BABY BOOT CAMP®

FRANCHISE DISCLOSURE DOCUMENT

INSPIRING WELLNESS, LLC
A Florida Limited Liability Company
8830 S. Tamiami Trail, Suite 100
Sarasota, Florida 34238
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babybootcamp.com
Email: sales@babybootcamp.com

The Baby Boot Camp franchise program targets prenatal and postpartum moms by providing fitness and nutrition programs to women, focusing on birth recovery, diastasis repair, stroller fitness, core training, and a healthy lifestyle.

The total investment necessary to begin operation of a Baby Boot Camp franchised business ranges from $6,120 to $10,249. This includes between $5,550 and $5,949 that must be paid to the franchisor or its affiliates.

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.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Franchisee Support at the above mailing address, via phone at 941.953.5000 or via email at fransupport@babybootcamp.com.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like an attorney or an accountant.

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 (FTC). 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: April 1, 2019

Updated:

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state administrators listed in Exhibit F for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN SARASOTA, FLORIDA. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN FLORIDA THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. AS PER THE AUDITED BALANCE SHEET DATED DECEMBER 31, 2018, THE FRANCHISOR HAD A WORKING CAPITAL DEFICIENCY OF $50,806. $46,931 OF THIS DEFICIENCY RELATES TO THE FRANCHISOR'S ADOPTION OF A NEW ACCOUNTING RULE, ASC-606, EFFECTIVE JANUARY 1, 2018.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and the appropriate state agency listed in Exhibit G.

Effective Date: See the next page for state effective dates

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:

California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Minnesota	Pending
New York	Pending
Rhode Island	Pending
Virginia	Pending
Washington	Pending

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Item 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Inspiring Wellness LLC is the corporate entity offering the Franchise Program described in this Disclosure Document. To simplify the language in this Disclosure Document, "we", "us" or "IW" means Inspiring Wellness LLC, the Franchisor. "You" means the person or entity who buys the franchise. "Principal Owner" means an individual who is an owner and who undertakes responsibility for operation of the business. "Baby Boot Camp" or "Franchise Program" refers to the Baby Boot Camp franchise offered by us.

Franchisor, Parents, Predecessors and Affiliates

We are a Florida limited liability company formed on October 28, 2005. We changed our corporate name from "Baby Boot Camp LLC" to "Inspiring Wellness LLC" on March 23, 2015 to better reflect our growing range of fitness and nutritional programs. Our principal business address is 8830 S. Tamiami Trail, Suite 100, Sarasota, Florida 34238. We do business under our corporate name and "Baby Boot Camp."

Prior to our formation, Kristen Horler formed Baby Boot Camp LLC, a California limited liability company, on December 4, 2004. Prior to forming the California limited liability company, Ms. Horler had operated Baby Boot Camp as a sole proprietorship since August 2001. Ms. Horler and the predecessor California limited liability company assigned all business assets, including contracts, copyrights, trademarks and any other intellectual property to us. We have no parents or affiliates.

We have no predecessor other than Ms. Horler and the California limited liability company as described above. Our system was developed by our founder to create a high quality, duplicable system to offer franchise opportunities to individuals and business owners interested in serving our target market. We do not engage in any other business.

Our Prior Business Experience

We operated a Baby Boot Camp territory in Sarasota, Florida, between February 2006 and October 2010 using the same tools, systems, marketing and techniques that we provide to our Baby Boot Camp franchise owners. Kristen Horler and the predecessor California limited liability company operated Baby Boot Camp territories in Southern Marin, California and San Francisco, California, from August 2001 through August 2005.

We developed and offered a second franchise program, "Karna Fitness", which we offered to our existing Baby Boot Camp franchise owners as well as to non-Baby Boot Camp owners between April 2010 and March 2016. In April 2016, we ceased offering Karna Fitness franchises and incorporated the Karna Fitness programs into the Baby Boot Camp franchise system. All former Karna Fitness franchises were consolidated within the Baby Boot Camp franchise program in calendar year 2016.

We have offered "Restore the Core", Karna Camp and Karna Power classes in Sarasota, Florida, since August 2006 using the same tools, systems, marketing and techniques that we provide to our Karna Fitness franchise owners. In April 2016, we ceased offering Karna Fitness franchises and incorporated the Karna Fitness programs into the Baby Boot Camp franchise system. We continue to offer fitness classes and nutrition programs using the same tools, systems, marketing and techniques that we provide to our franchise owners.

Neither we, our predecessor nor Kristen Horler have offered or sold franchises in any other line of business nor offered or sold any other franchises that are substantially the same as the franchise.

The Business

You will be an independent owner operator providing small group exercise training classes targeted towards a specific niche audience as follows:

> You will offer indoor and outdoor strength classes primarily orientated towards moms ("Clients"). Our Baby Boot Camp class format incorporates Clients bringing their young children to class in a stroller, hence we refer to this category as "stroller-based fitness". The primary target demographic for Baby Boot Camp classes is moms with stroller-aged children (usually between 6 weeks and 4 years old). All of our other class formats and programs do not incorporate babies or children into the workout. Therefore, our primary target demographic is moms of all ages and stages.
>
> Our proprietary fitness classes and programs must be offered under our pricing model (month-to-month, class packs, and/or session-based package options). We require you to charge clients an enrollment fee for participating in certain programs and to provide each client with an Enrollment Kit for certain programs, which you will purchase from us. You will use our System, including marketing techniques, trade secrets and business processes and systems. You receive business and systems training, enabling you to market and provide the classes in a territory identified in the Franchise Agreement. After your initial training, we provide you with free ongoing telephone assistance and general consultation support. You will deliver the fitness classes at third party facilities, typically parks or outdoor malls for outdoor classes and indoor malls or local community facilities (church halls, schools or other businesses with suitable space) for indoor classes. You will administer and manage the franchised business from your home-based office.

The fitness category is highly competitive. Your target market is women looking to begin or continue an exercise program and be a part of a community of moms who share similar interests and goals. The Baby Boot Camp franchise is designed to meet the needs of this target market by providing safe and effective programs for new moms of all ages and stages, generally beginning with the birth of her first baby.

We offer three different franchise "tiers", ranging from a Tier 1 franchise of up to 100,000 people in your Franchised Territory to a Tier 3 with up to 300,000 people in your

Franchised Territory. You may upgrade or downgrade Franchise Tiers on providing us notice, and providing that additional Territory is available in the case of a requested upgrade. In general, we will not approve a request to upgrade your Franchise Tier until you have been operating your Franchise for a minimum of twelve (12) months, but we will consider your individual circumstances and business growth when evaluating each request.

We support you by providing ongoing and start-up business advice, consultation and assistance as described in this Disclosure Document. Your competition consists of general fitness facilities and programs, including those that may provide add-on offerings that cater to the target market. In addition, there are or may in the future be, other local, regional or national franchised or licensed, stroller-based or boot camp based fitness programs. In addition to these competing programs, you may also face local competition from small independent operators and individual fitness instructors.

Our Franchise Program requires that all instructors must be qualified and insured fitness professionals holding certifications(s) or qualification(s) of a type and from an institution approved by us. We require an ICE-approved primary group exercise or personal trainer certification or qualification, but we may require other or additional certifications or qualifications that we deem necessary to provide new programs or services, meet competition or for other reasons.

Special Industry Regulation

The physical fitness industry is subject to federal, state and local regulations. A number of states have enacted health club legislation that you may be subject to. This legislation typically covers aspects of the billing agreement between you and your clients and/or requirements to maintain safety equipment onsite if you are operating out of a fixed facility. We highly recommend you discuss potential fitness industry regulations with your attorney or contact the appropriate federal, state and/or local agency for detailed information about these laws and regulations.

Agent for Service of Process

Our registered agents for service of process in each state are listed in Exhibit G.

Item 2. BUSINESS EXPERIENCE

Chief Executive Officer & Founder: Kristen Horler, MS

Ms. Horler, based in Sarasota, Florida, has been our Chief Executive Officer since August 2001 when she founded the Baby Boot Camp program. Ms. Horler operates a Baby Boot Camp outlet in South Sarasota, Florida.

President & Chief Operating Officer: Mark Horler

Mr. Horler, based in Sarasota, Florida, has been our Chief Operating Officer since February 2005. Mr. Horler is the husband of our founder, Kristen Horler. Mr. Horler is also the Principal Owner at Horler Remodeling Associates LLC, based in Sarasota, a remodeling contractor he founded in September 2013.

Director of Finance: Monica Julien

Ms. Julien, based in Dallas, Texas, has been our Director of Finance since January 2007. She has been the Principal at Julien Financial Services, based in Dallas, since June 2007. She joined Buchanan & Company, based in Dallas, as a Finance Associate in March 2015.

Director of Marketing: Katelyn Battaglia

Ms. Battaglia, based in Sarasota, Florida, joined us as a Shipping Coordinator in September 2010. She was promoted to Brand Marketing Manager in June 2014 and Director of Marketing in April 2016.

Director of Brand Management: Sandy Hendrickson

Ms. Hendrickson, based in Sarasota, Florida, joined us as a Marketing Coordinator and Graphic Designer in September 2017 and was promoted to Director of Brand Management in February 2018. Ms. Hendrickson was the Owner and Creative Director of Wenz Designs, based in Charlotte, North Carolina, from August 2012 to August 2017.

Director of Franchise Development: Anna Turner

Ms. Turner, based in Sarasota, Florida, joined us as our Director of Franchise Sales in August 2016. Ms. Turner was an Insurance Agent at Purmont & Martin Insurance from July 2012 to July 2014, a Customer Service Representative at State Farm from February 2015 to July 2015 and a Teller at BMO Harris Bank from October 2015 to July 2016. All positions were based in Sarasota, Florida.

Item 3. LITIGATION

No litigation is required to be disclosed in this Item.

Item 4. BANKRUPTCY

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

Item 5. INITIAL FEES

Upon signing the Franchise Agreement, you must pay a uniform, non-refundable, initial franchise fee, based upon the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows.

Tier	Territory Population	Initial Franchise Fee
1	Up to 100,000	US $5,300
2	100,001 to 200,000	Tier 2 franchises are available as an upgrade option only
3	200,001 to 300,000	Tier 3 franchises are available as an upgrade option only

There are no other initial fees.

Item 6. OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Monthly Fees			
Monthly Service Fee	The Monthly Service Fee is US $175, US $235 or US $300 per month depending on Franchise Tier.	Due and payable by direct debit on the first (1st) of each month	The Monthly Service Fee is uniform and non-refundable. This fee is waived for the first two (2) months for franchisees purchasing a new franchise. We do not sell Tier 2 or Tier 3 franchises to new franchisees.
Monthly Technology Fee	The Technology Fee is US $75 per month.	Due and payable by direct debit on the first (1st) of each month.	This fee is waived for the first two (2) months for franchisees purchasing a new franchise.
Monthly Additional Email Accounts Fee (Optional)	US $2 per month for each additional email account	Due and payable with monthly direct debit	Only if you need additional separate email accounts.
Baby Boot Camp Client Enrollment Kits	US $33 per kit (volume discounts apply)	When signing up new Baby Boot Camp Clients	You collect the New Client Enrollment Kit fee from Clients before ordering a Client Enrollment Kit from us or our approved vendor for that Client. Owners typically maintain a small inventory of Kits.

Name of Fee	Amount	Due Date	Remarks
Annual Fees			
Annual Program Update and CEC Filing Fee	US $149. We may, at our sole discretion, increase the price on January 1 of each year, up to 5%.	Due and payable by direct debit on February 15th.	If you purchase a new franchise after September 30 this fee is waived until the following January. This fee is not waived for transfers of existing franchises.
Annual Conference Registration Fee	US $199 for our two day training conference. Franchise Owner and Instructor are responsible for travel, lodging, meals and incidental expenses.	Due and payable by direct debit on August 15th regardless of whether you are able to attend.	The 2019 conference will be in Sarasota, Florida from September 6-7, 2019. If we elect to host a virtual conference, the same Annual Conference Registration Fee will apply. If the franchise owner is unable to attend a certified and approved instructor may take the place of the registered owner.
Fees due on Renewal or Change of Contract			
Renewal Fee	US $600 flat fee regardless of your Franchise Tier.	Upon renewal.	You must be in good standing to be eligible to renew. You must execute our franchise agreement in effect at the time to renew.

Name of Fee	Amount	Due Date	Remarks
Territory Change Request Fee	US $250 as of April 1, 2019.	When you request a change in Territory.	This fee is due for all requests for us to work with you to evaluate a potential change in your Territory, and is due whether or not you actually change your Territory following this evaluation. Should a change in Territory result in a Franchise Tier Upgrade , we will apply this fee to the Franchise Tier Upgrade Fee.
Franchise Tier Upgrade Fee	US $1,500 to upgrade from any Franchise Tier to the next level Franchise Tier.	Due at time of approval of Franchise Tier upgrade.	You have the right to upgrade your Franchise Tier at any point during the term of your agreement subject to our consent and the availability of additional territory. In general, we will not let you upgrade your Franchise Tier until you have been operating your Franchise for a minimum of twelve (12) months. The appropriate increased Monthly Service Fee will be due commencing on the first (1st) of the month following the month in which the Franchise Tier is upgraded.
Transfer Fee	US $1,500 flat fee regardless of your Franchise Tier.	Due at time of approval of transfer.	The transfer fee covers the training of the transferee and our expenses incurred. No fee is due for transfer to an entity you control. You must be in good standing to transfer.

Name of Fee	Amount	Due Date	Remarks
Training Fees			
In-person Business Boot Camp (Optional)	US $399 as of April 1, 2019.	Thirty (30) days prior to attending In-person Business Boot Camp training.	This in-person training for the Principal Owner is offered in addition to New Owner Orientation online learning. The In-person Business Boot Camp covers the same training content included on an online learning basis as part of the initial franchise fee.
Baby Boot Camp Instructor Certification Fee (Mandatory for every Instructor who will teach Baby Boot Camp classes, except Franchise Owner Instructors).	US $149 as of April 1, 2019.	On request and prior to our certifying an Instructor to teach Baby Boot Camp classes. We require recertification every two (2) years. The Bi-Annual Recertification Fee is US $99 as of April 1, 2019.	We expect that Instructors will pay these fees directly to us. Instructors must hold a current, approved national fitness certification, successfully complete our instructor training, pass the instructor examination and show proof of insurance prior to teaching classes. We do not charge a Baby Boot Camp Instructor Certification fee for certifying or recertifying a Franchise Owner. Also see Item 11 of this Disclosure Document.

Name of Fee	Amount	Due Date	Remarks
Additional Programs Instructor Certification Fee (Mandatory for every Franchise Owner and Instructor who will teach any of our Additional Programs). (This fee is not due or payable if you elect to not offer any Additional Programs as part of your franchise)	US $149 as of April 1, 2019, per Instructor, for each Additional Program.	On request and prior to our certifying a Franchise Owner or Instructor to teach any of our Additional Programs. We require recertification of instructors (including Franchise Owners) every twelve (12) months. The Annual Recertification Fee is US $49 as of April 1, 2019.	We offer five (5) Additional Programs as follows: • Diastasis Repair • Restore the Core • Karna Camp • Run Training • Nutrition Solutions Instructors (including Franchise Owners) must hold a current, approved national fitness certification, successfully completed the instructor training, pass the related instructor examination, and show proof of insurance prior to teaching any of our Additional Programs. Instructors (including Franchise Owners) must pay for each Additional Program that they wish to teach. We expect that Instructors will pay these fees directly to us. Also see Item 11 of this Disclosure Document.
Other Fees			
Late Fee	The lesser of 1.5% per month or the maximum rate permitted by law.	When any payment or fee is not received when it is due.	Maximum interest rate in California is 10% annually.
Alternate Supplier Approval Fee	US $35 as of April 1, 2019.	On request and prior to using our Marks on apparel not purchased from us.	We will approve or disapprove each item in our sole discretion and on an item by item basis.

Name of Fee	Amount	Due Date	Remarks
Branding Guidelines Violation Fee	US $149 first violation as of April 1, 2019. US $249 second violation as of April 1, 2019.	When you fail to adhere to our Branding Guidelines or use marketing images or use of marketing materials that are not approved by us	We will charge you this fee if you use, create, or distribute marketing materials not approved by us. The fee is assessed on a daily basis until you return to full compliance with the Branding Guidelines.
Unauthorized Class Format or Location	US $500 per Class as of April 1, 2019.	When you hold a class format that you or your instructor is not properly certified or insured to instruct or you hold a Class outside of your franchised territory	In addition to the right to terminate your franchise, we will also charge you $500 for each Class that you or your Instructors hold where you or your Instructor is not properly certified or insured, or you hold a Class outside of your franchised territory.

None of these fees payable to us are refundable.

Item 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
Name of Expenditures	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial franchise fee	$5,300	Lump sum	Upon signing Franchise Agreement	Us
Business license	$0 - $200	In full	Prior to opening	Applicable government agencies
Insurance	$170 - $600	Lump sum or as negotiated	Prior to opening	Insurance agent
Pre-opening Salaries, Travel and Initial Training	None	N/A	N/A	N/A
Fitness Professional Certification	$0 - $500 See fn 1	As required	As required	Professional fitness association (if not already qualified).
Rent	See fn 2			
Monthly Fees (3 months)	$250 See fn 3	As required	Monthly	Us
In Person Boot Camp	$0 - $399	In full	Prior to attending, but only if you attend in-person training	Us
In Person Boot Camp Travel related expenses	$0 - $1,000	As incurred	As required, but only if you attend in-person training	Airline, hotel, transportation providers, etc.

YOUR ESTIMATED INITIAL INVESTMENT				
Name of Expenditures	Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is To Be Made
Additional Funds (3 months)	$400 - $2,000 See fn 4	As required	As required	Your Instructors, office products supply store, etc.
TOTAL	**$6,120 - $10,249**			

Table Notes

1. It is industry standard that instructors pay for their own expenses associated with getting a professional fitness certification and professional liability insurance.
2. Not required, but if a separate location is desired rent will be at the prevailing market rate for the type and size of space selected. If you locate in a location separate from your home or preexisting fitness business, you may also incur security deposits, utility deposits and perhaps other required expenses.
3. This includes the Tier 1 Monthly Service Fee and Technology Fee for month three of your franchise and assumes you will open within 90 days of the grant of franchise.
4. This estimate of additional funds is the minimum recommended amount to cover operating expenses, including holding a grand opening event and paying instructor expenses (if you have an instructor), for three (3) months. You may require additional working capital if sales are low or fixed costs are high.

