. **The parties acknowledge and agree that our site approval is not an assurance that the Center will achieve a certain sales volume or level of profitability; it means only that the proposed site meets our minimum site selection criteria. We assume no liability or responsibility for *(i)* evaluation of the location's soil for hazardous substances; *(ii)* inspection of any structure for asbestos or other toxic or hazardous materials; *(iii)* compliance with the Americans with Disabilities Act ("ADA"); or *(iv)* compliance with any other applicable law. It is solely your responsibility to obtain satisfactory evidence**

and/or assurances that the Center premises (and any structures thereon) is free from environmental contamination and is in compliance with the requirements of the ADA and other applicable laws.

B. Lease. If you propose to occupy the Center premises pursuant to a lease or sublease ("**Lease**"), you may not sign any Lease or enter any other arrangement with a lessor that prevents you from performing your obligations under this Agreement, including any requirements to build out the Center premises to meet our current brand standards, and the Lease and lessor must permit us to exercise our rights pursuant to this Agreement. We may condition our approval of a proposed site on the full execution of a Lease Addendum substantially in the form attached as Attachment E to this Agreement. You may not execute a Lease without the Lease Addendum, except with our prior written consent. You must deliver to us a fully executed copy of the Lease as amended by the Lease Addendum prior to your occupying the site for the Center or within 10 days after its execution, whichever occurs first. **The parties acknowledge and agree that our approval of a Lease does not mean that the economic terms of the Lease are favorable; it means only that the Lease contains the lease terms that we require.**

C. Construction; Future Alteration. You must construct and equip the Center in strict accordance with our current approved specifications and standards pertaining to equipment, signage, fixtures and design and layout of the building. You must purchase from us or the approved supplier all items contained in the 9ROUND start-up kit, and pay the then-current purchase price therefore in accordance with the then-current payment terms. Without limiting the generality of the foregoing, you must promptly after obtaining possession of the site for the Center ***(i)*** have engaged a third party contractor to prepare the basic plans for your 9ROUND Center; ***(ii)*** purchase or lease and then use only the approved equipment, fixtures, furniture and signs; ***(iii)*** complete the equipment, fixtures, furniture and sign installation and decorating of the Center in full compliance with plans and specifications we approve and all applicable ordinances, building codes and permit requirements without any unauthorized alterations; ***(iv)*** obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including, but not limited to, the ADA; and ***(v)*** obtain and maintain all required zoning changes, building, utility, sign permits and licenses and any other required permits and licenses. It is your responsibility to comply with the foregoing conditions. Any change to the plans or any replacement, reconstruction, addition or modification in the premises, interior or exterior décor or image, equipment or signage of the Center made after our consent to the initial plans, whether at the request of you, us or a third party, may be made only with our prior written consent.

D. Opening. You must open the Center for business no later than nine months from the Effective Date. You may not open your Center for business, however, until we have notified you in writing that you have satisfied your pre-opening obligations as identified in Sections 5.A., 5.B., and 5.C., and we have approved your Center for opening (which approval may be based on our review of a walk-through video that you submit). We are not responsible or liable for any of your pre-opening obligations, losses or expenses you might incur for your failure to comply with these obligations or your failure to open by a particular date. We also are entitled to injunctive relief or specific performance under Section 12.B. for your failure to comply with your obligations. Further, if you fail to open the Center in the timeframe required by this Agreement, we may, in our sole and unilateral judgment, ***(i)*** exercise our termination rights in accordance with Section 13; or ***(ii)*** amend this Agreement to eliminate the Designated Area protection afforded by Sections 2.B. and 2.C.

E. Maintenance. The building (exterior and interior), equipment, fixtures, signage and trade dress employed in the operation of your Center must be maintained and refreshed in accordance with our requirements established periodically and any of our reasonable schedules prepared based upon our periodic evaluations of the premises. Within a period of 30 days (as we determine depending on the work needed) after the receipt of any particular report prepared following such an evaluation, you must effect the items of maintenance we designate, including the repair of defective equipment and items such as carpet and/or the replacement of irreparable or obsolete items of equipment and signage. If, however, any condition presents a threat to members or to public safety, you must effect the items of maintenance immediately, as further described in Section 6.E. If you fail to complete the required maintenance, we reserve the right (but no obligation) to do so on your behalf and you must reimburse us for our costs and expenses.

F. Modernization. From time to time as we require, you must modernize or replace items of the trade dress or equipment as may be necessary for your Center to conform to the standards for similarly situated new 9ROUND Centers. We also require that you substantially renovate the Center once every five years. You may offer your old equipment to anyone (provided that any Marks affixed to the equipment are not misused), but we have the right of first refusal to buy the equipment on the same terms and conditions as any potential buyer. You must give us seven days' written notice of any potential sale of your old equipment and a reasonable opportunity to match any offer you have that you intend to accept. We are under no obligation to actually exercise our right of first refusal. A transfer of any interest in this Agreement or your business governed by Section 11 or renewal covered by Section 4 is expressly conditioned upon your (or the transferee, as applicable) modernizing the Center to conform to the standards for new 9ROUND Centers. You acknowledge and agree that the requirements of this Section are both reasonable and necessary to ensure continued public acceptance and patronage of the Center and to avoid deterioration in connection with the operation of your Center. If you fail to make any improvement or perform the maintenance listed above, we may, in addition to our other rights under this Agreement, effect such improvement or maintenance on your behalf and you must reimburse us for the costs we incur.

G. Relocation. You may not relocate your Center without our prior written consent, which consent will not be unreasonably withheld. Your request for relocation must be made in writing, state your proposed new location, be received by us at least 60 days prior to your intended date of relocation, and accompanied by a relocation fee of $1,500. We will refund $750 of the relocation fee if we do not approve your relocation. If you need to relocate because of condemnation, destruction, or expiration or cancellation of your lease for reasons other than your breach, we will grant you authority to do so at a site acceptable to us that is within your Designated Area, is reasonably suited for a Center, complies with any other site-related obligations set forth in this Agreement (including, without limitation, those related to Leases of a site for your Center), and does not infringe on the rights of any other 9ROUND franchisee, provided that the new Center is open and operating within 60 days after you discontinue operation at the present Center, all in accordance with our then-current standards. If you voluntarily decide to relocate the Center, your right to relocate the Center will be void and your interest in this Agreement will be voluntarily abandoned, unless you have given us notice of your intent to relocate not less than 60 days prior to relocation or closing the Center, whichever occurs first, have procured a site within your Designated Area that we accept 15 days prior to the earlier of such relocation or closure, have opened the new Center for business within 24 hours of closing the original Center and complied with any other conditions that we reasonably require. Additionally, if you relocate your Center without obtaining our prior written approval, you will be assessed a relocation fee of $5,000, which is non-refundable. All relocation fees may be collected by us pursuant to the methods set forth in Section 9.F. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur. Upon relocation of your Center for any reason, we may modify your Designated Area, in our sole judgment, to take into account the designated areas of neighboring Centers and other factors.

If your Center is destroyed or damaged and you repair the Center at the Authorized Location (rather than relocate the Center), you must repair and reopen the Center at the Authorized Location in accordance with our then-current standards for the destroyed or damaged area within 20 days of the date of occurrence of the destruction or damage, or such longer time as we reasonably determine, in our sole judgment, is required given the nature and extent of the damage.

We have the right to refuse to consent to a relocation in the event you lose the right to occupy the Center premises because of the termination of your lease due to your breach. Further, the cancellation of your lease due to your breach is grounds for immediate termination under Section 13.B.(ii).

E. Field Visits. Upon opening a new location or purchasing an existing location, you will pay an Opening Field Visit Fee of $2,500 and we will provide initial in-person coaching at your Center. For additional in-person coaching at your Center, you may request an Ongoing Field Visit for a fee $2,500.

6. PRODUCTS AND OPERATIONS STANDARDS AND REQUIREMENTS

6. You must implement and abide by our requirements and recommendations directed to enhancing substantial System uniformity. The following provisions control with respect to products and operations:

A. Authorized Equipment. You must use in the operation of the Center only the proprietary or non-proprietary equipment that we specify in the Manuals or other written directives. You must purchase or lease all equipment we designate (including the Technology System described below) from our approved suppliers. We will supply to you a copy of the current equipment list prior to opening of the Center. You acknowledge and agree that we may change the list periodically and that you are obligated to conform to the requirements. You may not open or operate the Center with any unapproved equipment.

B. Authorized Products and Services; Memberships. You may offer and sell only approved products and approved services in the Center and must offer for sale the complete range of required products and required services as listed in the approved products and approved services lists, as we may amend from time to time. You must maintain in stock an inventory of approved products sufficient to meet customer demand and as set forth in the manuals for operating a 9ROUND Center. You may not offer, sell or supply any products or services which are not approved products or approved services (including products or services that we have withdrawn), and may not conduct any unapproved workout routines or unapproved modifications to approved workout routines, without our prior written consent. If you sell any products or services which are not approved products or approved services, without our prior written consent, you must pay to us all profits derived from the sale of the unauthorized products or services, which we may collect in the form of liquidated damages as stated in Section 13.D., below. You must also conform to all quality and customer service standards we require in writing.

You must offer and sell memberships ("**Memberships**") only on the terms and conditions that we specify periodically which may include, without limitation, price and service offering requirements. You shall participate in and offer all customer membership marketing programs and packages that we develop from time to time. We will communicate to you in writing the details of each program or package, and you shall promptly display all related information at such places within the Center as we may designate. You shall purchase and distribute all collateral merchandise designated by us and shall purchase equipment necessary for use in connection with each such program or package. All Memberships must be evidenced by a written or, if approved or required by us, electronic agreement ("**Membership Agreement**") and all member and billing information must be promptly and accurately entered into the approved system according to our then-current policies. We have the right to communicate directly with your members. You agree that your list of members, including actual and prospective members, is our property and constitutes part of our Confidential Information (defined below). We may require you to use Membership Agreements that are based on or substantially similar to our then-current standard form of Membership Agreement, with the exception, however, that there may be state and local laws that may require you to alter the Membership Agreement in the jurisdictions under which your Center operates – you must abide by those laws and you accept sole responsibility for ensuring that your Membership Agreement complies with those laws. Any changes to the form document must be approved in writing by us. The Membership Agreement must include: ***(i)*** a waiver and release of us and our Affiliates and ***(ii)*** a statement identifying the Center as an independently-owned franchised location. We also have the right to establish a reciprocity program that permits members from your Center to use other 9ROUND Centers and permits another 9ROUND Center member to also use your Center under such terms and conditions as we may state in writing from time to time. All Membership Agreements and all billings of any type must be processed through us and our approved processing system (which is currently the Technology System described in Section 6.D.).

You may only solicit memberships within your Designated Area (unless otherwise authorized by us in writing). We or other franchisees may solicit memberships within your Designated Area (for example, if designated areas overlap). Unless approved in writing by us, all membership sales must be made face-to-face, although you may solicit membership sales by mail, telemarketing (so long as you abide by the no-call lists) or other non-face-to-face basis *within* your Designated Area. You may solicit, advertise and accept memberships online or outside your Designated Area only with our prior written approval or in accordance with our then-current policies. We have the right to prohibit or cancel memberships you sell that will expire beyond the expiration date of your Term or any exercised renewal term. You are responsible for all refunds or liabilities to your members due to the cancelation of memberships as provided in this paragraph. You must execute the Membership Contract Assignment Agreement in the form attached at Attachment G.

C. Approved Supplies and Suppliers. We will furnish to you from time to time lists of approved supplies or approved suppliers. You must only use approved equipment, products, fixtures, signs, advertising materials, music providers, trademarked items and other items (collectively, "**approved supplies**") in the Center as listed in the approved supplies and approved suppliers lists, as we may amend from time to time. Although we do not do so for every item, we have the right to require you purchase your requirements of products and services (which currently include, without limitation, gloves, supportive hand wraps, punching bags, certain print materials, heart rate monitors and belts, website services, nutrition services, and music) from approved or designated sources. You acknowledge and agree that certain approved supplies may only be available from one source, and we or our Affiliates may be that source. You will pay the then-current price in effect for approved supplies you purchase from us or our Affiliates. All inventories, products, operating forms, materials and other items and supplies used in the operation of the Center must be purchased from approved suppliers and any items not included on the approved supplies or approved suppliers list must conform to the specifications and standards we establish from time to time. ALTHOUGH APPROVED BY US, WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED TECHNOLOGY SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED ITEMS.

D. Technology System. You must purchase and use any technology system that we develop or select for the Center or System, including all future updates, supplements and modifications (the "**Technology System**"). The Technology System may include, without limitation, all hardware and software used in the operation of the Center, including ***(i)*** all computer hardware and related accessories and peripheral equipment, digital media, music provider, audio, computer, telephone systems, and camera and security systems; and ***(ii)*** the billing, electronic point-of-sale cash registers, Center management and back office programs used to record, analyze and report sales and Center operations. Requirements for use may include, among other things, connection to remote servers, off-site electronic repositories, high speed Internet connections, and establishment of one or more e-mail accounts.

You must: ***(i)*** use any proprietary software programs, system documentation manuals, and other proprietary materials that we provide to you in connection with your operation of the Center; ***(ii)*** input and maintain in your computer such data and information as we require in the Manual and other written directives; and ***(iii)*** purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever we adopt such new or upgraded programs, manuals, and materials system-wide. You must enter into all software license agreements, "terms of use" agreements, and software maintenance agreements, in the form and manner we require, and pay all fees imposed by us, our Affiliate or any third party software and software service providers there under.

You acknowledge that we may independently access from a remote location, at any time, all information input to and compiled by your Technology System or an off-site server, including Member Information. You further acknowledge and agree that we may independently access from a remote location, at any time, to view and/or record any images or video recorded by any camera or security systems, and you agree not to interfere with or impair our access to such recordings.

You acknowledge that technology is ever changing and that, as technology or software is developed in the future, we may, in our sole discretion, require you to: ***(i)*** add to your Technology System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software; and ***(ii)*** replace or upgrade your Technology System and software as we require.

We reserve the right to designate a single source from whom you must purchase the Technology System.

E. Evaluations. We or our authorized representative have the right to enter your Center at all reasonable times when the Center is open to the public for the purpose of making periodic evaluations and to ascertain if the provisions of this Agreement are being observed by you, to inspect and evaluate your premises, equipment and member satisfaction. Our inspections and evaluations may be conducted by our personnel or by a third party "mystery shopper." Or, at our request, we may require you to conduct and submit to us a "walk-through" video of your Center, conducted in accordance with our Standards, within the time period that we require. If we determine that any condition in the Center presents a threat to members or public health or safety or is not compliant with our specifications or standards, we may take whatever measures we deem necessary, including requiring you to immediately close the Center until the situation is remedied to our satisfaction. There is no limitation on the number of inspections we may conduct or the number of walk through videos we may request, or the scope of any inspection. A breach of your obligations under this Section 6.E. is a material default under this Agreement. If we request you to submit a "walk-through" video of your Center and you do not comply within the time period that we require, then you must reimburse us for all out-of-pocket costs, including, without limitation, travel and lodging costs, that we incur in connection with any subsequent evaluations or inspections conducted by our personnel or by a third party "mystery shopper."

F. Period of Operation. Subject to any contrary requirements of state or local law, your Center must be open to the public and operated during the hours and on the days that we require. Any variance from this provision must be authorized by us in writing. You acknowledge and agree that if your Center is closed for a period of two or more consecutive business days or five or more business days in any 12-month period without our prior written consent, such closure constitutes your voluntary abandonment of the franchise and business and we have the right, in addition to other remedies provided for herein, to terminate this Agreement.

G. Operating Procedures. You must adopt and use as your continuing operational routine the required standards, procedures, methods of operation and management and security systems described in our operations manual or other written directives, including, but not limited to, system newsletters or bulletins, and emails that may be sent to you and/or all franchisees from time to time with information relevant to the System and/or operation of the Center (collectively, "**Manual**"). We will revise the Manual and these standards and systems periodically to meet changing conditions of operation, and will notify of the changes primarily through electronic communications. The Manual at all times is our sole property. You must at all times treat the Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential. You will be required to sign a confidentiality agreement at the time of access. We may from time to time revise the contents of the Manual and you expressly agree to comply with each new or changed requirement. You acknowledge and agree that the Manual and other system communications may only be available on the Internet or other online or computer communications. You must perform all exercise and fitness training functions and services as we designate from time to time and may not offer any exercise instruction, class or other services that we do not approve. Your Center must offer or perform all such services, as we periodically modify them.

H. Confidential Information. You may not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except to such employees as must have access to it in order to operate the Center. For purposes of this Agreement, "Confidential Information" means and includes, without limitation, all member information and information concerning prospective and former members (collectively, "**Member Information**"), any and all proprietary information contained in the Manual or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Center (including methods of instruction, room conditions (such as lighting and temperature), music (including type of music, music mix, and decibel level), and workout program (including technique and the sequence of movements). You hereby acknowledge and agree that all Confidential Information, including Member Information, belongs exclusively to us. You and each Owner agree to maintain the confidentiality of all Confidential Information, including Member Information, not to duplicate any materials containing Confidential Information, including Member Information, and not to divulge any Confidential Information, except to other franchisees and to your employees and professional advisors on a need to know basis. You may use the Confidential Information, including Member Information, only for the purpose of operating the Center. This provision will survive expiration of this Agreement.

You must cause your managers, instructors, and any employee with access to Confidential Information, including Member Information, to sign the Confidentiality and Non-Competition Agreement substantially in the form attached as Attachment C-2 to this Agreement. You must provide a copy of each such agreement to us upon our request. You must ensure that the Confidentiality and Non-Competition Agreement is properly executed with valid consideration as may be required under your state's law, including execution at the inception of employment or by providing some other additional consideration.

I. Compliance with Standards and Specifications; Participation in Joint Advertising Campaigns and Endorsements. You further agree to comply with all System specifications, standards and operating procedures (whether contained in the Manual or any other written communication) relating to the appearance, function, cleanliness, operation and promotion of a 9ROUND Center including, without limitation ***(i)*** sales and marketing procedures and customer service; ***(ii)*** advertising and promotional programs; ***(iii)*** member loyalty and reward programs; ***(iv)*** layout, décor and color scheme of the Center; ***(v)*** appearance and dress of employees; ***(vi)*** safety, maintenance, appearance, cleanliness, sanitation, standards of service, and operation of the Center; ***(vii)*** submission of requests for approval of brands of products, supplies and suppliers; ***(viii)*** use and illumination of signs, posters, displays, standard formats and similar items; ***(ix)*** use of audio equipment and type and decibel levels of music; ***(x)*** use of video equipment and type and decibel level of television broadcasts (including closed captioning requirements); ***(xi)*** types of fixtures, furnishings, and equipment; ***(xii)*** the make, type, location and decibel level of any game, entertainment or vending machine (and restrictions against the use of gaming, entertainment or vending machines); and ***(xiii)*** exercise and any other services you are authorized to offer at the studio.

You must acknowledge receipt of our communications, including electronic communications, and respond to such communications within 24 hours of delivery.

From time to time, we and our Affiliates also may participate in and require your participation in joint advertising campaigns and endorsement of third party products or services (which participation may include, among other things, broadcasting audio-visual advertising on in-Center televisions or computer monitors and/or placing promotional items at required locations throughout the Center). You agree to participate in all such campaigns and endorsements according to our directives, provided that we will provide you all promotional items necessary for participation free of charge. You further acknowledge and agree that we or our Affiliates may receive revenue, and may retain all revenue received, on account of your participation and other franchisee's participation in such campaigns and endorsements.

J. Compliance with Law; Licenses and Permits. You have an obligation, both prior to and after purchasing the franchise, to review the laws of the area in which you will be operating to determine what statutes, regulations, ordinances, or other laws may have an impact on your ability to operate the franchise. We are not responsible for reviewing the laws, and we make no representation or warranty (express or implied) that the System we have developed complies with the laws of your particular area. You represent and agree that you have conducted a review of the potentially-applicable laws and that you have provided to us, in writing, a statement of all legal issues that you feel may have a significant impact on your ability to follow the system or to operate your business. You must at all times maintain your premises and conduct your Center operations in compliance with all applicable laws, regulations, codes and ordinances including, without limitation, ***(i)*** all governmental regulations relating to sales, advertising and membership cancellation rights of health club memberships, and all bonding requirements, and ***(ii)*** all applicable laws pertaining to the privacy of consumer, employee and transactional information. If there is a conflict between our standards and policies and actual applicable law, you must comply with the requirements of applicable law, immediately give us notice of said conflict and promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies within the bounds of applicable law. You must secure and maintain in force all required licenses, permits and certificates relating to your Center. You acknowledge that you are an independent business and responsible for control and management of your Center, including, but not limited to, the hiring and discharging of your employees and setting and paying wages and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring, discharging, setting and paying of wages or related matters. You must not publish, disseminate, implement, revise or rescind a data privacy policy without our prior written consent. You must immediately notify us in writing of any claim, litigation, proceeding or complaint (whether from individuals or governmental agencies) that arises from or affects the operation or financial condition of your 9ROUND business or Center.

K. Participation in Internet Web Sites, Online Communications Networks, and Email Systems; Social Media. You must participate, at your expense, in our 9ROUND web site, any intranet or extranet system we may develop, and in other electronic communications systems and networks (including electronic mail system) as we may require, and must pay associated fees. Required participation includes, without limitation, maintaining and communicating at all times and for all business purposes through an email address provided by our approved vendor and promptly responding to all communications, including electronic communications, sent by us. Our current Technology Fee for the website and intranet use is listed on the Summary Page of this Agreement. We have the right to determine the content and use of our web site and any intranet or extranet system we may develop and will establish the rules under which franchisees may or must participate. We may change the Technology Fee as our technology needs evolve and you agree to participate in our future member service initiatives and pay the applicable fees. You may not use the Marks or any part or derivative thereof on the internet, except as we expressly permit in writing and as authorized by our then-current policies. Without limiting the generality of the foregoing, you may not use the Marks or any part or derivative of the Marks as part of any URL or domain name or as part of any unauthorized email address and may only register the Marks or any part or derivative of the Marks as part of any user name on any gaming website or social networking website (such as FACEBOOK, INSTAGRAM, or TWITTER) in accordance with our then-current policies. You also shall refrain from displaying on any website (including commercial websites, gaming websites, and social networking websites) any of our copyrighted works (including the design portion of the Marks), and shall refrain from streaming on any website any video reflecting the Marks or our proprietary workout routines, except with our written permission and in strict accordance with such permission. This includes, without limitation, offering merchandise identified by the Marks on any Internet website and uploading or streaming any video on sites such as YOUTUBE. We have the right to terminate our web site, intranet or extranet system at any time. Your general conduct on our web site, intranet and extranet system or other online communications and specifically your use of the Marks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our web site, intranet or extranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our web site, intranet and extranet system, or otherwise use the Marks or System on the internet or other online communications, will terminate when this Agreement expires or terminates.

You shall follow our mandatory specifications, standards, operating procedures, and rules for using Social Media in connection with your operation of the Center and you agree to comply with any Social Media policy we implement. We have the right (but not the obligation) to create and own all Social Media accounts used in operation of the Center and shall allow your access and use only in strict compliance with our rules. If we allow you to create a Social Media account you must give us all administrator capabilities as if we were the creator of the account. We reserve our right to remove your access to Social Media accounts at any time in our sole discretion. Upon termination of this Agreement for any reason, your access to all Social Media accounts will terminate. The term "Social Media" includes, without limitation, personal blogs; common social networks such as FACEBOOK, SNAPCHAT, INSTAGRAM, LINKEDIN, TWITTER, or YOUTUBE; internet listing sites such as WIKIPEDIA, GOOGLE, FOURSQUARE, and YELP; applications supported by mobile platforms such as iOS and Android; virtual worlds; file, audio, and video-sharing sites; and other similar internet, social networking, or media sites, mobile platforms, or tools.

L. Public Relations. You shall not make any public statements (including giving interviews or issuing press releases) regarding the business or any particular incident, occurrence, or event related to the business or Center, without our prior written approval.

M. Association with Causes. You shall not in the name of 9ROUND or the business, without our prior written approval: ***(i)*** donate money, products, or services to any charitable, political, religious, or other organization; or ***(ii)*** act in support of any such organization (including acting in support of any such organization on any website or social media platform).

N. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we require under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices and other changes as we deem appropriate. This right includes, but is not limited to, the right to introduce new products and services. You must comply with these modifications, additions or rescissions at your expense, subject to the express limitations listed in this Agreement.

You must operate your Center in strict compliance with all applicable laws and with the standard procedures, policies, rules and regulations established by us and incorporated herein or in the Manual or in 9ROUND system bulletins or other publications that are distributed to franchisees from time to time. Such standard procedures, policies, rules and regulations established by us may be revised from time to time as circumstances warrant, and you must comply with all such procedures as they exist from time to time as though they were specifically listed in this Agreement and when incorporated in a system bulletin or other written notice to franchisees, the same is incorporated herein by reference. These standard procedures, policies, rules, and regulations may include operational matters, advertising or marketing matters, employee matters, membership issues, relationships between you and other franchisees, accounting issues, and any other issues that we believe, in our business judgment, are required to generally benefit the 9ROUND System and its franchisees.

O. Pricing Policies. We have the right to establish prices for the products and services you sell, both minimum and maximum, to the extent permitted by applicable law. You agree to comply with all such pricing requirements.

P. National Accounts. From time to time we will negotiate contracts with corporations, affinity groups and insurance plans that will require that certain terms and/or discounts be offered to members of that corporation, affinity group or insurance plan by all franchisees at all locations ("**National Accounts**"). You are required to provide the special terms and/or discounts to these National Accounts.

Q. Member Administration and Mediation. We or an Affiliate may from time to time engage in administrative tasks related to member administration such as administering online enrollment or membership transfer and reciprocity programs. You agree that we may take those actions in accordance with our then-current policies, which may include transferring members or Membership Contracts to or from your Center and providing on-line member enrollment. You agree that we may make such corrections as necessary, including that if a member is mistakenly transferred to the wrong Center, we may issue credits and charges for the membership dues to the affected Centers. Any actions we take for member administration are for the benefit of the brand and uniformity in the System and not to exercise control over your business.

R. Payment Systems. You shall accept debit cards, credit cards, stored value cards, and other non-cash systems (including, for example, APPLE PAY, and GOOGLE WALLET) that we specify periodically to enable customers to purchase authorized products and services, and to acquire and install all necessary hardware and/or software used in connection with these non-cash systems. The parties acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. Accordingly, you shall cause your Center to meet or exceed, at all times, all applicable security standards developed by the Payment Card Industry Standards Council or its successor and other regulations and industry standards applicable to the protection of customer privacy and credit card information. You are solely responsible for your own education concerning these regulations and standards and for achieving and maintaining applicable compliance certifications. You shall defend, indemnify, and hold us harmless from and against all claims arising out of or related to your violation of the provisions of this Section.

7. PERSONNEL AND SUPERVISION STANDARDS

7. The following provisions and conditions control with respect to personnel, training and supervision:

A. Supervision. You must ensure that the Center is operated in accordance with the terms and conditions of this Agreement. If you employ a general manager, he or she must attend and successfully complete all required training, as listed in Sections 7.B. and 7.C.

B. Training. You must, at your expense, comply with all of the training requirements we require for the Center to be developed under this Agreement. If you employ a general manager, he or she also must comply with all training requirements. Specifically, prior to opening, you must attend our initial training program and complete the training to our satisfaction. In the event you are given notice of default as described in Sections 13.A. and 13.B. and the default relates, in whole or in part, to your failure to meet any operational standards, we have the right to require as a condition of curing the default that you, at your expense, comply with the additional training requirements we require. Any new general manager must comply with our training requirements within a reasonable time as we specify. Under no circumstances may you permit management of the Center's operations on a regular basis by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

C. Ongoing Training. We may require you and other key employees of the Center to attend, at your expense, ongoing training at our training Center, the Authorized Location or other location we designate. Beyond our initial training program, you must pay our then-current training fee for all training we conduct for you.

D. Staffing. You shall maintain a competent, conscientious, and trained staff (who shall have been adequately trained by you) in numbers sufficient to service customers promptly and properly (including daily Center opening and closing procedures), and shall take such steps as are necessary to ensure that your employees preserve good customer relations and comply with such dress code as we may require. In addition, you and your employees shall handle all customer complaints, refunds, returns or other adjustments in accordance with our policies as set forth in the Manuals or otherwise in writing. The parties acknowledge and agree that these requirements are necessary to preserve the goodwill identified by the Marks. The parties further acknowledge and agree that we neither dictate nor control labor or employment matters for you or your employees. You are exclusively responsible for hiring personnel, for determining the number of jobs offered or job vacancies to be filled, for determining and changing employee wages and benefits and work hours, and for disciplining and discharging your employees. You are exclusively responsible for labor relations with your employees. You shall defend and indemnify us against any and all proceedings, claims, investigations, and causes of action instituted by your employees or by others that arise from your employment practices. In the event that you require your employees to sign a noncompetition agreement preventing them from directly competing with you, you shall carve out from such restriction their ability to become a 9ROUND franchisee.

E. Attendance at Meetings. Unless we approve otherwise, you and your manager must attend all sales and operations meetings and annual franchise conventions we may hold or sponsor. If you are not able to attend a meeting or convention, you must notify us prior to the meeting and we may mandate that you substitute a person acceptable to us to attend on your behalf. We may charge reasonable fees for these programs, and you will be responsible for the wages and associated travel and living expenses for yourself and your manager or other designated attendee.

F. Instructor Certification. We reserve the right to develop certification programs for Center personnel who provide personal fitness instruction, teach any form of exercise, or provide any kind of fitness or nutrition instruction or counseling. We may charge, and you agree to pay a fee for providing certification-related courses and services.

8. ADVERTISING

8. You agree to actively promote your Center, to abide by all of our advertising requirements and to comply with the following provisions:

A. National Marketing Fee. You must pay us each month a National Marketing Fee in the amount set forth in the Summary Pages in consideration for the advertising and marketing services that we provide in our discretion. "Net Sales" is defined as all sales of services and goods at your Center, whether for cash or credit (and regardless of collectability), but does not include the sale price of goods returned by members and does not include any sales tax or other taxes collected from members by you for remittance to the appropriate taxing authority.

B. Grand Opening Marketing Fee. Before opening your Center, you must pay approved vendors, upon our request, a Grand Opening Marketing Fee of $5,000 for pre-opening and grand opening advertising materials. Upon receipt of your payment of the Grand Opening Marketing Fee, approved vendors will ship grand opening marketing materials to your Center, and you must reimburse the approved vendors for shipping cost. The Grand Opening Marketing Fee is deemed fully earned upon payment and is non-refundable.

C. Minimum Local Advertising Expenditure; Approved Materials. You must use your best efforts to aggressively promote and advertise the Center in your local area, and participate in any local marketing and promotional programs that we establish from time to time (including but not limited to any in-Center marketing or promotions we may choose to run). You must conduct an initial promotional campaign in accordance with our standards and specifications. In addition to any National Marketing Fee, you must spend at least $6,000 during each calendar year (a monthly average of at least $500) on approved forms of advertising and marketing in your market area that conform to our standards and specifications. Only the types of advertising and marketing that we specify will count toward satisfaction of this requirement. Upon our request, you must provide us with an itemized accounting of your local advertising and marketing expenditures, in the form we require, with supporting documentation of the type we require. You must use only such marketing materials as we furnish, approve or make available, and the materials must be used only in a manner that we require. Furthermore, any promotional activities you conduct in the Center or on its premises are subject to our approval. We will not unreasonably withhold approval of any sales promotion materials and activities; provided that they are current, in good condition, in good taste, dignified, and accurately depict the Marks (any use of the Marks, or a new variation you propose to the Marks, without our prior written approval is prohibited).

D. Local Marketing Fund and Advertising Co-ops.

(i) In the future, we may also, at our option, designate any geographic area in which at least two 9ROUND franchises are located as a "designated advertising area" for the purposes of establishing a Local Marketing Fund that we control ("**Local Marketing Fund**") or local or regional advertising cooperative controlled by majority vote of its members ("**Local Cooperative**"). In the future, we may, at our option, require you to make a contribution to a Local Marketing Fund and/or Local Cooperative, as provided in this paragraph. Any amount contributed to a Local Marketing Fund or Local Cooperative will be in addition to, and not in lieu of, the National Marketing Fee described above. We have the right to determine the amount of contribution, in our sole judgment, provided that aggregate monthly contributions will not exceed $500 per month (subject to adjustment based on the CPI as provided in Section 9.D.). If, however, a Local Cooperative chooses to contribute a greater amount and the amount is approved by a two-thirds majority of the Centers in the Local Cooperative, you must contribute such amount. Any contribution you make to a Local Marketing Fund or Local Cooperative will count towards the minimum local advertising expenditures outlined in Section 8.C.

(ii) If established, you must participate in any Local Marketing Fund and/or Local Cooperative formed to serve the geographic area in which the Center is located, and must promptly execute all participation documents that we require. For Local Cooperatives only, each Center in the Local Cooperative will have one vote. Each Local Cooperative will be required to adopt governing bylaws that meet our approval. We reserve the right to administer the Local Cooperatives' funds and require payment from its members via electronic funds transfer. The members of each Local Cooperative and their elected officers will be responsible for the administration of the Local Cooperative. We have the right to require Local Cooperatives to be formed, changed, dissolved or merged.

E. Sponsorships and Partnerships. You may not enter into any sponsorship agreements or arrangements or any marketing partnerships without our prior written consent.

9. FEES, REPORTING AND AUDIT RIGHTS

9. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. Upon execution of this Agreement you must pay us an initial franchise fee in the amount set forth on the Summary Page. The initial franchise fee is deemed fully earned upon payment in consideration for our expenses incurred and services rendered in conjunction with reserving your right to the Preliminary Designated area and is non-refundable.

B. Royalty Fee. In addition to the Initial Franchise Fee, in consideration of the rights and use of our intellectual property granted to you, you must pay to us a Royalty Fee in the amount set forth in the Summary Pages. You must pay the Royalty Fee beginning the month that your Center opens and each following month through the term of this Agreement. You will pay the full Royalty Fee for any partial month. See Section 8.A. for the definition of "Net Sales".

C. Member Services. Periodically, as technology and member demands evolve, we may change or provide additional member services. You agree to participate in our future member service initiatives and to pay the applicable fees at the then-current rates. For example, we currently charge the Member Service Fee in in the amount specified in the Summary Pages for access to the online franchisee portal which provides nutritional and fitness information and recipes, and use of the 9Round app.

D. CPI Adjustment. Certain fees under this Agreement, including the Technology Fee, minimum local advertising and marketing expenditure, and Local Marketing Fund or Local Cooperative contribution (unless calculated as a percentage of sales), are subject to adjustment based on any increase in the Consumer Price Index ("**CPI**") (meaning the annual average of the Consumer Price Index for All Urban Consumers, Other goods and services, 1982-1984=100, published by the Bureau of Labor Statistics of the United States Department of Labor). If the Bureau of Labor Statistics ceases publishing the named consumer price index, then the successor or most nearly comparable index as we select will be used. Fees will be changed no more than once per year. The increase will be based on the increase in the CPI Index between January 1 of any year and January 1 of the year of the Effective Date of this Agreement or the previous CPI adjustment.