General

We have prepared these estimates based on our experience operating a Baby Boot Camp franchise as well as our experience coaching hundreds of franchisees through their startup operations. Except as expressly indicated otherwise, these estimates cover your initial cash investment up to the opening of your franchise. They do not provide for your cash needs to cover any financing incurred by you or your other expenses. You should not plan to draw income from the operation during the start-up and development stage of your business, the actual duration of which will vary materially from franchisee to franchisee and cannot be predicted by us for your franchise (and which may extend for longer than the three month initial phase described in this Disclosure Document).

You must have additional sums available, whether in cash or through a bank line of credit, or have other assets, which you may liquidate or against which you may borrow, to cover other expenses and any operating losses you may sustain, whether during your start-up and development stage or beyond. The amount of necessary reserves will vary greatly from franchisee to franchisee and will depend upon many factors, including the

rate of growth and success of your business, which in turn will depend upon factors such as the demographics and economic conditions in the area where your franchise is located, the presence of other franchisees or other public awareness of our program within your general geographic region, your ability to operate efficiently and in conformance with our recommended methods of doing business, and competition.

Because the exact amount of reserves will vary from franchisee to franchisee, we urge you to retain the services of an experienced accountant or financial advisor to develop a business plan and financial projections for your particular operation.

Item 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

Baby Boot Camp

You must purchase a Client Enrollment Kit (includes a Client Lifetime Enrollment Fee) from us for each new Baby Boot Camp client that purchases a class package or monthly membership from you, unless that client has previously paid a Client Lifetime Enrollment Fee to you or another Baby Boot Camp franchisee. This Client Enrollment Kit includes certain exercise equipment necessary for a new client to attend Baby Boot Camp classes.

Diastasis Repair (if offered)

You must purchase a Diastasis Repair Equipment Kit from us for each client that purchases a Diastasis Repair package from you, unless that client has previously purchased a Diastasis Repair Equipment Kit from you or another Baby Boot Camp franchisee. This Diastasis Repair equipment kit includes certain exercise equipment necessary for a new client to participate in Diastasis Repair programs.

Restore the Core (if offered)

You must purchase a Karna Ball from us for each new client that purchases a Restore the Core package from you, unless that client has previously purchased a Karna Ball which they bring to class.

Karna Camp (if offered)

You must purchase a Karna Ball from us for each new client that purchases a Karna Camp package from you, unless that client has previously purchased a Karna Ball which they bring to class.

MOLO Annual Challenge (if offered)

You must purchase a MOLO Annual Challenge Enrollment Kit for each Baby Boot Camp client that wishes to participate in our MOLO Annual Challenge.

We are the only approved supplier for Client Enrollment Kits including resistance tubes and flat or loop bands, and Karna Balls.

Required and Approved Suppliers

You must purchase all exercise equipment (including resistance products such as resistance tubing, weighted and non-weighted balls, stability equipment and agility equipment such as an agility ladder, but excluding exercise or yoga mats) from us or our approved supplier(s). If you purchase from an approved supplier, we may require you to use a specific unique url or purchase code so that we may track purchases by all franchisees so that we can most effectively negotiate our purchasing terms for the benefit of all franchisees. The current list of other approved suppliers of exercise equipment is published on the Business Development Center.

If you require additional copies of our instructor training materials, you or your instructor(s) must purchase these from us.

We require you to use the Client Management Platform provided by Pike13. Your Monthly Service Fee includes a DocuSign license which allows clients to electronically sign waivers and purchase class packages or contracts using the internet or a mobile device. Pike13 will establish a merchant account for you which you are required to use for all of your client purchases on the Pike13 platform.

With the exception of exercise equipment and instructor training materials, we do not require you to purchase or lease from us or from any particular supplier any goods, services, supplies, fixtures, equipment, inventory or real estate. We may from time to time in the future specify suppliers for additional items and if we do, you will be required to purchase from those suppliers.

We do not require you to purchase specific computer hardware or software, but you must have regular access to a computer from which you can access the Internet. You can use a computer at your local library if you do not own one.

We require all instructors teaching Baby Boot Camp Classes or Programs to maintain professional liability insurance with a combined single limit for bodily injury, death or property damage of not less than $1,000,000 per occurrence and $3,000,000 in aggregate claims per year. This requirement may be satisfied by you obtaining a policy with the above limits covering all of your Instructors (including yourself if you teach Baby Boot Camp Classes or Programs) or it may be satisfied by each Instructor purchasing an individual professional liability policy meeting these requirements. We do not require you or your instructors to use any particular insurance provider, providing that the insurance you obtain meets the requirements outlined in the franchise agreement.

As of the issuance date of this Disclosure Document none of our officers owns an interest in any required supplier.

Approval of Alternative Suppliers

If you wish to use the Licensed Marks on apparel that you don't purchase from us you must do so in accordance with the standards and specifications stated in the Operations Manual and the Branding Guidelines. You must present us with information about the apparel supplier on a form made available to you in the Business Development Center and you must send us a sample of each item of apparel on which your propose to use the Licensed Marks, together with drawings and specifications of how you propose to add the Licensed Marks to the item. We will approve or disapprove each item requested in our sole discretion and on an item by item basis, within 15 days from the time we receive the required information. We charge US $35 to review each item. The workmanship and materials must be durable and of high quality and meet our approval.

We may, at our sole discretion and in our sole business judgment, revoke an approval of an alternative apparel item or supplier. We will notify you in writing and at that point you are no longer authorized to purchase additional quantities of such previously approved item(s), but you may, and again at our sole discretion, be allowed to use and distribute any existing inventory for that item(s) that you may have on hand.

We are the only approved supplier for branded apparel.

Revenue from Franchisee Purchases

We estimate that purchases of exercise equipment purchased in accordance with our specifications, including Client Enrollment Kits, will represent less than 10% of your total purchases to establish the business and between 15% and 25% of your ongoing operating costs.

For our fiscal year ended December 31, 2018 our total revenue from all sources was $581,137. Excluding the value of the start-up kit included with a franchise sale or transfer, our revenues from the sale of exercise equipment and additional instructor training materials to franchisees was $43,253 (7.4%).

Currently we do not receive revenue or other benefits from other suppliers in relation to required items purchased by our Franchisees, but we may do so in the future.

Negotiated Prices

We have negotiated a purchase arrangement (including price terms) with the outsourced provider of our Marketing & Print Center and may negotiate similar purchasing arrangements from time to time in the future. We do not have any purchasing or distribution cooperatives.

Material Benefits

We do not provide or withhold material benefits to you (such as renewal rights or the right to purchase additional Locations or to expand your Territory) based on whether or not you purchase through the sources we designate or approve. However, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate your Franchise Agreement.

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 Agreement	Item in Disclosure Document
a. Site selection	Sections 1.7, 1.13 and 2.2	Items 11 and 12
b. Pre-opening purchases/leases	Sections 4, 5 and 7	Items 5, 7 and 8
c. Site development and other pre-opening requirements	Not Applicable	Items 8 and 11
d. Initial and ongoing training	Section 4	Items 6 and 11
e. Opening	Not Applicable	Item 11
f. Fees	Sections 4.1, 4.2, 4.6.5, 5, 8.3, 9.4 and 10.3.3	Items 5, 6 and 7
g. Compliance with standards and policies/Operating manual	Sections 4.5.1, 7 and 8	Items 8, 9, 11, 14, 15, 16 and 17
h. Trademarks and proprietary information	Section 3	Items 8, 13 and 14

Obligation	Section in Agreement	Item in Disclosure Document
i. Restrictions on products/services offered	Section 8	Items 8 and 16
j. Warranty and customer service	Section 7.8	Not Applicable
k. Territorial development and sales quotas	Sections 2.2, 2.3 and 7.7	Item 12
l. Ongoing product/service purchases	Not Applicable	Not Applicable
m. Maintenance, appearance and remodeling requirements	Not Applicable	Not Applicable
n. Insurance	Section 7.11	Items 6, 7 and 8
o. Advertising	Section 6	Items 6, 7, 8 and 11
p. Indemnification	Section 13 of Franchise Agreement, Transfer & Release Agreement	Exhibits B and C
q. Owner's participation/ management/staffing	Sections 4.1, 7.1, 7.2 and 7.3	Item 15
r. Records/reports	Section 4.5.9	Item 11
s. Inspections/audits	Not Applicable	Not Applicable
t. Transfer	Section 11	Items 6 and 17
u. Renewal	Section 9	Items 6 and 17
v. Post-termination obligations	Section 10.3	Item 17

Obligation	Section in Agreement	Item in Disclosure Document
w. Non-competition covenants	Section 12	Item 17
x. Dispute resolution	Section 15	Item 17

Item 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

Item 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations

Within thirty (30) days of you executing the Franchise Agreement, and before you begin providing services to the public, we will provide the following start-up assistance:

1. **Operations Manual**. We will loan you a copy of (or provide you electronic access to) the Operations Manual. (Franchise Agreement – paragraph 4.6.1)
2. **Branding Guidelines**. We will provide you with a copy of our Branding Guidelines. (Franchise Agreement – paragraph 4.6.2)
3. **Start-Up Kit**. We will ship you an (Optional) Start-Up Kit if you elect to purchase a Start-Up Kit at the time you initially purchase your franchise. (Franchise Agreement – paragraph 4.6.3)
4. **Initial Training**. We will provide you with New Owner Orientation Training and Baby Boot Camp Instructor Training materials. (Franchise Agreement – paragraph 4.6.4)
5. **Email Account**. We will provide you with an email account for the duration of your agreement with an address specified by us, in the format: firstname.lastname@babybootcamp.com (Franchise Agreement – paragraph 4.6.5)
6. **Access to the Business Development Center**. We will provide you with a username and password to enable you to access our Business Development Center. We will provide you with training on how information is organized in this repository. (Franchise Agreement – paragraph 4.6.6)

7. **Access to Marketing & Print Center**. We will provide you with a username and password to enable you to access our Marketing & Print Center. We will provide you with training on how materials are organized in this system. (Franchise Agreement – paragraph 4.6.7)
8. **Access to Client Management Platform ("Pike 13")**. We will provide you with a username and password to access the web-based Client Management Console ("Pike 13") that enables you to maintain location details, your online schedule and program and pricing details. This Client Management Console also allows you to enroll clients into your classes and process payments through a mobile device or desktop computer. The Client Management Console incorporates a personal merchant account, provided under a separate agreement with Pike 13, to support your business and that you will link to your business checking account. (Franchise Agreement – paragraph 4.6.8)

Post-Opening Obligations

We have the following obligations to you during the operation of your business:

1. **Systems Access.** We will provide ongoing access to your email account and the various systems noted above.
2. **Client Payment Processing**. Clients may pay for your classes electronically via computer or a mobile device using the "Pike 13" Client Management platform. Funds are deposited into your personal merchant account within 2-3 business days. (Franchise Agreement – paragraph 4.7.2)
3. **Promotional Products**. We will maintain a selection of promotional products that you may order from us or our designated supplier should we outsource this function. (Franchise Agreement – paragraph 4.7.3)
4. **Advertising Materials**. We will provide you with electronic access to advertising materials in Microsoft Word, PDF or other formats of our choice. We shall provide you with a variety of advertising formats suitable for advertisements and flyers. You shall bear all expense for copies and distribution of the materials for use and distribution by you. You shall pay all supply, shipping and other costs associated with ordering advertising materials from us. (Franchise Agreement – paragraph 4.7.4)
5. **Updates to Class Formats**. We, at our discretion, may revise the structure of a Class Format or Program, included with your franchise or purchased separately, including adding or deleting a Class Format originally included with your franchise. If we significantly revise a Class Format, as determined by us, we will provide you with one updated Class Format Training Manual and Exam at no charge. You must use our approved formats for all classes. (Franchise Agreement – paragraph 4.7.5)
6. **Annual Conference**. We will organize an annual franchise owner and instructor conference. You are required to attend this conference annually and will be charged the conference fee on August15th of each year. The conference may be in-person or virtual. (Franchise Agreement – paragraph 4.7.6)

7. **Continuing Consultations.** We will provide a continuing consulting service. (Franchise Agreement – paragraph 4.8)

Advertising

Local Marketing

Your advertising must be in good taste and conform to ethical and legal standards and our brand guideline requirements. You do not need to obtain our approval to use the marketing materials that we make available to you through our store, the Business Development Center or the Marketing & Print Center if you use them in substantially the same form as we provide them. You may not use any other advertising materials in any media, electronic or otherwise, without prior written approval. We will notify you or our approval or disapproval within 7 business days of your submission of other advertising materials to us for our review and base our approval on our published Branding Guidelines and business judgment.

You must at all times maintain up to date information on your Baby Boot Camp website pages which will be accessible to all potential customers using the internet.

We require you, or your instructors, to wear branded apparel when teaching classes in accordance with our Instructor Guidelines, available to you on the Business Development Center and which you must provide to all additional instructors.

National Marketing

We, at our discretion, may advertise the Baby Boot Camp programs in national or regional print media, radio, television, electronic media, or other media of our choice, including direct mail and mailings through our partners and sponsors. We are free to determine whether to advertise in cooperation with a partner or other third-party company.

We may periodically conduct promotional campaigns on a national or regional basis to promote products or marketing themes. You must participate in all promotional campaigns that we may establish for the region in which your franchise is located. (Franchise Agreement – paragraph 7.13)

We anticipate that you will incur little, if any, direct costs to comply with these promotional campaigns, but that you may have to perform additional activities, such as supporting a product sampling initiative within your customer base. We estimate that your participation in promotional campaigns will constitute an insignificant percentage of your costs to establish the business and your future operating costs.

Cooperative Advertising Fund

Historically, through our 2015 franchise program, we required all Franchisees to participate in a centrally managed national cooperative advertising fund as follows:

1. We required all Franchisees to contribute to this cooperative advertising fund. As of April 1, 2015, we required franchisees to contribute US $40 per month
2. We required franchisor owned locations to contribute to this cooperative advertising fund on the same basis as franchisees
3. We required all franchisees to contribute equally to the cooperative advertising fund
4. We administered the fund internally. We provide un-audited financial statements of the fund on the online Business Development Center within 60 days of the end of each fiscal year.
5. We were free to determine how and when to spend the cooperative advertising fund and may accumulate funds for future advertising. Funds not spent in the fiscal year in which they accrue remain in the fund balance until spent on future advertising.
6. We designed advertising materials using either in-house resources or a national, regional or local advertising agency. For advertising materials designed in-house we may charge the fund for the actual costs incurred to develop the advertising, including any employee or independent contractor expenses incurred.
7. We placed advertising in national or regional print media, radio, television, electronic media, or other media of our choice, and may have decided to use direct mail or other means of advertising that we believe is best suited to increase business at Franchised and Company Owned locations.
8. We did not use the cooperative advertising fund for advertising designed primarily to solicit the sale of franchises, although advertising paid for by the fund may have secondary messaging present that indicates franchises are available. We were not obligated to spend any fund amount on advertising in the area or territory a Franchisee was located in.

In 2018 we spent the fund as follows:

• Branding & Creative	51%
• Advertising	7%
• Marketing Communication	28%
• Partner Related Programs	14%
• Administration / Other	0%
Total	100%

The fund had a balance of $0 as of December 31, 2018.

We discontinued contributions to the Cooperative Advertising Fund for new Franchisees with our 2016 Franchise Program. We will continue to report on the Baby Boot Camp Cooperative Fund while franchisees on legacy contracts continue to make contributions to this fund. As of December 2018, only four (4) franchisees continued to contribute to this fund.

There are no other advertising funds.

Advertising Cooperatives

There is no advertising council (comprised of franchisees that advises us on advertising policies), and we are not planning to establish an advertising council.

There are currently no local or regional advertising cooperatives. Should any cooperatives form, we would not mandate that you join such a cooperative, although we may, at our discretion, encourage franchisees to form a regional advertising cooperative by providing co-operative advertising fund matching dollars (at a percentage of our discretion and to be determined on a case by case basis) that we make available to such cooperatives. We would not have the power to require cooperatives to be changed, dissolved or merged.

Time before Opening

We estimate that the length of time between signing a Franchise Agreement and the opening of your franchise is approximately 12 weeks. Factors that affect this estimate include time of year, time to select and secure appropriate locations to deliver classes, weather conditions, ability to obtain appropriately qualified instructors, your diligence in completing required training and acts of others beyond our control.

Location of Your Business

You are unilaterally free to select location(s) at which you offer our programs, provided that these locations are within the geographic boundaries of your franchised Territory (see Item 12 for additional details on how your Territory is defined). We require you to obtain all necessary permits and insurance to lawfully operate at your selected location(s).

We do not select locations for you or approve the locations you select, but these locations must meet the standards and criteria outlined in the Operations Manual.

Pricing

You must set all prices for your products and services. However, we may from time to time recommend certain prices to you. We may require you to offer standard pricing packages (for example, Month to Month memberships, 8 class packs and 16 class packs). If you elect to offer monthly class pricing to your clients, we will mandate that

your monthly pricing be structured in a specific fashion in accordance with our corporate policies. However, as stated above, you will set the specific prices. **You specifically acknowledge that should we introduce a minimum price policy you will adhere to this policy.**

Computer Systems and Equipment

We require you to be able to access a computer, web tablet or smart phone (collectively referred to as a "computer") with a web browser and internet access for the duration of the franchise term so that you can access the Franchise Administration Console to manage certain aspects of your business, market your business on generally available social networking platforms such as Facebook and access our intranet for business development resources. You will also use this computer to access and manage clients, pricing and packages and your web schedule through the FrontDesk platform.