E. Computations and Remittances. The Royalty Fee, Marketing Fee, Technology Fee, Local Marketing Fund or Local Cooperative contribution are due and owing on the first of the month. The Membership Fees and Member Services Fees are due and owing at the end of each month's operation. You must make all payments to us by the 10th of the month the fees are due (or such other day as we designate). You may not withhold payment of any amounts owed to use and hereby waive any and all existing and future claims and offsets against any amounts due under this Agreement. Notwithstanding any designation by you, we will be entitled to apply your payments against any amounts due to us. We also may set off any amounts that may be held by us or our Affiliates on your behalf or owed to you by us or through our Affiliates against amounts you owe to us or our Affiliates.

F. Method of Payment. You must make payments to us and our Affiliates by electronic funds transfer or such alternative methods as we may designate. You must execute and deliver to us, our bank and your bank, as necessary, all forms and documents that we request to permit us to use any payment method we designate, including the electronic transfer of funds authorization attached as Attachment D. You must comply with all procedures we specify from time to time, and take such reasonable action as we request to assist in any of the payment methods. Specifically, you agree that upon notice by us, all payments owed to us and our Affiliates may be deducted from the monies your billing and payment processor collects on your behalf and you hereby authorize the billing and payment processor to deduct such amounts and to pay those amounts to us or our Affiliates ***(i)*** on the due date of such amount in the case of ongoing, continuing fees, such as Royalty Fees and Marketing Fees; or ***(ii)*** as incurred in the case of non-scheduled fees, such as Administrative Fees or purchases of equipment and products. You must maintain a balance in your account sufficient to allow us and our Affiliates to collect the amounts owed to us when due and must notify us at least 20 days before closing or changing the account against which such debits are to be made. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this Section.

G. Interest Charges. Any and all amounts that you owe to us or to our Affiliates will bear interest at the rate of 12% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual.

H. Financial Planning and Management. You are responsible for keeping your own general accounting books. We may periodically request financial information, including but not limited to, a monthly profit plan, monthly balance sheet and monthly statement of profit and loss, membership and purchase records, invoices, inventories, payroll records, cash disbursement journals and general ledger, all of which accurately reflect the operations and condition of your Center operations. You must allow us electronic and manual access to any and all records relating to your Center.

I. Reports and Audit. In the event of an audit, you must verify the accuracy of the membership numbers on the 5th day of each month for the preceding month. Within 10 days after the request, you must submit to us a report with respect to our request in the form and content as we periodically require. The report must include, but not be limited to, the following information for the preceding month: ***(i)*** number of membership sales; and ***(ii)*** if we request, monthly sales summary and monthly balance sheet and statement of profit and loss, including a summary of your costs for utilities, labor, rent and other material cost items. We may also request, at your expense, that you submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year, including all adjustments necessary for fair presentation of the financial statements. You must certify all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirements on our other franchisees. If any audit determines that you have understated your income or your membership level by more than 2% and such understatement resulted in underpayment of any fees due to us, you must pay us all costs of the audit plus interest on the amount due to us at 12% per annum or the highest rate allowed by law, whichever is less.

We or our authorized representative have the right at all times during the business day to enter the premises where your books and records relative to the Center are kept and to evaluate, copy and audit such books and records. In addition, upon our request, you must provide us the current information regarding the name and telephone number of the landlord, lender or vendors and suppliers for the Center. You agree that we have the right to communicate with the landlord, lender and other vendors related to your operation of the

Center regarding the Center or any default by you under an agreement with the landlord, lender or vendor. You hereby authorize the landlord, lender and any vendor associated with your Center to communicate with us and provide us information regarding the Center.

J. Administrative Fee. If at any time your Center fails to conform to System Standards, we have the right to impose and collect from you an administrative fee as described in this paragraph ("**Administrative Fee**"). Specifically, ***(i)*** we may impose and collect from you a $250 Administrative Fee for each "enforcement effort" that we undertake on account of your noncompliance with System Standards (e.g., a letter, email, or telephone communication notifying you of noncompliance or continued noncompliance), and ***(ii)*** if we have notified you of noncompliance and you have failed to correct the issue within seven days, we may impose and collect from you a $250 Administrative Fee per week until the issue has been corrected to our satisfaction. We may provide such notice and any related communications by electronic means (including, without limitation, by facsimile, email, or through any electronic communications system we designate for the System). We also may impose and collect a $250 Administrative Fee if you fail to acknowledge receipt of our notice or communications to you, or to respond to our communications within 24 hours of delivery. This fee is not a penalty, but is intended to compensate us for the additional costs that we incur in enforcing your compliance with System Standards, and is in addition to and not in lieu of any other rights or remedies that we may have based on your noncompliance with System Standards. We may impose and collect the Administrative Fee whether or not the noncompliance at issue is of the type or degree that constitutes a material default of your obligations under this Agreement and, if it is, whether or not a cure period applies. At our option, we may require you to demonstrate full compliance with your obligations by submitting to us a comprehensive walk-through video of your Center premises in accordance with our System Standards.

K. Attorneys' Fees and Costs. Should your non-compliance with the Franchise Agreement cause us to incur attorneys' fees and/or costs, you will be required to reimburse us for the attorneys' fees and costs incurred. For purposes of this provision, "costs" include all costs of investigation, mediation (if the mediation does not result in settlement), discovery, trial, and appeal (if applicable), including private investigators' fees, experts' fees, clerks' fees, service fees, and court reporter fees.

L. Taxes. If any taxes, fees, or assessments are imposed on royalties or other fees by reason of us acting as franchisor or licensing the Marks or the System under this Agreement (for example, sales tax), you will reimburse us the amount of those taxes, fees, or assessments within 15 days after receipt of our written notice to you.

M. Cross Payments. If you or any of your Affiliates operates a 9ROUND center other than the one contemplated by this Agreement, as of the Effective Date, you agree that upon notice by us, any amounts owed to us or our Affiliates related to such other center(s) may be deducted from the monies your billing and payment processor collects on your behalf and you hereby authorize the billing and payment processor to deduct such amounts and to pay those amounts to us or our Affiliates. You agree and acknowledge that such payments include, without limitation, any late payments, interest, administrative fees, and liquidated damages related to such other center or the franchise agreement governing such other center. If we elect to collect liquidated damages in installments, you agree that we may also collect interest at six percent on the amounts owed.

10. YOUR OTHER OBLIGATIONS; NON-COMPETE COVENANTS

10. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to pay promptly when due: ***(i)*** all payments, obligations, assessments and taxes due and payable to us and our Affiliates, suppliers, lessors, federal, state or local governments, or creditors in connection with your business; ***(ii)*** amounts related to all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Center or business; and ***(iii)*** all accounts and other indebtedness of every kind incurred by you in the conduct of the Center or business. In the event you default in making any such payment, we are authorized, but not required, to pay the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

B. Indemnification. You waive all claims against us for damages to property or injuries to persons arising out of the operation of your Center. You must fully protect, indemnify and hold us and our owners, directors, officers, successors and assigns and our Affiliates harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Center (regardless of cause or any concurrent or contributing fault or negligence of us or our Affiliates) or any breach by you or your failure to comply with the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for our costs and attorneys' fees immediately upon our request as they are incurred. This Section will survive the expiration or termination of this Agreement and applies to all losses and expenses even if they exceed the limits of your insurance coverage

C. Insurance.

(i) You must maintain at your expense in full force and effect throughout the initial term and renewal terms the types of insurance and the minimum policy limits and deductibles stated in the Manual from our then-current designated insurance carrier or alternatively, in our sole discretion, a carrier acceptable to us. The insurance policy or policies must protect you, us, our parents, our Affiliates, and each entity's respective, past, present, and future officers, directors, owners, managers, members, employees, consultants, attorneys, and agents against any loss, liability, personal injury, death, property damage, or expense of any kind arising out of, or in connection with the Center, including the condition, operation, management, use, or occupancy of your Center.

(ii) To the fullest extent permitted by law, we and our parents, Affiliates, and subsidiaries (including each entity's respective, past, present, and future officers, directors, owners, managers, members, employees, consultants, attorneys, and agents) must be added/named as additional insureds on all coverages on which additional insureds can be added, even for claims regarding the additional insureds' sole negligence. The coverage offered to the additional insureds will be primary coverage to any other coverage maintained by the additional insureds and will not permit or require such other coverage to contribute to the payment of any loss. Policies must also contain a waiver of subrogation in favor of the additional insureds.

(iii) You must provide to us any documentation we require to evidence your compliance with this Section, where such documents may include, without limitation, additional insured endorsements and your insurance certificates.

(iv) We may require additional types of coverage or increase the required minimum amount of coverage on reasonable notice. Your obligation to obtain coverage is not limited in any way by insurance that we maintain.

(v) You acknowledge that the required minimum insurance requirements do not constitute advice or a representation that such coverages are necessary or adequate to protect you from losses in connection with the Center. Nothing in this Agreement prevents or restricts you from acquiring and maintaining insurance with higher policy limits or lower deductibles than what we require. Your insurer(s) must commit not to cancel or amend the policy or policies without at least 30 days' prior written notice to us.

(vi) We have the right to implement an insurance administration program, pursuant to which we or our designee may facilitate policy procurement, premium payments, and renewals, and we or the service provider may impose a reasonable fee for such services. If implemented, you must participate in the program and pay required fees. To the extent permitted by applicable law, you shall obtain insurance from insurance carriers or brokers that we designate or approve. If you fail to obtain and maintain insurance coverage as required by this Agreement, we have the right, but not the obligation, to obtain the required insurance on your behalf and to charge you for the cost of the insurance plus a reasonable fee for our services in obtaining the insurance, which you agree to pay on demand.

D. Non-compete Covenants. You agree that you will receive training and Confidential Information that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement. You therefore agree to the following non-competition covenants:

(i) Persons Bound. Unless otherwise specified, the term "Covered Person" as used in this Section 10.D. includes, collectively and individually, each Owner (and each Owner's immediate family members, including, without limitation, their spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, parent-in-law, child-in-law, grandparent, sibling, half-sibling, stepsibling, sibling-in-law, aunt, uncle, niece, nephew, or first cousin) and all guarantors, officers, directors, managers, partners, as the case may be, and any of the Center's managers, instructors, and other employees receiving training or Confidential Information. We may require you to obtain from your individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Section 10.D.

(ii) During Term. During the term of this Agreement, Covered Persons must not directly or indirectly, for themselves or through, on behalf of or in conjunction with any individual or business entity: (1) divert any Center member, prospective Center member or former Center member to any fitness center or club except another 9ROUND Center; or (2) own, operate, lease, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other fitness center or club (including, but not limited to fitness club, studio or exercise facility featuring boxing, kickboxing or a circuit training program) in the United States, except another 9ROUND Center pursuant to a valid franchise agreement with us.

(iii) After Termination. For a period of two years after the transfer, expiration or termination of this Agreement (and with respect to any Owner, for a period of two years after such person ceases to be an Owner, regardless of the reason, and with respect to any of the Center's managers, instructors, or other employees, for a period of two years after such person ceases to be affiliated with you), Covered Persons must not directly or indirectly, for themselves or through, on behalf of or in conjunction with any individual or business entity: (1) divert any Center member, prospective Center member or former Center member to any fitness center or club except another 9ROUND Center; or (2) own, operate, lease, franchise, engage in, be connected with, be employed by, have any interest in, or assist any person or entity engaged in any other fitness center or club (including, but not limited to fitness center, club, studio or exercise facility featuring boxing, kickboxing or a circuit training program) that is located at or within a 25-mile radius of the Authorized Location, that is located within a 25-mile radius of any other 9ROUND Center in operation or under construction, or that is located in the Designated Area of any other 9ROUND franchisee. The two year period described in this paragraph will be tolled during any period of noncompliance.

(iv) Reasonableness. You agree that the scope of the prohibitions stated in this Section 10.D. is reasonable and necessary to protect us and the System (including other franchisees of the System). You agree that the prohibitions in this Section 10.D. must be very broad in order to prevent you from taking information, materials and training we are providing to you on an ongoing basis and using them to either compete with us, or preempt or otherwise restrict our ability to enter new markets. You agree that the time period and the scope of the prohibitions stated in this Section 10.D. are the reasonable and necessary time and distance needed to protect us if this Agreement expires or is terminated for any reason. You also agree that you have many other opportunities available to earn a living, and that these restrictions will not preclude you from engaging in a lawful trade or business for which you otherwise are qualified.

(v) Exception. The purchase of a publicly traded security of a corporation engaged in a competitive business or service will not in itself violate this Section 10.D. so long as you do not own, directly or indirectly, more than 5% of the securities of such corporation.

(vi) Reformation and Reduction of Scope of Covenants. If all or a portion of any covenant contained in this Section 10.D. is held to be unreasonable or unenforceable by a court or agency having valid jurisdiction in any un-appealed final decision to which we are a party, you and each Covered Person will be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 10.D. Notwithstanding the foregoing, we have the unilateral right, in our sole discretion, to reduce the scope of any covenant set forth in Section 10.D., or any portion thereof, which reduction will be effective immediately upon delivery of notice of the reduction.

(vii) Injunctive Relief. You and each Covered Person agree that the violation of any covenant contained in this Section 10.D. would result in immediate and irreparable injury to us for which there is no adequate remedy at law. You and each Covered Person therefore agree that in case of an alleged breach or violation of this Section, we may seek injunctive relief, in addition to all other remedies that may be available to us at equity or law. We will not be required to post a bond or other security for any injunctive proceeding.

(viii) Severability. Each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

E. Innovations. You agree to fully and promptly disclose to us all ideas, plans, improvements, concepts, methods and techniques relating to the development or operation (including marketing, advertising and promotions) of the Center or any similar aspect of the business conceived or developed by you, any Owner or your employees during the term of this Agreement ("**Innovations**"). We and our Affiliates own and have the right to authorize other Centers to use any Innovations without any compensation to you, any Owner, or your employees. We and our Affiliates own all related patents, patent applications, and other intellectual property rights of the Innovations. You and your Owners hereby assign to us any rights you or your Owners may have or acquire in the Innovations, including the right to modify the Innovations, and waive and/or release all rights of restraint and moral rights therein and thereto. You and your Owners agree to assist us in obtaining and enforcing the intellectual property rights to any such Innovation in any and all countries and further agree to execute and provide us with all necessary documentation for obtaining and enforcing such rights. You and your Owners hereby irrevocably designate and appoint us as agent and attorney-in-fact for you and for us to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such Innovations. In the event that the foregoing provisions of this section are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Innovations to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on you or your Owners' rights therein. Without limiting the foregoing, you and your Owners also agree to provide and disclose to us any improvements or concepts you and your Owners create and conceive concerning the operation of a 9ROUND Center, and that we and our Affiliates shall own, may use, and may permit others to use any such improvements or concepts without compensation to you or your Owners. Nothing in this Section modifies your obligations to comply with the System and the Manual.

F. Copyright. You hereby acknowledge and agree that the ownership of all printed, audio and visual material and any other material whatsoever (including all Confidential Information) being part of the Center or System (the "**work**") belongs to us or our Affiliates and any copyright in respect to the work belongs to us. In addition, you acknowledge that you have no right to manufacture any component of the work or duplicate the work and agree to purchase all components of (or rights of access to) the work exclusively from us. You have no right to claim any proprietary interest in any of the work. You must immediately notify us of any known infringement to the work or to our copyright interest therein. We have the right to control any litigation related to our copyrights or the work. You agree to assist us, as directed by us, in any claim or action against the infringer.

11. TRANSFER OR ASSIGNMENT OF FRANCHISE

11. You agree that the following provisions govern any transfer or assignment or proposed transfer or proposed assignment:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Center. Consequently, your interest in this Agreement or in the Center, or any Owner's interest in a franchisee that is a partnership or entity, may not be transferred to or assumed by any other person or entity (the "**transferee**"), in whole or in part, unless you have first tendered to us the right of first refusal to acquire this Agreement in accordance with Section 11.E., and if we do not exercise such right, unless our prior written consent is obtained, and the transfer conditions described in Section 11.C. are satisfied. Any sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the business to a person or entity who shares in the losses or profits of the business in a manner other than as an employee will be considered a transfer for purposes of this Agreement. Specifically, but without limiting the generality of the foregoing, the following events constitute a transfer and you must comply with the right of first refusal, consent, and other transfer conditions in this Section 11:

(i) Any change or series of changes in the percentage of the franchisee entity owned, directly or indirectly, by the Principal Owner (including any addition or deletion of any person or entity who qualifies as a Principal Owner);

(ii) Any change in the general partner of a franchisee that is a general, limited or other partnership entity; or

(iii) For purposes of this Section 11.A., a pledge or seizure of any ownership interests in you or in any Principal Owner that affects the ownership of 25% or more of you or a Principal Owner, which we have not approved in advance in writing.

In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in Section 11.E., and if we do not exercise such right, must apply for and obtain our consent to the transfer, and satisfy the transfer conditions described in Section 11.C. In addition, you or the assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

You may not place in, on or upon the location of the Center, or in any communication media or any form of advertising, any information relating to the sale of the Center or the rights under this Agreement, without our CEO's prior written consent.

B. Consent to Transfer. We may consent or withhold consent to any requested transfer based on our sole discretion. Application for our consent to a transfer and tender of the right of first refusal provided for in Section 11.E. must be made by submission of our form of application for consent to transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other transfer agreement) or other required information. The application must indicate whether you or a Principal Owner proposes to retain a security interest in the property to be transferred. No security interest may be retained or created, however, without our CEO's prior written consent and except upon conditions acceptable to us. Any agreement used in connection with a transfer is subject to our CEO's prior written approval. Any attempted transfer by you without our CEO's prior written consent or otherwise not in compliance with the terms of this Agreement will be void and will provide us with the right to elect either to default and terminate this Agreement or to collect from you and the guarantors a fee of $10,000.

C. Conditions of Transfer. We condition our consent to any proposed transfer, whether to an individual, a corporation, a partnership or any other entity upon the following:

(i) Transferee Qualifications. The transferee must meet all of our then-current requirements for the franchise we are offering at the time of the proposed transfer, including having demonstrated the transferee has the personal character and business experience we deem suitable to be successful in our System.

(ii) Payment of Amounts Owed. All amounts owed by you to us or any of our Affiliates, your suppliers or any landlord for the Center premises and Authorized Location, or upon which we or any of our Affiliates have any contingent liability must be paid in full.

(iii) Reports. You must have provided all required reports to us in accordance with Section 9.I.

(iv) Modernization. You must have complied with the provisions of Section 5.F.

(v) Guarantee. In the case of an installment sale for which we have consented to you or any Principal Owner retaining a security interest or other financial interest in this Agreement or the business operated hereunder, you or such Principal Owner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

(vi) Consent to Transfer; General Release. You, each Principal Owner, and each guarantor must execute all transfer documents that we require and in the form we designate, which documents will include a general release of all claims arising out of or relating to this Agreement, your Center, or the parties' business relationship; provided, however, that the release will not be inconsistent with any state law regulating franchising.

(vii) Training. The transferee must, at your or the transferee's expense, comply with the training requirements of Section 7.B.

(viii) Financial Reports and Data. We have the right to require you to prepare and furnish to transferee and/or us such financial reports and other data relating to the Center and its operations as we deem reasonably necessary or appropriate for assignee and/or us to evaluate the Center and the proposed transfer. You agree that we have the right to confer with proposed transferees and furnish them with information concerning the Center and proposed transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Center and proposed transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

(ix) Transfer Fee. There is no transfer fee, but a purchaser of an existing 9ROUND franchise will be required to pay a Franchise Fee.

(x) New Franchise Agreement. If the proposed transfer (or a series of transfers) would result in a change in control of the franchisee, the transferee must execute our then-current form of franchise agreement; and each of transferee's Principal Owners must execute our then-current form of personal guaranty and undertaking. The parties acknowledge and agree that our then-current form of franchise agreement may be materially different than this Agreement and may include, among other things, different fees. Additionally, in the event of a transfer, we have the unilateral right to change or modify the boundaries of the Designated Area under the new franchise agreement. The Designated Area modification, if any, will be noted in the new franchise agreement issued with respect to the transfer.

(xi) Member Information. You must have provided us with a full and accurate list of your current and prospective members, and at our direction, provide the same to the transferee.

(xii) Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our transfer policies.

D. Death, Disability or Incapacity. If any individual who is a Principal Owner dies or becomes disabled or incapacitated and the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as a Principal Owner, such person or entity must apply for our consent under Section 11.B., comply with the training requirements of Section 7.B, and satisfy the transfer conditions under Section 11.C., as in any other case of a proposed transfer, all within 180 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Center still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent or disabled or incapacitated person is the spouse or child of such person, no Franchise Fee will be payable to us and we will not have a right of first refusal as stated in Section 11.E.

E. Right of First Refusal. If you propose to transfer or assign this Agreement or your interest herein or in the business, in whole or in part, to any third party, including, without limitation, any transfer contemplated by Section 11.D. or any transfer described in Section 11.A., you first must offer to sell to us your interest. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver to us a statement in writing, signed by the offeror and by you, of the terms of the offer. In the event the proposed transfer results from a change in control of the franchisee or a Principal Owner under Sections 11.A.(i) through 11.A.(iii), or your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, you first must offer to sell to us your interest in this Agreement and the land, building, equipment, furniture and fixtures, and any leasehold interest used in the operation of your Center. Unless otherwise agreed to in writing by our CEO and you, the purchase price for our purchase of assets in the event of a transfer that occurs by a change in control or insolvency or bankruptcy filing will be established by a qualified appraiser selected by the parties and in accordance with the price determination formula established in Section 14.B. in connection with an asset purchase upon expiration. In addition, unless otherwise agreed to in writing by us and you, the transaction documents, which we will prepare, will be those customary for this type of transaction and will include representations and warranties then customary for this type of transaction. If the parties cannot agree upon the selection of such an appraiser, the AAA (defined below) office closest to the Authorized Location will appoint one upon request of either party.

You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested. We then have 45 days from our receipt of the statement setting forth the third-party offer or the appraiser's report and other requested information to accept the offer by delivering written notice of acceptance to you. Our acceptance of any right of first refusal will be on the same price and terms listed in the statement delivered to us; provided, however, we have the right to substitute equivalent cash for any noncash consideration included in the offer. If we fail to accept the offer within the 45-day period, you will be free for 60 days after such period to effect the disposition described in the statement delivered to us provided such transfer is in accordance with this Section 11. You may effect no other sale or assignment of you, this Agreement or the business without first offering the same to us in accordance with this Section 11.E.

F. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement and you hereby consent to any such sale or assignment.

G. Assignment.

(i) Individual Franchisee. If you are in full compliance with this Agreement, you may submit a request to assign this Agreement to a corporate or other business entity ***(i)*** which conducts no business other than operating your Center (and if applicable other 9ROUND Centers), ***(ii)*** in which you maintain management control, ***(iii)*** of which you own and control 100% of the equity and voting power of all issued and outstanding equity interests and ***(iv)*** further provided that all assets of the Center are owned, and the entire Center is conducted by a single business entity. Any assignment meeting the conditions in this Section 11.G.i. will not be subject to the conditions in Section 11.C., however, the corporation or other similar entity must execute a document in a form approved by us in which it agrees to become a party to and be bound by all the provisions of this Agreement and the Principal Owners must agree to remain personally liable under this

Agreement. Your request to assign this Agreement must be accompanied by an assignment fee of $250. This fee is non-refundable and may be collected by us pursuant to the methods set forth in Section 9.F.. The assignment fee will be waived if you submit a request to assign this Agreement pursuant to this Section 11.G.i. within six (6) months of the Effective Date of this Agreement.

(ii) Percentage Ownership. If you are in full compliance with this Agreement, you may submit a request to remove a minority partner, member, or other owner of your business, or to increase or decrease the percentage ownership of any minority partner, member, or other owner of your business. Any change in the percentage ownership of any existing Principal Owner or any change in the percentage ownership of your business that would create a new Principal Owner is considered a transfer and is governed by Section 11.A-C, above. Your request must be accompanied by an assignment fee of $250.00. This fee is non-refundable and may be collected by us pursuant to the methods set forth in Section 9.F.

H. Securities Offerings.

(i) No Public Offerings. Neither you nor any of your Owners may issue or sell your securities or the securities of any of your Affiliates if: (1) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than 35 persons; or (2) after the issuance or sale, you or such Affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended.

(ii) Private Placements. You, your Owners, and Affiliates may offer securities or partnership interests, by private offering or otherwise, only with our prior written consent, which will not be unreasonably withheld (except for public offerings prohibited above). All materials required for such offering by federal or state law must be submitted to us for review prior to their being filed with any government agency; and any materials to be used in any exempt offering must be submitted to us for review prior to their use. No offering may imply (by use of the Marks or otherwise) that we are participating in the underwriting, issuance or offer of securities and our review of any offering will be limited solely to the subject of the relationship between you and us. In preparing a prospectus or other offering materials, you must make any changes and incorporate any disclaimers we require with respect to your relationship with us and your use of the Marks. You, Owners and the other participants in the offering must fully indemnify us in connection with the offering. For each proposed offering, you must pay us for our reasonable costs and expenses associated with reviewing the proposed offering, including, without limitation, legal and accounting fees. You must give us written notice at least 30 days prior to the date of commencement of any offering or other transaction covered by this Section.

12. DISPUTE RESOLUTION

12. The following provisions apply with respect to dispute resolution:

A. Arbitration; Mediation. Except as qualified below, any dispute between you and us and any of our or your Affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease for the Center or Authorized Location, the parties' relationship, the Center, our Standards, or the scope or validity of the arbitration obligations under this Section must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be arbitrated in accordance with the then-current rules and procedures and under the auspices of the American Arbitration Association ("**AAA**"). Any arbitration must be on an individual basis, but may include you and your Owners as a single party. Multiparty arbitration is not permitted, and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any claim or other proceeding involving third parties. In the event a court or arbitrator determines that this exclusion of multiparty arbitration (including class arbitration) is unenforceable, then this entire commitment to arbitrate will be null and void and the parties must submit all claims to the jurisdiction of the courts, with the exclusive venue for any actions on such claims being in the State and Federal courts situated in Simpsonville, South Carolina. Simpsonville, South Carolina is the exclusive locale of any arbitration. The arbitrators must follow the law and not disregard the terms of this Agreement. Any arbitrator must have at least five years' experience in franchising or in franchise law.

Any un-appealed decision of the arbitrator(s) will be final and binding on all parties to the dispute; however, the arbitrator(s) shall have no authority to: ***(i)*** stay the effectiveness of any pending termination of this Agreement; ***(ii)*** assess punitive or exemplary damages; ***(iii)*** certify a class or consolidate an action; or ***(iv)*** make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. A judgment may be entered upon the arbitration award by any court of competent jurisdiction.

Each party agrees to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Agreement or applicable law, whichever expires first. We and you further agree that, in connection with any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Section 12.C. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration under this Section 12 without the prior written consent of both parties. The provisions of this Section are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any award rendered by the arbitrator(s) may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules in effect as of the Effective Date of this agreement ("**Appellate Rules**"). Any award will, at a minimum, be a reasoned award. The award will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty days of receipt of an award, as defined by Rule A-3 of the existing Appellate Rules, by filing a notice of appeal with any AAA office. The appeal tribunal may affirm, reverse, or modify the award of the arbitrator(s), or return the matter to the arbitrator(s) for further action. A final award may be entered once the appeal process is complete or the time for filing an appeal has expired, and a judgment may be entered upon the arbitration award in accordance with the procedures identified above.

Before the filing of any arbitration, and except as provided below, the parties agree to first submit their dispute to mediation. Mediation will be conducted by a mediator or mediation program agreed to by the parties and will take place in Simpsonville, South Carolina. Persons authorized to settle the dispute must attend any mediation session. The parties agree to participate in the mediation proceedings in good faith with the intention of resolving the dispute if at all possible within 30 days of the notice from the party seeking to initiate the mediation procedures. If not resolved within 30 days, the parties are free to pursue arbitration.

B. Injunctive Relief and Collections. Notwithstanding Section 12.A., the parties agree that the following claims will not be subject to arbitration or mediation: ***(i)*** any action by us for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to our tangible or intangible property, including, without limitation, the Marks, brought at any time, including without limitation, prior to or during the pendency or any arbitration proceeding initiated under Section 12.A.; ***(ii)*** any action by us in ejectment or for possession of any interest in real or personal property; ***(iii)*** our decision in the first instance to issue a notice of default and/or notice of termination, or undertake any other conduct with respect to the franchise relationship that might later result in a dispute or controversy between the parties; or ***(iv)*** any collection action by us for the payment of royalty fees or other amounts owed under this Agreement.

C. Attorneys' Fees. The prevailing party in any arbitration, action or proceeding arising under, out of, in connection with, or in relation to this Agreement or other dispute between the parties, any lease or sublease for the Center or Authorized Location, or the business will be entitled to recover its reasonable attorneys' fees and costs. If any party initiates litigation in violation of this arbitration provision and the other party successfully moves to compel arbitration, the party moving to compel arbitration will be entitled to reimbursement of its attorneys' fees and costs incurred in connection with defending the litigation and compelling arbitration.

13. DEFAULT AND TERMINATION AND OTHER REMEDIES

13. The following provisions apply with respect to default and termination:

A. Termination by Us. You are in default if we determine that you or any Principal Owner or guarantor has breached any of the terms of this Agreement or any other agreement between you and us or our Affiliates including, without limitation, any failure to pay fees or other amounts due under this Agreement. We have the right to terminate this Agreement in accordance with the following provisions:

(i) Termination After Opportunity to Cure. Except as otherwise provided in this Section 13.B.: (1) we may terminate this Agreement if you have failed to cure any default under this Agreement within 30 days from the date of our issuance of a written notice of default, other than a failure to pay amounts due or submit required reports, in which case we may terminate this Agreement if you have failed to cure such default within 10 days of our issuance of a written notice of default; (2) your failure to cure a default within the applicable cure period will provide us with good cause to terminate this Agreement; (3) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination; and (4) the termination will be effective immediately upon our issuance of the written notice of termination.

(ii) Automatic Termination without Notice or Opportunity to Cure. In the event that any of the following defaults occur, this Agreement will terminate automatically, without notice and without providing you an opportunity to cure: (1) the filing of a voluntary or involuntary petition for bankruptcy relief by or against you or by or against any Principal Owner or guarantor; (2) your insolvency (meaning your inability to pay debts as and when they become due); (3) your making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

(iii) Immediate Termination with No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: (1) you have failed to identify a mutually acceptable site for the operation of the Center or to open the Center for business within the time period provided by this Agreement; (2) you or any Owner has made any material misrepresentation or omission in your franchise application; (3) your voluntary abandonment of the franchised business; (4) the loss of your lease, or the failure to timely cure a default under the lease; (5) the loss of your right of possession or failure to reopen or relocate under Section 5.G.; (6) the closing of the Center by any state or local authorities for health or public safety reasons; (7) any unauthorized use of the Confidential Information; (8) conviction of you, any Principal Owners, or guarantors of (or pleading no contest to) any felony or misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of the Marks or the Center; (9) you, any Owner, guarantor or an Affiliate of any of you are listed by the United States or United Nations as being a terrorist, financier of terrorism or otherwise restricted from doing business in or with the United States; (10) intentionally understating or underreporting membership sales or any understatement or 2% variance on a subsequent audit within a two-year period under Section 9.I.; (11) any unauthorized transfer or assignment in violation of Section 11; (12) you or any Owner or guarantor defaults under any other agreement between them and us, our Affiliates, or a third party essential to the operation of your Center (such as a landlord, vendor, or supplier), and has not been cured within any applicable cure period; or (13) the occurrence of two or more defaults of the same or similar nature within any 12-month consecutive period, or the occurrence of four or more defaults, regardless of their nature, within any 24-month period, and regardless of whether the previous defaults were timely cured. We also have the right to terminate this Agreement, effective upon delivery of written notice of termination, in the event of (1) termination, on account of your default, of any other franchise agreement between you or your Affiliate, as franchisee, and us, as franchisor or (2) abandonment or unauthorized closure of any other Center operated under a franchise agreement between you or your Affiliate, as franchisee, and us, as franchisor.

(iv) Immediate Termination After No More than Seven Days to Cure. In the event that any of the following defaults exist, you will have no more than seven days after we provide written notice of the default to cure the default, and this Agreement will terminate effective immediately on our issuance of written notice of termination: (1) a default occurs that materially impairs the goodwill associated with any of the Marks, violates any health, safety or sanitation law or regulation, or if the operation of the Center presents a health or safety hazard to your members or to the public; (2) a default occurs that involves misuse of our Marks, including the offer or sale of unauthorized products or services at or from the Center premises or in conjunction with the Marks; (3) a default occurs that involves the installation or use of unauthorized equipment at the Center premises; or (4) a default occurs that involves the failure to follow our prescribed workout routines, or the offering of unauthorized workout routines.

(v) Effect of Other Laws. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise supersede any provision of this Agreement that is less favorable to you.

B. Termination by You. You may terminate this Agreement as a result of a breach by us of a material provision of this Agreement provided that: ***(i)*** you provide us with written notice of the breach that identifies the grounds for the breach; and ***(ii)*** we fail to cure the breach within a reasonable time, which will in no event be less than 60 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 90 days after our receipt of your written notice of breach. Your termination of this Agreement under this Section will not release or modify your post-term obligations under Sections 10.D. and 14 of this Agreement.

C. Other Remedies. If you fail to identify a site for the Center or open the Center within the time required by this Agreement, or if a default occurs which allows us to terminate this Agreement, in lieu of terminating this Agreement, we may, at our sole option, amend the Franchise Agreement to eliminate any Designated Area protection or reservation provided to you under Section 2.C. of this Agreement. If you are in default under this Agreement, in addition to any other remedies we may have, we have the right to withhold services pending any cure of the default including: ***(i)*** removing your Center from any website we operate; ***(ii)*** suspending online enrollment; or ***(iii)*** suspending our facilitation of the member billing process.

D. Liquidated Damages.

(i) In the event that you prematurely cease operation of the Center in accordance with this Agreement, or if you commit a default that results in early termination of this Agreement, you must pay us, as liquidated damages and not as a penalty, an amount equal to the average monthly fees paid to us over the past 12 months multiplied by the number of months remaining in the then-current term, reduced to present value at a rate of 6%. The parties acknowledge and agree that such amount represents a reasonable estimate of the damages we will incur as a result of such default and premature termination. If you are party to any other agreement with us to operate one or more other 9ROUND Centers, we have the discretion to deduct some or all of these liquidated damages from any accounts you maintain relating to those 9ROUND Centers. If we elect to deduct any liquidated damages from any other accounts you maintain, we reserve the right to collect these amounts in installments, payable at 6% interest for a term of up to 24 months.

(ii) In the event that you sell any products or offer any services that we have not authorized for sale, you must pay us an amount equal to 70% of the gross revenue that you derived from the sale of unauthorized products, and 100% of the gross revenues that you derived from the offer of unauthorized services. We have the right to collect these amounts in the same way as we collect payment of royalty fees. The parties acknowledge and agree that 70% of gross revenue represents a reasonable estimate of the profits you will derive as a result of selling unauthorized products, and that 100% of gross revenue represents a reasonable estimate of the profits you will derive as a result of offering unauthorized services.

E. Step In Rights. During any period that you are in default of this Agreement, you hereby authorize us, and we shall have the right, but not the obligation, to order the closure of the Center, to operate the Center on your behalf for as long as we deem necessary, and/or to coordinate the transfer of Memberships to other Centers, all without waiver of any other rights or remedies we may have under this Agreement or applicable law. If we or our representative undertakes to operate the Center pursuant to this Section 13.E., we shall have the right to collect all revenues of the Center, and ***(i)*** pay from such revenues all operating expenses of the Center including, without limitation, Royalty Fees, National Marketing Fees, local advertising and marketing expenditures, the Technology Fee and all other amounts due under this Agreement, wages, salaries, occupancy costs, and taxes; ***(ii)*** reimburse ourselves from such revenues any out-of-pocket costs that we incur in connection with providing management services; and ***(iii)*** pay ourselves or our management services provider a management fee in an amount equal to five percent of Center gross revenues, calculated on a monthly basis.

F. Cross-Default. Any default by you or your Affiliates under any agreement between you or your Affiliates and us or our Affiliates, that is not cured within any applicable cure period, shall be considered a default by you under this Agreement and shall provide us with an independent basis for termination of this Agreement.

14. POST-TERM OBLIGATIONS

14. Upon the expiration or termination of this Agreement:

A. Reversion of Rights; Discontinuation of Trademark Use.

All of your rights to the use of the Marks and all other rights and licenses granted in this Agreement and the right and license to conduct business under the Marks at the Authorized Location will revert to us without further act or deed of any party.

You shall immediately comply with the post-term non-compete obligations under Section 10.D., cease all use and display of the Marks and of any proprietary material (including the Manual) and of all or any portion of promotional materials furnished or approved by us.

You shall assign all right, title and interest in the telephone numbers for the Center and assign or cancel, at our option, any assumed name rights or equivalent registrations filed with authorities.

You must pay all sums due to us, our Affiliates or designees and all sums you owe to third parties that have been guaranteed by us or any of our Affiliates.

You must immediately return to us, at your expense, all copies of the Manuals then in your possession or control or previously disseminated to your employees and continue to comply with the confidentiality provisions of Section 6.H.

If we elect not to assume the Center lease according to the option described in 14.B., below, you shall promptly, at your expense, de-identify the Center premises. For purposes of this provision, "de-identify" means removing or obliterating all Center signage, displays and other materials that bear any of the Marks, confusingly similar trademarks or service marks, and our copyrighted works, and altering the appearance of the Center so that it no longer resembles a business operating under the System. As of the date of this Agreement, the obligation to de-identify the Center premises also includes, without limitation, the following: removal of any items or signs bearing the Marks, removal of any brick wall or faux brick wall covering, repainting or recovering of interior walls to remove any red wall covering, replacing any red floor coverings, removal of numbered cards over workout stations, and refraining from referral to any workout stations as "rounds." If you fail or refuse to comply with the provisions of this paragraph within 30 days, we have the right to enter upon the Center premises, or we may appoint the landlord of your Center to do so on our behalf, without being guilty of trespass or any other crime or tort, for purposes of de-identifying the Center on your behalf, and you must reimburse us for our costs incurred. We have the right to communicate with the Center's lessor to complete the de-identification, and you agree to reimburse us, whether by direct payment or through our deduction or offset from amounts held by us or our Affiliates. At our discretion, we may charge you or otherwise withhold from payments due to you a reasonable estimate of our costs in advance of performing such de-identification in the event you do not comply with your obligations.

You are responsible for reimbursing members for all pre-paid services not rendered.

Notwithstanding the foregoing, in the event of expiration or termination of this Agreement, you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us or our Affiliates that expressly or by their nature survive the expiration or termination of this Agreement.

B. Option to Assume Lease; Assume Telephone Numbers and Membership Contracts, and Purchase Assets. Upon termination or expiration of this Agreement, we will have the option (but not the obligation) to do any or all of the following: ***(i)*** assume your Lease for the Center premises; ***(ii)*** assume all telephone numbers used in connection with the operation of the Center; ***(iii)*** assume all utilities used in connection with the operation of the Center; and/or ***(iv)*** assume your rights and interest in and to any Membership Contract to which you are a party, by delivering to you written notice of our election within 30 days after termination or expiration of this Agreement.

Upon termination or expiration of this Agreement, we also will have the option, to purchase any or all of the assets used in connection with the operation of the Center including, without limitation, equipment, fixtures, signage, furnishings, and supplies. The purchase price for the assets will be determined by a qualified appraiser selected with the consent of both parties, provided we give you written notice of our preliminary intent to exercise our purchase rights under this Section 14.B. within 30 days after the date of the expiration or termination of this Agreement. If the parties cannot agree upon the selection of an appraiser(s), each party will appoint their own appraiser and the two appraisers will select a neutral appraiser, who will independently perform the appraisal. Within 45 days after our receipt of the appraisal report, we or our designated purchaser will identify the assets, if any, that we intend to purchase at the price designated for those assets in the appraisal report. We or our designated purchaser and you will then proceed to complete and close the purchase of the identified assets, and to prepare and execute purchase and sale documents customary for the assets being purchased, in a commercially reasonable time and manner. We and you will each pay one-half of the appraiser's fees and expenses. Our interest in the assets of the Center that are owned by you or your Affiliates will constitute a lien thereon and may not be impaired or terminated by the sale or other transfer of any of those assets to a third party. Upon our or our designated purchaser's exercise of the purchase option and tender of payment, you agree to sell and deliver, and cause your Affiliates to sell and deliver, the purchased assets to us or our designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause your Affiliates to execute and deliver, to us or our designated purchaser a bill of sale therefore, and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.

You must execute all additional documentation that we designate to give effect to the options described in this Section 14.B. We may assign our option rights to any person of our choice.

C. Claims. You and your Principal Owners and guarantors may not assert any claim or cause of action against us or our Affiliates relating to this Agreement or the business contemplated under this Agreement after the shorter period of the applicable statute of limitations or one year following the effective date of termination or expiration of this Agreement; provided that where the one-year limitation of time is prohibited or invalid by or under any applicable law, then and in that event no suit or action may be commenced or maintained unless commenced within the applicable statute of limitations.

15. GENERAL PROVISIONS

15. The parties agree to the following provisions:

A. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any arbitrator or court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each of the parties that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each of the parties agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Marks, System, Manual, and to designate the Authorized Location and Designated Area as stated in this Agreement, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices and the application form executed by you requesting us to enter into this Agreement constitute the sole agreement between the parties with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to the business. You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your business. There are no representations or warranties of any kind, express or implied, except as contained in this Agreement and in the aforesaid application. Nothing in this Agreement is intended to disclaim the representations we have made in our Franchise Disclosure Document.

C. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for in this Agreement must be in writing and signed by the party serving the same and ***(i)*** delivered personally; or ***(ii)*** delivered by a reputable overnight service (such as FedEx); or ***(iii)*** deposited in the United States mail, service or postage prepaid (and if such notice is a notice of default or of termination, by registered or certified mail), and addressed as follows:

1. If intended for us, addressed to CEO; 9Round Franchising, LLC, 847 NE Main Street, Simpsonville, SC 29681;

2. If intended for you, addressed to you at Address for Notices set forth on the Summary Pages or at the Authorized Location; or, in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this Section. Notwithstanding the foregoing, we may also provide notice and communications to you, other than a notice of default or termination, by electronic means (including, without limitation, by facsimile, email, or through any electronic communications system we designate for the System).

D. Authority. Any modification, consent, approval, authorization or waiver granted in this Agreement required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by an authorized officer.

E. References. If the franchisee is two or more persons, the persons are jointly and severally liable, and references to you in this Agreement includes all of the individuals. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement.

F. Guarantee. All Owners of a franchisee that is a corporation, partnership, limited liability company or partnership or other legal entity must execute the personal guaranty and undertaking in the form attached as Attachment C-1 to this Agreement. Any person or entity that at any time after the date of this Agreement becomes an Owner pursuant to the provisions of Section 11 or otherwise must the personal guaranty and undertaking in the form attached as Attachment C-1 to this Agreement. If any Owners are also the Owners of another franchisee pursuant to a separate franchise agreement with us, such franchisee must execute the corporate guaranty in the form attached as Attachment C-3 to this Agreement.

G. Successors/Assigns. Subject to the terms of Section 11 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.

H. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

(i) Applicable Law and Waiver. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 12 of this Agreement, all claims arising out of or relating to this Agreement and the parties' relationship will be governed by, and will be interpreted in accordance with, the substantive laws of the state where our corporate headquarters are located (currently, South Carolina) (irrespective of any conflicts of laws); provided that any law or regulation applicable to the offer or sale of franchises or the franchise relationship will apply only if the jurisdictional provisions of the law are otherwise met.

(ii) Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations stated in this Agreement.

(iii) Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise Reasonable Business Judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks and/or the 9ROUND brand, improving member service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System. You acknowledge that we shall have no liability to you for the exercise of our Reasonable Business Judgment. IF WE TAKE ANY ACTION OR CHOOSE NOT TO TAKE ANY ACTION IN OUR DISCRETION WITH REGARD TO ANY MATTER RELATED TO THIS AGREEMENT AND ITS ACTION OR INACTION IS CHALLENGED FOR ANY REASON, THE PARTIES EXPRESSLY DIRECT THE TRIER OF FACT THAT OUR RELIANCE ON A BUSINESS REASON IN THE EXERCISE OF OUR DISCRETION IS TO BE VIEWED AS A REASONABLE AND PROPER EXERCISE OF OUR DISCRETION, WITHOUT REGARD TO WHETHER OTHER REASONS FOR OUR DECISION MAY EXIST AND WITHOUT REGARD TO WHETHER THE TRIER OF FACT WOULD INDEPENDENTLY ACCORD THE SAME WEIGHT TO THE BUSINESS REASON.

(iv) Drafting Party. The parties acknowledge that each party and its counsel have reviewed this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement or any amendments or exhibits attached hereto.

I. Venue. Except as expressly provided in Section 12, any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Section 12, must be brought in the Federal District Court for the District where our corporate headquarters are located (currently, the District of South Carolina) or in the state court with jurisdiction where our corporate headquarters are located (currently, Greenville County Court of Common Pleas, Greenville, South Carolina). Both parties irrevocably submit themselves to, and consent to, the jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agree to be bound in the manner set forth.

J. **Jury Trial Waiver. All parties hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.**

K. **Waiver of Punitive, Consequential Damages and other Special Damages. With the exception of our right to seek indemnification for third party claims as set forth in this Agreement and our right to seek recovery of lost future profits as a common law remedy for premature termination of this Agreement, the parties hereby waive to the fullest extent permitted by law any right to or claim of any loss of revenues, loss of profits, loss of time, inconvenience, loss of use, or any other incidental, special, indirect, exemplary, punitive, or consequential loss against the other and agree that in the event of a dispute between them, each shall be limited to the recovery of any actual damages sustained by the party.**

L. Relationship of the Parties. The parties' relationship is that of independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

M. Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the equipment offerings and other standards, specifications, and requirements for any franchised Center or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that we deem to be of importance to the operation of such Center, franchisee's business or the System. We are not required to grant to you a like or other variation as a result of any variation from standard operations, specifications or requirements granted to any other franchisee. You acknowledge that you are aware that our other franchisees operate under a number of different forms of agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to other agreements may differ materially in certain instances from your rights and obligations under this Agreement.

N. Notice of Potential Profit. We and/or our Affiliates may from time to time make available to you supplies, equipment, products and/or services for use in your Center on the sale of which we and/or our Affiliates may make a profit. Further, we and/or our Affiliates may from time to time receive consideration from suppliers and/or manufacturers in respect to sales of supplies, equipment, products or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our Affiliates are entitled to said profits and consideration.

O. Force Majeure. If a party's default under this Agreement (other than your obligations with respect to insurance and indemnification, to obtain a site and open the Center within a specified period, and to pay all fees and other amounts due to us and our Affiliates under this Agreement and any other agreement between you and us or our Affiliates), is caused in whole or in part by a force majeure, such default and any right of the other party to terminate this Agreement for such default is suspended for as long as the default is reasonably caused by such force majeure. Any suspension is effective only from the delivery of a notice of the force majeure to the other party stating the party's intention to invoke the force majeure. However, if such suspension continues for longer than six months and the default still exists, either party has the right to terminate this Agreement upon 30 days' notice to the other party. Events of force majeure are those that cannot be prevented, avoided or removed by the party invoking the force majeure despite the exercise of reasonably diligence, including acts of

God, actions of the elements, lockouts, strikes, wars, riots, acts of terrorism, civil commotion, and acts of governmental authorities (not including a governmental authority's delaying or refusing to grant building permits, licenses and other permissions and approvals), and except as specifically provided for elsewhere in this Agreement.

P. Your Representations to Us. As an inducement to us to grant you the franchise contemplated by this Agreement, you hereby acknowledge and represent to us the following (and agree to notify us immediately in writing upon the occurrence of any act or event that would render any representation incorrect):

(i) Corporate Ownership. If you are a corporation, limited liability company, partnership or similar entity, you and each of your Owners represents and warrants that your ownership is completely and accurately listed on the Summary Page and that you will provide us with updated ownership information so that at all times the ownership information is current, complete and accurate. In addition, you represent and warrant that: (1) you are duly organized, in good standing and authorized to conduct business in your state of incorporation and the state where the Center is located; (2) you will confine your activities, and your governing documents will at all times provide that your activities are confined, exclusively to operating the Center or another Center under a franchise agreement with us; (3) all assets used in the operation of the Center are owned or leased by you; and (4) you have and will maintain stop transfer instructions on your records against the transfer of equity securities except in compliance with this Agreement and will only issue securities upon the face of which bear a legend, in a form satisfactory to us, which references the transfer restrictions imposed by this Agreement.

(ii) Patriot Act. You represent, warrant and certify that none of you, your Affiliates, officers or directors or holders of any equity interest in you is or will be named as a "specially designated national" or "blocked person" (or other similar classification) as designed by the United States Department of The Treasury's Office of Foreign Assets Control (or other applicable governmental agency).

(iii) Applicable Laws. You acknowledge that there may be federal, state and local laws ("**Applicable Laws**") that may affect the operation of the Center, that may conflict with your obligation to comply with our Standards, and that may negatively impact the financial performance of the Center. These laws may exist today, or may be enacted in the future. It is solely your responsibility, both prior to and after purchasing the franchise, to identify, understand and comply with all Applicable Laws. In entering into this Agreement, you are not relying in any way upon any representation or warranty (express or implied) by us or anyone associated with us that our System or Standards complies with Applicable Laws.

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the dates written below.

FRANCHISEE: (For an entity)

Name of Entity: ______________________________

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

FRANCHISEE: (For an individual)

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

Attachment A to the Franchise Agreement

DESIGNATED AREA

A. AUTHORIZED LOCATION. The "**Authorized Location**" means the following area:

____

____

B. DESIGNATED AREA. The "**Designated Area**" means the following area:

____

____

____

____

If the Designated Area is not identified as of the date of this Franchise Agreement, we will determine the Designated Area when you sign the lease for the Authorized Location. The Designated Area will be an area of ***up to*** 3 miles from the Authorized Location as we determine in our sole judgment after a review of relevant factors (see Section 2.C.).

The Designated Area may overlap with designated areas of other Centers. In the overlapping areas, each Center is permitted to market and solicit for members (see Section 6.B.). Once identified by us, the Designated Area is fixed for the initial term of the Franchise Agreement unless you relocate the Center and upon renewal or transfer (see Sections 4.B., 5.G., and 11.C.). The driving miles are fixed as of the date the Designated Area is determined by us and based on our mapping program used at the time the Designated Area is determined. No Designated Area will be enlarged due to any future road construction or other alteration.

FRANCHISEE: (For an entity)

Name of Entity: ____________________

Signature: ______________________________
Printed Name: ___________________________
Title: __________________________________
Date: __________________________________

FRANCHISEE: (For an individual)

Signature: ______________________________
Printed Name: ___________________________
Date: __________________________________

Signature: ______________________________
Printed Name: ___________________________
Date: __________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ______________________________
Printed Name: ___________________________
Title: __________________________________
Date: __________________________________

Attachment B to the Franchise Agreement

INFORMATION RELEASE CONSENT

The undersigned entered into a Franchise Agreement for the operation of a 9ROUND Center under a license from 9Round Franchising, LLC. In connection with the Franchise Agreement, I authorize 9Round Franchising, LLC to discuss with and obtain information from the third party providers for any 9ROUND Center owned or guaranteed by my Principal Owners (directly or indirectly), including: (1) the landlord of the Center, (2) any lender providing financing for the Center or that holds any security interest in any of the assets of the Center or in the Franchisee (if a corporate entity), and (3) any other vendor or supplier for the Center. I authorize such persons to provide information regarding the 9ROUND Center to 9Round Franchising, LLC.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Attachment C-1 to the Franchise Agreement

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

1. I have read the Franchise Agreement between 9ROUND FRANCHISING, LLC ("**Franchisor**") and ____________________ ("**Franchisee**").

2. I own a beneficial interest in the Franchisee and would be considered an "**Owner**" within the definition contained in Franchise Agreement.

3. I understand that, were it not for this Personal Guaranty and Undertaking (**"Guaranty**"), Franchisor would not have agreed to enter into the Franchise Agreement with the Franchisee.

4. I will comply with the provisions contained in Section 3 of the Franchise Agreement concerning the Franchisee's use of Franchisor's Marks (as that term is defined in the Franchise Agreement). I understand that, except for the license granted to the Franchisee, I have no individual right to use the Marks and I have no ownership interest in the Marks.

5. I will comply with all of the provisions contained in Section 6 of the Franchise Agreement concerning the use of the Manual and Confidential Information. I will maintain the confidentiality of all Confidential Information disclosed to me. I agree to use the Confidential Information only for the purposes authorized under the Franchise Agreement. I further agree not to disclose any of the Confidential Information, except ***(a)*** to the Franchisee's employees on a need to know basis, ***(b)*** to the Franchisee's and my legal and tax professionals to the extent necessary for me to meet my legal obligations, and ***(c)*** as otherwise may be required by law.

6. I will comply with all of the provisions contained in Section 11 of the Franchise Agreement concerning the transfer of my ownership interest in the Franchisee.

7. While I am an Owner of the Franchisee and, for a two-year period after I cease to be an Owner (or two years after termination or expiration (without renewal) of the Franchise Agreement, whichever occurs first), I will not:

(a) Divert or attempt to divert any present, prospective, or former member of any 9ROUND Center to any competitor or do anything to harm the goodwill associated with the Marks and the System; or

(b) Own, operate, lease, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other fitness center or club (including, but not limited to fitness center, club, studio or exercise facility featuring boxing, kickboxing or a circuit training program) that is located at or within a 25-mile radius of the former Authorized Location, that is located within a 25-mile radius of any other 9ROUND Center in operation or under construction, or that is located in the Designated Area of any other 9ROUND franchisee. This time period will be tolled during any period of my noncompliance.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Guaranty. If all or any portion of a covenant in this Guaranty is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an un-appealed final decision to which Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Guaranty.

9. I understand and acknowledge that Franchisor has the right, in its sole discretion, to reduce the scope of any covenant set forth in this Guaranty, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof, and I agree to comply forthwith with any covenant as so modified.

10. I agree that the provisions contained in Section 12 of the Franchise Agreement will apply to any dispute arising out of or relating to this Guaranty. If Franchisor brings any legal action to enforce its rights under this Guaranty, I will reimburse Franchisor its reasonable attorneys' fees and costs.

11. I hereby guarantee the prompt and full payment of all amounts owed by the Franchisee under the Franchise Agreement.

12. I will pay all amounts due under this Guaranty within 14 days after receiving notice from Franchisor that the Franchisee has failed to make the required payment. I understand and agree that Franchisor need not exhaust its remedies against the Franchisee before seeking recovery from me under this Guaranty.

13. No modification, change, impairment, or suspension of any of Franchisor's rights or remedies shall in any way affect any of my obligations under this Guaranty. If the Franchisee has pledged other security or if one or more other persons have personally guaranteed performance of the Franchisee's obligations, I agree that Franchisor's release of such security will not affect my liability under this Guaranty.

14. **I WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, INVOLVING FRANCHISOR, WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THE FRANCHISE AGREEMENT, THE PERFORMANCE OF ANY PARTY UNDER THE FRANCHISE AGREEMENT, AND/OR THE OFFER OR GRANT OF THE FRANCHISE**.

15. I understand that Franchisor's rights under this Guaranty shall be in addition to, and not in lieu of, any other rights or remedies available to Franchisor under applicable law.

16. I agree that any notices required to be delivered to me will be deemed delivered at the time delivered by hand; one business day after electronically confirmed transmission by facsimile or other electronic system; one business day after delivery by Express Mail or other recognized, reputable overnight courier; or three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the address identified on the signature line below. I may change this address only by delivering to Franchisor written notice of the change.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guaranty will inure to the benefit of our successors and assigns.

Intending to be legally bound, I have executed this Guaranty on the date set forth below.

FRANCHISEE: ________________________________ (insert name of entity)

DATE: ____________________

PERSONAL GUARANTORS:

________________________________	________________________________
Individually	Individually
________________________________	________________________________
Print Name	Print Name
________________________________	________________________________
Address	Address
________________________________	________________________________
City State Zip Code	City State Zip Code
________________________________	________________________________
Telephone	Telephone

Attachment C-2 to the Franchise Agreement

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for trained employees of ________________________________ ("Franchisee"))

In accordance with the terms of this Confidentiality and Non-Competition Agreement ("**Confidentiality Agreement**") and in consideration of my being in a trusted position with the Franchisee, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Franchisee has acquired the right and franchise from 9ROUND FRANCHISING, LLC ("**Franchisor**") to establish and operate a fitness center ("**Center**") and the right to use in the operation of the Center Franchisor's trade names, trademarks, service marks, including the service mark 9ROUND ("**Marks**") and the system developed by Franchisor and/or its Affiliates for operation and management of Centers ("**System**"), as they may be changed, improved, and further developed from time to time in Franchisor's sole discretion.

2. Franchisor possesses certain proprietary and confidential information relating to the operation of the System, which includes the Manuals, trade secrets, and copyrighted materials, methods, and other techniques and know-how "**Confidential Information**").

3. Any and all manuals, trade secrets, copyrighted materials, methods, information, knowledge, know-how, and techniques which Franchisor specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Confidentiality Agreement.

4. In my trusted position with Franchisee, Franchisor and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, Franchisor's operations manual ("**Manual**") and other general assistance during the term of this Confidentiality Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Center during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of Franchisor, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by Franchisor as confidential. Unless Franchisor otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my job duties, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by Franchisor, I shall not, while in my position with the Franchisee and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, and continuing for two years thereafter, either directly or indirectly, for myself or through, on behalf of, or in conjunction with any other person, partnership, corporation, or other limited liability company own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest in any other fitness center or club (including, but not limited to fitness center, club, studio or exercise facility featuring boxing, kickboxing or a circuit training program), other than the one authorized in the Franchise Agreement, within a radius of 25 miles of any 9ROUND Center, as those terms are defined in the Franchise Agreement. This restriction does not apply to my ownership of less than five percent beneficial interest in the outstanding securities of any publicly-held corporation. The time period will be tolled during any period of my noncompliance. Notwithstanding the foregoing, nothing in this Agreement shall restrict me from entering into a franchise agreement with the Franchisor or for me to become, directly or indirectly, a franchisee of the Franchisor.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Confidentiality Agreement. If all or any portion of a covenant in this Confidentiality

Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Confidentiality Agreement.

9. I understand and acknowledge that Franchisor has the right, in its sole discretion, to reduce the scope of any covenant set forth in this Confidentiality Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof, and I agree to comply forthwith with any covenant as so modified.

10. Franchisor is a third-party beneficiary of this Confidentiality Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Confidentiality Agreement will cause Franchisor and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or Franchisor may apply for the issuance of an injunction preventing me from violating this Confidentiality Agreement, and I agree to pay the Franchisee and Franchisor all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Confidentiality Agreement is enforced against me. Due to the importance of this Confidentiality Agreement to the Franchisee and Franchisor, any claim I have against the Franchisee or Franchisor is a separate matter and does not entitle me to violate, or justify any violation of this Confidentiality Agreement.

11. This Confidentiality Agreement shall be construed under the laws of the State of South Carolina. The only way this Confidentiality Agreement can be changed is in writing signed by both the Franchisee and me.

12. With respect to all claims, controversies and disputes, I irrevocably consent to personal jurisdiction and submit myself to the jurisdiction of the state courts located in Greenville County, South Carolina, and the Greenville Division of the United States District Court for the District of South Carolina. I acknowledge that I am to receive valuable information emanating from Franchisor's headquarters in Greenville County, South Carolina. In recognition of the information and its origin, I hereby irrevocably consent to the personal jurisdiction of the state and federal courts of South Carolina as set forth above. Notwithstanding the foregoing, I acknowledge and agree that Franchisor or the Franchisee may bring and maintain an action against me in any court of competent jurisdiction for injunctive or other extraordinary relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions.

THE PARTIES HERETO, INTENDING TO BE LEGALLY BOUND, HAVE EXECUTED THIS CONFIDENTIALITY AGREEMENT AS OF THE DATES NOTED BELOW.

[EMPLOYEE]	**ACKNOWLEDGED BY FRANCHISEE**
Signature:____________________	By:____________________
Name:____________________	Name:____________________
Address:____________________	Title:____________________
Title:____________________	
Date:____________________	Date:____________________

Attachment C-3 to the Franchise Agreement

CORPORATE GUARANTY

Contemporaneous with the execution of this Corporate Guaranty _____________________ ("**Franchisee**") is entering into a franchise agreement ("**Franchise Agreement**") with 9ROUND FRANCHISING, LLC ("**Franchisor**") for the operation of a 9Round franchised business at __________________ ("**Center**").

The undersigned ("**Guarantor**") controls, is controlled by, or is under common control with Franchisee, and will receive a material benefit from Franchisee's operations of the Center under the Franchise Agreement.

In consideration for such material benefit, and as an inducement for Franchisor to enter into the Franchise Agreement, and for other good and valuable consideration, the undersigned, for itself and its successors and assigns, hereby becomes surety and guarantor for the payment of all amounts and the performance of terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

The undersigned acknowledges that, were it not for this guaranty, Franchisor would not have agreed to enter into the Franchise Agreement with franchisee.

The undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; (2) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or the amendment or extension of the Franchise Agreement with or without notice to the undersigned; and (3) Franchisor may deduct any amounts owed by Franchisee from the monies Guarantor's billing and payment processor collects on its behalf and Guarantor hereby authorizes the billing and payment processor to deduct such amounts and to pay those amounts to Franchisor.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this guaranty will inure to the benefit of our successors and assigns.

GUARANTOR:

Name of Entity: ____________________

Signature: ________________________________
Printed Name: ____________________________
Title: ____________________________________
Date: ___________________________________

ACKNOWLEDGED BY FRANCHISEE:

Name of Entity: ____________________

Signature: ________________________________
Printed Name: ____________________________
Title: ____________________________________
Date: ___________________________________

Attachment D to the Franchise Agreement

Electronic Transfer of Funds Authorization

Franchisee: ________________

Location:__________________

Date:______________________

NEW	CHANGE

Attention: Bookkeeping Department

The undersigned hereby authorizes 9Round Franchising, LLC, its parent company, designated billing provider or any affiliated entity (collectively, "9Round"), to initiate weekly ACH debit entries against the account of the undersigned with you in payment of amounts for Royalty Fees, Marketing Fees or other amounts that become payable by the undersigned to 9Round. The dollar amount to be debited per payment will vary.

Subject to the provisions of this letter of authorization, you are hereby directed to honor any such ACH debit entry initiated by 9Round. This authorization is binding and will remain in full force and effect until 90 days prior written notice has been given to you by the undersigned. The undersigned is responsible for, and must pay on demand, all costs or charges relating to the handling of ACH debit entries pursuant to this letter of authorization. Please honor ACH debit entries initiated in accordance with the terms of this letter of authorization, subject to there being sufficient funds in the undersigned's account to cover such ACH debit entries.

*** We also need a VOIDED Check ***

____
Bank Name

____
Branch

____
Street Address

____
City State Zip Code

____
Bank Telephone Number

____
Bank's Account Number

____
Customer's Account Number

Sincerely yours,

____
Account Name

____
Street Address

____
City State Zip Code

____
Telephone Number

SIGNATURE: ____________________

Name: ________________________

Title: _________________________

Date: _________________________

Attachment E to the Franchise Agreement
LEASE ADDENDUM

This Lease Addendum ("**Addendum**") dated _________, 20__, is entered into between ______________ _______ ("**Landlord**"), and ________________ ("**Tenant**").

RECITALS

A. The parties have entered into a Lease Agreement, dated ______________ (the "**Lease**") for the premises located at ______________________________ (the "**Premises**").

B. Tenant has agreed to use the Premises only for the operation of a 9ROUND Center pursuant to a franchise agreement ("**Franchise Agreement**") with 9Round Franchising, LLC ("**9Round**").

C. The parties desire to amend the Lease in accordance with the terms and conditions contained in this Addendum.

AGREEMENT

1. Remodeling and Décor; Maintenance. Landlord agrees to allow Tenant to remodel, equip, paint and decorate the interior of the Premises and to display such proprietary marks and signs on the interior and exterior of the Premises pursuant to the Franchise Agreement and any successor Franchise Agreement. Landlord agrees to cooperate and allow 9Round to enter the Premises, without cost and without being guilty of trespass or any other crime or tort and without incurring any liability to Landlord, to repair or replace any equipment, signage, similar items or to perform any maintenance on the Premises.

2. Assignment. Tenant has the right to assign all of its right, title and interest in the Lease to 9Round or its successor, or either company's affiliates, at any time during the term of the Lease, including any extensions or renewals, without first obtaining Landlord's consent, and Landlord agrees not to impose an assignment fee or similar assessment or to increase or accelerate rent under the Lease, in connection with such Assignment. No assignment will be effective, however, until 9Round or its successor or designated affiliate gives Landlord written notice of its acceptance of the assignment. If 9Round elects to assume the lease under this paragraph or unilaterally assumes the lease as provided for in subparagraphs 3(c) or 4(a), Landlord and Tenant agree that ***(i)*** Tenant will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption, and ***(ii)*** 9Round will have the right to sublease the Premises to another 9ROUND franchisee, without further need for Landlord approval, provided the franchisee agrees to operate the Center as a 9ROUND Center pursuant to a franchise agreement with 9Round. 9Round will be responsible for the lease obligations incurred after the effective date of the assignment.

3. Default and Notice.

(a) In the event there is a default or violation by Tenant under the terms of the Lease, Landlord agrees to give Tenant and 9Round written notice of such default or violation within a reasonable time after Landlord knows of its occurrence. Landlord agrees to provide 9Round the written notice of default as written and on the same day Landlord gives it to Tenant. Although 9Round is under no obligation to cure the default, 9Round will notify Landlord if it intends to cure the default and unilaterally assume Tenant's interest in the lease as provided in Paragraph 3(c). 9Round will have an additional 15 days from the expiration of Tenant's cure period in which to cure the default or violation.

(b) All notices to 9Round must be sent by registered or certified mail, postage prepaid, to the following address:

9Round Franchising, LLC
847 NE Main Street
Simpsonville, SC 29681
864-962-4600

9Round may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees to notify both Tenant and 9Round of any change in Landlord's mailing address to which notices should be sent.

(c) Upon Tenant's default and failure to cure a default under either the Lease or the Franchise Agreement, 9Round has the right (but not the obligation) to unilaterally assume Tenant's interest in the Lease in accordance with Paragraph 2.

4. Termination or Expiration.

(a) Upon the expiration or termination of the Franchise Agreement, 9Round has the right (but not the obligation) to unilaterally assume Tenant's interest in the Lease in accordance with Paragraph 2.

(b) Upon the expiration or termination of the Lease, if 9Round does not assume Tenant's interest in the Lease, Landlord agrees to cooperate and allow 9Round to enter the Premises, without cost and without being guilty of trespass or any other crime or tort and without incurring any liability to Landlord, to remove all signs and all other items identifying the Premises as a 9Round Center and to make such other modifications as are reasonably necessary to protect the marks and system, and to distinguish the Premises from 9Round Centers. As of the date of this Addendum, the modifications include, without limitation, the following: removal of any items or signs bearing the Marks, removal of any brick wall or faux brick wall covering, repainting or recovering of interior walls to remove any red wall covering, replacing any red floor coverings, removal of numbered cards over workout stations, and refraining from referral to any workout stations as "rounds." In the event 9Round exercises its option to purchase assets of Tenant, Landlord agrees to permit 9Round to remove all such assets being purchased by 9Round. Landlord agrees not to assert a lien or priority on any items or property which are necessary to remove from the Premises for de-identification of the Premises.

5. Consideration; No Liability.

(a) Landlord acknowledges that the provisions of this Addendum are required pursuant to the Franchise Agreement and that Tenant may not lease the Premises without this Addendum.

(b) Landlord acknowledges that Tenant is not an agent or employee of 9Round and Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind 9Round or any affiliate of 9Round and that Landlord has entered into this Addendum with full understanding that it creates no duties, obligations, or liabilities of or against 9Round or any affiliate of 9Round.

(c) Nothing contained in this Addendum makes 9Round or its affiliates a party or guarantor to the Lease, and does not create any liability or obligation of 9Round or its affiliates.

6. Modification. No amendment or variation of the terms of this Addendum is valid unless made in writing and signed by the parties and the parties have obtained 9Round's written consent.

7. Reaffirmation of Lease. Except as amended or modified by this Addendum, all terms, conditions, and covenants of the Lease remain in full force and effect.

8. Miscellaneous.

(a) 9Round is a third-party beneficiary of this Addendum, with independent rights of enforcement.

(b) References to the Lease and to the Franchise Agreement include all amendments, addenda, extensions, and renewals to the documents.

(c) References to Landlord, Tenant, and 9Round include the successors and assigns of each of the parties.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date written above.

TENANT:	LANDLORD:
______________________________	______________________________

Attachment F to the Franchise Agreement

TELEPHONE NUMBER ASSIGNMENT AGREEMENT

THIS TELEPHONE ASSIGNMENT AGREEMENT by and between the Franchisee identified below ("**Franchisee**") and 9Round Franchising, LLC (hereinafter "**9Round**").

BACKGROUND:

A. 9Round has developed and owns the proprietary system ("**System**") for the operation of a boxing and kickboxing center under the trademark and logo 9ROUND (the "**Center**");

B. Franchisee has been granted a franchise to operate a Center pursuant to a Franchise Agreement and in accordance with the System;

C. In order to operate its Center, the Franchisee will be acquiring one or more telephone numbers, telephone listings and telephone directory advertisements; and

D. As a condition to the execution of the Franchise Agreement, 9Round has required that the Franchisee collaterally assign all of its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements to the 9Round in the event of expiration or termination of the Franchise Agreement.

AGREEMENT

In consideration of the foregoing, the mutual premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. In the event of expiration or termination of the Franchise Agreement, and in order to secure continuity and stability of the operation of the Center, Franchisee hereby sells, assigns, transfers and conveys to the 9Round all of its rights, title and interest in and to all telephone numbers, telephone listings and telephone directory advertisements used in connection with the operation of the Center; provided, however, such Assignment will not be effective unless and until the Franchise Agreement has expired or is terminated in accordance with the provisions thereof and 9Round has delivered to Franchisee written notice of acceptance of the assignment. In the event of such assignment, 9Round assumes no liability for monies owed or other liabilities relating to the telephone numbers, telephone listings, and telephone directory advertisements that have accrued prior to the effective date of the assignment.