If you do not own a computer you may access our systems through a shared computer, such as one available at your local public library. We do not require you to buy any kind of electronic cash register system or proprietary hardware or software.

We will have independent access to the information and data generated in our websites and through our software partners. There are no contractual limitations on our right to access this information and data.

We currently do not require you to consent to an End User License Agreement ("EULA") governing the terms and conditions under which you use our websites but we may elect to do so in the future. In this case you would be required to consent to the EULA to continue to use our websites.

Business Training

Business Training – New Owner Orientation

We provide a "New Owner Orientation" training program. New Owner Orientation is offered through web-based online training sessions ("webinars") or, at your election, an in-person one-day workshop at our Sarasota, Florida headquarters ("In-person Business Boot Camp"). We require you to complete New Owner Orientation either online or at an In-person Business Boot Camp, within 90 days of executing your Franchise Agreement.

New Owner Orientation is delivered by various members of our Corporate Team. Ms. Horler has overall responsibility for our New Owner Orientation training curriculum. Ms. Horler has been a certified fitness professional since 1997 and holds a Masters of Science degree in Nutrition.

NEW OWNER ORIENTATION TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Establishing Your Franchised Business	2	0	Online (webinar) OR Sarasota, Florida (in-person)
Marketing Your Business	2	0	Online (webinar) OR Sarasota, Florida (in-person)
Business Administration	2	0	Online (webinar) OR Sarasota, Florida (in-person)
Website Administration and Record Keeping	2	0	Online (webinar) OR Sarasota, Florida (in-person)

If you wish to attend the In-person Business Boot Camp you must inform us within 10 days of signing your Franchise Agreement and we will schedule the workshop within 50 days of your request. You are required to pay the workshop fee a minimum of 30 days prior to the scheduled workshop.

You must complete New Owner Orientation online within 60 days of executing your Franchise Agreement. If you do not complete New Owner Orientation you will not be able to open your franchised business until we are satisfied you have completely reviewed all subjects included in New Owner Orientation.

Ms. Battaglia also provides coaching and support as needed in the use of our systems. You may request additional coaching via emailing them. In addition, our Corporate Team provides ongoing coaching and business support through monthly conference calls or webinars.

All New Owner Orientation training materials, together with the Operations Manual, are confidential and proprietary materials of Inspiring Wellness LLC.

Training Fees – New Owner Orientation

We do not charge any fee for your online training, or for our standard phone or Internet based coaching and support.

If you wish to attend the In-person Business Boot Camp we charge a fee of US $399 per attendee, not including your costs of travel, meals and accommodation. The In-person Boot Camp is held at our Sarasota, Florida, headquarters.

Business Training – MOLO Annual Challenge

We provide a "MOLO Annual Challenge" business training program for Franchise Owners to support the MOLO Annual Challenge for Baby Boot Camp clients that happens in February of each year. MOLO Annual Challenge training is offered through web-based online training sessions ("webinars").

You are not required to offer the MOLO Annual Challenge to your clients, although we highly encourage our Franchise Owners to participate in this Annual Challenge as it can significantly boost your local business, both with new client enrollment and with enhanced client motivation and satisfaction.

MOLO Annual Challenge training is delivered by various members of our Corporate Team. Ms. Horler has overall responsibility for our MOLO Annual Challenge training curriculum. Ms. Horler has been a certified fitness professional since 1997 and holds a Masters of Science degree in Nutrition.

MOLO ANNUAL CHALLENGE TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
1) MOLO Overview	1	0	Online (webinar)
2) Guide to MOLO	3	0	Online (guide)
Benefits of running MOLO			
Program overview, local marketing, pricing			
Fitness testing, social media, ongoing support			
Checklist			

Training Fees – MOLO Annual Challenge Business Training

We do not charge any fee for a Principal Owner, or their designated instructor, to take the MOLO Annual Challenge Business Training program. In order to

support the MOLO Annual Challenge for any given year the Principal Owner, or their designated instructor, must complete the training program for that particular year.

Instructor Training and Certification

General

Ms. Horler, our CEO & Founder, oversees our overall Instructor Training and Certification Programs. Ms. Horler has been a certified fitness professional since 1997, an ACE® certified personal trainer since 1999 and an AFAA certified group exercise instructor since 2006. She is a certified prenatal and postpartum fitness instructor, certified Pilates instructor and certified yoga instructor. Ms. Horler is a continuing education provider for ACE and AFAA, a regular presenter at national fitness conventions and writes for several industry newsletters and magazines on fitness and nutrition. Ms. Horler developed the current version of our Nutrition Solutions Training materials in conjunction with Rebecca Kloss, RD, MS. Ms. Kloss graduated from San Diego State University with a Masters degree in Nutritional Science in 2006 and has been a Registered Dietitian since 2007. Ms. Horler completed her Masters of Science degree in Sports & Fitness Nutrition from Northeastern University in December 2015.

We typically release a significant update to our Instructor Training Materials every two years, reflecting evolution of our class formats and incorporating additional research on the fundamentals of prenatal and postpartum exercise as this research becomes available. Our instructor training programs were last updated as follows: Baby Boot Camp (February 2019), Diastasis Repair (April 2019), Restore the Core (January 2019), Karna Camp (January 2019), Run Training (September 2018), and Nutrition Solutions (October 2018).

We provide electronic access to printed Instructor Training Materials in the Business Development Center (with the exception of any published books). Additional Instructor Training Materials are available for purchase through our online store. We require any Instructor, including you if you will be teaching classes yourself, to complete our Instructor Training Program and pass the Instructor Examination to our satisfaction, prior to teaching any classes.

Our Instructor Training Materials, although comprehensive, assume a certain level of fitness training knowledge and qualifications. Accordingly we require all instructors to also maintain an approved fitness certification (such as personal trainer or group exercise instructor) from an ICE-approved fitness certifying organization (such as ACE, AFAA, ACSM, NASM) and to be current with all on-going continuing education requirements prior to taking our Instructor Training.

At our discretion we may make additional training options available, covering items that we deem to be of interest to franchise owners. Should we make such additional training available then we may offer it as in-person training or via distance learning, at our sole discretion. We may elect to charge for such training or to make it available for free provided that you are in good standing under the terms of your Franchise

Agreement. Should we offer such additional training we will notify you and, potentially, your Instructors, but attendance at such training will be strictly optional. Each participant that attends any in-person training will be responsible for paying their own travel and living expenses to attend.

Instructor Training and Certification – Baby Boot Camp

BABY BOOT CAMP INSTRUCTOR TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Baby Boot Camp 1) Fundamentals of Prenatal and Postpartum Fitness Covers impact of pregnancy on women & exercise; prenatal & postnatal exercise programming; common issues & modifications; instructor standards. 2) Baby Boot Camp class structure.	5 2-4	0-8[1] We provide 2–4 hours of class instruction training each year at our annual conference.	Home Study Nearby franchise locations; Our annual conference

[1] We encourage new Franchise Owners and Instructors to attend, train with and co-teach with existing instructors if there are established Baby Boot Camp classes in the general vicinity of the new franchise owner. This may or may not be feasible based on geographical considerations.

Training Fees – Baby Boot Camp Instructor Training

Baby Boot Camp Instructor Training is included with the franchise for the Principal Owner.

We will train and certify additional Instructors to teach Baby Boot Camp classes upon your request for an Instructor Certification Fee of US $149. We expect that Instructors will pay these fees directly to us.

Recertification Requirements – Baby Boot Camp Instructor Training

We require all Instructors (including Instructors who are Franchise Owners) to be recertified every two (2) years. The recertification Fee for Instructors is $99. We do not charge a fee for recertifying a Franchise Owner.

Continuing Education Credits – Baby Boot Camp Instructor Training

We provide Continuing Education Credits (CECs) for Instructors that successfully pass the Baby Boot Camp Instructor Examination. Current details and specifications for the Instructor Training Program, including available CECs, are available in the Baby Boot Camp online store and our Business Development Center

.

Instructor Training and Certification – Additional Programs

ADDITIONAL PROGRAMS INSTRUCTOR TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Diastasis Repair **1)** Introduction Program Overview, Female Anatomical Structure & Birth Recovery, Diastasis Recti Assessments, SPD, C-section, Pelvic Pain, Posture, Alignment, Postpartum Abdominal Binding. Physical, Emotional, and Social Changes. Returning to Baby Boot Camp Classes. Birth Recovery Modifications. Six to 16-week Rule. Sixteen-week Postpartum Assessment. **2)** Diastasis Repair Program Course Objectives, Session One through Four Movements.	8		Online or in-person at our annual conference or at a location of our choosing.

ADDITIONAL PROGRAMS INSTRUCTOR TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Restore the Core 1) **Fundamentals** Covers female lifecycle, anatomical structure, and pelvic core fundamentals. 2) **Restore the Core Class Structure**	**5** **3**	4	**Educational Video** Online or In-person. In person may be at our annual conference or a location of our choosing.
Karna Camp 1) Fundamentals of Karna Camp Covers Female lifecycle, anatomical structure, and pelvic core fundamentals. 2) Karna Camp Class Format structure	5 3	4	Educational video Online or In-person. In person may be at our annual conference or a location of our choosing.

ADDITIONAL PROGRAMS INSTRUCTOR TRAINING			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Run Training 1) 5K Training Program ("5KTP") 2) Half Marathon Training Program ("HMTP") 3) Run Club Leaders Guide.	3 3 3	0	Home Study
Nutrition Solutions 4-Week Intensive Workshop. Learn how to teach women to make small changes to their eating and activity behaviors.	5	0	Home Study

Training Fees – Additional Programs

The Instructor Training Fee for each Additional Program is US $149.

These fees apply for Franchise Owners and Instructors. We expect that Instructors will pay these fees directly to us.

Training Policies – Additional Programs

Before an instructor may be certified to lead Diastasis Repair Programs they must be a current certified Baby Boot Camp instructor.

Recertification Requirements – Additional Programs

We require all Instructors (including Instructors who are Franchise Owners) to be recertified every twelve (12) months. The Annual Recertification Fee is $49.

Continuing Education Credits – Additional Programs

We provide Continuing Education Credits (CECs) for Instructors that successfully pass the Additional Programs Instructor Examination. Current details and specifications for the Additional Programs Instructor Training Program, including available CECs, are available in the Baby Boot Camp online store and our Business Development Center.

Operations Manual

We have attached as Exhibit "D" a copy of the table of contents of our Operations Manual as of March 31, 2019 (212 pages).

Item 12. TERRITORY

Territory

Your Territory means the contiguous geographic region within which you are authorized to operate the franchised business. Your Territory will be defined in an Exhibit to your Franchise Agreement and is defined in terms of zip codes. We may, at our sole discretion, define your Territory to include a portion of a zip code, but our general operating practice is that a Territory must consist of one or more complete and contiguous zip codes. A Territory may not exclude wholly encircled zip codes. We use government census data to determine Territory population and may consider other factors, such as hospitals, doctors' offices and parks when working with you to finalize your Territory.

The total population of your Territory must generally be a minimum of 60,000 to provide a viable demographic of people in your target audience who are located within a reasonable driving distance

Tier	Territory Population
1	Up to 100,000
2	Up to 200,000
3	Up to 300,000

Each Territory is exclusive, meaning that we may not directly operate, or authorize another franchisee to operate Baby Boot Camp programs from physical locations within your Territory.

We retain the right to sell goods (but not fitness classes) through mail order, internet, television, newspaper and any other advertising media to consumers located anywhere, including within your territory. We do not pay any compensation for retail orders accepted from clients within your territory.

You are free to advertise and to sell products and services to consumers living outside your Territory, including advertising over the internet, but as noted above you may only operate Baby Boot Camp programs at locations within your Territory. We do not restrict your advertising, sales or distribution channels, other than requiring you to comply with our Branding Guidelines for all advertising. If you distribute advertising materials through physical locations in another franchise owner's territory or participate in marketing events located in another franchise owner's territory, we require you to comply with our "Cooperative Marketing Guidelines" which, amongst other items, require you to inform the other owner of your marketing activities and to use marketing materials that either direct the consumer to our website or that include contact information for both franchises involved.

Your territorial exclusivity is dependent upon you remaining in good standing under your contract with us, and is not contingent upon any other factors and may not be altered, other than by mutual agreement in writing, once awarded.

You may change the locations at which you offer classes within your Territory at any time, for no fee. You may change your Territory in the future, including completely relocating your business, providing that: you are in good standing under your Franchise Agreement and any other agreement(s) you may have with us; you release us from any claims that may arise in your original Territory; you pay the Territory Change Fee in effect at the time; and your requested new Territory is available.

We do not grant any first rights of refusal or similar rights to acquire additional franchises within adjacent territories. We do allow you to upgrade your franchise tier, or to acquire additional franchises, should such adjacent territory be available.

Although we have not established, and have no current plans to establish, other franchises or company-owned outlets offering similar products or services under a different trademark, we are not restricted from doing so.

Modification of Your Rights in the Territory

We grant our Franchise in anticipation of you operating your franchise in accordance with the System Standards outlined in our Operations Manual, the Instructor Handbook, the Branding Guidelines and the other Manuals that we provide. Should you fail to operate your franchise in compliance with these System Standards, we may reduce, modify or eliminate your rights in the Territory, including any right of first refusal.

Item 13. TRADEMARKS

Under the terms of the Franchise Agreement, we grant you the non-exclusive right to operate your business under the principal service mark "Baby Boot Camp" and to use the associated logos and other trademarks (collectively referred to as the "Marks") in connection with the operation of your franchise and in compliance with our Branding Guidelines.

We are the owner of all right, title and interest in our trade name and trademarks and has received registration of the following Marks on the principal register of the U.S. Patent and Trademark Office:

Mark	Type	Registration / Application Number	Registration / Application Filing Date
Baby Boot Camp	Word mark	Reg. No. 3,922,549	Reg. Date Feb 22, 2011
Baby Boot Camp	Design	Reg. No. 3,206,852	Reg. Date Feb 6, 2007
Be fit. Be strong. Be together.	Word mark	Reg. No. 3,273,870	Reg. Date Aug 7, 2007
Bring your baby. Get fit.	Word mark	Reg. No. 3,392,801	Reg. Date Mar 4, 2008
STROLLERFIT	Word mark	Reg. No. 2,279,881	Reg. Date Sep 21, 1999
STROLLERFIT. EXERCISE WITH YOUR BABY.	Word mark	Reg. No. 3,027,493	Reg. Date Dec 13, 2005
STROLLERFIT. EXERCISE WITH YOUR BABY.	Design	Reg. No. 3,203,545	Reg. Date Jan 1, 2007
STROLLERFRIENDS	Word mark	Reg. No. 3,027,407	Reg. Date Dec 13, 2005
STROLLFIT	Word mark	Reg. No. 4,023,067	Reg. Date Sep 6, 2011
STROLLGA	Word mark	Reg. No. 3,984,072	Reg. Date Jun 28, 2011
MOM STRONG	Word mark	Reg. No. 4,854,673	Reg. Date Nov 17, 2015

Karna Fitness	Word mark	Reg. No. 3,988,523	Reg. Date Jul 15, 2011
Restore the Core	Word mark	Reg. No. 3,605,551	Reg. Date Apr 14, 2009
Core9	Word mark	Reg. No. 5,281,643	Reg. Date Sep 5, 2017

We have filed all required affidavits. There are currently no material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of this State or any court; pending infringement, opposition or cancellation; and pending material litigation involving the Marks.

We have received registration of the following Marks in the trademarks database of the Canadian Intellectual Property Office:

Mark	Type	Registration / Application Number	Registration / Application Filing Date
Baby Boot Camp	Word mark	Reg. No. TMA796057	Reg. Date Apr 21, 2011

There are no agreements presently in effect that would significantly limit our rights to use or license the use of our Marks and we do not know of any infringing use or litigation that could significantly affect the ownership or use of our Marks.

In addition to the Marks that we own, we have licensed the following Marks from Fit Revolution, Inc.: MOMMYMUSCLE and FIT AS A FAMILY (the "FRI Marks"). The License Agreement grants us the right to use and sublicense these Marks on a perpetual basis provided that we remain in good standing with the other terms of the License Agreement.

In the event of a challenge to your use of our Marks, including the FRI Marks, we will take the action we think appropriate. We, alone, have the sole and exclusive right to control any legal action or proceeding including settlement involving service mark infringement or unfair competition against you or others. We will prosecute or defend an action at our sole discretion. You must notify us immediately upon learning about any infringement or challenge so we can take whatever action we deem is necessary. We may take over the defense of such claim at any time and settle it as we think fit.

You must follow our rules when you use these Marks. You cannot use our name or any of our Marks as part of a corporate name or with modifying words, designs or symbols. You may not use our name or Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

You must modify or discontinue the use of a Mark if we require you to do so. If this happens, we are not required to reimburse you for any costs of discontinuance of the

old Mark or establishment of the new Mark. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

Item 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents material to the franchise. We own the copyrights to a variety of materials including the Operations Manual and the Class Format Handbooks.

You must operate your franchise in accordance with our standards, specifications, policies and procedures as stated in the Operations Manual or otherwise communicated to you. You must treat the information contained in the Operations Manual and any other manuals or supplemental material supplied by us as confidential. The Operations Manual is our property and you may not duplicate, copy, disclose or disseminate the contents of the Operations Manual at any time, without our prior written consent. We have the right to modify or supplement the Operations Manual upon notice or delivery to you.

You may not divulge or use any confidential information concerning our methods or procedures during or after the term of the Franchise Agreement. Information made available to you may not be divulged to any person other than your employees, independent contractors or financial advisors who reasonably need access to such information for purposes of fulfilling their employment or contractual responsibilities. All persons to whom the information, or any of it, is made available shall be informed of this obligation of confidentiality.

You must promptly tell us when you learn about unauthorized use of our confidential information. We are not obligated to take any action but will respond as we think appropriate.