Franchisee hereby grants to 9Round an irrevocable power of attorney and appoint 9Round as your attorney-in-fact to take any necessary actions to assign the telephone numbers, including but not limited to, executing any forms that the telephone companies may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, and Franchisee agrees that the telephone companies may accept this assignment and 9Round's instructions as conclusive evidence of its rights in the telephone numbers and our authority to direct the amendment, termination or transfer of the telephone numbers, as if they had originally been issued to 9Round. In addition, Franchisee agrees to hold the telephone companies harmless from any and all claims against them arising out of any actions or instructions by 9Round regarding the assignment contemplated in this Assignment.

2. Representation and Warranties of the Franchisee. Franchisee hereby represents, warrants and covenants to the 9Round that: (a) As of the effective date of the Assignment, all of Franchisee's obligations and indebtedness for telephone, telephone listing services and telephone directory advertisement services will be paid and current; (b) As of the date hereof, Franchisee has full power and legal right to enter into, execute, deliver and perform this Agreement; (c) This Agreement is a legal and binding obligation of Franchisee, enforceable in accordance with the terms hereof; (d) The execution, delivery and performance of this Assignment does not conflict with, violate, breach or constitute a default under any contract, agreement or instrument to which Franchisee is a party or by which Franchisee is bound, and no consent of

nor approval by any third party is required in connection herewith; and (e) Franchisee has the specific power to assign and transfer its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements, and Franchisee has obtained all necessary consents to this Assignment.

3. Cancellation. Notwithstanding the foregoing, 9Round may, in its sole discretion and at any time prior to effectiveness of the assignment, declare this Agreement and the assignment contemplated hereunder null and void.

4. Miscellaneous. The validity, construction and performance of this Assignment is governed by the laws of the State of South Carolina. All agreements, covenants, representations and warranties made herein will survive the execution hereof. All rights of the 9Round inure to its benefit and to the benefit of its successors and assigns.

IN WITNESS WHEREOF, each of the parties has executed this Assignment as of the Effective Date of the Franchise Agreement.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

Attachment G to the Franchise Agreement

MEMBERSHIP CONTRACT ASSIGNMENT AGREEMENT

THIS MEMBERSHIP CONTRACT ASSIGNMENT AGREEMENT by and between the Franchisee identified below ("**Franchisee**") and 9Round Franchising, LLC (hereinafter the "**9Round**").

BACKGROUND:

A. 9Round has developed and owns the proprietary system ("**System**") for the operation of a boxing and kickboxing center under the trademark and logo 9ROUND (the "**Center**");

B. Franchisee has been granted a franchise to operate a Center pursuant to a Franchise Agreement and in accordance with the System;

C. During the term of the franchise, Franchisee will be entering to membership contracts with Center members permitting them access to the Center facilities ("**Membership Contracts**"); and

D. As a condition to the execution of the Franchise Agreement, 9Round has required that Franchisee collaterally assign all of its right, title and interest in the Membership Contracts to 9Round in the event of expiration or termination of the Franchise Agreement;

AGREEMENT

In consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. In the event of expiration or termination of the Franchise Agreement, and in order to secure continuity and stability of the operation of the Center, Franchisee hereby sells, assigns, transfers and conveys to the 9Round all of its rights, title and interest in and to all Membership Contracts; provided, however, such Assignment will not be effective unless and until the Franchise Agreement has expired or is terminated in accordance with the provisions thereof and 9Round has delivered to Franchisee written notice of its acceptance of the assignment. In the event of such assignment, 9Round will assume no liability for monies owed or other liabilities relating to the Membership Contracts that have accrued prior to the effective date of the assignment.

2. Representation and Warranties of the Franchisee. Franchisee hereby represents, warrants and covenants to 9Round that:

(a) As of the effective date of the Assignment, all of Franchisee's obligations under the Memberships Contracts have been satisfied;

(b) As of the date hereof, Franchisee has full power and legal right to enter into, execute, deliver and perform this Agreement;

(c) This Agreement is a legal and binding obligation of Franchisee, enforceable in accordance with the terms hereof;

(d) The execution, delivery and performance of this Assignment does not conflict with, violate, breach or constitute a default under any contract, agreement or instrument to which Franchisee is a party or by which Franchisee is bound, and no consent of nor approval by any third party is required in connection herewith; and

(e) Franchisee has the specific power to assign and transfer its right, title and interest in its Membership Contracts and Franchisee has obtained all necessary consents to this Assignment.

3. Cancellation. Notwithstanding the foregoing, 9Round may, in its sole discretion and at any time prior to effectiveness of the assignment, declare this Agreement and the assignment contemplated hereunder null and void.

4. Miscellaneous. The validity, construction and performance of this Assignment is governed by the laws of the State of South Carolina. All agreements, covenants, representations and warranties made herein will survive the execution hereof. All rights of the 9Round inure to its benefit and to the benefit of its successors and assigns.

IN WITNESS WHEREOF, each of the parties has executed this Assignment as of the Effective Date of the Franchise Agreement.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: _____________________________
Title: _____________________________________
Date: _____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: _____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: _____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: _____________________________
Title: _____________________________________
Date: _____________________________________

Attachment H to the Franchise Agreement

DEVELOPMENT INCENTIVE PROGRAM ADDENDUM

This Development Incentive Program Addendum ("**Development Addendum**") is made between 9Round Franchising, LLC, a South Carolina limited liability company with its principal business located at 847 NE Main Street, Simpsonville, South Carolina 29681 ("**we**" or "**us**"), and the Franchisee identified in the Summary Page ("**you**"), to be effective on the Effective Date identified in the Summary Page. If

RECITALS

A. Franchise Agreements

Contemporaneously with the execution of this Addendum, you are entering into:

☐ 2 Franchise Agreements for a total initial franchise fee of $50,000, or
☐ 3 Franchise Agreements for a total initial franchise fee $60,000

9ROUND franchise agreements (each a "**Franchise Agreement**") pursuant to our Development Incentive Program.

B. The Centers licensed under these Franchise Agreements together constitute the "**Development Centers**."

C. The parties desire to enter into this Development Addendum in order to clarify certain obligations under the Franchise Agreements, as they relate to the Development Centers.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

AGREEMENT

1. Definitions. Capitalized terms will have the meanings ascribed to them in the Franchise Agreement unless otherwise defined herein. The term "**this Agreement**" refers to the Franchise Agreement modified by this Addendum.

2. Initial Franchise Fee. The initial franchise fees applicable for two Development Centers Agreements will be a total of $50,000, and three Development Centers Agreements will be at total of $60,000.

3. Opening Schedule. With respect to the Development Centers, the following timelines apply:

Development Center	***Site Selection (Sections 2.B. and 5.A.)***	***Opening Deadline (Section 5.D.)***
First Development Center	Within 3 months of the Effective Date	Within 9 months of the Effective Date
Second Development Center	Within 18 months of the Effective Date	Within 21 months of the Effective Date
Third Development Center (if applicable)	Within 30 months of the Effective Date	Within 33 months of the Effective Date

4. Failure to Meet Opening Schedule. If any deadline in Section 3 above is not met and if the Development Center developed under this Agreement is not open and operating at the time of the failure, we may, at our sole and unilateral option, ***(i)*** terminate this Agreement; or ***(ii)*** amend this Agreement to eliminate the designated protection afforded by Sections 2.B. and 2.C. of this Agreement.

5. Ratification. All other terms and conditions of this Agreement are hereby ratified and confirmed.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: ______________________________
Title: _____________________________________
Date: _____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: ______________________________
Title: _____________________________________
Date: _____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: ______________________________
Date: _____________________________________

Signature: ________________________________
Printed Name: ______________________________
Date: _____________________________________

Attachment I to the Franchise Agreement

FRANCHISE EXPANSION AMENDMENT

This Franchise Expansion Amendment ("**Amendment**") is made between 9Round Franchising, LLC, a South Carolina limited liability company with its principal business located at 847 NE Main Street, Simpsonville, South Carolina 29681 ("**we**" or "**us**") and the Franchisee identified in the Summary Page ("**you**"), to be effective on the Effective Date identified in the Summary Page.

RECITALS

A. You, your Affiliate, or one or more of your Owners, are a party to the following franchise agreement(s) (the "**Existing Franchise Agreement(s)**"):

Existing Franchise Agreement No.	***Existing Franchise Agreement Effective Date***	***Existing Franchise Agreement Expiration Date***	***Royalty Fee***	***Center Address***

B. You have applied for additional franchise rights, and we have granted your application, conditioned on the amendment and restatement of the Existing Franchise Agreement(s) in accordance with the terms and conditions of this Amendment.

C. The parties mutually desire for all franchise agreements between them or their Affiliates to reflect substantially the same terms and therefore intend for the attached franchise agreement ("**Franchise Agreement**") to amend, restate, and supersede each Existing Franchise Agreement subject to the provisions in this Amendment.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

AGREEMENT

1. Definitions. Capitalized terms will have the meanings ascribed to them in the Franchise Agreement unless otherwise defined herein.

2. Recitals. The following provisions replace the Recitals of the Franchise Agreement in their entireties:

> "A. You have acquired the right and undertook the obligation to develop one or more 9Round fitness centers (the "**Center(s)**") that feature a specialized program developed around a system of challenging circuit training stations, that incorporates boxing and kickboxing exercises, and includes personal trainer assistance and nutrition services under a proprietary business format and system ("**System**") that we have developed, pursuant to the terms of one or more franchise agreements between you and us, effective on or about ____________________ ("**Original Franchise Agreement(s)**").
>
> B. The System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures and furnishings, operating and customer service standards and procedures including proprietary workout routines, advertising and marketing specifications and requirements, and other standards, specifications, techniques and procedures that we designate (collectively, the "**Standards**").

C. Centers operating under the System are identified by the trade name and service mark "9ROUND" and other trademarks, service marks and trade identifiers that we designate to identify businesses operating under the System (the "**Marks**").

D. The parties desire to amend and restate the Original Franchise Agreement(s), and any subsequent amendments thereto, with this Agreement, pursuant to the terms and conditions herein, which Agreement shall supersede the Original Franchise Agreement(s) in all respects."

3. Term. Section 4.A. is amended to the extent necessary to reflect that the initial term of the Franchise Agreement as it concerns the specific Center(s) and Territory(ies) that is the subject of the Original Franchise Agreement(s) will expire at midnight on the Original Franchise Agreement Expiration Date, as identified in the Recitals of this Amendment.

4. Site Selection, Lease, Construction. Section 5 is amended to the extent necessary to reflect that the specific Center(s) that is the subject of the Original Franchise Agreement(s) has been developed and is operating at the location identified on the Summary Pages.

5. Technology Fee. Section 6.K. is amended to the extent necessary to reflect that the Techology Fee for the specific Center(s) that is the subject of the Original Franchise Agreement(s) owed under the Franchise Agreement will be the amount equal to the Technology Fee owed under that Original Franchise Agreement.

6. Initial Training. Section 7.B. is amended to reflect that we have satisfied our obligation to provide initial training and you have satisfied your obligations to complete our initial training requirements.

7. National Marketing Fee. Section 8.A. is amended to the extent necessary to reflect that the National Marketing Fee for the specific Center(s) that is the subject of the Original Franchise Agreement(s) owed under the Franchise Agreement will be the amount equal to the National Marketing Fee owed under that Original Franchise Agreement.

8. Minimum Local Advertising Expenditure. Section 8.B. is amended to the extent necessary to reflect that the Minimum Local Advertising Expenditure for the specific Center(s) that is the subject of the Original Franchise Agreement(s) owed under the Franchise Agreement will be the amount equal to the Minimum Local Advertising Expenditure owed under that Original Franchise Agreement.

9. Initial Franchise Fee. Section 9.A. is deleted in its entirety; the intent being that no initial franchise fee is payable in connection with this Amendment.

10. Royalties. Section 9.B. is amended to the extent necessary to reflect that the Royalty Fee for the specific Center(s) that is the subject of the Original Franchise Agreement(s) owed under the Franchise Agreement will be the amount equal to the Royalty Fee owed under that Original Franchise Agreement, as identified in the Recitals of this Amendment.

11. Member Services. Section 9.C. is amended to the extent necessary to reflect that the Member Service Fee for the specific Center(s) that is the subject of the Original Franchise Agreement(s) owed under the Franchise Agreement will be the amount equal to the Member Service Fee owed under that Original Franchise Agreement.

12. Other Provisions. Except as otherwise provided in this Amendment, all other terms and conditions of the Existing Franchise Agreement are hereby amended and restated to reflect the terms of the attached Franchise Agreement.

13. Corporate Guaranty. Upon execution of this Amendment, you and each Affiliate shall execute and deliver to us a fully signed corporate guaranty in the form we prescribe.

14. Entire Agreement. The Amendment represents the fully integrated and complete agreement between the parties and supersedes all other negotiations, agreements, representations, and covenants, oral or written.

15. Conflicting Terms. In the event of a conflict between the terms of the Franchise Agreement and this Amendment, the terms of this Amendment will control.

16. Affirmation. The parties hereby ratify and affirm all provisions of the Franchise Agreement.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ___________________________

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

<u>Attachment A to the Amendment</u>
Franchise Agreement

FRANCHISEE ACKNOWLEDGMENT

As you know, you and we are entering into a Franchise Agreement for the operation of a 9ROUND franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations.*

1. Did you receive a copy of our disclosure document at least 14 calendar days before signing the Franchise Agreement? Check one: ☐ Yes. ☐ No.
2. Have you studied and reviewed carefully our disclosure document and Franchise Agreement? Check one: ☐ Yes. ☐ No.
3. Is the name, address and phone number of any broker and each of our employees or representatives who was involved in offering you this franchise listed on the disclosure document receipt you signed (or on any updated receipt we provided to you)? Check one: ☐ Yes. ☐ No.
4. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise, meaning that any prior oral or written statements not included in the Franchise Agreement or our disclosure document will not be binding? Check one: ☐ Yes. ☐ No.
5. Do you understand that the success or failure of your business will depend in large part on your skills and experience, your business acumen, your location, the local market for products, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Check one: ☐ Yes. ☐ No.
6. Do you understand that the franchise is granted for the right to operate the business at the Approved Location and that your Designated Area may overlap with the Designated Area of another franchisee? Check one: ☐ Yes. ☐ No.
7. Do you understand that the Franchise Agreement restricts us only from operating or granting others the right to operate a 9Round Center physically located in your Designated Area, but that we and our affiliates may operate and grant similar or competitive businesses in your Designated Area under a different name? Check one: ☐ Yes. ☐ No.
8. Do you understand that we have the right to offer, sell or distribute items such as workout and training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods (including retail stores, mail order, wholesale, the Internet, or any other existing or future form of electronic commerce) in your Designated Area, and that you are not entitled to any compensation on account of the sales? Check one: ☐ Yes. ☐ No.
9. Do you understand that we have the right to provide and license third parties to provide the 9ROUND workout program, and other ancillary programs developed by or for us or our affiliates, at host locations (such as apartments, condo associations, corporate office buildings, schools, community centers and other gyms and fitness centers) in your Designated Area? Check one: ☐ Yes. ☐ No.
10. Do you understand that your territorial protection excludes "Special Sites" in your Designated Area such as (1) military bases; (2) public transportation facilities, including, without limitation, airports, limited access highway travel plazas, and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complexes; and (7) corporate

office buildings or office parks, and that we may operate and grant others the right to operate 9ROUND Centers at Special Sites in your Designated Area? Check one: ☐ Yes. ☐ No.

11. Do you understand that if you fail to secure a site or open a 9ROUND Center by the deadlines in the Franchise Agreement, your Designated Area protection and reservation can be removed by us and we may authorize another franchisee to locate in that area? Check one: ☐ Yes. ☐ No.

12. Do you understand that we or our affiliates may be the only approved supplier for certain products, that you will pay the then-current price in effect for the approved products and other goods and products you receive from us and our affiliates, and that that we may make a profit on those items? Check one: ☐ Yes. ☐ No.

13. Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in Section 10 and that an injunction is an appropriate remedy to protect the interests of the System if you violate the covenant(s)? Further, do you understand that the term "you" for purposes of the non-compete covenants is defined broadly in Section 10, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement? Check one: ☐ Yes. ☐ No.

If you answered "No" to questions 1-13, please explain (attached additional sheets if necessary): _______

____

____

____

____

14. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the disclosure document? Check one: ☐ Yes. ☐ No.

15. Except as stated in Item 19 of our disclosure document, was any oral, written or visual claim or representation made to you which stated, suggested, predicated or projected your sales, income or profit levels? Check one: ☐ Yes. ☐ No.

16. Except as stated in Item 19 of our disclosure document, did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the disclosure document or that is contrary to or different from the information in the disclosure document? Check one: ☐ Yes. ☐ No.

If you answered "Yes" to questions 14-16, please explain in detail the claim, representation or statement (attached additional sheets if necessary): ____

____

____

____

____

____

____

____

YOUR ANSWERS ARE IMPORTANT TO US AND WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

* Such representations are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

NOTE: IF THE FRANCHISEE IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, AN OFFICER AND EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed:______________________________	Signed: ______________________________
Print Name: __________________________	Print Name: __________________________
Date:________________________________	Date:________________________________
Signed:______________________________	Signed: ______________________________
Print Name: __________________________	Print Name: __________________________
Date:________________________________	Date:________________________________

Sample Franchise Agreement Renewal Addendum

RENEWAL ADDENDUM

TO

THE 9ROUND FRANCHISE AGREEMENT

This RENEWAL ADDENDUM ("**Renewal Addendum**") is entered into on this _______ day of _______ _______, 20__ ("**Effective Date**") by and between 9Round Franchising, LLC, a South Carolina limited liability company, having a principal place of business at 847 NE Main Street, Simpsonville, South Carolina 29681 ("**we**" or "**us**") and _________________________, a_________________, having a principal place of business at _______________________ ("**you**").

RECITALS

A. You have developed and been operating a 9ROUND Center pursuant to a franchise agreement that provided for an initial ten-year term (the "**Original Franchise Agreement**").

B. The initial term has expired; you desire to exercise your renewal option under the Original Franchise Agreement, and we agree that you are eligible to exercise your renewal option under the Original Franchise Agreement.

C. Contemporaneous with the execution of this Renewal Addendum, therefore, we are entering into a renewal franchise agreement ("**Renewal Franchise Agreement**") which, together with this Renewal Addendum, will govern your franchise rights during the renewal term.

In consideration of the mutual promises contained in the Renewal Franchise Agreement and this Renewal Addendum, the parties agree as follows:

1. Renewal. Section 4.B. of the Renewal Franchise Agreement is deleted in its entirety; it being the intent of the parties that Section VII.B. of the Original Franchise Agreement (including subsections 1 through 9) will govern your future franchise renewal rights and obligations.

2. Initial Franchise Fee. Section 9.A. is deleted in its entirety; the intent being that no initial franchise fee is payable in connection with this renewal.

3. Site Selection, Lease, Construction. Section 5 is amended to the extent necessary to reflect that the Center has been developed and is operating at the location identified on the Summary Pages.

4. Center Modernization. You agree to complete any updates and modernization to the Center to meet our current standards for new 9ROUND Centers, which may include replacing fixtures, equipment and signs, and otherwise modifying the Center so that it meets our specifications and standards for new 9ROUND Centers. Unless otherwise agreed in writing between the parties, the modernization must be complete on the Effective Date of the Renewal Franchise Agreement.

5. Initial Training. Section 7.B. is amended to reflect that we have satisfied our obligation to provide initial training and you have satisfied your obligations to complete our initial training requirements.

6. Release. You must execute and deliver to us a fully signed General Release Agreement.

7. Entire Agreement. The Renewal Franchise and this Renewal Addendum represents the fully integrated and complete agreement between the parties and supersedes all other negotiations, agreements, representations, and covenants, oral or written.

8. Conflicting Terms. In the event of a conflict between the terms of the Renewal Franchise Agreement and this Renewal Addendum, the terms of this Renewal Addendum will control.

9. Affirmation. The parties hereby ratify and affirm all provisions of the Renewal Franchise Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Renewal Addendum to be executed by its duly authorized representative as of the Effective Date set forth above.

FRANCHISEE:	**FRANCHISOR:**
______________________________	9ROUND FRANCHISING, LLC
a ______________________________	a South Carolina limited liability company
By: ______________________________	By: ______________________________
Name: ______________________________	
Title: ______________________________	

ADDENDUM TO THE 9ROUND FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

Illinois law shall apply and govern the Franchise Agreement(s).

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

Franchisees' rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

ADDENDUM TO 9ROUND FRANCHISE AGREEMENT FOR THE STATE OF MARYLAND

Even though there may be terms in the disclosure document or the Franchise Agreement to the contrary, the following provisions will apply to franchisees protected by terms of the Maryland Franchise Registration and Disclosure Law:

1. The franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. None of the representations required to be made by the franchisee to 9Round in the documents to be executed by the franchisee are intended to act as, and the party agree that they shall not be deemed to constitute, a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

FRANCHISEE: (For an individual)

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

Signature: ________________________________
Printed Name: _____________________________
Date: ____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ________________________________
Printed Name: _____________________________
Title: ____________________________________
Date: ____________________________________

ADDENDUM TO THE 9ROUND FRANCHISE AGREEMENT

FOR THE STATE OF MINNESOTA

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. We will undertake the defense of any claim of infringement by third parties involving the 9ROUND mark, and you will cooperate with the defense in any reasonable manner required by us with any direct cost of such cooperation to be borne by us.2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subdivision. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

2. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. Section 13.E (Liquidated Damages), Section 15.J (Jury Waiver), and Section 15.K (Waiver of Punitive Damages) of the Franchise Agreement is deleted.

4. Section 14.C (Claims) is amended to provide that any claims arising under the Minnesota Franchise Act must be brought within three years after the date the cause of action accrues.

5. No Section providing for a general release as a condition of renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided, that this part shall not bar the voluntary settlement of disputes.

6. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this addendum.

7. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

9. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subdivision. 1(g).

10. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ____________________________

Signature: _________________________________
Printed Name: ______________________________
Title: _____________________________________
Date: _____________________________________

FRANCHISEE: (For an individual)

Signature: _________________________________
Printed Name: ______________________________
Date: _____________________________________

Signature: _________________________________
Printed Name: ______________________________
Date: _____________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: _________________________________
Printed Name: ______________________________
Title: _____________________________________
Date: _____________________________________

ADDENDUM TO THE 9ROUND FRANCHISE AGREEMENT

FOR THE STATE OF NORTH DAKOTA

1. The Securities Commissioner for the State of North Dakota has held that the provisions stated below in (a) through (h) are unfair, unjust, or inequitable to North Dakota Franchisees (Section 51-19-09, N.D.C.C.) and may be unenforceable under North Dakota Law:

(a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the Franchise Agreement;

(b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;

(c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;

(d) A provision requiring a choice of law contrary to the North Dakota Franchise Investment Law;

(e) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;

(f) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;

(g) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages; and

(h) A provision requiring the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the Franchise Agreement.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the Franchise Agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The site of any mediation or arbitration of the parties' disputes shall be at a site mutually agreeable to all parties. If all parties cannot agree upon a location, the arbitration or mediation shall be Fargo, North Dakota.

4. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this addendum

[the signature page is the next page]

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ______________________________

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

FRANCHISEE: (For an individual)

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

ADDENDUM TO 9ROUND FRANCHISE AGREEMENT FOR

THE STATE OF WASHINGTON

This Addendum pertains to franchises sold in the State of Washington and is for the purpose of complying with Washington statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19,1000 RCW will prevail.
2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of the franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or right or remedies under the Act such as right to a jury trial, may not be enforceable.
5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
6. Pursuant to RCW49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,00 per year (an amount that will be adjusted annually for inflation). In additional, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits a franchisor a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchisee agreement or elsewhere are void and unenforceable in Washington.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISEE: (For an entity)

Name of Entity: ______________________________

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

FRANCHISEE: (For an individual)

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

Signature: ___________________________________
Printed Name: ________________________________
Date: _______________________________________

FRANCHISOR: 9ROUND FRANCHISING, LLC

Signature: ___________________________________
Printed Name: ________________________________
Title: _______________________________________
Date: _______________________________________

EXHIBIT D
FRANCHISEE LIST

List of Franchisees as of July 31, 2020

Alabama					
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	200 W Glenn Ave	Auburn	AL	36830	(334) 721-5665
Crash Into Fitness, LLC Carey Clutts, Leann Clutts	2659 Valleydale Road	Birmingham	AL	35244	(205) 995-0708
JimJams Gym LLC Justin Collins	160 Cotton Creek Drive, Suite 230	Gulf Shores	AL	36542	(251) 202-3189
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	2766 John Hawkins Pkwy Ste 100	Hoover	AL	35244	(205) 518-6160
Kicking Bump, LLC Stephen Bump and Jodi Leigh Bump	309 Pelham Ave, Ste B3	Huntsville	AL	35801	(256) 970-4797
Meat Heads LLC Jason Howard, Zach Mitchell	11310 South Memorial Parkway	Huntsville	AL	35803	(256) 429-9011
Meat Heads LLC Jason Howard, Zach Mitchell	1079 Balch Rd, Ste E	Madison	AL	35758	(256) 858-1189
South Alabama Fitness, LLC Luke Landry, Rick Rottger	100 North Florida Street, Suite D-2	Mobile	AL	36607	(251) 263-8955
South Alabama Fitness, LLC Luke Landry, Rick Rottger	740 S. Schillinger Road, B6	Mobile	AL	36695	(251) 219-6697
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	80 McFarland Blvd Ste 9	Northport	AL	35476	(205) 758-1269
South Alabama Fitness LLC Luke Landry, Rick Rottger	33 Shell Street	Saraland	AL	36571	(251) 259-4504
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	2370 Jack Warner Parkway NE A104	Tuscaloosa	AL	35401	(205) 248-7641
Ezell Enterprises Brandi Ezell	1101 Southview Lane	Tuscaloosa	AL	35405	(205) 844-5425
Alaska					
Arizona					
Anderson Fitness Inc. Robin Anderson, Mikel Anderson	4040 W. Ray Rd., Ste D4	Chandler	AZ	85226	(480) 756-6608
W9 Gilbert, LLC Ed Wagner	2487 S. Gilbert Road, Ste 115	Gilbert	AZ	85295	(480) 899-4066
Puleo Fitness Inc. Stephanie Puleo	3320 W. Southern Avenue, Suite 114	Phoenix	AZ	85041	(602) 354-3990
Peak Fitness VI, LLC Jonathan Hollingsworth, Nicole Hollingsworth	4731 E. Union Hills Dr. Ste 106	Phoenix	AZ	85050	(480) 235-9652
M&E Group, LLC Mario Estell, Erika Estell	6501 E. Greenway Parkway Ste 109	Scottsdale	AZ	85254	(480) 607-4948
SVH Fitness, LLC Vlasta Duffy	9343 E. Shea Blvd. #145	Scottsdale	AZ	85260	(480) 407-6140
SVH Fitness, LLC Vlasta Duffy	10121 E Bell Rd., Suite 130	Scottsdale	AZ	85260	(480) 499-4668
Arkansas					
Drew Fit, LLC Drew Davitt, Sabrina Davitt	2200 SE J St., Ste 6	Bentonville	AR	72712	(479) 845-5900
Drew Fit, LLC	1267 Steamboat Dr	Fayetteville	AR	72704	(479) 316-8280

Drew Davitt, Sabrina Davitt, Jay Davitt, Diana Davitt	Ste 1				
Drew Fit, LLC Drew Davitt, Sabrina Davitt, Jay Davitt, Diana Davitt	5001 W Pauline Whitaker, Ste 125	Rogers	AR	72758	(479) 877-1200
California					
MBK Fury, LLC Sam Phen, Cheryl Phen	5655 E. La Palma Ave	Anaheim	CA	92807	(949) 522-1188
MBK Fury, LLC Sam Phen, Cheryl Phen	924 E. Imperial Hwy	Brea	CA	92821	(949) 522-1188
LCAZ Holdings, Inc. Lawrence Grable, Christy Grable	2360 D Las Posas Road	Camarillo	CA	93010	(805) 244-5510
Astrologo Fitness, LLC Tiffany Astrologo, Ana Astrologo	754 Mangrove Ave	Chico	CA	95926	(530) 588-9282
San Diego On the Go, Inc. Jorge Alvarez	1741 Eastlake Parkway, Ste 105	Chula Vista	CA	91915	(619) 737-9136
San Diego on the Go, Inc. Jorge Alvarez	1550-K East H Street	Chula Vista	CA	91913	(619) 623-3606
J and L AA Businesses, Inc. Lilia Tahmasian John Vertrees	7881 Greenback Ln	Citrus Heights	CA	95610	(916) 705-9954
TrinityFit Inc. Steve Rousey	330 W Foothill Pkwy Ste 104	Corona	CA	92882	(951) 808-9896
Full 4orce Fitness, LLC Danni Napoli, Rick Calzada	11882 De Palma Rd. Ste 2-H	Corona	CA	92883	(951) 258-5556
We Can Workout LLC Steve Nalbandian	1175 Baker Street Ste A-5	Costa Mesa	CA	92626	(714) 662-1477
Maudi Group, Inc. Mauricio Acevedo	11140 Washington Blvd	Culver City	CA	90232	(310) 751-0673
The ROC & Company, LLC Romeo Bundalian, Oliver Bundalian, Randy Bundalian, Josephine Castaneda	2203 Francisco Drive, Unit 160	El Dorado Hills	CA	95762	(916) 936-0924
Timothy Cahill	6624 Laguna Blvd, #104	Elk Grove	CA	95758	(916) 400-9913
Alter-Native Fitness Ryan Alter	9320 Elk Grove Blvd.	Elk Grove	CA	95624	(916) 226-5322
Who You Calling A Girl Fitness Charise McCondichie	6399 Christie Ave, Ste B	Emeryville	CA	94608	(510) 472-7953
E3 Kickboxing, LLC Diane Daley-Eaton, Julia Eaton	264 El Camino Real	Encinitas	CA	92024	(760) 299-5999
Riza NOLA, LLC Riza Ayson	18595 Brookhurst Street	Fountain Valley	CA	92708	(714) 782-0601
CardioKick, Inc. Ryan Cleaves	9505 N. Sommerville Dr. Suite 103	Fresno	CA	93720	(559) 373-0157
CLN Health and Fitness, LLC Carrie Jennings	1321 1st Street	Gilroy	CA	95020	(408) 337-1225
Estrella Wellness Group, LLC Anthony Estrella	6831 Hollister Ave, Ste I	Goleta	CA	93117	(805) 966-3888
E Squared Fitness, LLC Chris Borgia	1109 Aviation Blvd	Hermosa Beach	CA	90254	(310) 986-3910
Engage Your Core Fitness, LLC Andrew Gustin	7074 Edinger Ave	Huntington Beach	CA	92647	(714) 375-0180
JP&E Fitness, LLC	21068 Beach Blvd	Huntington	CA	92648	(714) 715-0295

Jack Dial, Persephone Oliver		Beach			
MBK Fury LLC Sam Phen Cheryl Phen	92 Corporate Park, Ste I	Irvine	CA	92606	(949) 522-1188
Awesome Fit, LLC Nandu Tangella, Hu Li	4255 Campus Dr, #A108	Irvine	CA	92616	(949) 431-5646
Awesome Fit, LLC Nandu Tangella, Hu Li	6610 Irvine Center Drive	Irvine	CA	92618	
INN Group Vladimir V. Volkov	3561 Mt. Diablo Blvd. Suite B	Lafayette	CA	94549	(925) 360-4777
Energy Plus Enterprises Holly Tabrizi	30100 Town Center Drive, Ste S	Laguna Niguel	CA	92677	(949) 297-6911
BF Capital Tony Blankenship	69 Lincoln Blvd. Suite F	Lincoln	CA	95648	(916) 800-5012
Pomaika'i Management, LLC Jason Wong	1490 N Vasco Rd	Livermore	CA	94551	(925) 583-5525
Live Your Life Fitness, LLC Clarissa Singson	5668 E 2nd St	Long Beach	CA	90803	(562) 247-0899
Boxing Betty, LLC Ashley J. Richardson	6502 E. Spring Street	Long Beach	CA	90815	(562) 277-1285
K.O.L.A. Inc. Michael Alexander	430 W. Pico Blvd	Los Angeles	CA	90015	(213) 699-2699
Fortune Health & Fitness, LLC Eugene Porter, Peter Celaya	1215 E Calaveras Blvd	Milpitas	CA	95035	(408) 493-6328
Lemon Squares Investments, Inc Wesley W Terrell	1295 E. Dunne Avenue, Ste #160	Morgan Hill	CA	95037	(408) 763-4701
Studio 9 Brant Adornato	75 W El Camino Real	Mt. View	CA	94040	(408) 724-8055
NHBFitness91, LLC Nimesh Bhakta	39249 Cedar Blvd.	Newark	CA	94560	(510)516-4646
Changing Lives Enterprises LLC Marc Payne, Teresia Payne, William Wong	132 E.12th Street	Oakland	CA	94606	(510) 808-5186
DTLH Fitness, LLC David Operario, Tam Lee-Operario	4864 Telegraph Avenue	Oakland	CA	94609	(510) 275-4154
Silverstar Driven, LLC Silvia Salgado	3135 N. Glassell St	Orange	CA	92865	(714) 721-9942
Musoma, Inc. Mustapha Mahmud	2310 E Colorado Blvd	Pasadena	CA	91107	(626) 365-9952
Pomaika'i Management LLC Jason Wong	4275 Rosewood Drive, Ste 23	Pleasanton	CA	94588	(925) 251-0081
LCAZ Holdings, Inc. Lawrence Grable, Christy Grable	547 West Channel Islands Blvd	Port Hueneme	CA	93041	(805) 946-2999
Watkins & Wedsted LLC Karen Wedsted, Taisha Watkins	4036 Sunrise Blvd, Ste 160	Rancho Cordova	CA	95742	(916) 437-4844
Strength & Spirit, Inc. Jeff Ranta	2340 Sunrise Blvd	Rancho Cordova	CA	95670	(916) 936-3579
MAS Fitness, LLC Steven Liu, Annie Liu	8160 Haven Ave Ste 102	Rancho Cucamonga	CA	91730	(909) 466-6719
Royko, LLC Ramin Kotobi	29851 Aventura, Ste J	Rancho Santa Margarita	CA	92688	(949) 478-1852
Kikfit LLC Lindsey Musgrave	3600 Central Ave., #3	Riverside	CA	92506	(951) 331-3223
The 10th Round, LLC Vicky Williams, Brad Bonar	2340 Sunset Blvd, Ste 180	Rocklin	CA	95765	(916) 872-1274

LMG Enterprises, LLC Lena Geiser, Cindy Geiser, John Geiser	5050 Rocklin Rd, Ste A3	Rocklin	CA	95677	(916) 824-2973
J and L AA Businesses Lilia Tahmasian, John Vertrees	4021 Woodcreek Oaks Blvd., Ste 180	Roseville	CA	95747	(916) 792-5652
L&W Fitness Enterprises LLC Adele Letro, Paige Winchester, Jesse Letro	1914 P Street - Midtown	Sacramento	CA	95811	(916) 758-8225
KJOY LLC Makeba Arnold	4730 Natomas Blvd. Unit #130	Sacramento	CA	95835	(916) 900-4698
C&C Fitness Factory, LLC Curtis Wade	5650 Folsom Blvd	Sacramento	CA	95819	(916) 822-4691
C&C Fitness Factory, LLC Curtis Wade	1028 Florin Road	Sacramento	CA	95831	(916) 400-4553
Lalu Fitness LLC Lauren Rademacher	2344 Butano Drive	Sacramento	CA	95825	(916) 668-4102
Par Investments, Inc. Alex Brown	979 Avenida Pico, Ste K	San Clemente	CA	92763	(949) 218-7271
Hit to Fit Lifestyle LLC Brando Danieli	6110 Friars Road	San Diego	CA	92108	(619) 684-5632
30Fit Flex, Inc. Tim Konzen and Jennifer Konzen	12125 Alta Carmel Court	San Diego	CA	92128	(858) 485-9292
Hit to Fit Lifestyle, LLC Brandon and Milissa Danieli	4411 Mercury St	San Diego	CA	92111	(858) 430-6414
Mypesa Fit Corporation Myriam Melero, Samuel Cisneros, Jose Paniagua	3555 Rosecrans St, Ste 110B	San Diego	CA	92110	(619) 844-0044
Pacific Beach Warrior Fitness Eli Himilstein	1416-A Garnet Ave	San Diego	CA	92109	(858) 886-7247
24 Hour Fitness	1850 Ocean Avenue	San Francisco	CA	94112	(415) 466-2000
Red Label, Inc. Michael Chen, Alejandro Soria	1088 E Brokaw Rd, Ste 20	San Jose	CA	95131	(408) 476-2243
RayAm Fitness, LLC Raymond Ysguerra	15251 Hesperian Blvd, Ste 5	San Leandro	CA	94578	(510) 228-0722
KDB&S, LLC Karl Bobo, Kimberly Bobo	2415 San Ramon Valley Blvd Ste 12	San Ramon	CA	94583	(925) 837-2976
Python Fitness, LLC Victoria Lee	31 E MacArthur Crescent, Suite 108	Santa Ana	CA	92707	(714) 696-9485
JL Fitness, LLC Judy Lee	3109 Stevens Creek Blvd	Santa Clara	CA	95117	(669) 281-5425
Fit4Life, Inc. Monika Geisz-Benitez, Anthony Benitez	14615 Ventura Blvd	Sherman Oaks	CA	91403	(818) 616-3848
WinRound, LLC Nilda Santiago	19564 Ventura Blvd	Tarzana	CA	91356	(818) 660-2768
Immersion Driven, Inc. Patrick Santos, Virginia Santos	32483 Temecula Parkway, Ste 116	Temecula	CA	92592	(951) 302-7603
Dejayh Inc. Daniel Hawkins	2370 Crenshaw Blvd, Ste E	Torrance	CA	90501	(424) 731-8180
ABC Fit, Inc. Pamela Bundalian, Eduardo Castaneda, Josephine Castaneda	651 E First St, Ste A	Tustin	CA	92780	(657) 215-1288
JTAMFITNESS, LLC Ngoc Huynh	34640 Alvarado Niles Road	Union City	CA	94587	(510) 403-1087
LCAZ Enterprises, LLC Lawrence Grable, Christy Grable	28112 Newhall Ranch Rd	Valencia	CA	91355	(661) 670-8166

KDB&S, LLC Karl Bobo and Kimberly Bobo	2260 Oak Grove Road	Walnut Creek	CA	94598	(925) 988-0710
ARMD, LLC Angela Rose and Manny Diaz	1508 Sunnyvale Ave	Walnut Creek	CA	94597	(925) 900-1036
A&E Brothers, LLC Art Espinoza, Rosa Espinoza, Eric Espinoza	1044 West Covina Pkwy	West Covina	CA	91790	(626) 267-4793
Colorado					
J&R Crisp, LLC Joseph Crisp	1655 28th St	Boulder	CO	80301	(303) 443-5678
KEJ Enterprises, LLC Melissa Lantz	1001 South Tejon	Colorado Springs	CO	80903	(719) 473-5755
KEJ Enterprises, LLC Melissa Lantz	4730 Centennial Blvd, Ste 101	Colorado Springs	CO	80919	(719) 528-6005
KEJ Enterprises, LLC Melissa Lantz	5490 Powers Center Point Ste 156	Colorado Springs	CO	80920	(719) 282-8563
McReaCrea, LLC Anne Lee Haizlip McRea	487 S. Broadway #100	Denver	CO	80209	(303) 722-0318
SBGH Fitness, LLC Staci Bartels, Glen Harvey	310 E 17th Ave	Denver	CO	80203	(303) 997-8295
TMMC Jones Corp Melanie Jones, Todd Jones	9325 Dorchester St, Ste 121	Highlands Ranch	CO	80129	(303) 974-4245
Healthier You, Inc. Jeffrey Kahn	5501 S. Broadway, 200B	Littleton	CO	80121	(303) 284-9594
J&M Fam Enterprises Jacob Scott, Marijune Scott	1631 Pace St., Ste B-11	Longmont	CO	80504	(303) 772-8888
J&M Fam Enterprises Jacob Scott, Marijune Scott	978 E. Eisenhower	Loveland	CO	80537	(970) 619-8291
RLV, Inc Richard Vonesh, Lauren Vonesh	19523 Hess Rd, Ste 106	Parker	CO	80134	(303) 840-4694
L&A, Inc Lindsay Austin, Alec Bower	74 N McCulloch	Pueblo	CO	81007	(719) 992-0090
Connecticut					
Valaouras Berner Enterprises LLC Tina Valaouras	972 W Main St	Branford	CT	06405	(203) 208-2578
C&R Fitness LLC Ryan What, Carla DeLuca White	779-807 Newfield Street	Middletown	CT	06457	(860) 349-2321
K&S Family Enterprises, LLC Steve Signore	785 Boston Post Road	Old Saybrook	CT	06475	(860) 661-5138
Valaouras Berner Enterprises LLC Tina Valaouras	665 North Colony Road	Wallingford	CT	06492	(203) 626-9691
Delaware					
Proven Performance LLC Kelli Hosier	570 West Main St	Middletown	DE	19709	(302) 378-7008
GT Ripped 5 Gina Cerasari, Tim Raynor, Donna Heavens	2826 Pulaski Hwy	Newark	DE	19702	(302) 365-5590
GT Ripped Fitness, Inc. Gina Cerasari,Tim Raynor	1601 Concord Pike, Ste 17 & 19	Wilmington	DE	19803	(302) 428-9922
GT Ripped Fitness 2, Inc. Gina Cerasari, Tim Raynor, Donna Heavens	4565 New Linden Hill Rd	Wilmington	DE	19808	(302) 525-6045
CMinspires, LLC Candace Michulka	1812 Marsh Rd, #405	Wilmington	DE	19810	(302) 543-2545

District of Columbia					
Florida					
Fontana Fitness 3, LLC Paula Rivas, Leonardo Fontana	19100 West Dixie Hwy	Aventura	FL	33180	(786) 301-1668
Full Bore Fitness, Inc. Jonathan Ellis	1200 Yamato Rd, Ste B-1	Boca Raton	FL	33431	(561) 419-7003
Baldassarra Investments, Inc. Piero Baldassarra, Stefany Baldassarra	910 North Congress Ave.	Boynton Beach	FL	33426	(561) 732-9889
Hartico, LLC Venecia Antico Joseph D'Amore	8855 W. Boynton Beach Blvd. , Suite 360	Boynton Beach	FL	33472	(561) 733-0911
One Round At A Time, LLC Kim Rymanowski, Mitch Rymanowski	2454 McMullen Booth Rd #101	Clearwater	FL	33759	(727) 999-1225
DCM Fitness, LLC Daniel Maradiaga, Christina Maradiaga	4300 S Hwy 27, Suite 105	Clermont	FL	34711	(352) 988-5311
L&J Fitness, Inc. Julia Fernandez,	1410 Ponce de Leon Blvd	Coral Gables	FL	33134	(786) 712-0384
Baldassarra Investments, Inc. Piero Baldassarra, Stefany Baldassarra	900 Linton Blvd. Suite 925	Delray Beach	FL	33444	(561) 318-7904)
TK Sports, LLC Tasha Brooke Malek	4467 Commons Drive	Destin	FL	32541	(850) 200-0587
One Round At A Time, LLC Kim Rymanowski, Mitch Rymanowski	1511 Main St.	Dunedin	FL	34698	(727) 251-1550
Fontana Fitness 2, LLC Paula Rivas, Leonardo Fontana	1031 N Federal Hwy	Fort Lauderdale	FL	33304	(954) 626-0780
Fontana Fitness, LLC Paula Rivas, Leonardo Fontana	3335 Sheridan St	Hollywood	FL	33021	(754) 217-4323
Hammerhead Fitness, LLC Mark Dewey	12226 Beach Blvd., #8	Jacksonville	FL	32246	(904) 516-7155
315 Railroad Riverside LLC Talf Gates	4820 Deer Lake Dr West	Jacksonville	FL	32246	(904) 723-1214
MJPA of Jacksonville Talf Gates	12525 Philips Hwy	Jacksonville	FL	32256	(904) 619-4830
Tam's Lifestyle, LLC Tamiya R. Fishel	716 New Berlin Road, Ste 11	Jacksonville	FL	32246	(904) 416-0576
Wrapped, LLC Tammy Ewing	3587 NW Federal Highway	Jensen Beach	FL	34957	(772) 933-9910
Migmar Group, LLC Alejandro Ramos	11252 SW 137 Avenue	Kendall	FL	33186	(786) 536-2259
D2 Fitness, LLC Rakesh Bhandari, Jai Bhandari	245 Wheelhouse Lane, #1431	Lake Mary	FL	32746	(407) 605-0630
Prince Motivations, LLC, Wayne E. Prince	4115 SR 7	Lake Worth	FL	33449	(561) 619-5670
EK Fitness, LLC Eric Stehle, Kristen Stehle	2153 E County Rd 540A	Lakeland	FL	33813	(863) 606-5742
EK Fitness, LLC Eric Stehle, Kristen Stehle	3604 Harden Blvd	Lakeland	FL	33803	(863) 608-7790
JMJL Fitness, LLC Joshua Weber	2083 Collier Parkway	Land O'Lakes	FL	34639	(813) 527-3776
Exercise Solutions, LLC Craig Long	13220 Starkey Rd, Unit 200	Largo	FL	33773	(727) 777-7299

LK MK Fitness Margate, LLC Larry Karp, Michelle Karp	3350 NW 62nd Ave.	Margate	FL	33063	(954) 972-8070
S&K Enterprises of Brevard Stephen Cunningham, Kimberly Cunningham	2338 Citadel Way	Melbourne	FL	32940	(321) 355-5503
JLS Fitness Corporation Patricia Shipman, Brent Shipman	4100 N. Wickham Road, Suite 113	Melbourne	FL	33063	(321) 441-3033
Migmar Group, LLC Alejandro Ramos	9999 SW 72 St, Ste 108	Miami	FL	33173	(786) 391-0580
Vital Green Life, LLC Leonardo DoCarmo, Julia Fernandez	14612 SW 8th Street	Miami	FL	33184	(786) 712-0384
One Round at a Time LLC Kim Rymanowski, Mitch Rymanowski	1326 Seven Springs Blvd	New Port Richey	FL	34655	(727) 597-7325
Karen and Ronnie Enterprises, LLC Ronald Cangro and Karen Julian	2791 Old Winter Garden Road	Ocoee	FL	34761	(407) 654-4660
Monster Fitness, LLC Dan Wessman	3150 South Orange Ave	Orlando	FL	32806	(406) 776-8001
STN Fitness, LLC Damien Signori	1816 Jake St	Orlando	FL	32814	(407) 801-4818
Rosebush Properties, Inc. Kayla Bushman, Brandon Bushman	5150 Dr. Phillips Drive	Orlando	FL	32819	(407) 863-1777
Fit Culture Investments, LLC Taylor Corman	1954 West State Road 426 #1160	Oviedo	FL	32765	(407) 542-8118
Musillo Athletic Performance Jonathan Musillo	3814 Northlake Blvd.	Palm Beach Gardens	FL	33403	(561) 410-5959
Next Level Performance, LLC Alfredo Brown, Karin Gabriela Brown	18391 Pines Blvd	Pembroke Pines	FL	33029	(954) 951-3507
Camerons Fitness, LLC Donald Cameron, Olga Cameron	2104 N. Flamingo Rd	Pembroke Pines	FL	33028	(954) 251-3351
Level 9 Fitness, LLC Fernando Yemail	9495 S. Dixie Hwy	Pine Crest	FL	33156	(786) 766-4140
IJN Enterprises, Inc Ira Neasman, Lynne Neasman	1737 N. University Dr	Plantation	FL	33324	(954) 370-4500
BNO Fitness, Inc. Brett Osinski, Nicole Osinski	2101 N Federal Highway, Ste 202	Pompano Beach	FL	33062	(954) 532-5606
Get Fit Today, LLC Maria Niederhofer	263 SW Port St. Lucie Blvd	Port St. Lucie	FL	34984	(772) 249-5299
LK MK Fitness RPB, LLC Larry Karp, Michelle Karp	11051 Southern Blvd., Ste 200	Royal Palm	FL	33411	(561) 204-9699
K’s Lifestyle, LLC Ashly Koike	74 Capulet Dr, Ste 207	St. Augustine	FL	32092	(904) 494-8308
St Pete Boxing Fitness, LLC David Belot	1100 4th Street N, Ste 101	St Petersburg	FL	33701	(727) 519-6947
KSRK LLC (91129) Kelsey Kramer	10308 Roosevelt Blvd N., Unit C2	St Petersburg	FL	33716	(727) 291-8875
A to Z Fitness, Inc. Ann Geismar	650 SE Indian Street	Stuart	FL	34994	(772) 212-2243
KT Sports, LLC Kamran Malek, Tasha Malek	1817 Thomasville Rd., Unit 620	Tallahassee	FL	32303	(850) 840-0040
C&J Fitness, LLC Charla Griffith, James Griffith	10930 Cross Creek Blvd.	Tampa	FL	33647	(813) 803-7379
Next Level Performance, LLC Alfredo Brown, Karin Gabriela Brown	1928 Weston Rd	Weston	FL	33326	(954) 380-8808
Level 3 Solutions Corp.	7750 Okeechobee	West Palm	FL	33411	(561) 827-3131

Justin Harris	Blvd., Suite 5	Beach			
MDJ Fit, Inc. Michael Johnson	13860 Wellington Trace, Ste 15	Wellington	FL	33414	(561) 660-6131
Battle Axe Fitness, LLC Deb Leonard	5448 Central Florida Parkway	Williamsburg	FL	32821	(407) 778-4616
BERNK Enterprise Corp. Brett Lasser	1201 Winter Garden Vineland Rd, Ste 6B	Winter Garden	FL	34787	(407) 347-7644
Georgia					
Strongarm Fitness Tony Miller	2080 Timothy Rd Ste B	Athens	GA	30606	(706) 353-6999
M&M Fitbox, LLC Matt and Melisa McCue	1860 Barnett Shoals Rd. Ste 407	Athens	GA	30605	(706) 850-4999
FitXtreme, Inc. Shayna Marshall	465 Boulevard SE, Ste 101A	Atlanta	GA	30312	(404) 390-3346
Jab Cross, LLC Martin and Suzanne Greene	2095 Hwy 211, 5B	Buford	GA	30519	(678) 828-7085
Perseverance Fitness, LLC Omega Stephens	6503 Veterans Parkway, Suite 202	Columbus	GA	31909	(706) 229-6399
Browns Bridge Fitness LLC Rick Dunn	3560 Browns Bridge Rd Ste #900	Cumming	GA	30028	(470) 239-4114
Flying Castle Games, LLC Clint McGill, Kelly McGill	831 Auburn Road, Ste 100	Dacula	GA	30019	(678) 743-4506
Changes 4 Your Lifestyle, LLC Kanesha Ivory	2899-B North Decatur Rd	Decatur	GA	30033	(404) 343-0286
April Moss, LLC April Moss	745 Chastain Road, Suite 1120	Kennesaw	GA	30144	
Ricky and Erica Howell Enterprises, Inc. Ricky Howell, Erica Howell	3157 Sugarloaf Pkwy, Ste 180	Lawrenceville	GA	30045	(678) 235-5949
RLLD Group, LLC Roni Meyerhoff	3894 Due West Rd	Marietta	GA	30064	(470) 205-0430
KEA, LLC Eric Svancara, Kegan Leissner	11550 Jones Bridge Rd	Milton	GA	30004	(770) 442-5588
BC Bishop Enterprises, LLC Ben Bishop	107 Grand Central	Pooler	GA	31322	(912) 988-7394
BC Bishop Enterprises, LLC Ben Bishop	11408 Ford Avenue	Richmond Hill	GA	31324	(912) 445-5201
Adventure Step 1, LLC Justin Barnes, Nicole Barnes	310 Town Center Ave	Suwanee	GA	30024	(678) 288-4877
Relative Vision, Inc a GA Corp Chris Foster	1428 Towne Lake Parkway, Ste 106	Woodstock	GA	30189	(678) 483-6044
Hawaii					
Idaho					
Larson Enterprises, LLC Hunter Larson	1580 N. Stonehenge Way, Suite 103	Meridian	ID	83642	(208) 904-2497
Illinois					
Nine R Lincoln Park, LLC Kyle Kurz, Abby Kurz	1257 W. Fullerton Ave.	Chicago	IL	60614	(773) 649-5757
AVR Fitness LLC Asher Rosenblatt, Ariane Rosenblatt	1744 W. Division St	Chicago	IL	60622	(773) 360-1522
Oscar 1626, LLC Nancy Newman, Michelle Del Guidio	924 W. Madison St	Chicago	IL	60607	(312) 878-7868
AVR Fitness, LLC Asher Rosenblatt, Ariane Rosenblatt	3911 N. Broadway Street	Chicago	IL	60613	(773) 657-5051

MKX Fitness, LLC Mary Kay Riordan	777 S. State Street	Chicago	IL	60605	(312) 252-9909
V-Eight Ventures, LLC Becky Nickish-Venuti	1063 S State Route 157, Ste 1	Edwardsville	IL	62025	(618) 307-5105
EVX, LLC Jim Battinus, Jeff Battinus, Ken Battinus	1706 Central Street	Evanston	IL	60201	(224) 714-3003
Knockout Boyz, LLC Anish Parikh, Nayan Patdia	1348 Patriot Blvd	Glenview	IL	60026	(224) 616-3348
Lake County Get Fit, Inc. Keith Surroz	100 S. Atkinson	Grayslake	IL	60030	(847) 356-6309
North Shore 9Round, LLC Kyle Kurz, Abby Kurz, Linda Mayer, Tom Mayer	1007 Waukegan Road	Northbrook	IL	60062	(224) 235-4840
V-Eight Ventures, LLC Becky Nickish-Venuti	3740 Green Mount Crossing Dr.	O'Fallon	IL	62269	(618) 307-5105
KET Group, LLC Maureen Twohey	1540 E. Lake Cook Rd	Wheeling	IL	60090	(224) 900-7734
Indiana					
ADJL Ventures, LLC Craig Valier	7615 E US Hwy 36	Avon	IN	46123	(317) 268-6486
A.K.D. Investments, LLC Nick Cragen	116 S Indiana Ave.	Bloomington	IN	47408	(812) 323-9494
Vinson Kickboxing, LLC Josh Vinson, Erica Vinson	9873 N. Michigan Road, Ste 135	Carmel	IN	46032	(317) 731-7249
So In Fitness Group, LLC Louwana Ball	1225 Veterans Pkwy, Ste 500	Clarksville	IN	47129	(502) 319-3225
Azfit, LLC Scott Bodenhafer, Angela Bodenhafer	10357 Illinois Rd	Fort Wayne	IN	46814	(260) 271-1494
Azfit, LLC Scott Bodenhafer, Angela Bodenhafer	2872 E Dupont Rd	Fort Wayne	IN	46825	(260) 739-6050
Azfit, LLC Scott Bodenhafer, Angela Bodenhafer	10454 Maysville	Fort Wayne	IN	46835	(260) 245-0548
Etham Fitness, Inc. Jennifer Booth, Chase Booth	1214 E. University Drive	Granger	IN	46530	(574) 520-1567
ADJL Ventures, LLC Craig Valier	239 S State Road 135	Greenwood	IN	46142	(317) 300-1830
ADJL Ventures, LLC Craig Valier	7045 Emblem Drive, Ste D	Indianapolis	IN	46237	(317) 883-1374
A-Team Fitness, LLC Michelle Shewell	3742 E 82nd Street	Indianapolis	IN	46240	(317) 436-8004
The KnockOut LLC Susan Pavelka, Steven Pavelka	5645 Pebble Village Lane	Noblesville	IN	46062	(317) 219-3456
Iowa					
Shear Opportunities, LLC Kari Carlson	789 Middle Road	Bettendorf	IA	52722	(563) 355-4600
Brent Bean, Suzie Bean	4825 E.P. True Pkwy, Suite 101	West Des Moines	IA	50266	(515) 223-7290
Kansas					
Edwards Fitness, Inc. Timothy Edwards, Barbara Edwards	2329 S Iowa St	Lawrence	KS	66047	(785) 842-1231
Get After It, LLC Todd Vettel, Melissa Vettel, Teresa Vettel	1620 Fort Riley Blvd, Ste 111	Manhattan	KS	66502	(785) 340-3133

Rite Cross Fitness, LLC Adam Turk, Megan Turk	6516 Martway	Mission	KS	66202	(913) 808-5650
Edwards Fitness, Inc. Timothy Edwards, Barbara Edwards	18583 W 151st St	Olathe	KS	66062	(913) 390-1174
J2911, LLC Jeff Jenkins	8323 West 135th Street	Overland Park	KS	66223	(913) 402-9999
Oliver Fitness, LLC Lisa Oliver	13217 Shawnee Mission Parkway	Shawnee	KS	66216	(913) 730-8681
Toe2Toe Fitness Adam Turk, Megan Turk	22350 W 66th St	Shawnee	KS	66226	(913) 745-6065
Kentucky					
MRVH Highlands, LLC Matthew Hegele	1512 Bardstown Road	Louisville	KY	40205	(502) 654-7155
MRVH Middletown, LLC Matthew Hegele	13401 Shelbyville Road, Ste 102	Middletown	KY	40223	(502) 410-2929
AthletiCo, LLC Mark Hegele, Matt Hegele	4139 Shelbyville Rd	St Matthews	KY	40207	(502) 822-3505
Louisiana					
Southern Kickboxing, LLC Matthew Kennedy, Tara Kennedy	1905 Kaliste Saloom Rd, Ste 102	Lafayette	LA	70508	(337) 415-9763
K.K.J. Kickboxing, LLC Jacqueline Richard, Ross Richard	2761 E. Milton Ave. , C-1	Youngsville	LA	70592	(337) 703-0718
Maine					
Terra Health & Fitness, Inc. Ted Rioux	109 Main Street	Gorham	ME	04038	(207) 839-2860
Maryland					
Vertical Management LLC Umer Shahid	3469 Fort Meade Road	Laurel	MD	20724	(301) 685-6000
Temeraria Fitness, Inc. Chellis Gonzalez	8403 Colesville Rd	Silver Spring	MD	20910	(301) 328-9607
JOC MOBS, Inc. Wanda Brisco	2875 Crain Highway, Ste 5A	Waldorf	MD	20601	(301) 710-5376
Massachusetts					
Beauchamp Fitness, LLC Timothy Beauchamp	157 Bedford St	Burlington	MA	01803	(781) 330-7052
A Bout Fitness, LLC Joseph Castellucci, Anthony Castellucci	7 Summer St, Unit 5	Chelmsford	MA	01824	(603) 275-8089
Morgan Fitness, LLC Teraisa Sabatini-Tucker	445 Franklin Village Dr	Franklin	MA	02038	(508) 570-5173
LES is More, LLC Iris Santiago	235 Great Road	Littleton	MA	01460	(978) 894-5897
TuffNutz Fitness, LLC Jesse Thomas, Jessica Thomas	110 Elm St	Millbury	MA	01527	(508) 865-0800
MD Fitness, Inc. Mary Geary	1255 Main Street Unit 3	Weymouth	MA	02190	(339) 201-4970
PunchItOutFitness, LLC Sheri Barrette	65 James St	Worcester	MA	01603	(774) 823-3341
Michigan					
Bond Health & Fitness LLC Michelle Bond	5700 Jackson Road Ste 3	Ann Arbor	MI	48103	(734) 769-5435
K.T. Living, Inc. Kendra Townsend	8233 Byron Center Ave	Byron Center	MI	49315	(616) 710-3181

Maxfit Inc. Summer Mydlo, Jason Mydlo	41880 Garfield Rd	Charter Township of Clinton	MI	48038	(586) 960-5425
Redline Design LLC Mohamed Farhat	22441 Michigan Ave	Dearborn	MI	48124	(313) 992-2277
JAD Fitness, LLC James Dick Jr	19364 E 10 Mile Road	Eastpointe	MI	48021	(586) 859-5353
RedLine Design, LLC Mohamed Farhat	15404 Haggerty Road	Plymouth	MI	48170	(734) 420-4909
Holoman Associates, Inc. Derrick Holoman, Linda Holoman, David Holoman, Smallwood Holoman	815 South Main St	Royal Oak	MI	48067	(248) 607-0646
JR Fitness, LLC James Dick	6043 Rochester Rd	Troy	MI	48085	(833) 497-6863
Brandes Unlimited, LLC Kentura Brandes	23230 Allen Road	Woodhaven	MI	48183	(734) 544-5425
Minnesota					
Twin Ports Kickboxing, LLC Geoffrey Rich	15050 Cedar Ave, Ste 117	Apple Valley	MN	55124	(952) 683-9697
HIIT, LLC David Lind, Jessica Lind	8409 W. Broadway Ave.	Brooklyn Park	MN	55445	(763) 200-9289
Twin Ports Kickboxing, LLC Geoffrey Rich	1334 W Arrowhead Rd	Duluth	MN	55811	(218) 481-7788
uFitness, Inc. Ryan Pederson, Heather Dekan	8023 Glen Lane	Eden Prairie	MN	55344	(612) 276-6483
Twin Ports Kickboxing, LLC Geoffrey Rich	8026 Hwy 55	Golden Valley	MN	55427	(763) 545-8786
Lena, LLC Ashley Erickson, Joseph Erickson	2158 Rice St #104	Maplewood	MN	55113	(651) 705-8253
Thirty Seconds, LLC Kyla Sedgewick, Neil Gauen	187 Cheshire Ln N	Plymouth	MN	55441	(763) 476-5002
Bratts Fitness, Inc. Laurie Brattensborg, James Brattensborg	21135 S Diamond Lake Rd, Ste 105	Rogers	MN	55374	(763) 657-1170
FitMN Inc. Brett Furber	5749 Egan Dr.	Savage	MN	55378	(952) 226-5425
Mississippi					
Missouri					
Murphy Fitness, LLC Michael Murphy	1412 SW MO 7 Hwy	Blue Springs	MO	64014	(816) 224-1990
Porter Health & Fitness, LLC April Porter, Brian Porter	12536 Olive Blvd, Ste G	Creve Coeur	MO	63141	(314) 392-9305
Porter Health & Fitness, LLC April Porter, Brian Porter	11752 Manchester Rd, Des Peres, MO	Des Peres	MO	63131	(314) 394-0959
Ferber Fitness, LLC Angela Ferber	5765 NE Antioch Road	Gladstone	MO	64119	(816) 455-9763
Three CK, LLC Clint Kirkpatrick, Kimberly Kirkpatrick	19321 E. US 40 Highway, Ste K	Independence	MO	64055	(816) 982-9912
Blue Arrow Fitness, LLC Rob Johnson, Kelli Johnson	1407 Southwest Blvd, Suite B	Jefferson City	MO	65109	(573) 895-3242
SG McIntosh, LLC Scott McIntosh	9758 N Ash Avenue	Kansas City	MO	64157	(816) 792-9995
JAB'M Fitness	8944 NW Skyview	Kansas City	MO	64154	(816) 587-6999

Scott Brown	Ave				
SG McIntosh, LLC Scott McIntosh	10203 N Oak Trafficway	Kansas City	MO	64155	(816) 734-9900
Revers Fitness, LLC Connie Revers, Jennifer Revers	6304 N Chatham Ave.	Kansas City	MO	64151	(816) 505-9991
High Time Fitness, LLC Lisa Oliver	7964 Wornall Rd	Kansas City	MO	64114	(816) 333-3500
HBomb Kickbox Fitness LLC Heather Harris	105 S. Jefferson St., B-1,	Kearney	MO	64060	(816) 635-9800
C&MR Fitness LLC Jason Rains, Kristina Rains	1125 NE Rice Rd	Lee's Summit	MO	64086	(816) 524-5795
C&MR Fitness LLC Jason Rains, Kristina Rains	3731 SW Hollywood Dr	Lee's Summit	MO	64082	(816) 623-3122
Porter Health & Fitness, LLC April Porter, Brian Porter	3026 Winghaven Blvd	O'Fallon	MO	63368	(636) 265-0716
C&MR Fitness LLC Jason Rains, Kristina Rains	824 W. Foxwood Drive	Raymore	MO	64083	(816) 388-3688
Ring The Bell Fitness, LLC Nathan Bell	1440 W. Republic Rd. Ste 128	Springfield	MO	65807	(417) 889-9763
South City Fitness Boxing, LLC Chris Halbach, Thomas Matthes	4924 Hampton Ave.	St. Louis	MO	63109	(314) 269-1399
MPT Enterprises Marlene Twehous	1999 Zumbehl Rd	St. Charles	MO	63303	(636) 493-1943
MPT Enterprises Marlene Twehous	16 Plaza 94, St. Peters MO 63376	St. Peters	MO	63304	(636) 244-3219
Letsdothis, LLC Sabrina Mades-Carroll, Jared Carroll	2093 Washington Crossing	Washington	MO	63090	(636) 432-1979
Porter Health & Fitness, LLC April Porter, Brian Porter	17185 New College Avenue	Wildwood	MO	63040	(636) 422-1074
Montana					
NCC, Inc Corey Willis, Nancy Metzger	2338 Grand Ave.	Billings	MT	59102	(406) 969-5741
Willis Kickboxing, LLC Corey Willis	520 Wicks Ln	Billings	MT	59105	(406) 534-8496
MCRONSEN, LLC Michelle Ronsen	16 S Tracy Ave	Bozeman	MT	59715	(406) 595-5243
Nebraska					
Get After It, LLC Todd Vettel, Teresa Vettel, Time Vettel,	5609 S. 27th St. Ste A	Lincoln	NE	68512	(402) 420-5425
Get After It, LLC Todd Vettel, Tim Vettel, Melissa Vettel	2800 N 84th St	Lincoln	NE	68507	(402) 817-7349
RTA138 Limited Liability Company Rhace Akers	18204 Wright Street Omaha NE 68130	Omaha	NE	68130	(402) 431-3184
RTA138 Limited Liability Company Rhace Akers	15514 Spaulding Plaza Ste D109	Omaha	NE	68116	(402) 506-4567
Get After It, LLC Todd Vettel, Tim Vettel, Melissa Vettel	304 Olson Dr, Ste 109	Papillion	NE	68046	(402) 415-2970
Nevada					
Ouigee, LLC Abel McGee	1622 West Warm Springs Road	Henderson	NV	89014	(702) 476-5800
Wilds Fitness, LLC	3555 S Fort Apache	Las Vegas	NV	89147	(702) 489-6000

Erick Wilds, Melissa Wilds	Rd, #126				
Invincible Modus, LLC Matthew Patrovsky	748 South Meadows Parkway, #A-7	Reno	NV	89521	(775) 737-9877
Invincible Modus, LLC Matthew Patrovsky	113 Los Altos Pkwy #103	Sparks	NV	89436	(775) 800-4283
New Hampshire					
Steady Fitness, LLC Laurie Weingartner, Mark Weingartner	89 Fort Eddy Road	Concord	NH	03301	(603) 224-0900
DJF Fitness, LLC Darren Frowery	Brickyard Square - 24 Calef Hwy	Epping	NH	03042	(603) 693-7100
High Point Enterprise, LLC Christy Masciarelli	290 W River Rd	Hooksett	NH	03106	(603) 325-4114
TNT Fitness, LLC Nicole Roberts	53 Hooksett Rd	Manchester	NH	03104	(603) 935-9596
HCM Fitness, LLC Holly Morales	416 Daniel Webster Hwy	Merrimack	NH	03054	(603) 420-8145
A Bout Fitness, LLC Michele Castellucci, Joseph Castellucci	586 Nashua St	Milford	NH	03055	(603) 275-8089
A Bout Fitness, LLC Michele Castellucci, Joseph Castellucci	449 Amherst Street Unit 7	Nashua	NH	03063	(603) 402-1630
Beauchamp Fitness, LLC Timothy Beauchamp, Sarah Beauchamp	72 Mirona Rd, Ste 1	Portsmouth	NH	03801	(603) 294-1404
The Happy Place Group, Inc. Kendra Hackett	570 Lafayette Rd, Ste 803	Seabrook	NH	03874	(603) 294-4051
Punchin' & Kickin', LLC Anthony Murphy	160A Tri City Plaza	Somersworth	NH	03878	(603) 609-7500
New Jersey					
L.A. Randolph, LLC Lisa Randolph, Austin Randolph	347 Brick Blvd	Brick	NJ	08723	(732) 262-6446
AO Fitness, LLC Alex Odulio	435 Valley Brook Ave	Lyndhurst	NJ	07071	(201) 528-7715
L&C McKnight Holdings, Inc. Loroine McKnight, Carla McKnight	4951 Stelton Rd	South Plainfield	NJ	07080	(908) 998-9228
New Mexico					
New York					
Leonad Deanero, LLC Adrien Noel, Ryan Deane	656 Nostrand Ave	Brooklyn	NY	11216	(718) 303-0203
Clark McKinnon	210 W. Bridge Street	Catskill	NY	12414	(518) 894-5425
Alquast, LLC Allie Quast	8586 Transit Rd	East Amherst	NY	14051	(716) 689-0090
Monarch Rivers Holdings, LLC Romel Arias, Angela R. Arias	417 N. Central Avenue	Hartsdale	NY	10530	(914) 722-2653
TQK, LLC Michael Kelly, Annie Kelly	408 Oswego St.	Liverpool	NY	13088	(315) 870-9680
K&J Fitness, Inc. Keish E. Sanderson	21290 Cty Rte 202, Ste 6	Watertown	NY	13601	(315) 779-9997
North Carolina					
Buckeye Girl, LLC Christine Kay Blanc	1987 Hendersonville Road Ste G	Asheville	NC	28803	(828) 684-6390
Ashly Koike, Hunter Koike	61 N. Merrimon Ave.	Asheville	NC	28804	(828) 424-7260