Item 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We require you to personally supervise the franchised business. You must devote at least 10 hours per week to the management of your franchised business, including your time teaching Baby Boot Camp Classes and Programs.
We require all Instructors who teach Baby Boot Camp Classes and Programs, including owner instructors, to: 1) be a Qualified Fitness Instructor (as defined in section 1.1 of the Franchise Agreement); 2) maintain appropriate professional liability insurance; and 3) have successfully passed the Instructor Examination(s) to our satisfaction for the Classes and Programs being taught, including recertifying as an Instructor every two years.

We require you to require Instructors to sign an employee agreement or independent contractor agreement covering, at a minimum, the requirements outlined above.

Item 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer those services and sell those products that have been designated in writing by us to be consistent with our program. All goods and services you deliver to the public must meet the standards stated in the Confidential Operations Manual and other written publications. Those specifications and standards may be modified by us from time to time and the modifications are effective at such time as we may disclose to you in writing or by posting to the Business Development Center. We have the right to make changes to the Fitness Programs we require you to deliver, including any required products that are associated with these Programs, at any time. There are no restrictions on our rights to make such changes.

You may not use our name, trademarks, service marks, trade names, logotypes or commercial symbols in any business other than the franchised business or to sell any product or service not approved by us. From time to time, we may designate approved suppliers for certain products or services you use or offer, and all such products and services must be acquired from an approved vendor.

You must set all prices for your products and services. However, we may from time to time recommend certain prices to you and reserve the right to implement a Minimum Approved Pricing (MAP) policy.

Item 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	9.1 and 9.2	Initial term is three (3) years from the date of execution of the Franchise Agreement.
b. Renewal or extension of the term	9.2	You can renew providing you are not in default or in violation of the Franchise Agreement or any other agreement with us. You will renew by executing the then current Franchise Agreement, under the terms in effect at the time, including new monthly service fees, cooperative advertising fees and so on, and by paying the appropriate renewal fee. The new Franchise Agreement may include materially different terms. However, we cannot alter your Territory Definition or Tier as a condition of renewal nor increase your Monthly Service Fee more than 5% on renewal (and at the end of any year during the Term).
c. Requirements for franchisee to renew or extend	9.2	Sign then current Franchise Agreement, pay renewal fee, be in good standing under terms of all existing agreements with us.
d. Termination by Franchisee	10.1	You may terminate the Agreement for cause if we violate our material obligations to you and fail to cure such violation within 60 days after our receipt of written notice from you. You may terminate the Agreement for any reason by providing six (6) months written notice of your intent to terminate and payment of the appropriate Termination Fee.

THE FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
e. Termination by franchisor without cause	10.2 and 10.3	We can terminate only if you default.
f. Termination by franchisor with cause	10.2 and 10.3	We can terminate only for cause. Depending on the type of cause, we will give you an opportunity to cure (see g below) or termination will be effective on receipt of notice without opportunity to cure (see h below).
g. "Cause" defined – curable defaults	10.2	10 days to cure: Operation of business materially and adversely affects goodwill; default of any provision of franchise agreement or other agreement between the parties not covered by section 10.3; failure to follow directives and policies in Operations Manual; and failure to open your business within the agreed upon time with us. 5 days to cure: Attachment of involuntary lien over US $1,000; failure to make timely payment of sums payable under the franchise agreement; and failure to pay all debts and obligations when due.

THE FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
h. "Cause" defined – defaults which cannot be cured	10.3	Non Curable Defaults: Transfers without our prior written consent; you become insolvent; you abandon business for 30 consecutive days (except due to fire, flood, etc. where you promptly recommence operations); material misrepresentations; your failure to comply with laws; repeated breaches of franchise agreement even if cured; failure to maintain required licenses or permits; we terminate any other agreement with you for good cause; disclosure of contents of Operations Manual or other confidential information; franchisee or principal owner convicted of felony or criminal misconduct; failure to complete required training; and we determine danger to public health.
i. Franchisee's obligations on termination or non-renewal	10.4	Obligations include complete de-identification, payment of all fees including Termination Fee and return of proprietary materials. Also see r below.
j. Assignment of contract by franchisor	11.1	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	11.2 and 11.5	Includes transfer of contract or assets or ownership change.
l. Franchisor approval of transfer by franchisee	11.2, 11.3 and 11.4	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for franchisor approval of transfer	11.3 and 11.4	New franchisee qualifies, transfer fee paid, release signed by you, current agreement signed by new franchisee and no defaults under existing agreement.

THE FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	11.6	We can match any offer.
o. Franchisor's option to purchase franchisee's business	11.6	Except for right of first refusal as explained in item n above, we have no right or option to purchase your business.
p. Death or disability of franchisee	11.7	The franchise must be assigned by estate to approved transferee within 3 months.
q. Non-competition covenants during the term of the franchise	12	You cannot directly or indirectly operate a competing business in your Territory or any Territory in which any BBC franchisee or licensee is located. A liquidated damages provision applies should you breach the non-competition provisions.
r. Non-competition covenants after the franchise is terminated or expires	12	Same as item q above for two (2) years after termination of the Franchise.
s. Modification of the agreement	19	No modifications generally but Operations Manual, Instructor Training and systems subject to change.
t. Integration/merger clause	15.1, 15.14.2 and 20.4	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	15.3	Except for certain claims, all disputes must be arbitrated in Sarasota, Florida in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

THE FRANCHISE RELATIONSHIP		
Provision	Section in Franchise Agreement	Summary
v. Choice of forum	15.4	All litigation, court proceedings, lawsuits, arbitration and other hearings must be in Sarasota, Florida, subject to state law.
w. Choice of law	15.1	Florida law applies, subject to state law.

Item 18. PUBLIC FIGURES

We do not use any public figures to promote our franchise.

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 franchise and/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 provided in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet that 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised locations. 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 franchise, the existing franchisee may provide you with actual records of that franchise. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our Chief Compliance Officer, Mark Horler, at 8830 S. Tamiami Trail, Suite 100, Sarasota, Florida 34238, 941.953.5000 management@babybootcamp.com; the Federal Trade Commission; and the appropriate state regulatory agencies.

Item 20. OUTLETS AND FRANCHISEE INFORMATION

Table 1: Systemwide Outlet Summary for Years 2016 to 2018

State	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2016	90	90	0
	2017	90	84	-6
	2018	84	83	-1
Company Owned	2016	1	1	0
	2017	1	1	0
	2018	1	1	0
Total	2016	91	91	0
	2017	91	85	-6
	2018	85	84	-1

Table 2: Transfer of Outlets from Franchisee to New Owners (other than the Franchisor) for Years 2016 to 2018

State	Year	Number of Transfers
California	2016	2
	2017	4
	2018	2
Florida	2016	1
	2017	1
	2018	1
Indiana	2016	0
	2017	1
	2018	0
Louisiana	2016	0
	2017	1
	2018	1
Minnesota	2016	0
	2017	1
	2018	0

State	Year	Number of Transfers
Nebraska	2016	0
	2017	1
	2018	0
New Jersey	2016	0
	2017	0
	2018	2
New York	2016	2
	2017	0
	2018	0
Ohio	2016	0
	2017	0
	2018	0
Oklahoma	2016	0
	2017	0
	2018	1
Oregon	2016	1
	2017	0
	2018	0
Texas	2016	2
	2017	2
	2018	1
Total	2016	8
	2017	11
	2018	8

Table 3: Status of Franchised Outlets for Years 2016 to 2018

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Not Renewed	Re-acquired	Ceased Other Reasons	Outlets at End of Year
Arizona	2016	1						1
	2017	1						1
	2018	1						1
California	2016	23	2	1	2		1	21
	2017	21	2		2		3	18
	2018	18	1		4			15

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Not Renewed	Re-acquired	Ceased Other Reasons	Outlets at End of Year
Colorado	2016	0	1					1
	2017	1					1	0
	2018	0	1					1
Connecticut	2016	2					2	0
	2017	0						0
	2018	0						0
Florida	2016	12	4		1			15
	2017	15	5	3	1		2	14
	2018	14			1			13
Georgia	2016	2					1	1
	2017	1						1
	2018	1						1
Hawaii	2016	0						0
	2017	0						0
	2018	0						0
Illinois	2016	2						2
	2017	2						2
	2018	2	1					3
Indiana	2016	2						2
	2017	2						2
	2018	2						2
Kansas	2016	0						0
	2017	0						0
	2018	0						0
Kentucky	2016	0	1					1
	2017	1						1
	2018	1						1
Louisiana	2016	5	2					7
	2017	7						7
	2018	7	1		1			7
Maryland	2016	1					1	0
	2017	0						0
	2018	0						0
Massachusetts	2016	3	1				1	3
	2017	3						3
	2018	3			1			2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Not Renewed	Re-acquired	Ceased Other Reasons	Outlets at End of Year
Michigan	2016	0						0
	2017	0						0
	2018	0						0
Minnesota	2016	2						2
	2017	2			1			1
	2018	1						1
Missouri	2016	2					1	1
	2017	1						1
	2018	1						1
Nebraska	2016	0	1					1
	2017	1						1
	2018	1						1
Nevada	2016	1						1
	2017	1	1					2
	2018	2		1				1
New Jersey	2016	5						5
	2017	5	1		2			4
	2018	4	1					5
New Mexico	2016	1						1
	2017	1						1
	2018	1	1					2
New York	2016	2						2
	2017	2						2
	2018	2						2
North Carolina	2016	0	1					1
	2017	1						1
	2018	1	2					3
Ohio	2016	2						2
	2017	2			1			1
	2018	1						1
Oklahoma	2016	1						1
	2017	1						1
	2018	1						1
Oregon	2016	4	1				1	4
	2017	4	1		1			4
	2018	4		1				3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Not Renewed	Re-acquired	Ceased Other Reasons	Outlets at End of Year
Pennsylvania	2016	2		1			1	0
	2017	0	1					1
	2018	1						1
South Carolina	2016	0						0
	2017	0						0
	2018	0	2				1	1
Tennessee	2016	1					1	0
	2017	0						0
	2018	0						0
Texas	2016	12	2		2		1	11
	2017	11	1					12
	2018	12	2	1				13
Virginia	2016	1						1
	2017	1						1
	2018	1						1
Washington	2016	3						3
	2017	3			1			2
	2018	2			2			0
Total (US Only)	2016	90	16	2	5		9	90
	2017	90	12	3	9		6	84
	2018	84	12	3	9		1	83
International	2016	1			1			0
	2017	0						0
	2018	0						0
Totals	2016	91	16	2	6		9	90
	2017	90	12	3	9		6	84
	2018	84	12	3	9		1	83

One Franchise Owner transferred her existing franchise from South Carolina to Texas. We show this franchise as "Ceased Other Reasons" in South Carolina and as "Outlet Opened" in Texas in the above table.

Table 4: Status of Company-Owned Outlets for Years 2016 to 2018

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Sold to Franchisees	Outlets at End of Year
Florida	2016	1					1
	2017	1					1
	2018	1					1
Total	2016	1					1
	2017	1					1
	2018	1					1

Table 5: Projected Openings during Fiscal Year (2019)

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California		3	
Florida		2	
Illinois	1		
Texas		2	
Total	1	7	0

Exhibit E lists the name, city and phone numbers of all current franchisees as of December 31, 2018.

Exhibit E lists the name, city and last known phone number of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during 2018 or who has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise your contact information may be disclosed to other buyers when you leave the franchise system.

We have not required any former franchisees to sign a separate confidentiality agreement or clause in the last three (3) years as a condition of terminating or selling their franchise. However, they may not be able to answer all the questions that you ask them due to the confidentiality clause in Section 12.2 of the Franchise Agreement which survives for three years from the date of terminating their franchise.

There are no formal franchisee associations that we sponsor or that have requested to have contact information included in this Franchise Disclosure Document.

Item 21. FINANCIAL STATEMENTS

The following financial statements are attached as Exhibit A:

- Audited Financial Statements as of December 31, 2018, December 31, 2017 and December 31, 2016.

Item 22. CONTRACTS

Attached as Exhibit B is a copy of our current form of Franchise Agreement.

Attached as Exhibit C is a copy of our current Transfer & Release Agreement that we require you to sign when selling your Franchise.

Item 23. RECEIPTS

You will find copies of a detachable receipt in Exhibit I at the very end of this Disclosure Document.

Franchise Disclosure Document

Exhibits

A. Financial Statements ..... A1 to A12

B. Franchise Agreement ..... B1 to B37

C. Transfer & Release Agreement ..... C1 to C5

D. Table of Contents of Operations Manual ..... D1 to D3

E. List of Current & Former Franchisees ..... E1 to E4

F. List of State Administrators ..... F1 to F4

G. Copies of Notices of Negotiated Sales G1

H. State Specific Addenda ..... H1 to H28

I Receipt ..... I1 to I3

A. Financial Statements

C O N T E N T S

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Statements of Cash Flows	5
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HBK CPAs & Consultants

March 25, 2019

The Board of Directors and Members
Inspiring Wellness LLC
Sarasota, Florida

Independent Auditor's Report

We have audited the accompanying financial statements of Inspiring Wellness LLC (the Company), which comprise the balance sheets as of December 31, 2018, 2017 and 2016, and the related statements of income and members' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Inspiring Wellness LLC as of December 31, 2018, 2017 and 2016, and the results of it's operations and it's cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

HILL, BARTH & KING LLC | 1777 MAIN STREET, SUITE 301, SARASOTA, FLORIDA 34236 | TEL 941-957-4242 FAX 941-366-4296 | HBKCPA.COM

Change in Accounting Principle

As described in Note A to the financial statements, as of January 1, 2018, the Company adopted ASU 2014-09, Revenue from Contracts with Customers (Topic 606). Our opinion is not modified with respect to this matter.

Hill, Barth & King LLC

Certified Public Accountants

BALANCE SHEETS

INSPIRING WELLNESS LLC

December 31, 2018, 2017 and 2016

	2018	2017	2016
ASSETS			
CURRENT ASSETS			
Cash	**$ 6,487**	$ 13,376	$ 7,685
Accounts receivable, net of allowance for doubtful accounts of $6,118, $0 and $1,386 for 2018, 2017 and 2016, respectively	**20,302**	23,830	13,781
Note receivable - NOTE E	**10,000**	10,000	10,000
Inventory	**26,485**	29,468	32,497
Prepaid expenses	**3,945**	3,946	5,989
TOTAL CURRENT ASSETS	**67,219**	80,620	69,952
PROPERTY AND EQUIPMENT - NOTE B	**5,493**	12,336	12,587
OTHER ASSETS			
Note receivable - NOTE E	**30,000**	30,000	60,000
Intangibles, net of accumulated amortization of $79,135, $78,781, and $78,468, for 2018, 2017 and 2016, respectively	**3,407**	879	1,191
TOTAL OTHER ASSETS	**33,407**	30,879	61,191
	$ 106,119	$ 123,835	$ 143,730
LIABILITIES AND MEMBERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable	**$ 45,200**	$ 28,420	$ 39,856
Accrued liabilities	**23,552**	25,582	23,904
Current portion of contract liabilities	**49,847**	0	0
Current portion of long-term debt - NOTE C	**0**	5,817	5,513
TOTAL CURRENT LIABILITIES	**118,599**	59,819	69,273
CONTRACT LIABILITIES LESS CURRENT PORTION	**38,728**	0	0
LONG-TERM DEBT LESS CURRENT PORTION - NOTE C	**0**	22,416	47,438
MEMBERS' EQUITY (DEFICIT)	**(51,208)**	41,600	27,019
	$ 106,119	$ 123,835	$ 143,730

See accompanying notes to financial statements

STATEMENTS OF INCOME AND MEMBERS' EQUITY (DEFICIT)

INSPIRING WELLNESS LLC

Years ended December 31, 2018, 2017 and 2016

	2018	2017	2016
REVENUE FROM CONTRACTS WITH CUSTOMERS			
Licensing and franchising	**$ 80,548**	$ 85,805	$ 79,622
Monthly fees	**235,293**	234,212	238,251
Training	**40,667**	39,486	57,299
Product sales	**122,704**	136,784	141,941
Nutrition programs	**76,602**	71,506	66,194
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	**555,814**	567,793	583,307
COSTS OF GOODS SOLD	**103,042**	112,017	118,689
GROSS PROFIT	**452,772**	455,776	464,618
OPERATING EXPENSES			
Corporate expenses	**83,224**	41,643	44,660
General manager	**49,354**	91,650	72,258
Franchise development	**42,532**	24,997	8,650
Marketing	**78,890**	66,358	77,806
Franchise support	**43,697**	34,158	50,345
Information technology	**49,372**	51,721	38,247
Legal	**23,778**	23,375	23,509
Finance	**44,933**	53,324	64,513
Depreciation and amortization	**5,198**	4,659	2,541
Loss on disposal of property and equipment	**0**	0	6,175
	420,978	391,885	388,704
INCOME FROM OPERATIONS	**31,794**	63,891	75,914
OTHER INCOME (EXPENSES)			
Other income	**26,303**	40,777	54,229
Interest income	**1,200**	2,100	2,700
Interest expense	**(2,903)**	(5,022)	(8,693)
	24,600	37,855	48,236
NET INCOME	**56,394**	101,746	124,150
MEMBERS' EQUITY (DEFICIT)			
Beginning of year as previously reported	**41,600**	27,019	690
Prior period adjustment - NOTE A	**(88,663)**	0	0
Beginning of year as restated	**(47,063)**	27,019	690
Distributions	**(60,539)**	(87,165)	(97,821)
End of year	**$ (51,208)**	$ 41,600	$ 27,019

See accompanying notes to financial statements

STATEMENTS OF CASH FLOWS

INSPIRING WELLNESS LLC

Years ended December 31, 2018, 2017 and 2016

	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	**$ 56,394**	$ 101,746	$ 124,150
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**5,198**	4,659	2,541
Loss on disposal of property and equipment	**0**	0	6,175
(Increase) decrease in accounts receivable	**3,528**	(10,049)	2,001
Decrease in inventory	**2,983**	3,029	6,850
(Increase) decrease in prepaid expenses	**1**	2,043	(3,259)
Increase (decrease) in accounts payable	**16,780**	(11,436)	(28,199)
Increase (decrease) in accrued liabilities	**(2,030)**	1,678	(5,377)
Decrease in contract liabilities	**(88)**	0	0
NET CASH PROVIDED BY OPERATING ACTIVITES	**82,766**	91,670	104,882
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	**(883)**	(4,096)	(10,723)
NET CASH USED IN INVESTING ACTIVITES	**(883)**	(4,096)	(10,723)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions	**(60,539)**	(57,165)	(75,821)
Payments on long-term debt	**(28,233)**	(24,718)	(25,619)
NET CASH USED IN FINANCING ACTIVITIES	**(88,772)**	(81,883)	(101,440)
NET INCREASE (DECREASE) IN CASH	**(6,889)**	5,691	(7,281)
CASH			
Beginning of year	**13,376**	7,685	14,966
End of year	**$ 6,487**	$ 13,376	$ 7,685
OTHER SUPPLEMENTARY CASH FLOW INFORMATION			
Cash paid during the year for:			
Interest	**$ 2,903**	$ 5,022	$ 8,693
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Reclassification of notes receivable - officers as distributions	**$ 0**	**$ 30,000**	**$ 20,000**
Vehicle disposal made as a distribution to members	**$ 2,000**	**$ 0**	**$ 2,000**
Prior period adjustment	**$ 88,663**	**$ 0**	**$ 0**

See accompanying notes to financial statements

NOTES TO FINANCIAL STATEMENTS

INSPIRING WELLNESS LLC

December 31, 2018, 2017, and 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business:
Inspiring Wellness LLC (the Company) formerly known as Baby Boot Camp, LLC is a Florida Limited Liability Company formed on October 29, 2005. The Company acquired the contracts and assets of a previously formed California Limited Liability Company with the same name and owner. In July 2006, the Company commenced franchising the "Baby Boot Camp" fitness program. In March 2010, the Company commenced franchising a second fitness program "Kärna Fitness". In April 2010, the Company acquired the franchising assets of Stroller Fit, Inc., a national competitor. The Company franchises and provides fitness training nationally and internationally and operates the Kärna Fitness program in the Sarasota area.

Recently Adopted Accounting Pronouncements:
The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, Revenue from Contracts with Customers, in the Accounting Standards Codification (ASC). Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The new guidance also added Subtopic 340-40, Other Assets and Deferred Costs-Contracts with Customers, to the ASC to require the deferral of incremental costs of obtaining a contract with a customer. Collectively, we refer to the new Topic 606 and Subtopic 340-40 as the "new guidance."

As a result of the new guidance, the Company has changed its accounting policy for the way initial fees from franchisees are recognized. The Company's accounting policy through December 31, 2017, was to recognize initial franchise fees when the associated franchise agreement had been executed. Beginning in January 2018, the initial franchise fees have been recognized as the Company satisfies the performance obligations over the term of the franchise agreement. This method is used because management considers the passage of time to be the best available measure of progress on contracts.

The Company adopted the requirements of the new guidance as of January 1, 2018, utilizing the modified retrospective method of transition. As a result, a cumulative adjustment to retained earnings was recorded as of January 1, 2018, to reflect the effect of the new guidance. The new guidance was applied using the practical expedient provided in Topic 606 that allows the guidance to be applied only to contracts that were not complete as of January 1, 2018. Adoption of the new guidance resulted in changes to the Company's accounting policies for revenue recognition and contract liabilities as detailed below. The impact of adopting the new guidance was an increase in 2018 revenues by $3,640.

The modified retrospective method of transition requires the Company to disclose the effect of applying the new guidance on each item included in the 2019 financial statements. Following are the line items from the balance sheet as of December 31, 2018, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the balances reported under the new guidance:

	Amounts That Would Have Been Reported	Effects of Applying New Guidance	As Reported
Liabilities:			
Contract Liabilities	$ 0	$ 88,575	$ 88,575
Equity:			
Members' Equity (Deficit)	$ 37,455	$ (88,663)	$ (51,208)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

INSPIRING WELLNESS LLC

December 31, 2018, 2017 and 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Pronouncements (Continued):
The following are the line items from the statement of income and members' equity and statement of cash flows for the year ended December 31, 2018, that were affected, the amounts that would have been reported under the former guidance, the effects of applying the new guidance, and the amounts reported under the new guidance:

	Amounts That Would Have Been Reported	Effects of Applying New Guidance	As Reported
Revenues:			
Licensing and franchising	$ 77,543	$ 3,005	$ 80,548
Cash Flows:			
Net income	$ 53,389	$ 3,005	$ 56,394

The Company pays commissions upon the signing or renewal of franchise agreements. Because the recovery of commissions is expected to occur from franchising revenues in one year (or less), the Company charges commissions to expense as incurred.

Revenue Recognition:
For the year ended December 31, 2018, the Company recognizes revenue from contracts with customers when (or as) the performance obligations are satisfied.

Licensing and franchising revenue consist primarily of initial franchise fees ranging from $5,000 to $8,000 and renewal fees of $600. Training fees for In-person Boot Camp, StrollerFit Instructor Certification fees, and fees for other option programs range from $129 to $399. The performance obligations for franchise fees and training fees are satisfied monthly over the term of the franchise agreement, which is generally thirty-six months. At December 31, 2018, 2017, and 2016, the Company has recorded a contract liability of $88,575, $0, and $0, respectively, derived from licensing and franchising revenue for which the performance obligation has not yet been met.

Monthly fees consist of service fees (ranging from $195/month to $340/month), technology fees ($45/month), and optional Core9 services and Kärna program fees (both $25/month). The performance obligations for monthly fees are satisfied monthly as the services are performed.

The performance obligations for product sales and nutrition are satisfied when a firm sales agreement is in place, with the majority of product sales taking place through the Company's internet store. The Company generally maintains sufficient inventory so that product fulfillment takes place on the same day as the sale, but some orders may not be fulfilled until a short time later due to product backorder from its suppliers.

For the years ended prior to December 31, 2018, the Company recognized revenue in accordance with ASC 605-10 "Revenue Recognition" and Staff Accounting Bulletin No. 104, which requires that four basic criteria must be met before revenue can be recognized: 1) persuasive evidence of an arrangement exists; 2) deliver has occurred; 3) the selling price is fixed and determinable; and 4) collectability is reasonable assured.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

INSPIRING WELLNESS LLC

December 31, 2018, 2017 and 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable:
Accounts receivables consist primarily of amounts due from initial franchise fees. Accounts receivable are presented in the balance sheets at the amount that management expects to collect from balances outstanding at year end. The Company fully reserves balances over 60 days past due. The potential risk is limited to the amount recorded in the financial statements. Receivables are written off when they are determined to be uncollectable. Based on management's assessment of the past credit history with customers and their current financial condition, it has concluded that an allowance for doubtful accounts of $6,118, $0 and $1,386 is necessary at December 31, 2018, 2017 and 2016, respectively.

Inventory:
Inventory consists of products held for resale, which are stated at the lower of cost or net realizable value. The Company accounts for its inventory using specific-identification.

Property and Equipment:
Property and equipment is recorded at cost and depreciated over their estimated useful lives using the straight-line method. Maintenance and repairs are charged to operations as incurred while major renewals and betterments are capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Intangibles:
Intangible assets consist of trademarks and acquired customer contracts and are recorded at cost and amortized on a straight-line basis over periods ranging from 4 to 10 years.

Marketing Costs:
Marketing costs are expensed as incurred. Marketing expense for the years ended December 31, 2018, 2017 and 2016 totaled $78,890, $66,358 and $77,806, respectively.

Use of Estimates:
The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes:
The Company, with the consent of its members, has elected to have its income taxed as an S corporation under Section 1362 of the Internal Revenue Code. As such, the Company does not pay corporate taxes and is not allowed net operating tax loss carrybacks or carryovers as deductions. Instead, the members include their proportionate share of the Company’s taxable income or loss in their individual income tax returns.

Subsequent Events:
Management evaluated all activity of the Company through March 25, 2019, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements or notes.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

INSPIRING WELLNESS LLC

December 31, 2018, 2017 and 2016

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows at December 31:

	2018	2017	2016
Website development	**$ 49,763**	$ 49,763	$ 49,763
Furniture and fixtures	**6,974**	6,974	6,974
Office equipment	**2,144**	2,144	2,144
Computer equipment and software	**27,880**	27,880	27,849
Automotive equipment	**0**	5,900	5,900
	86,761	92,661	92,630
Less accumulated depreciation	**81,268**	80,325	80,043
	$ 5,493	$ 12,336	$ 12,587

Depreciation and amortization expense for the years ended December 31, 2018, 2017 and 2016 was $5,198, $4,659 and $2,541 respectively.

NOTE C - LONG-TERM DEBT

Following is a summary of long-term debt as of December 31:

	2018	2017	2016
Unsecured note payable in monthly installments of $500 including interest at 3.50%	**$ 0**	$ 23,378	$ 44,243
Former revolving line of credit with a bank that has been converted to an unsecured term loan payable in monthly installments of 1% of outstanding balance plus accrued interest at 6.25%	**0**	4,855	8,708
	0	28,233	52,951
Less current maturities	**0**	5,817	5,513
TOTAL LONG-TERM DEBT	**$ 0**	$ 22,416	$ 47,438

NOTE D - OPERATING LEASES

Effective December 1, 2013, the Company entered into a three-year lease for office space at a rate, excluding 7% sales tax, of $2,035 per month. In August 2016, the Company entered into a four-year lease for new office space at a rate, excluding 7% sales tax, of $1,600 per month, with annual 4% increases each September. Total lease expense for the years ended December 31, 2018, 2017 and 2016 was $21,640, $22,003 and $22,728, respectively. Minimum future rental payments under non-cancellable operating leases having remaining terms in excess of one year as of December 31, 2018 are as follows:

2019	**$ 22,601**
2020	**13,488**
	$ 36,089

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

INSPIRING WELLNESS LLC

December 31, 2018, 2017 and 2016

NOTE E - RELATED PARTY TRANSACTIONS

The Company issued a note receivable to the members in 2014, this note is unsecured and accrues interest at a fixed rate of 3% of the outstanding balance. The note is payable in annual installment of $10,000 and matures on December 31, 2024. As of December 31, 2018, 2017 and 2016, the balance of the note due was $40,000, $40,000 and $70,000, respectively. Interest income earned on this note for the years ended December 31, 2018, 2017, and 2016 was $1,200, $2,100 and $2,700, respectively.

B. Franchise Agreement

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INSPIRING WELLNESS LLC
[SAMPLE] FRANCHISE AGREEMENT – UNITED STATES

Effective Date of this Agreement: _____

Franchisor: Inspiring Wellness LLC, a Florida limited liability company, with a principal place of business at 8830 S. Tamiami Trail, Suite 100, Sarasota, FL 34238, United States (Also referred to as "IW", "we", "us" or "our")

Franchisee: _____ with a principal place of business of _____,

(Also referred to as "Franchisee", "you", "your" or "yourself")

RECITALS

WHEREAS, through the expenditure of time, energy and other resources, Inspiring Wellness has developed a special system for the development, marketing and operation of a business providing innovative fitness, nutrition, and wellness programs to prenatal and postpartum women (the Baby Boot Camp franchise and the "System").

WHEREAS, the System is currently used in a network of independent fitness businesses and you desire to obtain a franchise for the purpose of joining that network and becoming a Baby Boot Camp franchisee entitled to enjoy the benefits of being identified with Inspiring Wellness and operating your Baby Boot Camp business (the "Franchised Business") according to the System.

WHEREAS, you agree that all components and details of how the System operates are important, not only to you but to all Baby Boot Camp Franchisees as well as us, and so you agree at all times during the term of this Agreement to operate your franchise in accordance with the Operations Manual.

WHEREAS, Inspiring Wellness LLC desires to grant you a Baby Boot Camp Franchise to enable you to join the network of Baby Boot Camp Franchisees and thereby to operate your Franchised Business according to the System in the manner and according to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the promises contained in this Agreement, you and Inspiring Wellness agree as follows.

1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

1.1 "**Class**" or "**Program**" means an individual fitness class or program you offer using any of our licensed Programs, including Baby Boot Camp, Diastasis Repair, Restore the Core, Karna Camp, Run Training, Nutrition Solutions and any other Baby Boot Camp training programs or fitness or nutrition challenges you may offer.

1.2 "**Class Formats**" means the fitness class content designed or approved by us and identified on www.babybootcamp.com. From time to time, we may update the Baby Boot Camp Class Formats or Programs to reflect changes to the System.

1.3 "**Materials**" includes, without limitation, the materials identified by us from time to time as being approved for use in connection with the operation of the Business.

1.4 "**Client**" means any individual who attends a Baby Boot Camp Class or Program

1.5 "**Business Development Center**" means the repository of forms, flyers, training materials, sample marketing materials and other materials maintained on the worldwide web at the URL: www.bdc.babybootcamp.com.

1.6 "**Franchise Tier**" means the particular type of franchise we grant you based on the total population of the area with respect to which you are granted an exclusive territory.

1.7 "**Location**" means the specific site(s) at which Baby Boot Camp Classes or Programs will be delivered.

1.8 "**Licensed Marks**" means the service marks "BABY BOOT CAMP", the word mark appearing on the first page of this Franchise Agreement and any other trademarks, service marks or logotypes which we authorize or require you to use.

1.9 "**Manual**" means the Confidential Operations Manual provided to each Franchisee containing policies, procedures, forms and other information related to the operation of the Franchised Business utilizing the System. We may modify the Manual from time to time and such modifications shall be effective on receipt thereof by you or as otherwise specified by us.

1.10 "**Principal Owner**" means the person identified in this Franchise Agreement as the person who has primary responsibility for performance of your obligations under this Agreement.

1.11 "**Qualified Fitness Instructor**" means any individual who maintains one or more of the following Primary Group Exercise or Personal Trainer Certifications: ACE, ACSM, AFAA, NASM, and any other certification or degree which is approved by us in writing, which approval may be granted or withheld in the sole discretion of IW. The master list of approved qualifications is maintained on the Business Development Center.

1.12 "**Term**" collectively means the Initial Term set forth in Section 9.1 below and any Renewal Terms set forth in Section 9.2 below.

1.13 "**Territory**" means the geographic region indicated in this Agreement within which you are authorized to deliver Classes or Programs. The Territory covered by this Agreement is identified on Exhibit 1.

2. GRANT OF FRANCHISE

2.1 **Grant of Franchise and License**. We hereby grant you, during the Term and subject to the terms and conditions of this Agreement, the right, license and franchise to operate the Franchised Business using the System, as the System may be changed and improved from time to time by us, at the Locations within the Territory.

2.2 **Locations and Territory**. You acknowledge and agree that Baby Boot Camp Classes or Programs shall only be delivered from Locations within the Territory. Provided you are in compliance with all material terms of this Agreement, we shall not allow other Franchisees to deliver Baby Boot Camp Classes or Programs from Locations within the Territory, and shall not do so ourselves. You are free to market your Baby Boot Camp

Classes or Programs from physical locations outside your Territory, including participating in marketing events outside your Territory, but if you market your Classes within another Franchise Owner's Territory we require you to cooperate with our "Cooperative Marketing Guidelines".

2.3 **Changes to Territory**. You may request subsequent changes to the Territory using such forms and providing such information as we shall specify. ou are required to pay the Territory Change Request Fee in effect at the time that you request a change in your Territory, whether or not you ultimately decide to make a change in your Territory (or whether we are able to facilitate your request).

2.4 **Reservation of all Rights**. We reserve all rights, except as specifically provided herein, including the right to offer or open additional company owned locations and grant additional franchises.

3. TRADEMARKS, SERVICE MARKS, TRADE NAMES, LOGOTYPES AND COMMERCIAL SYMBOLS

3.1 **Licensed Marks**. You shall operate the Franchised Business under the Licensed Marks and utilizing the System. You shall not use any name or trademark, logotype or design which is not a Licensed Mark in connection with the operation of the Franchised Business. You agree that the Licensed Marks shall be used in connection with the Franchised Business only in the manner specified by us. If we modify or replace any Licensed Mark, regardless of the reason therefore, you shall modify or replace your signs, materials or designs and designations using the Licensed Mark in such manner as we shall direct. You will not allow any Licensed Mark or any substantially similar mark to be used for any purpose not directly related to the operation of the Franchised Business, including use in connection with the formation of any other businesses. You shall not use any Licensed Mark as part of your legal entity name, but may use the mark "BABY BOOT CAMP" as part of a fictitious name ("dba") for the operation of the Franchised Business in such manner as we may designate or approve in writing from time to time.

3.2 **Goodwill**. All goodwill that may arise from your use of the Licensed Marks shall at all times remain our sole and exclusive property and shall inure to our sole benefit. You do not at any time acquire any rights in the Licensed Marks by virtue of any use thereof. You shall not at any time during or after the Term challenge the validity of the Licensed Marks or any of our rights or goodwill therein.

3.3 **Infringement**. You shall notify us promptly, and in all events within ten (10) days, from the time you become aware that any person or entity is infringing any of the Licensed Marks or there is any claim against you that your use of the Licensed Marks infringes the rights of any third party. We shall take such action, if any, as we determine appropriate in the event of any such infringement, and the taking or failure to take any such action does not give you any rights against us or any other person or entity with respect to such infringement. We are not required to protect you against claim of infringement or unfair competition arising out of the use of the Licensed Marks or defend you in any legal action in connection therewith. However, we may undertake such defense pursuant to the next subsection, and in any event you agree to cooperate with us in any defense that is undertaken.

3.4 **Control of Actions and Service Mark Usage**. We have the sole right to control any legal actions or proceedings including settlements involving infringement or unfair competition. We may, at our sole discretion, prosecute or defend any infringements or

unfair competition involving the Licensed Marks or any other actions or proceedings which we deem necessary or desirable for the protection of any Licensed Mark.

4. TRAINING AND ASSISTANCE FROM US

4.1 Business Training

New Owner Orientation Training

We shall provide you (the Principal Owner as identified on the Ownership Schedule to this Agreement) with training in operating the Franchised Business according to our Franchise System ("New Owner Orientation"). We may modify the form or content of required or voluntary training from time to time in our discretion.