	Ste 105				
Superior Health LLC Nick Athan, Troy Athan	280 Meeting St, Ste 102	Cary	NC	27518	(919) 803-5495
9Round Charlotte, LLC Suzy Balk, Mark Balk	16721 Orchard Stone Run STE 120	Charlotte	NC	28277	(704) 542-9982
J9 Dilworth, Inc. John Dee	1412 East Blvd.	Charlotte	NC	28203	(704) 498-4667
Fitness Gurus Corp. John Burkart	2115 E. Arbors Dr.	Charlotte	NC	28262	(980) 224-8512
KPB Enterprises Kevin Barnes	7510 Pineville Matthews Road Ste 6A	Charlotte	NC	28226	(704) 543-5685
Mt Island Kickboxing, LLC Kristan Brown, Wesley Brown	3635 Mt. Holly-Huntersville Rd.	Charlotte	NC	28216	(980) 406-3838
Fast Hands, LLC Tyler Reavis	300 S. Sharon Amity Rd	Charlotte	NC	28211	(704) 247-4105
JESSBOOK LLC James Maloney, Patrick Maloney, Lynn Maloney	4841 Shopton Rd	Charlotte	NC	28278	(980) 209-9415
Pigtail Power, LLC Amy Penwell	2424 N Davidson, Ste 112B	Charlotte	NC	28205	(704) 457-9366
Roll With the Punches, LLC Joseph Diggs	11301 Golf Links Dr North, Ste 101	Charlotte	NC	28277	(980) 339-5124
Fitness Ventures of Charlotte, LLC Craig Voelker	5110 Park Rd	Charlotte	NC	28209	(980) 430-1479
Team Fetz, Inc. Benjamin Fetzer	3805 Concord parkway south	Concord	NC	28027	(704) 795-2716
J&T Fitness John Teeling, Tracy Teeling	5415 Village Dr	Concord	NC	28027	(704) 467-8970
Paid Fitness, LLC Diana Brush and Conrad Hartle	19930 West Catawba Ave. Ste 200	Cornelius	NC	28031	(704) 997-5862
R5 Fitness Systems, LLC Craig Thompson, Gina Gerard	3010 Traemoor Village Dr. Ste 160	Fayetteville	NC	28306	(910) 423-0055
R5 Fitness Systems, LLC Craig Thompson, Gina Gerard	150 Francam Dr, Ste 122	Fayetteville	NC	28311	(910) 777-5959
JAM Fitness, Inc. Mike Spitzer, Julie Spitzer	2609 S. New Hope Rd	Gastonia	NC	28056	(704) 691-7876
In Motion Group LLC Nicholas Petruzzi	2002 New Garden Road	Greensboro	NC	27410	(336) 763-5853
Fourth Quarter Fitness, LLC Tyler Biggins	7288 Caldwell Road	Harrisburg	NC	28075	(704) 455-7535
K Squared Ventures, LLC Kevin Bailey, Kevin Pitts	2923 N Center St	Hickory	NC	28601	(828) 855-0955
Get Fit For Life, LLC Dan Williams, Catherine Williams	7276 GB Alford Hwy	Holly Springs	NC	27540	(919) 285-0926
Hit Happens Huntersville, LLC Conrad Hartle	13015 Rosedale Hill Ave, Ste 14A	Huntersville	NC	28078	(704) 345-3620
Outen Legacy, LLC Angela Outen	6443-B Old Monroe Rd.	Indian Trail	NC	28079	(980) 265-1574
Garrison Fitness, LLC Brooke Garrison	929 Park Center Drive - Ste 102	Matthews	NC	28105	(704) 321-0999
Madd Fitness, LLC Nancy Jones	6816 Matthews Mint Hill Road, Ste 103	Mint Hill	NC	28227	(980) 498-2203
Paid Fitness, LLC Diana Brush, Conrad Hartle	279 Williamson Rd. Ste B	Mooresville	NC	28117	(704) 664-4419

Shafeei Inc. Jon Shafeei	1131 Falls River Ave Unit #102	Raleigh	NC	27614	(919) 769-1002
Team Trilogy, Inc. Richard Tillies II	8111 Rowlock Way #105	Raleigh	NC	27613	(919) 446-5425
C&C Fitness Factory, LLC Curtis Wade	3901 Providence Rd, Ste F	Waxhaw	NC	28173	(704) 843-5425
Cape Fear Kick Boxing, Inc. Lynette Spinelli, Perry Spinelli	7122 Market St, Ste 120	Wilmington	NC	28411	(910) 839-8603
Cape Fear Kick Boxing, Inc. Lynette Spinelli, Perry Spinelli	3301 Masonboro Loop Rad, Cuite 103	Wilmington	NC	28409	(910) 800-0246
Freekie Fitness Corp Terry Stanley	4940 Martin View Ln	Winston-Salem	NC	27104	(336) 934-4190
North Dakota					
Ohio					
Forconi Diversified, Inc. Louis Forconi	2100 Center Road	Avon	OH	44011	(440) 937-0360
Chakel Investments, LLC Kellie Colyer, Charlie Colyer	9733 Kenwood Road	Blue Ash	OH	45242	(513) 891-3700
ChaKel Investments, LLC Charlie Colver, Kellie Colver	8315 Beechmont Ave	Cincinnati	OH	45255	(513) 474-2200
Imagine Entertainment LLC Steve Madden, Christine Madden	55 Ghent Rd	Fairlawn	OH	44333	(234) 678-5457
Parsley Brothers Fitness, LLC Solomon Parsley, Rachelle Parsley	3391 McDowell Rd	Grove City	OH	43123	(614) 305-7213
Parsley Brothers Fitness, LLC Solomon Parsley	2606 Hilliard-Rome Rd	Hilliard	OH	43026	(614) 541-2475
Blue Fitness, Inc. Ankasenka Walker, Matthew Chmielewski	8927 S. Old State Road	Lewis Center	OH	43035	(614) 781-2146
PJ Fitness LLC Patrick O'Neill, Jason Phillabaum	4200 J Aero Dr	Mason	OH	45040	(513) 800-9755
Get Some, Inc. Steve Richie, Angela Crosby	1506 S. Reynolds Rd	Maumee	OH	43537	(419) 794-0042
Ariete, LLC Anthony Joseph Perna	126 W. South Boundary	Perrysburg	OH	43551	(419) 873-7377
ALK Fitness, LLC Gary Kuhr	9711 G Sawmill Parkway	Powell	OH	43065	(614) 659-7735
Forconi Diversified, Inc. Louis Forconi, Nancy Forconi	19341 Detroit Rd	Rocky River	OH	44116	(440) 772-0009
Pro-Fitness, LLC Colbi Cousino and Dale Cousino	5577 Monroe St, Ste C2	Sylvania	OH	43560	(419) 318-0668
BTC Enterprises James and Samantha Stroker	153 South Main Street	Washington Court House	OH	43160	(740) 620-4189
ALK Fitness, LLC Gary Kuhr	6071 Chandler Court	Westerville	OH	43082	(614) 392-2788
Oklahoma					
Ty Fit LLC Tyler Hoisington	12301 S. Western Avenue	Oklahoma City	OK		(405) 407 6789
Brickhouse Fitness, LLC Tonya Fondren	1010 N. Santa Fe	Edmond	OK	73003	(405) 562-1836
Ty Fit, LLC Tyler Hoisington	6909 W Hefner Ste B-6	Oklahoma City	OK	73162	(405) 470-1946
Oregon					
J.I. Fitness, LLC	4105 SW 117th Ave,	Beaverton	OR	97005	(503) 372-5166

Jeff Ioan-Sanders, Ingrid Ioan-Sanders	Ste D				
Apex Fitness & Health Inc. Mark Erickson	1404 NE 3rd St. Ste 1	Bend	OR	97701	(541) 797-7959
Bleiler Strong, LLC Damen Bleiler, Crystal Bleiler	5247 Commercial St SE	Salem	OR	97306	(971) 599-1011
Pennsylvania					
Kickboxing Bethlehem, LLC Israel Ortiz	3650 Nazareth Pike, Rt 191	Bethlehem	PA	18020	(610) 694-8107
JNM Holdings, LLC John Martino, Natalie Martino	33 W. Ridge Pike, Ste 309	Limerick	PA	19468	(484) 974-2266
SM&K Holdings Corp William Shepardson	3339 Washington Road	McMurray	PA	15317	(724) 299-3954
No Limits 4:13, Inc. James Long, Tanika Long	3967 Ford Rd	Philadelphia	PA	19131	(215) 877-9763
Phoenixville Fitness, LLC John Martino	785 Starr St-Ste 112	Phoenixville	PA	19460	(484) 974-2266
Rhode Island					
South Carolina					
GGroup Fitness, LLC Jon Gaminde	2242 Boiling Springs Rd.	Boiling Springs	SC	29316	(864) 599-8989
Holy City Kickboxing, LLC Brandon Hargrove, Ashley Hargrove	1890 Sam Rittenberg Blvd.	Charleston	SC	29407	(843) 566-2099
Pinot, Puppies & Pancakes Mark Souillard, Amanda Darling	99 WestEdge St, Ste 1700	Charleston	SC	29403	(843) 405-8870
RK Holdings, LLC Richard Kay, Robert Kay	101 McCollum St.	Clemson	SC	29631	(864) 653-9910
Rispress16, LLC David Rispress, Ginida Rispress	5424 Forest Drive Ste 120	Columbia	SC	29206	(803) 497-3647
Drop Dead Weight, LLC Francisco Martinez	4611 Hard Scrabble Rd. Ste 103	Columbia	SC	29229	(803) 728-0056
RKAY Holdings, LLC Richard Kay, Robert Kay	650 Lincoln Street	Columbia	SC	29201	(803) 521-0034
CJ Fit, LLC Chad Strawn, Jill Strawn	201 Graduate Dr, Ste 113	Conway	SC	29526	(843) 234-0120
Whelchel-Wood Enterprises, Inc. Joleen Whelchel, Tamara Wood	507 Windslow Ave, Ste D	Gaffney	SC	29341	(864) 489-7774
Harvick Fitness, LLC John Harvick, Kari Harvick	604 St. James Avenue Ste I	Goose Creek	SC	29445	(843) 212-5838
Money, LLC Mills Stover	3014 Augusta St Ste B	Greenville	SC	29605	(864) 528-5155
Greene Fit, LLC Jason Greene	45 Pembroke Dr, Ste 145	Hilton Head	SC	29926	(843) 473-4981
9Round Indian Land, LLC Christine Lentini	8390 Charlotte Highway, Ste 100	Indian Land	SC	29707	(803) 228-4080
Arzu Fitness, LLC Chris Arzu	10739 Broad River Rd, Ste F	Irmo	SC	29063	(803) 764-1957
JAM Fitness, Inc. Mike Spitzer, Julie Spitzer	221 Latitude Lane	Lake Wylie	SC	29710	(803) 619-4533
AYTYSB,LLC Amanda Dozier and Francisco Martinez	5343-J Sunset Blvd	Lexington	SC	29072	(803) 399-1468
Jamie Kickboxing, LLC Scott James	569 Belle Station Blvd.	Mt. Pleasant	SC	29464	(843) 725-8899
Jamie Kickboxing, LLC	3377 South Morgan's	Mt. Pleasant	SC	29466	(843) 972-3229

Scott James	Point Rd. #409				
KMD Fit Corp Kim Donahue	3630 Walton Dr	Myrtle Beach	SC	29577	(843) 353-3232
Dawson Group, Inc. Dennis Carver, Kimberly Carver	625 Crown Pointe Lane	Rock Hill	SC	29730	(803) 792-0319
Knockout Fitness Reba Cole, William Cole	109 Grandview Dr.	Summerville	SC	29483	(843) 291-9464
South Dakota					
KNAK Fitness, LLC Aaron Krogman	1738 6th St	Brookings	SD	57006	(605) 692-5595
A-Squared Rob Feller, Carey Feller	1216 E. 57th St.	Sioux Falls	SD	57108	(605) 274-9977
A-Squared Rob Feller, Carey Feller	8605 W. 26th St.	Sioux Falls	SD	57106	(605) 275-8855
Tennessee					
Chatt Town, LLC Dwight Witherow, Lisa Witherow	541 Signal Mountain Rd	Chattanooga	TN	37405	(423) 803-9999
Williams Fitness LLC Marshall Williams	330 Mayfield Dr. Ste A-14	Franklin	TN	37067	(615) 224-3279
JA Rice, LLC Josh Rice, Abbie Rice	1050 Glenbrook Way Ste #310	Hendersonville	TN	37075	(615) 800-9088
Ferrell Fitness, LLC Lindsey Ferrell, Thomas Ferrell, David Greenway	3061 Highway 45 Bypass, Ste A	Jackson	TN	38305	(731) 424-5200
HJ Fitness, LLC Halle Jane Wallace	149 Wendelwood Dr, Ste B2	Murfreesboro	TN	37129	(615) 546-0152
Texas					
MN Ventures Ltd. LLC Michael Noyes	3713 Belt Line Road	Addison	TX	75001	(972) 882-6465
BAAM I, LLC Brenda Acosta, Alex Acosta, Meredith Conlon	2300 S Lamar Blvd, Ste 105	Austin	TX	78704	(512) 305-3868
JBL Venture, LLC John Lee Shannon Whiting	10900 Research Blvd, Ste 150	Austin	TX	78759	(512) 372-1030
Kicking Boody, LLC Stormy Johnson	9900 W Parmer Ln, Ste 215	Austin	TX	78717	(512) 900-6602
BAAM I, LLC Brenda Acosta, Alex Acosta, Meredith Conlon	4631 Airport Blvd #119	Austin	TX	78751	(512) 792-4224
MJ’s ATX Fitness, LLC Michelle F. Jones, Jeffrey A. Jones	8300 N FM 620, Building N, Suite 100	Austin	TX	78726	(737) 236-0522
Jordan & Kyle, LLC Jordan Scott, Kyle Redinger	1517 W Hebron Pkwy, #104	Carrollton	TX	75010	(972) 300-0030
BAAM, LLC Brenda Acosta, Alex Acosta, Meredith Conlon	1821 S. Lakeline Blvd	Cedar Park	TX	78613	(512) 506-9339
Jiggy Jae Enterprise, LLC Vincent Rosas, Jr.	2216 Texas Avenue South	College Station	TX	77840	(979) 696-2150
R&J Fitness, LLC Robert Martinez, Jennifer Martinez	120 S Denton Tap Rd, Suite 310	Coppell	TX	75019	(469) 444-9699
Fasset Group LLC Travis Woods	7426 S Staples St, Ste 208	Corpus Christi	TX	78413	(361) 844-9454
JDSR, LLC Robyn Scardino	14034 Grant Rd, Ste 120	Cypress	TX	77429	(713) 510-1500

JDSR, LLC Robyn Scardino	10539 Fry Rd, Ste 400	Cypress	TX	77429	(713) 510-1400
BAAM, LLC Brenda Acosta, Alex Acosta, Meredith Conlon	11750 Barker Cypress Road, Suite F	Cypress	TX	77433	(281) 373-0909
Shuchaye, LLC Hemal Patel	5331 E Mockingbird Ln, Ste 105	Dallas	TX	75206	(469) 554-0368
Puro, LLC Hemel Patel	12835 Preston Road, Suite 213	Dallas	TX	77433	(469) 297-3870
SL Fitness, LLC Tracy Schrader, Chris Loper	7170 Skillman Street, Suite 160	Dallas	TX	75231	(214) 989-6014
Mountain Star Ventures, LLC Martha Arana	1513 N. Zaragoza Rd, Ste B	El Paso	TX	79936	(915) 849-8006
Mountain Star Ventures, LLC Martha Arana	145 E Sunset, Ste B-100	El Paso	TX	79922	(915) 584-2400
Mountain Star Ventures, LLC Martha Arana	7470 Cimarron Market, Bldg 12. Suite 300	El Paso	TX	79911	(915) 584-6463
Ramdog Sports & Fitness, Inc. Guillermo Diaz, Ivan Berumen	3560 N. Zaragoza, Ste 205	El Paso	TX	79936	(915) 706-4299
Big Tex Taylor Inc. Brian Taylor	1901 Long Prairie Rd.	Flower Mound	TX	75022	(972) 355-5425
Pushkara LLC Hemal Patel	3049 Greene Ave	Fort Worth	TX	76109	(817) 921-0502
Tykaiway, LLC Matthew Crofut, Peggy Crofut	5411 Basswood Blvd Ste 221	Fort Worth	TX	76137	(817) 849-9348
Kick30Fit, LLC Richard Rose, Heather Rose	8811 Teel Pkwy Ste # 120	Frisco	TX	75034	(972) 294-5098
Kincaid Properties, Inc. Klaudia Kincaid	950 W. University Ave. Suite 203	Georgetown	TX	78626	(512) 677-6654
Surround Enterprises, Inc Joshua Gonzalez, Katrina Gonzalez	11851 Bandera Rd Ste 109	Helotes	TX	78023	(210) 699-4488
Jab-n-kick, LLC Walter Adams, Angela Dison, Meagan Adams	2150 Justin Rd	Highland Village	TX	75077	(972) 317-3333
MC Boxing Enterprises LLC Melissa Saldivar	6134 Westheimer Rd. Ste B1	Houston	TX	77057	(832) 341-0377
Xstrom Enterprises, LLC Pete Ekstrom	1249 N. Loop W	Houston	TX	77008	(281) 888-3790
JDSR, LLC Robyn Scardino	10220 Louetta Rd #600	Houston	TX	77070	(713) 510-1300
Xstrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	2240 Navigation, Ste 700	Houston	TX	77003	(281) 888-3790
MPStrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	12379 Kingsride Ln	Houston	TX	77024	(832) 623-6313
Xstrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	7613 Katy Freeway	Houston	TX	77024	(281) 888-3790
NCAL Lifestyle, LLC Nicole Lombardo	4656 Beechnut	Houston	TX	77096	(832) 860-9086
Pxstrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	15455 Memorial Drive, Suite 200	Houston	TX	77079	(281) 888-3790
Mahan Fitness, LLC Thompson Abraham, Susy Abraham	8538 Hwy 6 N	Houston	TX	77095	(832) 416-1005
Pxstrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	17454A Northwest Freeway	Houston	TX	77040	(281) 888-3790

Tip-Top Fitness, LLC Rick Martinez	9785 FM 1960 Bypass Rd East	Humble	TX	77338	(281) 570-6147
Tip-Top Fitness, LLC Rick Martinez	6304 FM 1960 Rd East	Humble	TX	77346	(832) 777-1237
Jab-N-Kick, LLC Walter Adams, Meagan Adams and Angela Adams	725 Airport Freeway Ste H	Hurst	TX	76053	(817) 282-0807
PS Fitness, LLC Perry Sanford, Shad Pellizzari	2098 Muirfield Bend Dr., Suite 135	Hutto	TX	78634	(512) 504-7380
TVS FITNESS, LLC Artie Toevs, Jane Toevs	1806 Avenue D Ste 108	Katy	TX	77493	(281) 371-0080
TVS FITNESS, LLC Artie Toevs, Jane Toevs	6420 FM 1463 Road, Ste 500	Katy	TX	77494	(281) 394-9719
TVS FITNESS, LLC Artie Toevs, Jane Toevs	20680 Westheimer Pkwy, Ste 80	Katy	TX	77450	(832) 321-4334
TVS FITNESS, LLC Artie Toevs, Jane Toevs	25830 Westheimer Pkwy, Ste 600	Katy	TX	77494	(346) 387-9629
Matador Consulting Group, LLC Charles Clements, Jessica Clements	22720 Morton Ranch Rd	Katy	TX	77449	(281) 769-3743
Kickboxing Circuit Training, LLC Carson Tucker, Lauren Tucker	29711 Kingsland Blvd, Suite 600	Katy	TX	77423	(281) 746-3314
JY Riddle Inc. James Riddle, Yvonne Riddle	900 S Main, Ste 340	Keller	TX	76248	(817) 929-8913
Carlos Gil Jr. LLC Carlos Gil, Jr.	3402 Del Mar Blvd, Suite 150	Laredo	TX	78041	(956) 997-5859
MYOL Enterprises, LLC Eric Neat	2906 Bagdad Rd, Ste 280	Leander	TX	78641	(512) 843-3925
Double M Fit, Inc. Noe Meza	5113 North 10th Street Ste B	McAllen	TX	78504	(956) 800-4411
Steelhouse Productions, Inc. Neil Perez	301 N. Cluster Road	McKinney	TX	75071	(469) 634-1510
She Beast Fitness Enterprise, LLC Cheryl Torres	1024 Andrews Hwy, Ste A	Midland	TX	79701	(432) 247-5850
Pitones Investments, LLC Jose Pitones	2310 E. Expressway 83 Ste 6	Mission	TX	78572	(956) 424-6742
Denovo Fitness, LLC Melissa Michelle Senich	9101 Sienna Crossing Dr., Suite 100	Missouri City	TX	77459	(346) 816-6186
ProFit TX, LLC Michael Reeter, Tatiana Penners	1928 W State Hwy 46. #112	New Braunfels	TX	78132	(830) 214-2814
She Beast Fitness Enterprise, LLC Cheryl Torres	3600 Billy Hext Rd. Ste 101	Odessa	TX	79765	(432) 552-8588
P&G Kickboxing, LLC Gregory Bone, Paige Bone	15718 South Fwy, Ste 150	Pearland	TX	77584	(832) 328-7800
Dr. X Fitness, LLC Wenbo Xie, Meng GE	6509 W Park Blvd, Suite 465	Plano	TX	75093	(972) 525-0485
Kettlestrong, LLC Patricia Kettlewell, Casey Kettlewell, Susan Kettlewell	825 Plantation Dr. Ste 130	Richmond	TX	77406	(832) 240-1444
Blue Noble Enterprises, LLC Brian Hill, Robin Hill	8620 Grand Mission Blvd	Richmond	TX	77407	(346) 326-1550
JP&JC Fitness, LLC Joshua Ruelas	535 Minonite Rd, Ste 106	Rosenberg	TX	77469	(832) 344-0232
SP Fitness, Inc. Perry Sanford, Shad Pellizzari	1400 E Old Settlers Blvd, Ste 301	Round Rock	TX	78665	(512) 943-8057
Surround Enterprises, Inc.	9822 Potranco Rd.	San Antonio	TX	78251	(210) 374-9763

Josh Gonzalez, Katrina Gonzalez	Ste 103				
GYM25, LLC Robert Hyman	20210 Stone Oak Pkwy, Ste #103	San Antonio	TX	78258	(210) 551-9224
Surround Enterprises, Inc. Josh Gonzalez, Katrina Gonzalez	14439 NW Military Hwy	San Antonio	TX	78230	(210) 943-5955
Surround Enterprises, Inc. Josh Gonzalez, Katrina Gonzalez	7338 Louis Pasteur Dr	San Antonio	TX	78229	(210) 346-1288
Surround 210, LLC Danielle Lynch, James Lynch, Katrina Gonzalez, Josh Gonzalez	5514 Lonestar Pkwy, Ste 105	San Antonio	TX	78253	(210) 699-4488
Team Z Fitness, LLC Manuel Zurita, Corrine Ariel Zurita	23718 IH-10 W	San Antonio	TX	78257	(210) 460-7588
C & A United, LLC Carlos De La Cruz, Annette De La Cruz	18235 Bulverde Rd Ste 103	San Antonio	TX	78259	(210) 802-5771
Holy Half-Dozen Fitness, LLC Byron McWilliams, Jordon McWilliams	102 Wonder World Dr, Ste 205	San Marcos	TX	7866	(512) 749-1008
GPC Fitness, LLC Claudia Ozuna, Hyanhwa No	20444 Kuykendahl Rd, Ste B	Spring	TX	77379	(832) 299-5103
JPG Fitness, Inc. Joshua Ruelas	17310 W Grand Pkwy	Sugar Land	TX	77479	(832) 363-1574
K&A Fitness, LLC Kauser Iqbal, Adil Butt	6506 Hwy 90	Sugar Land	TX	77498	(281) 406-3011
Kincaid Properties, Inc. Klaudia Kincaid	7425 W Adams Ave, Ste 140	Temple	TX	76502	(254) 727-4004
Dr. X Fitness Wenbo Xie, Meng Ge	4750 S Colony Blvd, Ste 100	The Colony	TX	75056	(972) 332-5585
Petrocchi Investments, LLC Cecilia Quintanilla Petrocchi	24914 Kuykendahl Rd, Ste D	The Woodlands	TX	77375	(281) 303-5707
Ora Fitness, LLC Jaen Estrada	30420 FM 2978	The Woodlands	TX	77354	(832) 922-7040
GPC Fitness, LLC Claudia Ozuna	4775 W Panther Creek Dr	The Woodlands	TX	77381	(281) 651-2746
JDSR, LLC Robyn Scardino	28525 Tomball Pkwy	Tomball	TX	77375	(713) 510-1600
Shilpa Puranik Holdings, Inc. Shilpa Paul, Ajay Paul	2550 Bobcat Blvd, Ste 110	Trophy Club	TX	76262	(817) 490-9763
RH Athletics Rodricus Harvey	912 Coronado Blvd	Universal City	TX	78148	(210) 399-9197
Pepper-Tyson, Inc. Chris Brown	8810 Woodway Dr, Ste 310	Waco	TX	76712	(254) 946-1920
United Virgin Islands					
Utah					
Toned Fitness, LLC Rachel Moss, Brandon Moss	5406 W 11100 North	Highland	UT	84003	(801) 734-9925
JL Kickboxing, LLC Lisa Dodds, Jason Dodds	97 S State St	Orem	UT	84058	(801) 734-9919
DrUtah, LLC Drew Davitt, Diana Davitt, Sabrina Davitt, Jay Davitt	12664 S Redwood Rd	Riverton	UT	84065	(801) 999-0534
Vermont					
Virginia					
NOVA Kickboxing Alexandria	1614 Belle View	Alexandria	VA	22307	(703) 910-3315

David Blake, Teresa Blake	Blvd				
NOVA Kickboxing Burke, LLC David Blake, Teresa Blake	5765 Burke Centre Pkwy	Burke	VA	22015	(703) 910-3315
Venator Global, LLC Ross Flores, Sherie Flores	1770 Timberwood Blvd., Ste105	Charlottesville	VA	22911	(434) 974-9000
Venator Global, LLC Ross Flores, Sherie Flores	1956 Abbey Rd	Charlottesville	VA	22911	(434) 295-9000
9Round Hampton Roads LLC Jenna Brown, Jeff Brown	1320 Kempsville Rd,	Chesapeake	VA	23320	(757) 410-8653
KLH Athletics, LLC Todd Heron, Colleen Handle	2243-C Old Bridge Rd	Lake Ridge	VA	22192	(703) 910-3315
JAKOB 1 Athletics, LLC Bryant Woodson, Kathleen Woodson	9998 Sowder Village Square	Manassas	VA	20109	(571) 229-7305
Phlogiston Fitness, LLC Jessica Braswell	4900 Libbie Mill E Blvd, Ste 140/145	Richmond	VA	23230	(804) 415-6699
Relake Inc. Mamode Ufomata	6410 Brandon Avenue	Springfield	VA	22150	(703) 923-0900
9Round - Hampton Roads, LLC Jenna Brown, Jeff Brown	2131 General Booth Blvd, Unit 124	Virginia Beach	VA	23454	(757) 689-4734
9Round Hampton Roads LLC Jenna Brown, Jeff Brown	2301 Urchin Rd	Virginia Beach	VA	23451	(757) 321-2933
Shapes to Come Fitness Sean Joslin, Natalie Joslin	218A Monticello	Williamsburg	VA	23185	(757) 206-1668
TCH Athletics, LLC Todd Heron, Colleen Handle	5556 Staples Mill Plaza	Woodbridge	VA	22193	(703) 910-3315
No Excuses, LLC Jennifer Zachau, William Royal	5005 Victory Blvd	Yorktown	VA	23693	(757) 369-8343
Washington					
K&L Fitness, Inc. Lori Stauffer, Keith Stauffer	20825 Hwy 410	Bonney Lake	WA	98391	(253) 501-6983
Ladybug Fitness, LLC Marne Garcia	18404 120th Ave NE, Unit 103	Bothell	WA	98011	(425) 908-0522
Olson Fitness, LLC Tim Olson	4793 Point Fosdick Dr. NW, Ste 100	Gig Harbor	WA	98335	(253) 514-6670
Alpha Niner, LLC Truong Luu, Effie Condie	1012 NE Park Dr	Issaquah	WA	98029	(425) 954-7450
KAT Fitness, LLC Nicole Derryberry, Jeff Derryberry	321 N Columbia Center Blvd, Ste B	Kennewick	WA	99336	(509) 579-4487
Jab Kross Fitness, LLC Jeremy Schneider	314 Central Way	Kirkland	WA	98033	(425) 310-2108
Team Ketter, LLC Zack Ketter	26826 Maple Valley Highway	Maple Valley	WA	98038	(425) 310-2520
J&K Fitness, LLC Jeremy Schneider	13416 Bothell Everett Hwy, Suite 205	Mill Creek	WA	98012	(425) 224-5751
SLiK Fitness, LLC Keith Stauffer, Lori Stauffer, Sara Guck	16116 Meridian Ave E, Ste B	Puyallup	WA	98375	(253) 697-0204
SLiK Renton, LLC Keith Stauffer, Lori Stauffer, Sara Guck	12660-A 164th Ave SE	Renton	WA	98059	(425) 207-8300
Mourar Power Fitness Patrick Mourar, Tracy Mourar	13220 E Sprague Ave	Spokane Valley	WA	99216	(509) 241-3736
Olson Fitness, LLC	5902 6th Ave, Ste B	Tacoma	WA	98406	(253) 328-6951

Tim Olson					
Apex Fitness & Health Inc. Mark Erickson	2714 NE 114th Ave. Ste 2	Vancouver	WA	98684	(360) 448-7473
West Virginia					
Wisconsin					
Hulk Smash, LLC Breanna McKenny	340 N Westhill Blvd	Appleton	WI	54914	(920) 540-8090
Hulk Smash, LLC Breanna McKenny	N474 Eisenhower Drive	Appleton	WI	54915	(920) 809-9646
Opahle Fitness, LLC Greg Opahle, Stacie Opahle	18895 W Bluemound Rd #4	Brookfield	WI	53045	(262) 797-9541
Hollenbeck Enterprises, LLC Chad Hollenbeck	2217A Fairfax Steet	Eau Claire	WI	54701	(715) 225-3032
CINNIC, LLC Cindy Erato, Nicole Semanski	7720 S Lovers Lane Rd, Ste 200	Franklin	WI	53132	(414) 377-9770
Szohr Fitness Brian Szohr	N112W16510 Mequon Road	Germantown	WI	53022	(262) 253-1381
RAH Fitness, LLC Rebecca Haehle	1359 Port Washington Road	Grafton	WI	53024	(262) 292-1419
D&J's Health & Fitness, LLC Daniel Cortez, Jamie Davis	6186 W Layton Ave	Greenfield	WI	53220	(414) 346-7080
Gleason Acquisitions, LLC Douglas Gleason	6636 Mineral Point Rd	Madison	WI	53717	(608) 831-0108
RAH Fitness, LLC Rebecca Haehle	11521 N Port Washington Rd	Mequon	WI	53092	(262) 292-1419
RAH Fitness, LLC Rebecca Haehle	6969 N Port Washington Rd, Unit B180	Milwaukee	WI	53217	(262) 385-4985
RNL Fitness, LLC Rodger Videkovich, Lori Videkovich	545 Bay View Rd, Ste D	Mukwonago	WI	53149	(262) 278-6200
Hulk Smash, LLC Breanna McKinney	1164 Westowne Dr	Neenah	WI	54956	(920) 215-3012
CINNIC, LLC Cindy Erato, Nicole Semanski	15157 W National Ave	New Berlin	WI	53151	(262) 439-8102
Cain Fitness 2, LLC Petrina Cain, Gerald Cain	8907 S Howell Ave, Unit 1000	Oak Creek	WI	53154	(414) 764-6680
C & J Fitness, LLC Justin Murphy, Cassandra Niles	1623 W. 20th Ave	Oshkosh	WI	54902	(920) 385-4497
Cain Fitness Petrina Cain, Gerald Cain	6100 Washington Ave Ste E2	Racine	WI	53406	(262) 484-9910
Gleason Acquisition Group, LLC Douglas Gleason	2014 W. Silvernail Rd	Waukesha	WI	53072	(262) 574-6909
KB Tosa, LLC Garrett Stangel	7954 Harwood Ave, Ste 140	Wauwatosa	WI	53213	(414) 395-8545
Wyoming					

Franchisees with Signed Franchise Agreement, but Outlet not Open as of July 31, 2020

Alabama					
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	TBD	Birmingham	AL	TBD	R.Singh@9Round.com

South Alabama Fitness, LLC Luke Landry, Richard Rottger	TBD	Daphne	AL	TBD	Luke.Landry@9Round.com
Meat Heads LLC Jason Howard, Zach Mitchell	TBD	Decatur	AL	TBD	Jason.Howard@9round.com
South Alabama Fitness, LLC Luke Landry, Richard Rottger	TBD	Fair Hope	AL	TBD	Luke.Landry@9Round.com
Jim Jams Gym, LLC Justin Collins	TBD	Foley	AL	TBD	Justin.Collins@9round.com
Kicking Bump, LLC Stephen Bump	TBD	Huntsville	AL	TBD	steve.bump@9round.com
RJS Holdings, LLC Rajvinder Singh, Scott Shepherd, Jeremy Bryant	TBD	Tuscaloosa	AL	TBD	R.Singh@9Round.com
Alaska					
Arizona					
Anderson Fitness Inc. Robin Anderson, Mikel Anderson	TBD	Chandler	AZ	TBD	Mikel.Anderson@9round.com
Anderson Fitness Inc. Robin Anderson, Mikel Anderson	TBD	Chandler	AZ	TBD	Mikel.Anderson@9round.com
M-D Investor - East Lansing, L.L.C. Jason McClary	TBD	Tempe	AZ	TBD	9RoundCoMo@9round.com
M-D Investor - East Lansing, L.L.C. Jason McClary	TBD	Tempe	AZ	TBD	9RoundCoMo@9round.com
Arkansas					
California					
HJJ Family, Inc John Han	TBD	Alameda	CA	TBD	John.han@9round.com
TrinityFit, Inc. Steve Rousey	TBD	Anaheim	CA	TBD	Steve.rousey@9round.com
Average Joe, Inc. Stephanie Zatzke	TBD	Arroyo Grande	CA	TBD	Stephanie.Zatzke@9round.com
Edward Letro, Irene Letro	TBD	Davis	CA	TBD	lwfitness@9round.com
Awaken Fitness LLC Ana Marie Borzileri	TBD	Dublin	CA	TBD	AnaMarie.Borzileri@9round.com
7Strong, LLC Peter Martinez	TBC	Eastvale	CA	TBD	Peter.Martinez@9round.com
Brant Adornato	TBD	Fremont	CA	TBD	Brant.Adornato@9round.com
24 Hour Fitness	TBD	Fremont	CA	TBD	Gregg.Meheriuk@9round.com
Silvia Salgado	TBD	Fullerton	CA	TBD	Silvia.Salgado@9round.com
Dejayh Inc. Daniel Hawkins	TBD	Hawthorne	CA	TBD	Daniel.hawkins@9round.com
True Power Enterprises Holly Tabrizi	TBD	Irvine	CA	TBD	holly@9round.com
Nandu Tangella, Hu Li	TBD	Irvine	CA	TBD	Nandu@9round.com
AR MGT INC. Adam Rubanenko and Roy Rubanenko	TBD	Los Angeles	CA	TBD	Roy.Rubanenko@9round.com