New Owner Orientation is provided through distance learning via webinar or, at your option, through a one day intensive workshop ("In-person Business Boot Camp"). The materials covered in New Owner Orientation are also covered in a series of "Quick Start" guides, System Reference Guides and the Operations Manual which we make electronically available to you.

Within ninety (90) days following the execution of this Agreement you (the Principal Owner) shall complete New Owner Orientation and demonstrate mastery of the materials and information included. Failure to complete New Owner Orientation within 90 days following the execution of this Agreement shall delay our approval of your commencement of operations of the Franchised Business.

If you fail to complete New Owner Orientation in its entirety, you must complete the next available New Owner Orientation training webinar or schedule attendance at our In-person Business Boot Camp.

As of April 1, 2019, the fee for the one day In-person Business Boot Camp is US $399.

MOLO Annual Challenge Business Training

We shall provide you (the Principal Owner), or your designated instructor, with training to support the MOLO Annual Challenge that happens in February of each year.

MOLO Annual Challenge Training is provided through web-based online training sessions ("webinars").

As of April 1, 2019, there is no fee for MOLO Annual Challenge Training.

4.2 Instructor Training

We shall provide Instructors (including you if you are also an Instructor) with Instructor Training, covering Bay Boot Camp Programs and Additional Programs as follows:

Baby Boot Camp

Training is provided through an Instructor Training Handbook, Class Format Handbooks and/or one or more videos relating to the Class Formats, together with an Instructor Certification Examination. We will ensure ACE Continuing Education Credits (CECs) (or credits from another nationally recognized fitness certification body of our choice) are available for successful completion of the Baby Boot Camp Instructor Training Examination.

Training fees and conditions are described in Item 5.8 of this Agreement.

Additional Programs

We offer instructor training for the following Additional Programs:

- Diastasis Repair
- Restore the Core
- Karna Camp
- Run Training
- Nutrition Solutions

Training is provided through an Instructor Training Manual and/or one or more videos or webinars. In general, we will ensure ACE CECs (or credits from another nationally recognized certification body of our choice) are available for successful completion of the examination for each Additional Program.

Whether you, or your Instructor(s), take Additional Programs Instructor Training is optional, but we require that you, or your instructor(s), complete this training (and stay certified on this training) if you wish for you or your instructor(s) to deliver any of the Additional Programs that we make available.

Training fees and conditions are described in Item 5.8 of this Agreement.

Should you, any employee, independent contractor or other subcontracted staff teach Baby Boot Camp Classes, or Additional Programs, without first successfully completing the Instructor Training we may terminate this Agreement.

Annual Program Update and Continuing Education Credit (CEC) Filing Fee. We charge an Annual Program Update and CEC Filing Fee on February15th of each year as described in Section 5.9 of this Agreement. We file for CECs with the American Council on Exercise for our remote training programs, in-person training programs, and our Annual Conference. These filings typically take place in January of each year. Any program updates for our various training programs are made available in the Business Development Center within 30 days of the updated materials being approved for CECs. Other certifying fitness organizations may accept CECs from ACE upon request or petition.

4.3 **Required Internet Access.** You are required to have internet access in order to view some or all of the training materials provided.

4.4 **Mandatory and Optional Training Programs.** At our sole discretion, we may also provide mandatory and/or optional training programs on fitness and body mechanics, stroller and infant safety, sales techniques, customer service techniques, management skills, and other aspects of the System which we believe may be useful to franchisees. These programs may be offered as a distance learning option (internet, video or text based), or they may be offered as in-person training, either at the annual franchise owner conference or at another venue chosen by us. We will not schedule mandatory in-person training other than at our Annual Conference. Certain programs will be offered at no charge, while others may be offered for a fee.

4.5 **Franchisee Training Expenses**. You, or your Instructor(s) must pay all expenses incurred by you and your Instructor(s) in connection with all training programs including, without

limitation, the training fees, if any, and the cost of travel, entertainment, room, board and wages for the duration of all training programs.

4.6 Start Up Assistance. Within 30 days of the Effective Date, we will provide the following:

4.6.1 Confidential Operations Manual. For the Term of this Agreement, we will make available to you the materials constituting our Manual covering operational procedures including pre-opening procedures, program management policies, instructor policies and procedures, administrative procedures, accounting procedures, suggested sales promotions and marketing, among others. We may choose to provide these materials electronically, in which case they will be available in the Business Development Center.

4.6.2 Branding Guidelines. For the Term of this agreement we will make a copy of our Branding Guidelines available to you. We may choose to provide these materials electronically, in which case they will be available in the Business Development Center.

4.6.3 Start-Up Kit. We will ship you an (Optional) Start-Up Kit, as described in Exhibit 2, if you elect to purchase a Start-Up Kit at the time you initially purchase your franchise.

4.6.4 Initial Training. We will provide you with New Owner Orientation Training and Baby Boot Camp Instructor Training materials.

4.6.5 Email Account. We will provide you with an email account for the Term with an address specified by us, in the format firstname.lastname@babybootcamp.com, or a similar format email address of our choosing. We have the right to assign an alternate email address should this email address not be available.

We will provide you with additional email accounts at your request for payment of an additional fee of US $2 per month per account. This fee may be revised at our sole discretion on January 1 of each year, with any price increase not to exceed 10% per annum.

4.6.6 Access to Business Development Center. We will provide you with a username and password to enable you to access our Business Development Center. We will provide you with brief training on how information is organized in this system.

4.6.7 Access to Marketing & Print Center. We will provide you with a username and password to enable you to access our Marketing & Print Center. We will provide you with brief training on how materials are organized in this system.

4.6.8 Access to Client Management Console ("Pike 13"). We will provide you with a username and password to access the web based Client Management Console ("Pike 13") that enables you to maintain location details, your online schedule and program and pricing details. This Client Management Console also allows you to enroll clients into your classes and process payments through a mobile device or desktop computer. The Client Management Console incorporates a personal merchant account, provided under a separate agreement with Pike 13, to support your business and that you will link to your business checking account.

We will have independent access to the data generated in our websites. There are no contractual limitations on our right to access this data.

4.7 On-going Assistance. For the duration of the franchise, we will provide the following:

4.7.1 Systems Access. We will provide you with ongoing access to your email account and the various systems noted above.

4.7.2 Client Payment Processing. We will provide a payment processing service through the "Pike 13" Client Management platform (or a successor platform with equivalent functionality) that enables Clients to pay for your classes electronically over the internet via computer or mobile phone, using your personal merchant account. The service will support capture of digital Client signatures on waivers and contracts and includes the capability to manage Client recurring billing contracts. Funds are typically deposited into your personal merchant account within 2 business days.

4.7.3 Promotional and Other Products. We will maintain a selection of promotional and other products, including exercise equipment, that you may order from us or our designated supplier. We may also enable you to purchase exercise equipment and other products, either from us or third-party suppliers.

4.7.4 Advertising Materials. We will provide you with electronic access to advertising materials in Microsoft Word, PDF or other formats of our choice. We shall provide you with a variety of advertising formats suitable for advertisements and flyers. You shall bear all expense for copies and distribution of the materials for your use. You shall pay all supply, shipping and other costs associated with ordering advertising materials from us.

4.7.5 Updates to Class Formats. We, at our discretion, may revise the structure of a Class Format, including deleting a Class Format originally included with the franchise. If we significantly revise a Class Format, as determined by us, we will ship you one set of updated training materials at no charge. You must use our approved formats and program names for all Classes and Programs.

4.7.6 Annual Conference. We will organize an annual conference each year. You are required to attend this conference and will be charged the Annual Conference Fee on August 15th of each year, if you do not register prior to this date, whether you attend or not. If we schedule mandatory training at the annual conference you will be required to complete this mandatory training within one hundred twenty (120) days of the date at which the training was delivered. Your completion of the mandatory training may require payment of an additional training fee if you are unable to take the training at the annual conference.

We will communicate the annual conference venue and dates by March 1st of each year. You are responsible for your own travel, meals and accommodation expenses for the conference. All Instructors (or Designated Managers) are eligible to attend the conference by purchasing a conference ticket for the fee in effect at the time.

4.8 Franchisor Consultations. We will provide, at our discretion, an advisory service which shall include consultation on promotional, business or operational problems and analysis of your services, sales, marketing and financial data.

4.9 **Other Assistance.** From time to time, we may provide other assistance to you regarding aspects of the Franchised Business and the System. However, we are not required to provide such assistance. Such additional assistance shall be provided from such locations and with such materials and items as we determine in our sole discretion.

5. FRANCHISE FEES

5.1 **Initial Franchise Fee.** You will pay us a uniform, non-refundable Initial Franchise Fee, based upon the "Franchise Tier", upon signing your Franchise Agreement as follows:

Tier	Territory Population	Initial Franchise Fee
1	Up to 100,000	US $5,300
2	100,001 to 200,000	Upgrade only
3	200,001 to 300,000	Upgrade only

In consideration for the Initial Franchise Fee, you receive the services and products set forth herein and the rights to use all Baby Boot Camp Class Formats and Programs included with the purchased franchise. You may upgrade your Franchise Tier to a larger Franchise Tier at any time by paying the Upgrade Fee identified below, providing that an appropriate additional Territory is available.

Franchisees located in any state in which we charge sales tax will be required to pay sales tax on the wholesale purchase price of the included start-up kit items.

5.2 **Monthly Service Fee**. In consideration of the franchise granted to you hereunder, each month during the Term, you will pay us a Monthly Service Fee per the following table. The Service Fee is due and payable on the first (1st) day of each month, commencing on the first (1st) of the second (2nd) month following the Effective Date as follows:

Tier 1: $175
Tier 2: $235
Tier 3: $300

For the avoidance of doubt, if the Effective Date of your Franchise Agreement is April 30, 2019, your initial Monthly Service Fee is due and payable July 1, 2019.

5.3 **Increases to Monthly Service Fee.** We have the right to increase the Monthly Service Fee on an annual basis, effective January 1st of each year. We have the sole right to determine the amount of such increase, but in no event will this increase exceed 5% of the Monthly Service Fee for the prior year.

5.4 **Monthly Technology Fee.** In consideration of your use of the website, client management and payment processing technology we provide, each month during the term you will pay us a Monthly Technology Fee of US $75 per month. We have the right to increase the Monthly Technology Fee on an annual basis, effective January 1st

of each year. We have the sole right to determine the amount of such increase, but in no event will this increase exceed $5 over this Fee for the prior year.

5.5 Territory Change Request Fee. You may request in writing to make changes to your Franchised Territory at any point in time by completing the Territory Change Request Form and paying us a Territory Change Request Fee of US $250. We will evaluate and approve or disapprove your request within ten (10) business days from receipt of payment. If we approve your request then you will need to sign a Change in Territory Addendum to your Franchise Agreement for the change to become effective.

5.6 Franchise Tier Upgrade Fee. Should you request a change in Territory that increases your Territory population to a larger Franchise Tier, and we approve this request, then you will owe a Franchise Tier upgrade fee outlined below. In general, we will not approve a request to upgrade your Franchise Tier until you have been operating your Franchise for a minimum of twelve (12) months, but we will consider your individual circumstances and business growth when evaluating each request.

Single Tier Upgrade: $1,500 For example, Tier 1 to Tier 2

In the event of a Franchise Tier upgrade, the increased Monthly Service Fee will be due and payable commencing on the first (1st) of the month following the month in which you sign the Change in Territory Addendum upgrading the Franchise Tier.

In the event of a Franchise Tier upgrade, we apply the Territory Change Request Fee against the subsequent Franchise Tier Upgrade Fee.

5.7 Franchise Tier Downgrade. Should you request a change in Territory that downgrades your Franchise Tier by reducing the size of your Territory, we will work together with you in good faith to redefine your Territory so that the redefined Territory meets the population criteria for the appropriate Franchise Tier to which you wish to downgrade.

We will start charging the lower Monthly Service Fee commencing on the first (1st) of the month following the month in which you sign the Change in Territory Addendum downgrading the Franchise Tier. There are no refunds of any Initial Franchise Fees in the event of a downgrade, and if you wish to subsequently upgrade your Franchise Tier at a future date, you must pay us the appropriate Upgrade Fee. There is no Franchise Tier Downgrade Fee, although you must pay us the then-current Territory Change Request Fee at the time that you request your change in Territory.

5.8 Instructor Fees

Baby Boot Camp Instructor Training and Certification

We include Baby Boot Camp Instructor Certification for you, the Franchise Owner, as part of the award of Franchise. This includes initial training and your recertification.

We will train and certify additional Instructors at your request upon payment of the Baby Boot Camp Instructor Certification Fee. We expect that Instructors will pay us these training fees directly. All Instructors are required to recertify every twelve (12) months.

These fees are as follows:

- Baby Boot Camp Instructor Certification Fee: US $149 as of April 1, 2019
- Annual Recertification Fee: US $49 as of April 1, 2019

Franchise Owners and Instructors must hold a current, approved national fitness certification, successfully complete instructor training, pass the instructor examination and show proof of insurance prior to teaching classes.

Additional Programs Instructor Training and Certification

As of April 1, 2019, we offer five (5) Additional Programs as follows:

- Diastasis Repair
- Restore the Core
- Karna Camp
- Run Training
- Nutrition Solutions

We will train and certify you and your Instructors on Additional Programs at your request and upon payment of the Additional Programs Instructor Certification Fee. We expect that Instructors will pay us these training fees directly. All Instructors, including Franchise Owners. are required to recertify every twelve (12) months.

These fees are as follows:

- Additional Programs Instructor Certification Fee: US $149 as of April 1, 2019
- Annual Recertification Fee: US $49 as of April 1, 2019

Franchise Owners and Instructors must hold a current, approved national fitness certification, successfully complete instructor training, pass the instructor examination and show proof of insurance prior to teaching classes. All instructors teaching Diastasis Repair classes must also be currently certified to teach Baby Boot Camp classes.

5.9 **Annual Program Update and CEC Filing Fee**. We charge you this annual fee to provide training program updates as needed, including annual certification of our various training programs by ACE. When we make significant updates to our training materials (typically we make significant revisions every other year for any given course) then we will petition the certification body to assign a new Course ID to enable you and your instructors to earn additional CECs on recertification. If you own multiple franchises we will only charge this program update fee once. If you purchase your franchise after September 30, we defer charging this annual program update fee by 12 months.

As of April 1, 2019, this fee is US $149.

5.10 **Annual Conference**. We charge you the annual conference fee on August 15th of each year, unless you register and pay your annual conference fee prior to this date. If you own multiple franchises we will only charge this fee once. The Annual Conference is mandatory and you will be charged this fee regardless of your ability to attend.

As of April 1, 2019, this fee is US $199.

5.11 **Client Enrollment Kits**

Baby Boot Camp

You must provide each new Baby Boot Camp Client with a "Client Enrollment Kit" as specified in the Operations Manual containing certain exercise equipment. We expect that your Clients will purchase their Client Enrollment Kit directly from you. You must purchase Client Enrollment Kits from us, or from our designated supplier. You must maintain a minimum inventory of Client Enrollment Kits on hand as specified in the Operations Manual.

MOLO Annual Challenge

You must enroll each Client participating in the MOLO Annual Challenge and must provide them with a "MOLO Annual Challenge Enrollment Kit" as specified in the MOLO Annual Challenge Business Training. We expect that your Clients will purchase their MOLO Annual Challenge Enrollment Kit directly from you. You must purchase MOLO Annual Challenge Enrollment Kits from us, or from our designated supplier.

5.12 **Collection of Fees**. You shall pay all recurring fees to us by direct debit ("ACH") to such accounts as we may specify from time to time. You shall provide a valid US bank account number and routing number for the duration of this Agreement to enable us to collect these fees.

We will initiate collection of, and you shall pay, the Monthly Service Fee, and Technology Fee via ACH on the 1st of each month, or the following workday if the 1st is not a workday. The ACH transaction shall consist of the Monthly Service Fees and the Technology Fee for the current month plus any prior month recurring fees if not previously collected.

We will initiate, and you shall pay, the bi-annual recurring fees (Annual Program Update and CEC Filing Fee, and the Annual Conference Fee) via ACH on the 15th of the month in which they fall due, or the following workday if the 15th is not a workday.

You shall maintain a current credit card on file with us. Should your ACH payment be returned for any reason other than a processing error made by us, we shall charge your credit card on file for the fees due, including an additional US $25 processing fee.

Should you fail to pay Monthly Service Fees, the Technology Fee or any other fees due and payable within 48 hours of being due, in addition to our other remedies we have the right to immediately disable your web presence so that all of your web pages are no longer visible on our website(s), including disabling access to your Pike 13 Client Management Platform.

5.13 **Late Fees**. Any payment or fee not received when it is due from you to us shall bear interest at a rate equal to the lesser of (a) one- and one-half percent (1.5%) per month, or (b) the maximum rate permitted by law.

6. ADVERTISING AND ADVERTISING FEE

6.1 **Form and Manner of Advertising.** We reserve the right to designate or consent to the content, themes, materials and placement of all advertising programs by you. All such advertising shall be submitted to us for approval at least five (5) business days prior to submission for publication unless we specifically waive this requirement in writing, with the exception that the standard advertising materials provided by us and available on the Marketing & Print Center shall be deemed approved.

6.2 **Branding Guidelines.** We will make available to you a copy of our Branding Guidelines, which are subject to change from time to time. You are required to comply with the Branding Guidelines, including complying with any changes to the Branding Guidelines within 30 days from the date that any updated version of the Branding Guidelines is made available. You are required immediately upon notice to commence efforts to comply with any changes and thereafter diligently to come into full compliance as soon as practical and in all events within sixty (60) days following such notice.

Should you fail to adhere to our Branding Guidelines, or use marketing images or marketing materials that are not acceptable to us, you are required to come into full compliance with our Branding Guidelines within 24 hours of written notice of such violation. In addition to our other remedies under this Agreement, if you do not come into full compliance within this period you will be charged a US $149 First Violation Fee which will be assessed on a daily basis until you come into full compliance with our Branding Guidelines. If this is your second or subsequent violation of the Branding Guidelines, you will be charged a US $249 Subsequent Violation Fee immediately, which will be assessed on a daily basis until you come into full compliance with our Branding Guidelines.

6.3 **Cooperative Advertising Fee.** We do not charge any Cooperative Advertising Fee nor require that a minimum percentage of your monthly revenues be spent on advertising activities.

7. CONDUCT OF THE BUSINESS BY FRANCHISEE

7.1 **General Operational Requirements**. You shall open and operate the Franchised Business in conformity with such methods, standards and specifications as we may from time to time specify and shall ensure that all products and services are provided to your Customers with the highest degree of quality.

You specifically commit to offer ongoing Classes and/or Programs during the Term of this agreement, in accordance with the guidance provided in our Operations Manual, once you have commenced offering classes (i.e. after the initial pre-opening period), with the exception of planned breaks communicated at least fifteen (15) days in advance to Clients on your web pages. Our approval is required for any planned break between classes which exceeds thirty (30) days.

We reserve the right, from time to time, by adoption or amendment of System Standards to add, amend, modify, delete or enhance any portion of the System (including any of the Marks and System Standards) as may be necessary in our sole judgment to change, maintain or enhance the System, Marks or the reputation, efficiency, competitiveness and/or quality of the System, or to adapt it to new conditions, materials or technology, or to better serve the public. You will, at your expense, fully comply with all such additions or modifications reasonably designated by us as applicable to existing System franchisees.

You understand and acknowledge that we may, from time to time, revise the contents of the Manual to implement new or different requirements for the operation of the Franchised Business, and you expressly agree to comply with all such changed requirements which are by their terms mandatory, provided that such requirements shall also be applied in a nondiscriminatory manner to other System franchisees. The implementation of such requirements may require the expenditure of reasonable sums

of money by you.

7.2 **Effort.** You shall devote commercially reasonable efforts to the management of the Franchised Business. The designated Principal Owner, or, with our prior approval, your Designated Manager, shall devote no less than ten (10) hours per week to such operations.

7.3 **Employees.** You shall staff the Franchised Business with sufficient, qualified and trained employees or independent contractors as shall be reasonably necessary to provide Baby Boot Camp Classes and Programs to those Clients desiring to obtain services or products from you.

7.4 **Permits and Licenses; Certification; Compliance with Law.** You shall obtain and maintain at all times all licenses and permits required for the operation of the Franchised Business. You shall also ensure that all fitness instructors are Qualified Fitness Instructors. You shall comply with all laws, rules and regulations applicable to you or the Franchised Business.

7.5 **Services and Products.** You shall sell and offer for sale only such Baby Boot Camp Classes, Programs, services and/or products that meet our uniform standards of quality and that have been specifically approved for sale in writing by us. You shall refrain from selling or offering for sale any products that we may have disapproved from time to time.

Should you sell, offer to sell Classes or Programs you or your Instructor(s) have not been properly certified or insured to instruct; teach a Class outside of your franchised Territory without our prior written consent; or offer Classes and/or Programs substantially similar to our Class Formats and/or Additional Programs under names, trademarks and/or branding other than those we authorize in this Franchise Agreement (collectively "Unauthorized Class"), then in addition to our other remedies under this Agreement, you will be assessed and charged an Unauthorized Class Fee of US $500 for each Unauthorized Class that we become aware of.

7.6 **Pricing.** You must set all prices for your products and services. However, we may from time to time recommend certain prices to you. We may require you to offer standard pricing packages (for example, 8 packs and 16 packs of classes). If you elect to offer monthly class pricing to your clients, we will mandate that your monthly pricing be structured in a specific fashion in accordance with our corporate policies. However, as stated above, you will set the specific prices.

You specifically acknowledge that should we introduce a minimum price policy you will adhere to this policy.

7.7 **Facilities and Equipment.** You shall maintain such facilities and equipment as may be required by us as set forth in the Manual from time to time.

7.8 **Customer Service and Customer Complaints.** You shall conform the operation of the Franchised Business to all standards and policies regarding customer service as shall be set forth in the Manual from time to time. You shall promptly investigate and respond to all Client complaints and shall provide us with information regarding such complaints upon our request.

You expressly agree to own and operate the Franchised Business in compliance with the standards outlined in the "Baby Boot Camp Guide to Customer Service".

7.9 Annual Conference. You will ensure that the Principal Owner, or their designated representative, attends each Annual Conference that we hold in the United States. You shall pay all expenses associated with such attendance.

7.10 Insurance. All instructors teaching Baby Boot Camp Classes or Programs shall be Qualified Fitness Instructors who maintain professional liability insurance with a combined single limit for bodily injury, death or property damage of not less than $1,000,000 per occurrence and $3,000,000 in aggregate claims per year. This requirement may be satisfied by you obtaining a policy with the above limits covering all of your Instructors (including yourself if you teach Baby Boot Camp Classes or Programs) or it may be satisfied by each Instructor purchasing an individual professional liability policy meeting these requirements. Each insurance policy shall name Inspiring Wellness LLC as an additional insured party; shall be written as primary policies which provide that any insurance that we may carry is strictly excess, secondary and non-contributing with any insurance carried by you and/or your Instructor(s); and shall provide thirty (30) days prior written notice to us of any material modifications and ten (10) days notice to us of cancellation. You shall deliver a certificate of insurance to us within ten (10) days of our request.

7.11 Supplier Program. You shall acquire supplies and products only from such suppliers as shall provide supplies and products of such design and quality to satisfy in all respects our requirements or as shall be otherwise approved in advance and in writing by us. We may receive compensation from such suppliers and are not required to share any such compensation with you.

7.12 Promotional Campaigns. You shall participate in all promotional campaigns that we may establish for the region in which the Territory is located provided that such requirements shall be applied in a nondiscriminatory manner to other System franchisees located within that region and that any expenditures you incur as a result of such participation are reasonable.

8. RESTRICTIONS ON GOODS AND SERVICES OFFERED BY FRANCHISEE

8.1 Restrictions. You may only offer such services and sell such products as we may designate from time to time in writing, and of the kind and quality which comply with the reasonable standards designated in the Manual or directives in writing provided by us from time to time.

You may be restricted from purchasing exercise equipment (including resistance products such as resistance tubing, weighted and non-weighted balls, stability equipment and agility equipment such as an agility ladder, but excluding exercise or yoga mats) other than from us or our approved supplier(s). If you purchase from an approved supplier, we may require you to use a specific unique URL or purchase code so we may track purchases by all Franchisees to more effectively negotiate our purchasing terms for the benefit of all Franchisees. We maintain the list of approved and restricted equipment and approved suppliers in the Business Development Center.

You may not use our name, trademarks, service marks, trade names, logotypes or commercial symbols in any business other than the Franchised Business.

8.2 **Required Quality.** All goods and services supplied to the public by you must be of that quality necessary to uphold the reputation and public image of our System and must meet the standards as set forth in the Manual and other written publications, as changed from time to time by us.

8.3 **Use of Licensed Marks.** Provided that you comply with our Branding Guidelines, are in good standing under this Agreement and obtain our prior written approval, you may include our Marks on promotional items and apparel designed by you ("Merchandise"), to be given away or to be sold to your local customers at your actual product cost basis.

If you wish to use the Licensed Marks on apparel and promotional items that you don't purchase from us you must do so in accordance with the standards and specifications stated in the Manual and the Branding Guidelines. You must present us with information about the apparel supplier on a form made available to you in the Business Development Center and you must send us a sample of each item of apparel on which you propose to use the Licensed Marks, together with drawings and specifications of how you propose to add the Licensed Marks to the item. We will approve or disapprove each item requested in our sole discretion and on an item by item basis, within fifteen (15) days from the time we receive the required information. We charge US $35 to review each item. The workmanship and materials must be durable and of high quality.

We may, at our sole discretion and in our sole business judgment, revoke an approval of an alternative apparel item or supplier. We will notify you in writing and at that point you are no longer authorized to purchase additional quantities of such previously approved item(s), but you may, and again at our sole discretion, be allowed to use and distribute any existing inventory for that item(s) that you may have on hand. We expressly restrict you from developing an internet, phone or mail order business offering and selling apparel and promotional items in significant quantities, as deemed significant by us in our sole discretion.

9. TERM AND RENEWAL

9.1 **Term.** The term of this Franchise Agreement is three (3) years from the Effective Date.

9.2 **Right to Renew.** Provided that you are not in default under this Agreement or any other agreement with us, you may renew your Franchised Business for an additional three (3) year term by providing us written notice of your intent to renew not less than thirty (30) days prior to the expiration of this Agreement.

9.3 **Renewal Terms.** You may renew your Franchised Business by executing the then current franchise agreement in effect at the time of renewal and paying the appropriate renewal fee.

9.4 **Renewal Fee.** The renewal fee is US $600.

10. TERMINATION

10.1 **Termination by You.** You have the right to terminate this Agreement if we violate any of our material obligations to you and fail to cure such violation within sixty (60) days of our receipt of written notice from you identifying the violation.

In addition, you may request an early termination of this Agreement for any reason under the following terms:

a) 18 months or more left on your Term: by paying an Early Termination Fee equal to $1,500 plus six (6) months of Monthly Service Fees (including Technology Fee)

b) 17 months or less left on your Term: by paying an Early Termination Fee equal to $750 plus six (6) months of Monthly Service Fees (including Technology Fee)

The Early Termination Fee may be paid at the time you provide notice of early termination (in which case we will discount the Monthly Service Fees due as part of the Early Termination Fee by 10%), or you may pay the fixed portion of the Early Termination Fee at the time you provide notice of early termination and then pay the Monthly Service Fees when they are due on a monthly basis during this termination period. If you elect to continue to pay Monthly Service Fees monthly and then change your mind on terminating during this termination period we will, at your request, cancel your termination. We will not refund the fixed portion of the Early Termination Fee in this scenario.

10.2 Termination by Us Following Notice and Opportunity to Cure. We may, at our option, terminate this Agreement if you do not cure any of the following defaults in the manner and within the time set forth below:

10.2.1 The attachment of any involuntary lien in the sum of US $1,000 or more upon any of your business assets or property, which lien is not removed within five (5) days following written notice from us. You shall give us immediate notice of the imposition of any such lien and the failure to give such notice shall constitute a breach hereof for which no period of cure shall be required.

10.2.2 Failure to open the Franchised Business according to the timetable established by us following consultation with you if you don't open the Franchised Business within ten (10) days after written notice from us.

10.2.3 Failure to cure within ten (10) days after written notice from us if you conduct the Franchised Business in such a manner so as to affect materially and adversely your or our goodwill or reputation.

10.2.4 Failure to pay us any and all sums payable pursuant to this Agreement or any other agreement with us within five (5) days after written notice of such failure to pay.

10.2.5 Failure to pay all other past due debts and obligations not specified in Section 10.2.4 and owing to third parties if the failure is not cured within five (5) days after written notice from us.

10.2.6 Failure to pay all of your debts and obligations as and when same are due if the failure is not cured within five (5) days after written notice from us.

10.2.7 Failure to cure the breach of any other provision of this Agreement not otherwise specified in Sections 10.2 or 10.3 within ten (10) days after written notice from us.

10.3 Termination by Us Upon Notice—No Right to Cure. We may terminate this Agreement effective upon written notice to you (with no right to cure) as follows. Where we are

permitted to terminate this Agreement pursuant to either Section 10.2 or Section 10.3, we may select which of such Sections is applicable.

10.3.1 If you make or attempt to make any assignment, transfer or sublicense of the franchise, or any right hereunder, without strict adherence to the provisions governing assignment, transfer and sublicense set forth in Section 11 below.

10.3.2 If you become insolvent or a material part of your assets are assigned, or sold after levy thereupon, to or for the benefit of any creditor; or you admit your inability to pay your debts as they become due; or a claim for the appointment of a receiver is filed against you, or a receiver is appointed for your assets or business, or a final judgment against you remains outstanding for more than thirty (30) days (unless appealed in a manner which stays execution on such judgment) or a creditor attempts to foreclose a lien on any material part of the Franchised Business or your assets and such attempt is not dismissed within thirty (30) days thereafter; or if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; or if you are adjudicated bankrupt or insolvent.

10.3.3 If you abandon the franchise by failing to actively operate the Franchised Business for thirty (30) consecutive days, unless such failure is due to fire, flood, earthquake or other similar causes beyond your control and you promptly and diligently commence and complete actions necessary to re-commence operation of the Franchised Business, but for no more than sixty (60) days.

10.3.4 If you make a material misrepresentation or omission on any document or information (whether written or oral) provided by you to us.

10.3.5 If you fail to comply with any federal, state or local law or regulation applicable to the operation of the Franchised Business.

10.3.6 If you receive your third or subsequent notice of default under Section 10.2 above in any consecutive 12 month period, whether or not the previous notices or the third or subsequent notice have been or are thereafter cured.

10.3.7 If you fail to maintain any license or permit, or fail to cause your Qualified Fitness Instructors to maintain any license, permit or certification required hereunder or pursuant to any laws applicable to you, the Principal Owners or other personnel.

10.3.8 If we terminate any other agreement between you and us for cause.

10.3.9 If you directly or indirectly divulge the contents of the Manual or other confidential information or trade secret.

10.3.10 If you are convicted of a felony, or pleads guilty or no contest to any violation of law that in our estimation adversely affects the goodwill associated with the Licensed Marks.

10.3.11 If the Principal Owner fails to complete any required training successfully (as demonstrated by passing the test(s) referred to in Section 4.1) within the time frame set forth in Section 4.1.

10.3.12 If we determine, in our reasonable discretion, that your continuing operation of the Franchised Business represents the threat of immediate harm to public health or safety or to the health or safety of any customer.

10.3.13 If you, any owner or any of your staff consume or possess illegal drugs or alcoholic beverages while providing services to Clients.

10.3.14 If you and/or your Instructors fail to maintain continuous insurance coverage as required under Section 7.10.

10.3.15 If you take any unprofessional action, or any actions either oral, written or physical which impune the integrity or image of the System in dealing with the public or customers in any way.

No election by us to provide notice and an opportunity to cure pursuant to Section 10.2 shall preclude us from rescinding the opportunity to cure and exercising our right to terminate this Agreement immediately upon notice pursuant to Section 10.3. No exercise of a right to terminate this Agreement by us shall act as an election of remedies and preclude us from exercising any other remedies to which we may be entitled to by law, equity, or otherwise pursuant to this Agreement.

10.4 Obligations and Rights after Termination. In the event of termination of this Franchise Agreement for any reason:

10.4.1 You shall immediately cease operation of the Franchised Business and shall not thereafter, directly or indirectly disparage us or the System or hold yourself out as a current or former franchisee of ours, or hold yourself out in any manner which affiliates you directly or indirectly with the Licensed Marks or the System.

10.4.2 You shall immediately cease using any of the components of the System, including, without limitation, any of the Baby Boot Camp Classes or Programs, and shall immediately cease any use of any Licensed Marks. In particular, you shall cease to use, without limitation, all signs, fixtures, equipment, advertising materials, stationery, forms or any other articles that display any Licensed Mark. You shall also take such action as is necessary to terminate any fictitious name registration or similar registration which includes any Licensed Mark. You shall provide written confirmation of the actions required hereby within thirty (30) days following termination of this Agreement.

10.4.3 You shall pay any amounts due or owing to us and our affiliates, including, without limitation Monthly Service Fees and Technology Fees due through the month of termination within ten (10) days following termination of this Agreement. In addition, you shall also pay all fees and expenses we may incur in collecting any amounts due under this Franchise Agreement.

10.4.4 You will promptly, and in all events within twenty four (24) hours following request, return to our Corporate Headquarters the Manual and all other Confidential Information, including, without limitation, Instructor Training materials and other materials provided by us and designated as confidential, and all copies thereof in your possession. As an alternative to returning these materials you can send us a letter certifying the destruction of all Confidential Information. You shall also certify in writing that you maintain no electronic copies of these materials.

10.4.5 We shall have the right, but not the obligation, exercisable by written notice within thirty (30) days after termination to purchase some or all supplies, materials, equipment, inventory or other items used or useful in the operation of the Franchised Business and bearing any of the Licensed Marks. The purchase price for such items shall be the lesser of the fair market value thereof or your cost. If the parties cannot agree on the purchase price within twenty (20) days following notice of our election to purchase, either party may seek to have an independent appraiser determine the fair market value of the materials and items, and the determination of value by the appraiser shall be final and binding.

10.4.6 You shall immediately upon written request by us assign or sublease to us your interest in any lease or sublease or right to use any Location.

11. ASSIGNMENT AND TRANSFER OF INTERESTS

11.1 **Transfer by Us.** We shall have the right to transfer or assign all or any part of our rights and obligations under this Franchise Agreement to any person or entity.

11.2 **Sale of Franchise by You.** You acknowledge and agree that the rights and duties set forth in this Agreement are personal to you. Therefore, neither you nor any person or entity which owns a direct or indirect interest in your Franchised Business of more than ten percent (10%) shall sell, assign, transfer, convey, give, pledge, mortgage or otherwise encumber any direct or indirect interest in the Franchised Business or in this Agreement without our prior written consent. Any purported transfer or assignment by operation of law or otherwise without prior written consent shall constitute a material breach of this Agreement, for which we may terminate this Agreement as set forth in Section 10.3 above. All Franchise sales must be initiated by you completing the "Request to Transfer/Sell Franchise" or such other form as we may designate.

11.3 **Conditions for Approval of Sale of Franchise**. We shall not unreasonably withhold our approval of a franchise sale by you; provided, however, that in connection with determining whether to approve such a sale, we may, in our discretion, require the following:

11.3.1 You shall be current in all of your financial obligations to us and any of our affiliates, including Monthly Service Fees and Technology Fees.

11.3.2 You shall not be in default of any provision of this Agreement or any other agreement between you and us or any affiliate.

11.3.3 You complete the "Request to Transfer/Sell Franchise" or such other form as we may designate.

11.3.4 We determine in our reasonable discretion that the proposed buyer demonstrates the education, experience and character appropriate for a Baby Boot Camp Franchisee**.**

11.3.5 You shall pay us the applicable transfer fee for the Franchised Territory being sold and shall execute the then-current "Transfer & Release Agreement" for such Territory.