Punch Rig, Inc. Tom Beyer	TBD	Martinez	CA	TBD	Tom.Beyer@9round.com
SkyLine Fitness International, LLC Grace Leigh, Quan Zou	TBD	Newport Beach	CA	TBD	Grace.Leigh@9round.com
Louis Lee	TBD	Orange	CA	TBD	Louis.Lee@9round.com
BEYONDFIT, LLC Karmjit Rai, Sanjeev Gaur	TBD	Porter Ranch	CA	TBD	Casey.Rai@9round.com
Herzog Ricci, LLC Melissa Herzog, Anthony Ricci	TBD	Rancho Cucamonga	CA	TBD	Melissa.Herzog@9round.com
Brant Adornato	TBD	San Jose	CA	TBD	Brant.Adornato@9round.com
Bradass Fitness, Inc. G. Brad Vandeman	TBD	Santa Monica	CA	TBD	Brad.Vandeman@9round.com
Maudi II LLC Mauricio Acevedo, Miranda Acevedo	TBD	Santa Monica	CA	TBD	Mauricio.Acevedo@9round.com
Monika Benitez, Anthony Benitez	TBD	Studio City	CA	TBD	Benitez@9round.com
Brant Adornato	TBD	Sunnyvale	CA	TBD	Brant.Adornato@9round.com
Cohen SW, LLC Serge Cohen, Wendy Cohen	TBD	Temecula	CA	TBD	sergepc@msn.com
Colorado					
Melissa Lantz	TBD	Briargate	CO	TBD	Melissa.Lantz@9round.com
Evolution Energy Partners, LLC Jason H. Gaines, Casey Korejwo	TBD	Centennial	CO	TBD	jason.gaines@9round.com
Anne Lee Haizlip McRea	TBD	Denver	CO	TBD	Anne.lee@9round.com
Evolution Energy Partners, LLC Jason H. Gaines, Casey Korejwo	TBD	Denver	CO	TBD	jason.gaines@9round.com
Evolution Energy Partners, LLC Jason H. Gaines, Casey Korejwo	TBD	Denver	CO	TBD	jason.gaines@9round.com
Erin Vallier	TBD	Golden	CO	TBD	Erin.Vallier@9round.com
Evolution Energy Partners, LLC Jason H. Gaines, Casey Korejwo	TBD	Lone Tree	CO	TBD	jason.gaines@9round.com
Connecticut					
Delaware					
Kelli Hosier	TBD	Newark	DE	TBD	kelli.hosier@9round.com
District of Columbia					
MARIJ Corporation Mahmood Anwar, Ricky Jackson	TBD	Washington DC	DC	TBD	mahmood_2099@hotmail.com
A Squared Fitness and Health LLC Hasan Ashshaheed, Krista Ashshaheed	TBD	Washington DC	DC	TBD	Hasan.Ashshaheed@9round.com
Florida					
221 E. Palmetto LLC John Elash	TBD	Boca Raton	FL	TBD	John.elash@9round.com
I&N Enterprises, Inc Ira Neasman, Lynne Neasman	TBD	Cooper City	FL	TBD	neasman@9round.com
Marlon Thompson, Ryan Nolte	TBD	Davie	FL	TBD	Marlon.Thompson@9

					round.com
Marlon Thompson, Ryan Nolte	TBD	Ft. Lauderdale	FL	TBD	Marlon.Thompson@9round.com
McClary Investments - Gainesville, LLC Jason McClary	TBD	Gainesville	FL	TBD	9roundcomo@9round.com
Slowey Holdings, LLC Elizabeth Slowey	TBD	Hallandale	FL	TBD	Elizabeth.Slowey@9round.com
Five Schell, LLC Edward Wayne Schell	TBD	Jupiter	FL	TBD	Wayne.Schell@9round.com
K&K Group LLC Kim Jochim, Kara Ince	TBD	Largo	FL	TBD	kim.jochim@9round.com
Tamara Serrano, Maria Serrano	TBD	Miami Beach	FL	TBD	tamara.serrano@9round.com
Marlon Thompson, Ryan Nolte	TBD	Oakland Park	FL	TBD	Marlon.Thompson@9round.com
Wakefit LLC David Hair	TBD	Orlando	FL	TBD	david.hair@9round.com
Wakefit, LLC David Hair, Austin Hair	TBD	Orlando	FL	TBD	david.hair@9round.com
JJM Wellness Bill Hentschel Tracie Hentschel	TBD	Orlando	FL	TBD	bill.hentschel@9round.com
M-D Investor - East Lansing, L.L.C. McClary; McClary Investments - East Lansing, LLC / JM Generic Associates - East Lansing, LLC	TBD	Orlando	FL	TBD	9roundcomo@9round.com
Deb Leonard	TBD	Orlando	FL	TBD	Deb.Leonard@9round.com
K&K Group LLC Kim Jochim Kara Ince	TBD	Palm Harbor	FL	TBD	kim.jochim@9round.com
Next Level Performance LLC Alfredo Brown, Karin Brown	TBD	Sunrise	FL	TBD	Alfredo.Brown@9round.com
Chris Hermann	TBD	Tampa	FL	TBD	HendersonBlvdTampaFL@9round.com
C&J Fitness, LLC Charla Griffith, James Griffith	TBD	Tampa	FL	TBD	Charla.Griffith@9round.com
I&N Enterprises, Inc Ira Neasman Lynne Neasman	TBD	Weston	FL	TBD	neasman@9round.com
BossCompany, LLC Michael Mott	TBD	Winter Park	FL	TBD	Michael.Mott@9round.com
Georgia					
Geri Gonsalves Fitness, LLC Geri Gonsalves, Jacqueline Ward-Gonsalves	TBD	Atlanta	GA	TBD	Geri.gonsalves@9round.com
Sydelle Strickman	TBD	Kennesaw	GA	TBD	Sydelle.Strickman@9round.com
Hawaii					
Idaho					
Illinois					
E. Martin Harrison	TBD	Bloomington	IL	TBD	Martin.harrison@9Round.com
M-D Investor - East Lansing,	TBD	Champaign	IL	TBD	9roundcomo@9round

L.L.C. McClary; McClary Investments - East Lansing, LLC / JM Generic Associates - East Lansing, LLC					.com
North Shore 9Round, LLC Kyle Kurz, Abby Kurz, Linda Mayer, Tom Mayer	TBD	Evanston	IL	TBD	Northbrook@9Round.com
MCPHYS LLC Becky Nickish - Venuti	TBD	Fairview Heights	IL	TBD	Becky.Venuti@9round.com
Mark Weaver, Rose Weaver	TBD	Naperville	IL	TBD	Mark.Weaver@9round.com
Indiana					
M-D Investor - East Lansing, L.L.C. McClary; McClary Investments - East Lansing, LLC / JM Generic Associates - East Lansing, LLC	TBD	Indianapolis	IN	TBD	9roundcomo@9round.com
Iowa					
Hoeger Fitness, LLC Jennifer Hoeger	TBD	Coralville	IA	TBD	Jennifer.hoeger@9round.com
Lisa Syfert	TBD	Des Moines	IA	TBD	Lisa.Syfert@9round.com
Lisa Syfert	TBD	Urbandale	IA	TBD	Lisa.Syfert@9round.com
Kansas					
Persistence LLC Jeff Jenkins	TBD	Overland Park	KS	TBD	jeff.jenkins@9Round.com
Kentucky					
Louisiana					
Maine					
THF2 ,LLC Ted Rioux	TBD	Scarborough	ME	TBD	Ted.Rioux@9round.com
THF1, LLC Ted Rioux	TBD	Westbrook	ME	TBD	Ted.Rioux@9round.com
Maryland					
MARIJ Corporation Mahmood Anwar, Ricky Jackson	TBD	Silver Spring	MD	TBD	Mahmood.Anwar@9round.com
Massachusetts					
DEE LOBO Fit, Inc. Destiny Lopez	TBD	Shrewbury	MA	TBD	Destiny.Lopez@9round.com
Michigan					
M-D Investor - East Lansing, L.L.C. McClary; McClary Investments - East Lansing, LLC / JM Generic Associates - East Lansing, LLC	TBD	East Lansing	MI	TBD	9roundcomo@9round.com
Healthy Ever After Inc. Vyacheslav Royzenblat	TBD	Novi	MI	TBD	slava@9round.com
Bond Health & Fitness, LLC Michelle Bond	TBD	Saline	MI	TBD	michelle.bond@9round.com
Minnesota					
FitMN Inc. Brett Furber	TBD	Chanhassen	MN	TBD	Brett.Furber@9round.com

Cavin Enterprises Corporation Liam Cavin	TBD	Coon Rapids	MN	TBD	liam.cavin@9round.com
Twin Ports Kickboxing, LLC Geoffrey Rich	TBD	Duluth	MN	TBD	Geoffrey.Rich@9round.com
ABBELS, LLC Prabhath Perera	TBD	Eagan	MN	TBD	prab.perera@9round.com
uFitness, Inc. Ryan Pederson and Heather Dekan	TBD	Hopkins	MN	TBD	ufitness@9round.com
A&R LLC Abhi Nath, Raeshma Jacob	TBD	Lakeville	MN	TBD	Abhi.Raeshma@9round.com
3C's, Inc. David deNeui Tracee deNeui	TBD	Maple Grove	MN	TBD	david@9round.com
uFitness, Inc. Ryan Pederson and Heather Dekan	TBD	Minneapolis	MN	TBD	ufitness@9round.com
uFitness, Inc. Ryan Pederson and Heather Dekan	TBD	Minneapolis	MN	TBD	ufitness@9round.com
uFitness, Inc. Ryan Pederson and Heather Dekan	TBD	Minnetonka	MN	TBD	ufitness@9round.com
Cavin Enterprises Corporation Liam Cavin	TBD	Richfield	MN	TBD	liam.cavin@9round.com
Cavin Enterprises Corporation Liam Cavin	TBD	St. Paul	MN	TBD	liam.cavin@9round.com
Mississippi					
Missouri					
Atlantis Sands Captial Mgt Inc Neal Hutsler	TBD	Springfield	MO	TBD	neal.hutsler@9round.com
M-D Investor - East Lansing, L.L.C. McClary; McClary Investments - East Lansing, LLC / JM Generic Associates - East Lansing, LLC	TBD	University City	MO	TBD	9roundcomo@9round.com
Montana					
Nebraska					
Get After It, LLC Todd Vettel, Tim Vettel, Melissa Vettel, Teresa Vettel	TBD	Grand Island	NE	TBD	Todd.Vettel@9round.com
Nevada					
NRG, LLC Richard Kudrna, Nicole Kudrna	TBD	Gardnerville	NV	TBD	Richard.Kudrna@9round.com
New Hampshire					
Bodies by Design of New England LLC Sandy Lyon, Patrick Lyon	TBD	Concord	NH	TBD	lyon@9round.com
New Jersey					
BCB Strong, LLC Brian Bagrier	TBD	Morristown	NJ	TBD	Brian.bagrier@9round.com
New Mexico					
New York					
Move 4ward Corp Roberth Chinga and Nakia Colon	TBD	New York	NY	TBD	Roberth.Chinga@9round.com
Felicia Fiore, Angela Fiore	TBD	New York	NY	TBD	Felicia.Fiore@9round.com
North Carolina					

Barry Craver	TBD	Charlotte	NC	TBD	Barry.Craver@9round.com
Geraldine Tyrance, Chinita Tyrance, Terrell Tyrance	TBD	Concord	NC	TBD	tyrance@9round.com
Matthew Rutkowski	TBD	Concord	NC	TBD	Matthew.Rutkowski@9round.com
K2 Fitness, LLC Kevin Barnes, Keith Jones	TBD	High Point	NC	TBD	Kevin.Barnes@9round.com
Cielo Enterprises Kristen Doherty	TBD	Raleigh	NC	TBD	Kristen.Doherty@9round.com
J&I Fitness, LLC Irina Lavigne	TBD	Raleigh	NC	TBD	irina.lavigne@9round.com
North Dakota					
Ohio					
Forconi Diversified, Inc. Louis Forconi, Nancy Forconi	TBD	Amherst	OH	TBD	Forconi@9round.com
Chakel Investments, LLC Kellie Colyer, Charlie Colyer	TBD	Cincinnati	OH	TBD	kellie.colyer@9round.com
Parsley Brothers Fitness, LLC Solomon Parsley	TBD	Grandview	OH	TBD	solomon.parsley@9round.com
Forconi Diversified, Inc. Louis Forconi, Nancy Forconi	TBD	Strongsville	OH	TBD	lou.forconi@9round.com
Oklahoma					
Oregon					
Core-Strong, Inc. Steve Terreault	TBD	Beaverton	OR	TBD	Steve.pdx@9round.com
Twenty-Two 5 Fitness, LLC LeeAnn Talbott	TBD	Lake Oswego	OR	TBD	LeeAnn.Talbott@9round.com
Core-Strong, Inc. Steve Terreault	TBD	Tigard	OR	TBD	Steve.pdx@9round.com
Pennsylvania					
59 North Holdings, Inc. Alan Brock	TBD	Ardmore	PA	TBD	Alan.brock@9round.com
SM&K Holdings Corp Andrew Chung, Michelle Chung	TBD	Bridgeville	PA	TBD	Andrew.Chung@9round.com
Mizzi Fitness Enterprises, LLC Ken Mizzi, Judy Mizzi	TBD	Wexford	PA	TBD	Ken.Mizzi@9round.com
Rhode Island					
South Carolina					
KISS, LLC Leslie Mastranunzio, Timothy Wickey	TBD	James Island	SC	TBD	Leslie.Mastranunzio@9round.com
GGroup Fitness, LLC Jon Gaminde	TBD	Spartanburg	SC	TBD	jon.gaminde@9round.com
South Dakota					
Tennessee					
Will Fit LLC Craig Jones, Angela Jones	TBD	Brenwood	TN	TBD	Craig.Jones@9round.com
Marshall Williams	TBD	Hermitage	TN	TBD	Marshall.Williams@9round.com
Trifecta Fitness, Inc. Tommy Holliday	TBD	Maryville	TN	TBD	Tommy.Holliday@9round.com
Bender Fitness LLC	TBD	Mt. Juliet	TN	TBD	Amy.Bender@9round

Amy Bender, Teddy Bender					.com
Will Fit LLC Craig Jones, Angela Jones	TBD	Springhill	TN	TBD	Craig.Jones@9round. com
Texas					
SL Fitness, LLC Tracy Schrader, Chris Loper	TBD	Allen	TX	TBD	Tracy.Schrader@9rou nd.com
Stormy Johnson	TBD	Austin	TX	TBD	stormy.johnson@9rou nd.com
Rebecca Kumar, Vanessa Grabbe	TBD	Cedar Park	TX	TBD	Rebecca.kumar@9rou nd.com
Claudia Ozuna, Belinda Cristina Benavides Garcia	TBD	Conroe	TX	TBD	Claudia.Ozuna@9rou nd.com
J Scott and K Red, LLC Jordan Scott and Kyle Redinger	TBD	Coppell	TX	TBD	Jordan.Scott@9round .com
Maham Fitness LLC Thompson Abraham, Susy Abraham	TBD	Cypress	TX	TBD	Thompson.AbrahaA @9round.com
TIFS Group LLC Tajdid Hossain, Safi Mahmood	TBD	Cypress	TX	TBD	Tajdid.Hossain@9rou nd.com
Maruti Corp Hemal Patel	TBD	Dallas	TX	TBD	Hemal.Patel@9round. com
Michael Spencer	TBD	Dallas	TX	TBD	Michael.spencer@9ro und.com
SL Fitness, LLC Tracy Schrader, Chris Loper	TBD	Dallas	TX	TBD	Tracy.Schrader@9rou nd.com
Emergent Executives, LLC Will Baggett	TBD	Dallas	TX	TBD	Will.Baggett@9round .com
Rojas Enterprises, LLC Mark Rojas	TBD	El Paso	TX	TBD	mark.rojas@9round.c om
Mountain Star Ventures, LLC Martha Arana	TBD	El Paso	TX	TBD	Martha.Arana@9roun d.com
Michael Spencer	TBD	Frisco	TX	TBD	michael.spencer@9ro und.com
Scherer Force LLC Crystal Scherer, James Scherer	TBD	Georgetown	TX	TBD	crystal.scherer@9rou nd.com
Arkansas Huskie, LLC Steven Bardwell, Sky Morris	TBD	Grapevine	TX	TBD	frognation@9round.c om
Xstrom Enterprises, LLC Pete Ekstrom, Myla Ekstrom	TBD	Houston	TX	TBD	Pete.Ekstrom@9roun d.com
Stanley Eapen, Ashish Gugnani	TBD	Houston	TX	TBD	Stanley.Eapen@9Rou nd.com
SL Fitness, LLC Tracy Schrader	TBD	Irving	TX	TBD	Tracy.Schrader@9rou nd.com
TVS Fitness, LLC Arthur Toevs	TBD	Katy	TX	TBD	Artie.Toevs@9round. com
MJ's ATX Fitness, LLC Michelle Jones, Jeffrey Jones	TBD	Lakeway	TX	TBD	Michelle.Jones@9rou nd.com
Stanley Eapen, Ashish Gugnani	TBD	League City	TX	TBD	Stanley.Eapen@9Rou nd.com
Andrew Johnson, CayteLynn Johnson	TBD	Lubbock	TX	TBD	Andrew.Johnson@9r ound.com,
Tana Crowe 1 Round Inc. Tana Crowe	TBD	North Richland Hills	TX	TBD	Tana.Crowe@aol.co m
Stanley Eapen, Ashish Gugnani	TBD	Pearland	TX	TBD	Stanley.Eapen@9Rou

					nd.com
Michael Spencer	TBD	Richardson	TX	TBD	Michael.spencer@9round.com
Surround Enterprises Inc. Katrina Gonzalez, Josh Gonzalez	TBD	San Antonio	TX	TBD	josh.gonzalez@9round.com
Big Tex Taylor, LLC Brian Taylor	TBD	Southlake	TX	TBD	Brian.taylor@9round.com
K&M Fitness, LLC Michael Senich	TBD	Sugar Land	TX	TBD	Michael.Senich@9round.com
ADD Feisty Fitness, Inc. Angelic Davis	TBD	Sugar Land	TX	TBD	Angelic.Davis@9round.com
Michael Spencer	TBD	University Park	TX	TBD	Michael.spencer@9round.com
United States Virgin Islands					
Utah					
Vermont					
Hard Six Fitness, LLC Jamie Palmisano, Sara Palmisano	TBD	Burlington	VT	TBD	jamie.palmisano@9round.com
Virginia					
Rob Graveline, Todd Wilson	TBD	Alexandria	VA	TBD	Rob.Graveline@9round.com
Gray Matter Holdings, LLC David Blake	TBD	Fairfax	VA	TBD	David.Blake@9round.com
Gray Matter Holdings, LLC David Blake	TBD	Lorton	VA	TBD	David.Blake@9round.com
Colleen Heron, Todd Heron	TBD	Manassas	VA	TBD	Todd.Heron@9round.com
Washington					
Team Ketter, LLC Zack Ketter	TBD	Bellevue	WA	TBD	zack.ketter@9round.com
Roundkick Fitness, LLC Jeremy Schneider	TBD	Bothell	WA	TBD	Jeremy.Schneider@9round.com
Roundkick Fitness, LLC Jeremy Schneider	TBD	Bothell	WA	TBD	Jeremy.Schneider@9round.com
Sarra Guck, Larry Guck	TBD	Maple Valley	WA	TBD	Sarra.Guck@9round.com
Joshua O'Malley	TBD	Redmond	WA	TBD	Joshua.OMalley@9round.com
Nicole Derryberry, Jeff Derryberry	TBD	Richland	WA	TBD	Jeff.Derryberry@9round.com
Truong Luu, Effie Condie	TBD	Snoqualmie	WA	TBD	Truong.Luu@9round.com
Lucas Wortman, Marisa Wortman	TBD	Spokane	WA	TBD	Lucas.Wortman@9round.com
West Virginia					
Wisconsin					
Chad Hollenbeck	TBD	La Crosse	WI	TBD	chad.hollenbeck@9round.com
Wyoming					

Franchisees Who Left the System as of July 31, 2020

The following is a list of former franchisees who had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our most recently completed partial year ending July 31, 2020, or who have not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document.

Transfer of Interest:

Franchisee	City	ST	Phone or Email
Nancy Cheng	Huntington Beach	CA	(949) 351-1266
Jasmine Elbek, Vaughn Elbek	Goleta	CA	(805) 403-9027
Jacob Scott, Marijune Scott[1]	Boulder	CO	(303) 772-888
Darla Knight	Dunedin	FL	(727) 251-1550
Darla Knight	Safety Harbor	FL	(727) 251-1550
Michelle Smith, Lawrence Smith	Dacula	GA	(678) 371-1517
Tony Miller	Athens	GA	(706) 347-6990
Christopher and Melanie Rowan	Clarksville	IN	(502) 319-3225
David deNeui, Tracee deNeui[1]	Brooklyn Park	MN	(651) 783-2758
Abhi Nath, Raeshma E. Jacob[1]	Apple Valley	MN	(651) 315-1557
Neal Hutsler[1]	Springfield	MO	(816) 686-1033
Monica Gottfried, Kraig Gottfried	Sylvania	OH	(419) 779-1572
Brian Burke, Eric Burke, Barry Burke	Spartanburg	SC	(864) 706-3422
Matt Hall, Morgan Kirk	Rock Hill	SC	(704) 962-6916
Joshua Ruelas, Priscilla Ruelas[1]	Richmond	TX	(832) 526-5990
Pamela Lancaster	Highland	UT	(801) 472-3641
Corey McGriff	Chesapeake	VA	(757) 410-7428
Andrew Stauffacher	Brookfield	WI	(608) 213-9263
Laura Pfeiffer	Franklin	WI	(262) 522-8545
Laura Pfeiffer	New Berlin	WI	(262) 522-8545
Andrew Stauffacher	Wauwatosa	WI	(608) 213-9263

Note 1: This franchisee continues to maintain ownership interest(s) in other 9Round gyms.

Reacquired by Franchisor:

Franchisee	City	ST	Phone or Email

Ceased Operations Other Reasons:

Franchisee	City	ST	Phone or Email
Ross Ridenour, Candance Ridenour	Fort Smith	AR	(479) 420-4269
John Licea, Selena Licea	Chino Hills	CA	(626) 216-9413
David Neff, Maria Neff	San Juan Capistrano	CA	(949) 648-7731
David Coe	San Marcos	CA	(858) 822-8492
Jan Gault	Simi Valley	CA	(805) 444-7070
Stefan Geyer	Aurora	CO	(303) 766-4663

Franchisee	City	ST	Phone or Email
Stefan Geyer	Parker	CO	(303) 766-4663
Donald Mengwasser	Thornton	CO	(515) 480-0793
Donald Mengwasser	Westminster	CO	(515) 480-0793
Tina Valaouras	North Branford	CT	(203) 483-5929
Sherman Florence, Zach Powell, Rosauro Espinosa	Apopka	FL	(850) 259-9401
Justin Richardson	Bradenton	FL	(941) 545-3811
Jennifer C. Osburn, Kelly Osburn	Pace	FL	(850) 384-0670
Samson Kelly, Delilah Kelly	Marietta	GA	(301) 275-5954
Ken Battinus	Arlington Heights	IL	(847) 693-0932
Stacey Alexander	Lenexa	KS	(816) 510-0323
James Jackson, Angela Jackson	Gambrills	MD	(240) 304-1101
Prab Sara Nebel	Eagan	MN	(952) 250-3652
Daniel Flores, Norma Flores	Rochester	MN	(507) 261-8762
Prab Sara Nebel	Woodbury	MN	(952) 250-3652
Jason McClary	Columbia	MO	(314) 249-5252
Jason McClary	Columbia	MO	(314) 249-5252
Courtney Pennel	Smithville	MO	(563) 940-3206
Joseph Selage, Bethany Selage	Colts Neck	NJ	(407) 450-4742
Jonathan Ordonez, David Munoz	Harrison	NJ	(201) 875-7225
Annie Kelly	DeWitt	NY	(315) 857-7971
Matthew Rutkowski	Statesville	NC	(980) 229-9626
David J. Tunnell, Regan O'Brien	Centerville	OH	(252) 412-4465
Matt Arling	Cincinnati	OH	(513) 415-7586
Ankasenka Walker and Matthew Chmielewski	Columbus	OH	(614) 774-5081
Cheryl Phillabaum, Jason Phillabaum	West Chester	OH	(513) 623-0324
Steve Terreault	Lake Oswego	OR	(971) 263-2449
Chad and Jill Strawn[1]	Conway	SC	(843) 610-2855
Mark Duffy	Easley	SC	(864) 324-4842
Scott Valentine	Fort Mill	SC	(704) 577-4013
Anthony Hopson, Tracy Moss	Murrells Inlet	SC	(704) 236-2355
Brian Burke, Eric Burke, Barry Burke	Spartanburg	SC	(864) 706-3422
Jennifer Kline	Cleveland	TN	(540) 335-1720
Dwight Witherow, Lisa Witherow	Harrison	TN	(423) 208-6644
Marshall Williams[1]	Nashville	TN	(731) 694-6993
SugarSam Nguyen	Houston	TX	(832) 566-8004
SugarSam Nguyen	Houston	TX	(832) 566-8004
Kelley Suarez	Plano	TX	(650) 393-9904
Steve Krusemark, Zoila Krusemark	Plano	TX	(972) 834-2961
Melissa Senich	Richmond	TX	(832) 778-3455
Claudia Ozuna and Astrid M Vazquez Marrero	Spring	TX	(469) 605-5194

Franchisee	City	ST	Phone or Email
Stephanie Rasul	Ashburn	VA	(703) 717-8665
Robert Heath	Chesapeake	VA	(757) 535-7388
Jeff Brown, Jenna Brown	Virginia Beach	VA	(757) 641-2616
Phil Chavez	Menomonee Falls	VA	(608) 516-5450

Note 1: This franchisee continues to maintain ownership interest(s) in other 9Round gyms.

Affiliate-Owned Centers
As of July 31, 2020

South Carolina					
9Round, LLC Heather Hudson and Shannon Hudson	1099 East Butler Road #109I	Greenville	SC	29607	(864) 297-0015
9Round Franchising LLC	3712 Pelham Rd	Greenville	SC	29615	(864) 213-9862
9Round Franchising LLC	201 W Wade Hampton Blvd	Greer	SC	29650	(864) 879-2461
9Round Franchising LLC	2728 Wade Hampton Blvd.	Greenville	SC	29681	(864) 244-0190
9Round Franchising LLC	837 NE Main St	Simpsonville	SC	29681	(864) 228-9191
9Round Franchising LLC	329 Harrison Bridge Rd.	Simpsonville	SC	29680	(864) 963-9294
9Round Franchising LLC	109 W Stone Ave, Ste E-4	Greenville	SC	29609	(864) 614-5425

EXHIBIT E
OPERATIONS MANUAL TABLE OF CONTENTS

9ROUND OPERATIONS MANUAL

TABLE OF CONTENTS

EXHIBIT F

COPY OF SAMPLE MEMBERSHIP AGREEMENT

[logo]

9ROUND FITNESS

[locationaddress]
[clubphone]

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The agency that administers compliance with the law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

DATE: [date]

PREPAID MEMBERSHIP AGREEMENT

PARTIES TO THE AGREEMENT

CLUB INFORMATION: [irslegalname] d/b/a 9ROUND ("9ROUND," “Company,” “we,” “our” or “us”), and its successors and assigns
CLUB OF ENROLLMENT: [locationname] [locationaddress]

MEMBER INFORMATION:
Member Name: [customer] (“Member,” “you” or “your”) Email: [email]
Address: [customeraddress]
Birth Date: [dob] Gender: [gendershort]
Home #: [homephone] Cell #: [cellphone] Work #: [workphone]

BUYER INFORMATION: (if different from Member; the Buyer is the person paying for services) [buyer] (“Buyer”)

SUMMARY OF TERMS AND ACCOUNT CHARGES

PREPAID MEMBERSHIP BASICS

- As a prepaid member, you are choosing to pay for your entire membership up front and in full, subject to the terms of this Agreement.
- Your prepaid membership will run for a fixed Prepaid Term, beginning [agreedate] and ending [contractexpiresdate].
- With limited exception (as described herein), you may not cancel your membership during the Prepaid Term.
- At the end of your Prepaid Term, unless you have taken steps to renew, your prepaid membership will automatically expire.
- Please speak to a sales manager about renewing your membership prior to the expiration of your Prepaid Term to avoid a lapse in service.

TERMS OF YOUR PREPAID MEMBERSHIP

Membership to begin	[agreedate]
Membership to end	[contractexpiresdate]
Prepaid Term (in months)	[termmonths]
Total Down (including taxes)	$[totaldown_inctax]
Promise to Pay Amount	$[totalfinanced_inctax]
Enrollment Fee	$[setupfee_inctax]
Sales Tax Rate	[salestaxperc]
TOTAL DUE NOW	$[totaldown_inctax]

OTHER CHARGES/FEES* (other charges/fees may apply)

Membership Key FOB	First FOB: Free Replacement FOBs: $5 each
Late Charge	$20 per late payment
Returned Item Fee (e.g., bounced check; payment returned for insufficient funds)	$25 per returned item

PROMISE TO PAY SCHEDULE

[deferreddownschedule]

AUTHORIZATION FOR PREAUTHORIZED PAYMENTS ***(All references to “I” or “me” in this section shall refer to you)***

By signing below, I am authorizing ClubReady, LLC (“ClubReady”), a third-party billing company located at 333 Ozark Trail Dr., Ste. 50, St. Louis, MO 63011, to initiate transfers, whether by EFT or ACH transfer, from the designated bank account tied to this Agreement for purposes of paying all or a portion of the dues, fees and charges which I owe under the Agreement. I understand and agree that: (a) dues, fees and charges include, but may not be limited to, enrollment fees, membership dues, service charges, late fees, applicable taxes, and/or fees for uncollected monthly dues; (b) ClubReady may transfer funds from my designated account for any retail transactions or online purchases initiated by me; (c) dues, fees and charges will be drawn on or about the dates set forth in the Promise to Pay Schedule; (d) this preauthorization will remain in effect until all of my payment obligations under the Agreement have been satisfied; (e) charges may appear in my bank statement under the prefix “CLR” followed by my club’s name, phone number and state; (f) debited amounts may vary each month based on additional amounts which I may owe under this Agreement, and that while I am entitled to receive notice at least 10 days before being charged, by signing this authorization, I am choosing instead to get notice only when the amount due would differ by more than $50.00 from my most recent payment; (g) billing inquiries can be directed to ClubReady at 1 (800) 405-4818. I expressly authorize ClubReady, and any of its subsidiaries or affiliates, to contact me regarding any matter related to the billing of my account, whether by phone, email or SMS text communication (please note SMS text charges may apply).

Buyer's Acceptance: (electronic signature) [buyer] [signature1] **Date Signed and Accepted** [agreedate]

PLEASE BE AWARE THAT IF YOU CHOOSE TO PAY FOR ANY PART OF THIS AGREEMENT IN ADVANCE, YOU ARE PAYING FOR FUTURE SERVICES AND MAY BE RISKING LOSS OF YOUR MONEY IN THE EVENT THIS HEALTH CLUB CEASES TO CONDUCT BUSINESS.

CANCELLATION TERMS

RESCISSION. YOU MAY RESCIND THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD (3RD) BUSINESS DAY AFTER THE DATE YOU SIGNED THE AGREEMENT. ALL RESCISSION NOTICES MUST BE MADE IN WRITING AND DELIVERED IN PERSON OR SENT BY REGISTERED OR CERTIFIED MAIL TO: [LOCATIONNAME][LOCATIONADDRESS].

CANCELLATION RIGHTS. After expiration of the applicable rescission period, you may cancel this Agreement only if you qualify as follows:

You die or become permanently disabled. If, by reason of death or permanent disability, you are unable to receive all services for which you contracted, then you or your estate may cancel this Agreement without penalty and receive a pro rata refund, where applicable, for any prepaid sums. A "permanent disability" means a condition which completely prevents you from using the facilities. 9ROUND reserves the right to have your permanent disability verified by a physician. 9ROUND shall retain the value for services already provided prior to your death or the onset of permanent disability.

TERMINATION OF PREPAID MEMBERSHIP. If you do not qualify for rescission or cancellation as described above, then you may not terminate your prepaid membership prior to the end of your Prepaid Term. Once your Prepaid Term ends, your prepaid membership will expire automatically. To avoid a lapse in your ability to use 9ROUND's facilities or services, please speak to a 9ROUND sales manager at least 30 days prior to the end of your Prepaid Term.

REFUNDS. Any refund due, if any, will be paid to you within the time period prescribed by state law.

NOTICE. All notices under this Agreement must be in writing and delivered in person to the club, or sent via registered or certified mail to [locationname] [locationaddress].

RELEASE OF LIABILITY; ASSUMPTION OF RISK; INDEMNITY

USING THIS FACILITY OWNED BY [irslegalname] D/B/A 9ROUND, OR ANY OTHER 9ROUND FACILITY, INVOLVES THE RISK OF INJURY TO YOU OR YOUR GUEST(S), WHETHER YOU OR SOMEONE ELSE CAUSES IT. SPECIFIC RISKS VARY FROM ONE ACTIVITY TO ANOTHER AND THE RISKS RANGE FROM MINOR INJURIES TO MAJOR INJURIES, SUCH AS CATASTROPHIC INJURIES INCLUDING DEATH. IN CONSIDERATION OF YOUR PARTICIPATION IN THE ACTIVITIES OFFERED BY 9ROUND, YOU UNDERSTAND AND VOLUNTARILY ACCEPT THIS RISK AND RELEASE [irslegalname], AND EACH OF THEIR RESPECTIVE AFFILIATES, AND EACH OF THE OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, VOLUNTEERS, FRANCHISORS, AGENTS AND INDEPENDENT CONTRACTORS THEREOF (THE "RELEASEES"), FROM ALL LIABILITY FOR ANY INJURY, INCLUDING, WITHOUT LIMITATION, PERSONAL, BODILY, OR MENTAL INJURY, ECONOMIC LOSS, OR ANY DAMAGE TO YOU, YOUR SPOUSE, GUESTS, UNBORN CHILD, OR RELATIVES, RESULTING FROM YOUR USE OF 9ROUND, INCLUDING ANY INJURY RELATING TO THE ORDINARY NEGLIGENCE, ACTUAL OR PASSIVE, OF THE RELEASEES OR ANYONE ACTING ON THE RELEASEES' BEHALF OR ANYONE USING 9ROUND FACILITIES, WHETHER RELATED TO EXERCISE OR NOT. IN CONSIDERATION OF YOUR BEING ABLE TO PARTICIPATE IN 9ROUND ACTIVITIES, YOU AGREE TO INDEMNIFY, DEFEND AND HOLD THE RELEASEES HARMLESS AGAINST ANY LIABILITY, DAMAGES, DEFENSE COSTS, INCLUDING ATTORNEYS' FEES, AND ANY OTHER COSTS INCURRED IN CONNECTION WITH CLAIMS FOR BODILY INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE CAUSED BY YOUR NEGLIGENCE OR OTHER ACTS OR OMISSIONS. YOU FURTHER AGREE TO HOLD HARMLESS, DEFEND AND INDEMNIFY THE RELEASEES FROM ALL LIABILITY, DAMAGES, DEFENSE COSTS, INCLUDING ATTORNEYS' FEES, AND ANY OTHER COSTS INCURRED IN CONNECTION WITH CLAIMS FOR BODILY INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE BROUGHT BY YOU, YOUR GUESTS, OR MINORS, EVEN IF THE RELEASEES WERE NEGLIGENT. FURTHER, YOU UNDERSTAND AND ACKNOWLEDGE THAT THE RELEASEES DO NOT MANUFACTURE FITNESS OR OTHER EQUIPMENT, BUT PURCHASE AND/OR LEASE EQUIPMENT. YOU UNDERSTAND AND ACKNOWLEDGE THAT THE RELEASEES AND 9ROUND ARE PROVIDING RECREATIONAL SERVICES AND MAY NOT BE HELD LIABLE FOR DEFECTIVE PRODUCTS.

YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE READ THE FOREGOING AND KNOW OF THE NATURE OF THE ACTIVITIES AT 9ROUND.

DISPUTE RESOLUTION (U.S.)

Mediation, Arbitration, and Waiver of Jury Trial. You and 9Round agree that any dispute with 9Round (including its officers, directors, employees, and agents, as well as its franchisor), other than a claim for personal injury, or a claim brought in small claims court, will be resolved exclusively as follows:

- **First, through informal discussions with 9Round;**
- **If those discussions are unsuccessful, by non-binding mediation;**
- **If that mediation is unsuccessful, by binding arbitration.**
- **You understand and agree that you are waiving your right to a jury trial.**
- **The arbitration will take place before a single arbitrator in a location at or near your club of enrollment, and under the then-current and applicable American Arbitration Association ("AAA") rules (www.adr.org/Rules).**
- **Arbitration costs will be borne by 9Round in an amount as fairly determined by the arbitrator.**

Class and Representative Action Waiver. You and 9Round further agree that each may bring claims against the other only in your or its individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. You also agree not to participate in claims brought in a private attorney general ("PAGA") or representative capacity, or consolidated claims involving another person's account if 9Round is a party to that proceeding.

<u>Opt-Out</u>. If you do not wish to be bound by these dispute resolution provisions, you may opt out by delivering a written notice via mail or in person to 9Round at [locationname] [locationaddress], or via email to [locationemail] **within 30 days after the day you sign this agreement.**

<u>Severability</u>. If any provisions of this dispute resolution section are deemed unenforceable, those provisions shall be considered omitted and the remaining portions of this dispute resolution section shall remain valid and enforceable.

GENERAL PROVISIONS

MEDICAL CONDITIONS. BEFORE USING 9ROUND'S SERVICES OR FACILITIES, YOU REPRESENT THAT YOU ARE IN GOOD HEALTH AND HAVE NO DISABILITY, IMPAIRMENT, INJURY, DISEASE, OR AILMENT, PREVENTING YOU FROM ENGAGING IN ACTIVE OR PASSIVE EXERCISE OR WHICH COULD CAUSE INCREASED RISK OF INJURY OR ADVERSE HEALTH CONSEQUENCES AS A RESULT OF EXERCISE. YOU ASSUME FULL RESPONSIBILITY FOR YOUR USE OF THE 9ROUND FACILITY AND SHALL INDEMNIFY 9ROUND, ITS AFFILIATES, AGENTS AND EMPLOYEES, AGAINST ANY AND ALL DAMAGES ARISING OUT OF YOUR USE OF THE FACILITIES.

PROOF OF MEMBERSHIP. You will receive one membership key fob (the "Membership Fob") from 9ROUND and must present it to the reception desk personnel each time you enter a 9ROUND facility. Lost Membership Fobs will be replaced for a fee of $5, which may be adjusted from time to time. The Membership Fob must be replaced if lost. Membership privileges are limited to the person in whose name the Membership Fob is issued. Improper use of the membership will result in confiscation of the Membership Fob and can result in immediate revocation of your membership. If you wish to use 9ROUND's facilities without your Membership Fob, you will be required to provide proof of identity (e.g., valid driver's license).

CUSTOMER SERVICE. Any questions about this Agreement or issues with your membership can be directed to a 9ROUND manager at [locationname] [locationaddress], or call [clubphone].

NO HEALTH WARRANTIES. 9ROUND makes no claims as to medical results that can or may be obtained through use of any 9ROUND facility. 9ROUND has neither suggested nor will it suggest any medical treatment to any of its members; only licensed medical professionals are qualified to give medical advice. You are instructed not to act on the advice given by any 9ROUND employee, unless such advice has been verified by your licensed professional physician.

CHANGE IN MEMBERSHIP OR BILLING INFORMATION. You must promptly notify 9ROUND in writing of any changes in your billing information, address or telephone number. You expressly permit 9ROUND, or its authorized billing company, to obtain such updated information through payment card networks, card issuers or other third parties.

DRESS CODE. Proper athletic attire and footwear is required. 9ROUND reserves the right to make the final determination in its sole discretion with regard to appropriate attire and footwear.

SMOKING. Smoking (including e-cigarettes, chewing tobacco, vapor pens) is prohibited at all times in all 9ROUND facilities.

LOSS OF PROPERTY. You and guests are encouraged not to bring valuables onto the premises of a 9ROUND facility. 9ROUND shall not be liable for the disappearance, loss, theft, or damage to personal property, including, among other things, money, jewelry, negotiable securities, and other items left by you or your guests.

HAND-WRAPS/GLOVES. Loaner gloves will be provided free of charge for your trial period only. Once you become a member, you are required to use 9ROUND-branded hand-wraps and gloves. For safety and sanitary reasons, no member will be allowed to work out without the required 9ROUND hand-wraps and gloves.

DESCRIPTION OF SERVICES; HOURS OF ACCESS. This Agreement entitles you to access the 9ROUND facilities and services during normal business hours, which will be posted at each 9ROUND location. 9ROUND reserves the right to revise its list of available equipment and services at any time for any reason; 9ROUND equipment may include light weights, kettle bells, jump ropes, punching bags and medicine balls. A 9ROUND workout involves a member transitioning between nine different exercise stations in a circuit-type format. Each station exercise lasts three minutes, followed by a 30-second transition and rest period. A bell will sound each time a member should transition to the next exercise station. Specific exercises and/or equipment at each circuit station are subject to change. 9ROUND does not offer individual or group "training classes," although a 9ROUND trainer (employee) will be present at all times during normal business hours to offer encouragement and instruction when necessary. All 9ROUND workouts are subject to exercise station availability. Members should participate in only one 9ROUND circuit per visit.

MINIMUM AGE REQUIREMENT. The minimum age for 9ROUND membership is ten (10) years old. Minors under the age of eighteen (18) are required to obtain the consent of a parent or legal guardian, who must sign this Agreement and remain responsible for all fees and other charges. Minors under the age of fifteen (15) must have a parent or legal guardian present at all times during the 9ROUND workout.

IMAGE USE. You understand that while on 9ROUND premises, your, or your minor child's image (including live or recorded video images), may be used or shown on the 9ROUND website or social media outlets (Facebook, Instagram, YouTube, etc.), and that by entering the premises you consent to the use of these images.

NON-DISCRIMINATION. 9ROUND represents that it will not discriminate against any person because of sex, race, creed, age, color, origin, sexual orientation, or ancestry in considering applications for memberships.

MEMBERSHIP TERMINATION. We reserve the right to terminate your membership for any reason not expressly prohibited by law. In the event of termination, we will notify you in person or send you a written notice of termination to your address on file, and refund you any unused prepaid dues.

ENTIRE AGREEMENT. Verbal agreements with a 9ROUND employee will not be accepted as valid. Only this Agreement, and all rules and regulations of 9ROUND, as revised from time to time, constitute the entire and exclusive agreement between you and 9ROUND, and supersede all prior written and/or oral promises, representations, understandings and/or agreements relating to this membership purchase.

INVALID PROVISIONS. If any part of this Agreement is found to be invalid or unenforceable, the remainder of the Agreement will be valid and enforceable.

GOVERNING LAW. This Agreement shall be interpreted under the laws of the State in which you execute this Agreement.

LIMITED LIABILITY. Unless prohibited by state law, any award by a court or arbitrator is limited to actual compensatory damages. Neither a court nor an arbitrator can award either party any indirect, special, incidental or consequential damages, even if one party told the other party that they might suffer these damages.

CONSENT TO CONTACT. By signing below, you are giving 9ROUND and its authorized vendors express written consent to contact you at the wireless number provided for any matter related to your account, including collection of monies owed, alerts and/or notices regarding your purchased services, and promotions that may be of interest to you. You acknowledge that calls or text messages sent to your mobile phone device may be generated using an autodialing system, and that standard text rates apply. Your consent is not a condition of purchase. You may revoke your consent at any time.

I AGREE TO THE TERMS OF THIS AGREEMENT

Buyer's Acceptance: (electronic signature) [buyer] [signature3] **Date Signed and Accepted** [agreedate]

COSIGNER (ONLY NEEDED IF MEMBER IS A MINOR OR THERE WILL BE A FINANCIAL CO-SIGNER ON THE ACCOUNT)

PARENT/GUARDIAN. On behalf of my minor child and myself, I agree to all of the provisions of this Agreement, including the provision titled "Release of Liability; Assumption of Risk; Indemnity." I promise to pay any financial obligation that my minor child does not pay for any reason. I understand that my obligations can only end if the Member/guardian properly terminates this Agreement. I expressly agree to the Authorization for Preauthorized Payments described above.

FINANCIAL COSIGNER. I promise to pay any financial obligation that the Member/Buyer does not pay for any reason. I also agree to indemnify 9ROUND to the fullest extent permitted by law for any claim brought against 9ROUND by the Member (or Buyer, if different from Member). I understand that my obligations can only end if the Member/Buyer properly terminates this Agreement. I expressly agree to the Authorization for Preauthorized Payments described above.

Cosigner/Parent/Guardian Acceptance: (electronic signature) [buyer] [signature3] **Date Signed and Accepted** [agreedate]

[logo]

9ROUND FITNESS

[locationaddress]
[clubphone]

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The agency that administers compliance with the law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

DATE: [date]

RECURRING DUES MEMBERSHIP AGREEMENT

PARTIES TO THE AGREEMENT

CLUB INFORMATION: [irslegalname] d/b/a 9ROUND ("9ROUND," "Company," "we," "our" or "us"), and its successors and assigns
CLUB OF ENROLLMENT: [locationname] [locationaddress]

MEMBER INFORMATION:
Member Name: [customer] ("Member," "you" or "your") Email: [email]
Address: [customeraddress]
Birth Date: [dob] Gender: [gendershort]
Home #: [homephone] Cell #: [cellphone] Work #: [workphone]

BUYER INFORMATION: (if different from Member; the Buyer is the person paying for services) [buyer] ("Buyer")

SUMMARY OF TERMS AND ACCOUNT CHARGES

RECURRING DUES MEMBERSHIP BASICS

- As a recurring dues member, you are agreeing to pay for your 9ROUND membership on a recurring dues basis.
- If your recurring dues membership is for a term of one (1) month or less, then you have a month-to-month membership ("M2M"). You may cancel your M2M membership at any time with a 30-day advance written notice.
- If your recurring dues membership is for a term greater than one (1) month, then you have a fixed term membership ("Term"). Term memberships are subject to auto-renewal, and, with limited exception, may not be cancelled during the initial term (see additional terms below).
- Your recurring dues billing will begin on [firstinstallmentdate] and will continue on the same day each month thereafter until you properly cancel per the terms of this Agreement.
- You expressly authorize 9ROUND, or its third-party billing services provider, to draft your account each month for any dues, fees or other charges.

TERMS OF YOUR RECURRING DUES MEMBERSHIP

Membership to begin on	[agreedate]
Monthly Dues Amount (including taxes)	$[perioddue_inctax]
Recurring Dues Term (in months) (*subject to auto-renewal)	[termmonths]*
Enrollment Fee	$[setupfee_inctax]
Sales Tax Rate	[salestaxperc]
TOTAL DUE NOW TO START	$[totaldown_inctax]

OTHER CHARGES/FEES* (other charges/fees may apply)

Membership Key FOB	First FOB: Free Replacement FOBs: $5 each
Late Charge	$20 per late payment
Returned Item Fee (e.g., bounced check; payment returned for insufficient funds)	$25 per returned item

PAYMENT SCHEDULE

[paymentschedule]

CONSENT TO AUTO-RENEWAL (*All references to "I" or "me" in this section shall refer to you*)

M2M MEMBER: I understand that my membership will continue to renew monthly until I properly cancel, that proper cancellation requires me to provide 9ROUND with a 30-day advance written notice of cancellation, and that I will be expected to pay all dues, fees and charges associated with my account.
TERM MEMBER: I understand that my Agreement is for a fixed initial term and that, unless I provide 9ROUND with a written notice of cancellation at least 30 days prior to the end of my initial term, my membership will automatically roll over to a month-to-month agreement cancellable at any time by me with a 30-day advance written notice. Once in auto-renewal, also called 'Evergreen Status,' I consent to continue paying 9ROUND dues in the amount of $[firstevergreenamt_inctax] per month, subject to the terms of this Agreement.
Buyer's Acceptance: (electronic signature) [buyer] [signature1] **Date Signed and Accepted** [agreedate]

AUTHORIZATION FOR PREAUTHORIZED PAYMENTS (*All references to "I" or "me" in this section shall refer to you*)

By signing below, I am authorizing ClubReady, LLC ("ClubReady"), a third-party billing company located at 333 Ozark Trail Dr., Ste. 50, St. Louis, MO 63011, to initiate transfers, whether by EFT or ACH transfer, from the designated bank account tied to this Agreement for purposes of paying, on a recurring basis, all or a portion of the dues, fees and charges which I owe under the Agreement. I understand and agree that: (a) dues, fees and charges include, but may not be limited to, enrollment fees, membership dues, service charges, late fees, applicable taxes, and/or fees for uncollected monthly dues; (b) ClubReady may transfer funds from my designated account for any retail transactions or online purchases initiated by me; (c) dues, fees and charges will be drawn on or about the dates set forth in the Payment Schedule; (d) this preauthorization will remain in effect until all of my payment obligations under the Agreement have been

satisfied; (e) charges may appear in my bank statement under the prefix "CLR" followed by my club's name, phone number and state; (f) debited amounts may vary each month based on additional amounts which I may owe under this Agreement, and that while I am entitled to receive notice at least 10 days before being charged, by signing this authorization, I am choosing instead to get notice only when the amount due would differ by more than $50.00 from my most recent payment; (g) billing inquiries can be directed to ClubReady at 1 (800) 405-4818. I expressly authorize ClubReady, and any of its subsidiaries or affiliates, to contact me regarding any matter related to the billing of my account, whether by phone, email or SMS text communication (please note SMS text charges may apply).
Buyer's Acceptance: (electronic signature) [buyer] [signature2] **Date Signed and Accepted** [agreedate]

PLEASE BE AWARE THAT IF YOU CHOOSE TO PAY FOR ANY PART OF THIS AGREEMENT IN ADVANCE, YOU ARE PAYING FOR FUTURE SERVICES AND MAY BE RISKING LOSS OF YOUR MONEY IN THE EVENT THIS HEALTH CLUB CEASES TO CONDUCT BUSINESS.

CANCELLATION TERMS

RESCISSION. YOU MAY RESCIND THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD (3RD) BUSINESS DAY AFTER THE DATE YOU SIGNED THE AGREEMENT. ALL RESCISSION NOTICES MUST BE MADE IN WRITING AND DELIVERED IN PERSON OR SENT BY REGISTERED OR CERTIFIED MAIL TO: [LOCATIONNAME][LOCATIONADDRESS].
CANCELLATION RIGHTS. After expiration of the applicable rescission period, you may cancel this Agreement only if you qualify as follows:
You die or become permanently disabled. If, by reason of death or permanent disability, you are unable to receive all services for which you contracted, then you or your estate may cancel this Agreement without penalty and receive a pro rata refund, where applicable, for any prepaid sums. A "permanent disability" means a condition which completely prevents you from using the facilities. 9ROUND reserves the right to have your permanent disability verified by a physician. 9ROUND shall retain the value for services already provided prior to your death or the onset of permanent disability.
TERMINATION OF RECURRING DUES MEMBERSHIP. If you are a M2M member, you may terminate this Agreement at any time by providing 9ROUND with a 30-day advance written notice. There is no early termination fee for a M2M membership. If you are a Term member, unless you rescind or cancel your membership as stated in this Agreement, then your membership cannot be cancelled until the expiration of your fixed initial term. To avoid rolling over into auto-renewal, you must provide 9ROUND with written notice of cancellation at least 30 days in advance of the expiration of the initial term. If your membership auto-renews, you may cancel at any time without penalty by providing 9ROUND with a 30-day advance written notice. Whether you are a M2M or Term member, once 9ROUND receives your written notice of cancellation, your membership will remain active until the expiration of your then-current billing cycle.
REFUNDS. Any refund due, if any, will be paid to you within the time period prescribed by state law.
NOTICE. All notices under this Agreement must be in writing and delivered in person to the club, or sent via registered or certified mail to [locationname] [locationaddress].

RELEASE OF LIABILITY; ASSUMPTION OF RISK; INDEMNITY

USING THIS FACILITY OWNED BY [irslegalname] D/B/A 9ROUND, OR ANY OTHER 9ROUND FACILITY, INVOLVES THE RISK OF INJURY TO YOU OR YOUR GUEST(S), WHETHER YOU OR SOMEONE ELSE CAUSES IT. SPECIFIC RISKS VARY FROM ONE ACTIVITY TO ANOTHER AND THE RISKS RANGE FROM MINOR INJURIES TO MAJOR INJURIES, SUCH AS CATASTROPHIC INJURIES INCLUDING DEATH. IN CONSIDERATION OF YOUR PARTICIPATION IN THE ACTIVITIES OFFERED BY 9ROUND, YOU UNDERSTAND AND VOLUNTARILY ACCEPT THIS RISK AND RELEASE [irslegalname], AND EACH OF THEIR RESPECTIVE AFFILIATES, AND EACH OF THE OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, VOLUNTEERS, FRANCHISORS, AGENTS AND INDEPENDENT CONTRACTORS THEREOF (THE "RELEASEES"), FROM ALL LIABILITY FOR ANY INJURY, INCLUDING, WITHOUT LIMITATION, PERSONAL, BODILY, OR MENTAL INJURY, ECONOMIC LOSS, OR ANY DAMAGE TO YOU, YOUR SPOUSE, GUESTS, UNBORN CHILD, OR RELATIVES, RESULTING FROM YOUR USE OF 9ROUND, INCLUDING ANY INJURY RELATING TO THE ORDINARY NEGLIGENCE, ACTUAL OR PASSIVE, OF THE RELEASEES OR ANYONE ACTING ON THE RELEASEES' BEHALF OR ANYONE USING 9ROUND FACILITIES, WHETHER RELATED TO EXERCISE OR NOT. IN CONSIDERATION OF YOUR BEING ABLE TO PARTICIPATE IN 9ROUND ACTIVITIES, YOU AGREE TO INDEMNIFY, DEFEND AND HOLD THE RELEASEES HARMLESS AGAINST ANY LIABILITY, DAMAGES, DEFENSE COSTS, INCLUDING ATTORNEYS' FEES, AND ANY OTHER COSTS INCURRED IN CONNECTION WITH CLAIMS FOR BODILY INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE CAUSED BY YOUR NEGLIGENCE OR OTHER ACTS OR OMISSIONS. YOU FURTHER AGREE TO HOLD HARMLESS, DEFEND AND INDEMNIFY THE RELEASEES FROM ALL LIABILITY, DAMAGES, DEFENSE COSTS, INCLUDING ATTORNEYS' FEES, AND ANY OTHER COSTS INCURRED IN CONNECTION WITH CLAIMS FOR BODILY INJURY, WRONGFUL DEATH OR PROPERTY DAMAGE BROUGHT BY YOU, YOUR GUESTS, OR MINORS, EVEN IF THE RELEASEES WERE NEGLIGENT. FURTHER, YOU UNDERSTAND AND ACKNOWLEDGE THAT THE RELEASEES DO NOT MANUFACTURE FITNESS OR OTHER EQUIPMENT, BUT PURCHASE AND/OR LEASE EQUIPMENT. YOU UNDERSTAND AND ACKNOWLEDGE THAT THE RELEASEES AND 9ROUND ARE PROVIDING RECREATIONAL SERVICES AND MAY NOT BE HELD LIABLE FOR DEFECTIVE PRODUCTS.

YOU ACKNOWLEDGE AND AGREE THAT YOU HAVE READ THE FOREGOING AND KNOW OF THE NATURE OF THE ACTIVITIES AT 9ROUND.

DISPUTE RESOLUTION (U.S.)

Mediation, Arbitration, and Waiver of Jury Trial. You and 9Round agree that any dispute with 9Round (including its officers, directors, employees, and agents, as well as its franchisor), other than a claim for personal injury, or a claim brought in small claims court, will be resolved exclusively as follows:

- **First, through informal discussions with 9Round;**
- **If those discussions are unsuccessful, by non-binding mediation;**
- **If that mediation is unsuccessful, by binding arbitration.**
- **You understand and agree that you are waiving your right to a jury trial.**
- **The arbitration will take place before a single arbitrator in a location at or near your club of enrollment, and under the then-current and applicable American Arbitration Association ("AAA") rules (www.adr.org/Rules).**
- **Arbitration costs will be borne by 9Round in an amount as fairly determined by the arbitrator.**

Class and Representative Action Waiver. You and 9Round further agree that each may bring claims against the other only in your or its individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. You also agree not to participate in claims brought in a private attorney general ("PAGA") or representative capacity, or consolidated claims involving another person's account if 9Round is a party to that proceeding.

Opt-Out. If you do not wish to be bound by these dispute resolution provisions, you may opt out by delivering a written notice via mail or in person to 9Round at [locationname] [locationaddress], or via email to [locationemail] **within 30 days after the day you sign this agreement.**

Severability. If any provisions of this dispute resolution section are deemed unenforceable, those provisions shall be considered omitted and the remaining portions of this dispute resolution section shall remain valid and enforceable.

GENERAL PROVISIONS

MEDICAL CONDITIONS. BEFORE USING 9ROUND'S SERVICES OR FACILITIES, YOU REPRESENT THAT YOU ARE IN GOOD HEALTH AND HAVE NO DISABILITY, IMPAIRMENT, INJURY, DISEASE, OR AILMENT, PREVENTING YOU FROM ENGAGING IN ACTIVE OR PASSIVE EXERCISE OR WHICH COULD CAUSE INCREASED RISK OF INJURY OR ADVERSE HEALTH CONSEQUENCES AS A RESULT OF EXERCISE. YOU ASSUME FULL RESPONSIBILITY FOR YOUR USE OF THE 9ROUND FACILITY AND SHALL INDEMNIFY 9ROUND, ITS AFFILIATES, AGENTS AND EMPLOYEES, AGAINST ANY AND ALL DAMAGES ARISING OUT OF YOUR USE OF THE FACILITIES.

PROOF OF MEMBERSHIP. You will receive one membership key fob (the "Membership Fob") from 9ROUND and must present it to the reception desk personnel each time you enter a 9ROUND facility. Lost Membership Fobs will be replaced for a fee of $5, which may be adjusted from time to time. The Membership Fob must be replaced if lost. Membership privileges are limited to the person in whose name the Membership Fob is issued. Improper use of the membership will result in confiscation of the Membership Fob and can result in immediate revocation of your membership. If you wish to use 9ROUND's facilities without your Membership Fob, you will be required to provide proof of identity (e.g., valid driver's license).

CUSTOMER SERVICE. Any questions about this Agreement or issues with your membership can be directed to a 9ROUND manager at [locationname] [locationaddress], or call [clubphone].

NO HEALTH WARRANTIES. 9ROUND makes no claims as to medical results that can or may be obtained through use of any 9ROUND facility. 9ROUND has neither suggested nor will it suggest any medical treatment to any of its members; only licensed medical professionals are qualified to give medical advice. You are instructed not to act on the advice given by any 9ROUND employee, unless such advice has been verified by your licensed professional physician.

CHANGE IN MEMBERSHIP OR BILLING INFORMATION. You must promptly notify 9ROUND in writing of any changes in your billing information, address or telephone number. You expressly permit 9ROUND, or its authorized billing company, to obtain such updated information through payment card networks, card issuers or other third parties.

DRESS CODE. Proper athletic attire and footwear is required. 9ROUND reserves the right to make the final determination in its sole discretion with regard to appropriate attire and footwear.

SMOKING. Smoking (including e-cigarettes, chewing tobacco, vapor pens) is prohibited at all times in all 9ROUND facilities.

LOSS OF PROPERTY. You and guests are encouraged not to bring valuables onto the premises of a 9ROUND facility. 9ROUND shall not be liable for the disappearance, loss, theft, or damage to personal property, including, among other things, money, jewelry, negotiable securities, and other items left by you or your guests.

HAND-WRAPS/GLOVES. Loaner gloves will be provided free of charge for your trial period only. Once you become a member, you are required to use 9ROUND-branded hand-wraps and gloves. For safety and sanitary reasons, no member will be allowed to work out without the required 9ROUND hand-wraps and gloves.

DESCRIPTION OF SERVICES; HOURS OF ACCESS. This Agreement entitles you to access the 9ROUND facilities and services during normal business hours, which will be posted at each 9ROUND location. 9ROUND reserves the right to revise its list of available equipment and services at any time for any reason; 9ROUND equipment may include light weights, kettle bells, jump ropes, punching bags and medicine balls. A 9ROUND workout involves a member transitioning between nine different exercise stations in a circuit-type format. Each station exercise lasts three minutes, followed by a 30-second transition and rest period. A bell will sound each time a member should transition to the next exercise station. Specific exercises and/or equipment at each circuit station are subject to change. 9ROUND does not offer individual or group "training classes," although a 9ROUND trainer (employee) will be present at all times during normal business hours to offer encouragement and instruction when necessary. All 9ROUND workouts are subject to exercise station availability. Members should participate in only one 9ROUND circuit per visit.

MINIMUM AGE REQUIREMENT. The minimum age for 9ROUND membership is ten (10) years old. Minors under the age of eighteen (18) are required to obtain the consent of a parent or legal guardian, who must sign this Agreement and remain responsible for all fees and other charges. Minors under the age of fifteen (15) must have a parent or legal guardian present at all times during the 9ROUND workout.

IMAGE USE. You understand that while on 9ROUND premises, your, or your minor child's image (including live or recorded video images), may be used or shown on the 9ROUND website or social media outlets (Facebook, Instagram, YouTube, etc.), and that by entering the premises you consent to the use of these images.

NON-DISCRIMINATION. 9ROUND represents that it will not discriminate against any person because of sex, race, creed, age, color, origin, sexual orientation, or ancestry in considering applications for memberships.

MEMBERSHIP TERMINATION. We reserve the right to terminate your membership for any reason not expressly prohibited by law. In the event of termination, we will notify you in person or send you a written notice of termination to your address on file, and refund you any unused prepaid dues.

ENTIRE AGREEMENT. Verbal agreements with a 9ROUND employee will not be accepted as valid. Only this Agreement, and all rules and regulations of 9ROUND, as revised from time to time, constitute the entire and exclusive agreement between you and 9ROUND, and supersede all prior written and/or oral promises, representations, understandings and/or agreements relating to this membership purchase.

INVALID PROVISIONS. If any part of this Agreement is found to be invalid or unenforceable, the remainder of the Agreement will be valid and enforceable.

GOVERNING LAW. This Agreement shall be interpreted under the laws of the State in which you execute this Agreement.

LIMITED LIABILITY. Unless prohibited by state law, any award by a court or arbitrator is limited to actual compensatory damages. Neither a court nor an arbitrator can award either party any indirect, special, incidental or consequential damages, even if one party told the other party that they might suffer these damages.

CONSENT TO CONTACT. By signing below, you are giving 9ROUND and its authorized vendors express written consent to contact you at the wireless number provided for any matter related to your account, including collection of monies owed, alerts and/or notices regarding your purchased services, and promotions that may be of interest to you. You acknowledge that calls or text messages sent to your mobile phone device may be generated using an autodialing system, and that standard text rates apply. Your consent is not a condition of purchase. You may revoke your consent at any time.

I AGREE TO THE TERMS OF THIS AGREEMENT

Buyer's Acceptance: (electronic signature) [buyer] [signature3] **Date Signed and Accepted** [agreedate]

COSIGNER (ONLY NEEDED IF MEMBER IS A MINOR OR THERE WILL BE A FINANCIAL CO-SIGNER ON THE ACCOUNT)

PARENT/GUARDIAN. On behalf of my minor child and myself, I agree to all of the provisions of this Agreement, including the provision titled "Release of Liability; Assumption of Risk; Indemnity." I promise to pay any financial obligation that my minor child does not pay for any reason. I understand that my obligations can only end if the Member/guardian properly terminates this Agreement. I expressly agree to the Authorization for Preauthorized Payments described above.

FINANCIAL COSIGNER. I promise to pay any financial obligation that the Member/Buyer does not pay for any reason. I also agree to indemnify 9ROUND to the fullest extent permitted by law for any claim brought against 9ROUND by the Member (or Buyer, if different from Member). I understand that my obligations can only end if the Member/Buyer properly terminates this Agreement. I expressly agree to the Authorization for Preauthorized Payments described above.

Cosigner/Parent/Guardian Acceptance: (electronic signature) [buyer] [signature4] **Date Signed and Accepted** [agreedate]

EXHIBIT G

SAMPLE FORM OF GENERAL RELEASE AGREEMENT

EXHIBIT G
SAMPLE FORM OF GENERAL RELEASE AGREEMENT

(Subject to change by 9Round Franchising, LLC)

THIS GENERAL RELEASE AGREEMENT (this "Agreement") is made and entered into between **9Round Franchising, LLC**, a South Carolina limited liability company, ("we," "us" or "9Round"), **[FRANCHISEE]**, a ___________ limited liability company ("you" or "Franchisee"), and [GUARANTOR], a resident of ________________ (a "Guarantor"). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Franchise Agreement (as defined below).

RECITALS

A. 9Round and Franchisee are parties to a 9ROUND Franchise Agreement dated _________________ (the "Franchise Agreement") pursuant to which Franchisee operates a 9ROUND Center located at ______________ (the "Center").

B. [NOTE: Describe the circumstances relating to the release.]

C. In consideration of [INSERT CIRCUMSTANCES] and the representations set forth in the Recitals, subject to the provisions stated below, and Franchisee and Guarantor agree to settle all known and unknown disputes they may have against Franchisor, if any, that exist as of the Effective Date.

AGREEMENTS

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. [NOTE: Detail the terms and conditions of the release]

2. Release and Settlement of Claims.

A. Except as may be prohibited by applicable law, Franchisee and Guarantors (individually and as owners of Franchisee), for themselves and each of their respective heirs, successors, assigns, affiliates, shareholders, directors, officers, employees and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Franchisee Parties" for purposes of this Section 2), release and forever discharge us, our predecessors, successors, affiliates, directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the "Franchisor Parties" for purposes of this Section 2) of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Franchisee Parties may now or in the future own or hold, that in any way relate to the Franchise Agreement, any other agreement between Franchisee and us, the Center, or the relationship between Franchisee and us through the Effective Date (collectively, "Claims"), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement or any other agreement between Franchisee Parties and us or our affiliates through and including the Effective Date of this Agreement.

B. The release of Claims set forth in Section 2.A. is intended by the Franchisee Parties to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Franchisee Parties against the Franchisor Parties regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Franchisee Parties acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Franchisee Parties' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Franchisee Parties acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and Release and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Franchisee Parties acknowledge and agree that the foregoing waiver is an essential, integral and material term of this Agreement. The Franchisee Parties further acknowledge and agree that no violation of this Agreement shall void the release set forth in this Section 2.

3. Miscellaneous. This Agreement, and the documents referred to herein, constitute the entire agreement among the parties with respect to the subject matter hereof. No amendment will be binding unless in writing and signed by the party against whom enforcement is sought. All representations, warranties, agreements and all other provisions of this Agreement which by their terms or by reasonable implication are intended to survive the closing of this transaction will survive it.

4. Representation by Counsel. The parties have had adequate opportunity to consult with an attorney of their respective choice, including with respect to the release of Claims set forth herein.

5. Governing Law/Venue. This Agreement will be construed and enforced in accordance with the laws of the State of South Carolina, without regard to principles of conflicts of law. The parties further agree that any legal proceeding relating to this Agreement or the enforcement of any provision herein shall be brought or otherwise commenced only in the State or Federal courts of South Carolina.

6. Counterparts. This Agreement may be executed by the parties hereto in counterparts, and delivered by e-mail or facsimile, each of which shall be deemed to be an original instrument, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

US:
9ROUND FRANCHISING, LLC

By:______________________________
Printed Name:
Title:
Date: ______________________________

FRANCHISEE:

By:______________________________
Printed Name:
Title:______________________________
Date: ______________________________

GUARANTOR:

By:______________________________
Printed Name:
Date: ______________________________

[This General Release will be modified as necessary for consistency with any state law regulating franchising.]

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	August 28, 2020
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	September 11, 2020
Virginia	
Washington	
Wisconsin	August 30, 2020

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of August 28, 2020.

EXHIBIT H

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If 9Round Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If 9Round Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A to this disclosure document.

Issuance Date: August 28, 2020

I acknowledge receiving this Franchise Disclosure Document issued on August 28, 2020, (or the date reflected on the State Effective Dates Page), which included the following exhibits:

EXHIBIT A – List of State Administrators and List of Agents for Service of Process; ***EXHIBIT B*** – Financial Statements; ***EXHIBIT C*** – Franchise Agreement, Renewal Addendum, and State-Specific Addenda; ***EXHIBIT D*** – Franchisee List; ***EXHIBIT E*** – Operations Manual Table of Contents; ***EXHIBIT F*** – Sample Membership Agreement; ***EXHIBIT G*** – Sample Form of General Release Agreement; ***EXHIBIT H*** — Receipts

Date FDD Received: _______________ Signed*: ______________________________________

Print Name: ______________________________________

Date FDD Received: _______________ Signed*: ______________________________________

Print Name: ______________________________________

*Signed individually and as an authorized representative of the franchisee company.

<u>FRANCHISE SELLER'S NAME AND CONTACT INFORMATION:</u>

Shannon Hudson, 847 NE Main Street, Simpsonville, SC 29681, Phone: 864-962-4600.

____

____

You should return one copy of the signed receipt by signing and dating it, and either mailing it to 9Round Franchising, LLC at 847 NE Main Street, Simpsonville, SC 29681, or faxing a copy to 9Round Franchising, LLC at 864-627-0185. You may keep the second copy for your records.

Copy for Franchisee

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If 9Round Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If 9Round Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A to this disclosure document.

Issuance Date: August 28, 2020

I acknowledge receiving this Franchise Disclosure Document issued on August 28, 2020, (or the date reflected on the State Effective Dates Page), which included the following exhibits:

EXHIBIT A – List of State Administrators and List of Agents for Service of Process; ***EXHIBIT B*** – Financial Statements; ***EXHIBIT C*** – Franchise Agreement, Renewal Addendum, and State-Specific Addenda; ***EXHIBIT D*** – Franchisee List; ***EXHIBIT E*** – Operations Manual Table of Contents; ***EXHIBIT F*** – Sample Membership Agreement; ***EXHIBIT G*** – Sample Form of General Release Agreement; ***EXHIBIT H*** — Receipts

Date FDD Received: _______________ Signed*: ______________________________________

Print Name: ___________________________________

Date FDD Received: _______________ Signed*: ______________________________________

Print Name: ___________________________________

*Signed individually and as an authorized representative of the franchisee company.

FRANCHISE SELLER'S NAME AND CONTACT INFORMATION:

Shannon Hudson, 847 NE Main Street, Simpsonville, SC 29681, Phone: 864-962-4600.

____

____

You should return one copy of the signed receipt by signing and dating it, and either mailing it to 9Round Franchising, LLC at 847 NE Main Street, Simpsonville, SC 29681, or faxing a copy to 9Round Franchising, LLC at 864-627-0185. You may keep the second copy for your records.

Copy for 9Round Franchising, LLC