11.3.6 The buyer shall concurrently execute our then-current Franchise Agreement for such Territory. The Franchise Agreement provided by us to the buyer shall have a

$0 Initial Franchise Fee due from the buyer to us. The buyer will pay standard Monthly Service Fees on the first of the month immediately following the effective date of the Franchise Agreement.

11.4 **Our Approval or Disapproval.** Following receipt of all materials required as set forth in Section 11.3 above, we shall have thirty (30) days within which to approve or disapprove the proposed sale. The sale shall become effective on the date of the "Transfer & Release Agreement" or the date of the new franchise agreement with the buyer, whichever is later. If we disapprove of the proposed buyer, we shall provide you with a written statement of the reasons for disapproval.

11.5 **Change in Beneficial Ownership of Franchisee**. The provisions of Section 11.3 above shall not apply to a transfer of ownership interests by you to a corporation, limited liability company, or partnership in which the you, or the Principal Owner(s), are the beneficial owners of not less than fifty percent (50%) of all classes of voting securities or the controlling general partner; provided that in the above circumstances, you and the Principal Owners shall remain responsible to us for performance of all your obligations hereunder.

If you desire to make such an assignment of ownership interests to a controlled entity, we, in our discretion, may require the following:

11.5.1 You shall be current in all of your financial obligations to us and any of our affiliates, including Monthly Service Fees and Technology Fees.

11.5.2 You shall not be in default of any provision of this Agreement or any other agreement between you and us or any affiliate.

11.5.3 We shall have received from you and the proposed assignee a request to transfer, containing such information, including without limitation, the financial statements of the proposed assignee, business references and terms of the proposed transaction, as we may reasonably request.

11.5.4 You and proposed assignee shall complete such forms and with such information as we may require.

11.6 **Our Right of First Refusal.** If you gives us a bona fide request for transfer under Section 11.3 above, or otherwise seek to transfer any interest in your Franchise or the Franchised Business, other than in the ordinary course of business, then you shall give us all information which we may reasonably request regarding such proposed transfer. We shall then have thirty (30) days following receipt of such information within which to determine whether to purchase the interest or the assets which you propose to transfer upon the price and terms set forth in such request for transfer or reasonably equivalent terms. If we do not exercise our right of first refusal by accepting the proposed transaction within the thirty (30) day period, then you may sell the interests or assets according to the offer, provided that we approve the proposed assignee in accordance with this Section 11.

Our right of first refusal shall not apply with respect to any proposed transfer which is (a) exempted from approval pursuant to the provisions of Section 11.5 above; or (b) the transfer by an individual Franchisee to his or her spouse, son, daughter, brother or sister (collectively, "Family Member"), or any or all of them, or (c) to a corporation, partnership or trust in which no one other than a Family Member is an interest, or (d) a

transfer on the death or incapacity of an individual Franchisee pursuant to the provisions of Section 11.7 below.

Closing of any exercise of the right of first refusal set forth herein shall be held within thirty (30) days after we give notice of intent to exercise. Should we not exercise the rights granted in this Section, but you do not consummate the transfer within sixty (60) days after we give notice of non-exercise, then the transfer shall again be subject to the provisions of this Section.

11.7 Death or Incapacity of an Individual Franchisee. If you are an individual and you should die or become mentally incapacitated, your personal representative shall arrange for a transfer of the Franchise to an approved transferee within three (3) months of the date of death or mental incapacity. Any such transfer shall be subject to approval pursuant to the provisions of this Section 11.

12. NON COMPETITION AND NON DISCLOSURE

12.1 Non-Competition. You, and the Principal Owner(s), acknowledge that: (A) pursuant to this Agreement, your and your owners, employees, officers, directors and agents ("Associates") will obtain our confidential information and trade secrets, including, without limitation, information in the Manual, the System, Baby Boot Camp Class Formats, Programs, customers and our operational, sales, promotional and marketing methods and techniques and the System (the "Confidential Information"); (B) during the Term, we will provide you with Confidential Information concerning our business methods and operating practices and dedicate substantial time and money to the extraordinary training and education of you, so you may obtain a unique skill or an enhanced degree of sophistication in an existing skill that you might not otherwise have obtained were it not for us; (C) you will have access to Confidential Information and other information regarding trade secrets, valuable confidential business relations and established relations with existing customers; (D) such trade secrets, Confidential Information, extraordinary training and education, and access to valuable information provided to you by us are our legitimate business interests which should be protected and that the use by you of such Confidential Information, extraordinary training and education would give you an unfair competitive advantage if you or your owners or employees were allowed to engage in a business in any manner similar to, or in competition with, the System; (E) your unauthorized use of such trade secrets, Confidential Information, training or education in competition with us or the System will be detrimental to our legitimate business interests and the System and will cause irreparable injury to the conduct of our business and the System; and (F) all Confidential Information is valuable to them and to the development of the Franchised Business, and that we would not enter into this Agreement without the commitments and covenants of you in this Section.

In view of the foregoing, you and the Principal Owner(s) agree as follows:

12.1.1 During the term of this Agreement and for two years following the termination of this Agreement for whatever reason, neither you nor any Owner shall engage directly or indirectly (whether as owner, stockholder, member, partner, officer, director, employee, consultant, franchisor, franchisee or otherwise in the Territory or any other Franchisees' territory, in any business which offers fitness or nutrition programs designed to appeal to moms.

12.1.2 In addition, during the two year period following the termination of this Agreement, neither you nor any Owner shall directly or indirectly provide or attempt to provide services or products of a type provided hereunder, to any person or entity to whom or which you provided services or products hereunder during the term of this Agreement.

12.1.3 The time periods set forth in Sections 12.1.1 and 12.1.2 above shall be extended by the number of days you are not in compliance with the provisions of this Section 12.1.

12.2 **Damages Attributable to Noncompetition Provisions**. The parties agree that damages which we would sustain for violation of the provisions of Section 12.1 would be difficult, if not impossible to determine. Therefore, the parties agree that a reasonable estimate of damages solely attributable to damages arising out of each violation of Section 12.1 is an amount equal to the average Monthly Service Fees payable during the three (3) month period immediately preceding the termination of this Agreement multiplied by the lesser of (A) the number of months and partial months during which you were in violation of the provisions of Section 12.1 or (B) twenty-four (24). You agree to pay damages in accordance with the foregoing formula within fifteen (15) days following receipt of our written demand for payment. This provision relates solely to damages attributable to violations of Section 12.1 of this Agreement and does not act to limit our right to pursue and collect other damages. In addition, we shall be entitled to pursue any other rights to which we may be entitled at law, equity or otherwise pursuant to the terms of this Agreement including but not limited to injunctive relief.

12.3 **Non Disclosure**. During the term of this Agreement and for three (3) years following the termination of this Agreement for whatever reason, neither you nor any Associate shall disclose or use, directly or indirectly, for the benefit of any person or entity outside of us any Confidential Information.

12.4 **Your Instructors and Employees.** You shall require and cause each Instructor and Employee (including independent contractors) to execute an agreement, in form acceptable to us, pursuant to which those individuals agree to be personally bound by the covenants and restrictions contained in this Section 12.

13. INDEMNIFICATION

13.1 **Franchisee Indemnification.** You are solely responsible for all loss or damage arising from or relating in any manner, directly or indirectly to the Franchised Business. During and after the Term of this Franchise Agreement, you shall indemnify and hold us and our past and present affiliates, agents, officers, directors, owners, employees and representatives harmless from and against any and all loss, damage, liability, expense (including the fees of attorneys or experts) and cost of any kind arising directly or indirectly out of or in connection with the Franchised Business or your activities. Notwithstanding the foregoing sentence, you shall not be required to indemnify us and our past and present affiliates, agents, etc., against any loss or damage to us arising solely from the use by you of any Licensed Mark in strict compliance with the terms of this Agreement and with any specifications regarding such usage which are provided to you by us from time to time, including, without limitation, the Branding Guidelines. Your maintenance of general liability insurance does not relieve you of any of the indemnification obligations set forth in this Section 13.1. We may defend any such

matter with counsel of our choosing and you shall pay all reasonable expenses incurred in such defense upon our demand.

14. RIGHT OF OFFSET

14.1 Right of Offset. We may offset against amounts due to you hereunder all amounts which you owe to us.

15. GENERAL CONDITIONS

15.1 Governing Law, Severability, and Substitution of Provisions. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. §1051 et seq.), this Agreement and the relationship between us, you and any franchise owner will be exclusively governed by the laws of the State of Florida (without regard to, and without giving effect to, the application of Florida choice-of-law rules).

Every part of this Agreement shall be considered severable. If for any reason, any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of geographic area, type of activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, the parties agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

15.1.1 If any applicable law requires a greater prior notice of termination than is required hereunder, a different standard for termination or non-renewal, or the taking of some other action not required hereunder, the prior notice, different standard, and/or other action required by such law shall be substituted for the comparable provisions hereof.

15.1.2 If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

15.2 Injunctive Relief. We will have the right, without the posting of any bond or security, to apply for specific performance of the terms of this Agreement, by petitions for temporary and permanent injunctions or other similar equitable relief. Specifically, we will have the right to obtain such relief to prevent you or any Owner from: (A) misusing any of the rights licensed by this Agreement; (B) engaging in competitive operations in violation of the covenants set forth in Section 12; (C) transferring or assigning any Interest without complying with this Agreement; (D) engaging in acts or practices in violation of applicable laws and regulations or which are fraudulent, dishonest or create health or other hazards to the public; (E) misuse of any confidential information as set forth in this Agreement; or (F) impairing the good will associated with the Licensed Marks. Our rights to apply for such relief are in addition to all other remedies available to us under applicable law or this Agreement.

15.3 Arbitration. Subject to the provisions of Section 15.2, any other controversy or claims arising out of or relating to this Agreement, or any breach thereof, including, without limitation, any claim that this Agreement or any portion thereof is invalid, illegal or otherwise voidable, shall be submitted to Arbitration before and in accordance with

the then-Current Commercial Arbitration rules of the American Arbitration Association and judgment upon the award may be entered in any court having jurisdiction thereof.

15.4 **Jurisdiction and Venue**. All litigation, court proceedings, lawsuits, arbitration proceedings and other hearings must and will be venued exclusively with the courts having jurisdiction and locale where our principal office is then located. You and each Owner do hereby agree and submit to personal jurisdiction in the state and Federal Courts having jurisdiction where our principal office is then located for the purposes of any suit, proceeding, arbitration or hearing permitted to be brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy arising in connection with this Agreement. You and each Owner waive any rights to contest such venue and jurisdiction and any claims that such venue and jurisdiction are invalid.

15.5 **Cumulative Rights**. Our rights hereunder are cumulative and no exercise or enforcement by us of any right or remedy hereunder will preclude the exercise or remedy by us of any other right or remedy hereunder to which we are entitled by law or equity to enforce. If you or any Owner commits any act of default under this Agreement for which we exercise our right to terminate this Agreement, you shall pay to us the actual and consequential damages we incur as a result of the premature termination of this Agreement. You acknowledge and agree that the proximate cause of such damages sustained by us is your act of default and not our exercise of our right to terminate this Agreement.

15.6 **NO CLASS ACTIONS. YOU FURTHER AGREE THAT, FOR THE SYSTEM TO FUNCTION PROPERLY, WE MUST NOT BE BURDENED BY THE COST OF LITIGATING OR ARBITRATING SYSTEM-WIDE DISPUTES. ACCORDINGLY, ANY DISAGREEMENT BETWEEN US, YOU AND/OR ANY OWNER SHALL BE CONSIDERED UNIQUE AS TO ITS FACTS AND SHALL NOT BE BROUGHT AS A CLASS ACTION, AND YOU OR EACH OWNER WAIVE ANY RIGHT TO PROCEED AGAINST US BY WAY OF CLASS ACTION.**

15.7 **Waiver**. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request therefore, and such approval must be obtained in writing before you act on it. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by granting any waiver, approval, or consent to you, or by reason of any neglect, delay, or denial of any request therefore. Any waiver granted by us shall be without prejudice to any other rights we may have, will be subject to continuing review by us, and may be revoked, in our sole discretion, at any time and for any reason, effective upon delivery to you of ten (10) days prior written notice. We shall not be deemed to have waived or impaired any right, power, or option reserved in this Agreement (including the right to demand exact compliance with every term, condition, and covenant herein or to declare any breach to be a default and to terminate this Agreement) by virtue of any custom or practice of the parties, at variance with the terms hereof; any failure, refusal, or neglect by us to exercise any right under this Agreement or to insist upon exact compliance with the obligations prescribed hereunder (including any mandatory format, specification, standard, method, or procedure prescribed by us); any waiver, forbearance, delay, failure, or omission by us to exercise any right, power, or option, whether of the same, similar, or different nature, with respect to the franchisees for other Franchised Businesses; or the acceptance by us of any payments due from you after any breach of this Agreement.

15.8 MUST BRING CLAIMS WITHIN ONE YEAR. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF YOU AND US, OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, MUST BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIMS OR ACTION, OR, IT IS EXPRESSLY ACKNOWLEDGED AND AGREED BY ALL PARTIES, SUCH CLAIM OR ACTION (REGARDLESS OF WHEN IT BECOMES KNOWN) SHALL BE IRREVOCABLY BARRED.

15.9 WAIVER OF PUNITIVE DAMAGES. WE AND YOU HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES 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 IT.

15.10 WAIVER OF JURY TRIALS. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER PARTY AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

15.11 Third Party Litigation. You shall pay to us any legal fees, costs and expenses incurred by us to defend us from any third party who joins us in litigation attributable to the Franchised Business, you or the Owners.

15.12 COST OF ENFORCEMENT. IF WE FILE A CLAIM IN A JUDICIAL OR ARBITRATION PROCEEDING TO ENFORCE ANY PROVISIONS OF THIS AGREEMENT AND PREVAIL IN ANY SUCH PROCEEDING, YOU AGREE TO IMMEDIATELY REIMBURSE US FOR ALL COSTS AND EXPENSES, INCLUDING REASONABLE ACCOUNTING, EXPERT WITNESS AND ATTORNEY'S FEES. IF WE ARE REQUIRED TO RETAIN LEGAL COUNSEL IN CONNECTION WITH YOUR FAILURE TO COMPLY WITH THIS AGREEMENT, YOU SHALL REIMBURSE US FOR ANY LEGAL FEES INCURRED WITHIN THIRTY (30) DAYS FOLLOWING RECEIPT OF OUR INVOICE FOR SUCH EXPENSES.

15.13 Successors and Assigns. This Agreement shall inure to the benefit of and shall bind the parties hereto, their permitted successors and permitted assigns. This Agreement is fully transferable by us, whether by operation of law or otherwise, without your consent and shall inure to the benefit of any transferee or any other legal successor to our interest herein and shall not be contestable by you.

15.14 Construction.

15.14.1 The language of this Agreement shall be construed according to its fair meaning and not strictly against any party.

15.14.2 This Agreement and all Exhibits to this Agreement constitute the entire agreement of the parties and supersede any and all prior negotiations, understandings, representations and agreements. Nothing in this or any related agreement, however, is entitled to disclaim the representations by us in the Franchise Disclosure Document furnished to you. Otherwise, the parties acknowledge and agree that they are not relying on anything other than the words of this Agreement and the Franchise Disclosure Agreement in deciding whether to enter into this Agreement.

15.14.3 The headings, table of contents, gender and language usage of the sections are for convenience only and do not in any way define, limit or construe the contents

of such section. As used herein, the male gender shall include the female and neuter genders, the singular shall include the plural, and the plural, the singular.

15.14.4 Time is of the essence in this Agreement.

15.14.5 Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, and such of your and our respective successors and assigns as may be contemplated (and, as to you, permitted) by Section 11 above, any rights or remedies under or by reason of this Agreement.

15.14.6 You expressly agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unenforceable in a final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

16. NOTICES AND PAYMENTS

16.1.1 Any and all notices requires or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, reputable overnight delivery service, or by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses designated on the first page of this Agreement, unless and until a different address has been designated by written notice to the other party. Any notice by a means that affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery.

16.1.2 Any payments and reports required by this Agreement shall be sent to our address specified in this Agreement unless and until a different address has been designated by written notice. No restrictive endorsement on any check or in any letter or other communication accompanying any payment shall bind us or any of our Affiliates, and acceptance of any such payment shall not constitute an accord and satisfaction.

17. INDEPENDENT CONTRACTOR; INDEPENDENCE; GUARANTEE

17.1 **Franchisee is an Independent Contractor.** Nothing in this Agreement is intended to constitute you as the agent, legal representative, subsidiary, joint venturer, fiduciary partner, employee or servant of us for any purpose whatsoever. You are an independent contractor and are in no way authorized by this Agreement to make any contract, warranty or representation, or to create any obligation, express or implied, on behalf of or in the name of us. You bear full responsibility for all of your employees or agents.

17.2 **Franchisee Disclosure of Independence.** In all of dealings with third parties including customers, employees and suppliers, you shall disclose in an appropriate manner acceptable to us that you are an independent entity. This Agreement does not create a fiduciary relationship or a relationship of special trust or confidence between you and us, and we shall not be deemed to owe any special or fiduciary duties to you.

17.3 Guarantee. Your Principal Owner(s) shall jointly and severally guarantee to us the performance by you of all of your obligations under this Agreement in substantially the form attached hereto as Exhibit 3.

18. THIRD PARTIES

18.1 No Third Party Beneficiaries. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third party shall have the right to claim the benefit of any provision hereof as a third party beneficiary of any such provision.

19. MODIFICATIONS

19.1 Modification of Agreement. Except as set forth herein to the contrary, this Agreement may be modified only with the written consent of both parties.

19.2 Our Modification Rights. We expressly reserve the right to modify the Manual and the System, the composition of the package of services offered and/or to change the Licensed Marks without your consent.

19.3 Additional Actions. The parties agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Agreement.

20. MISCELLANEOUS

20.1 Independent Counsel. You expressly acknowledge that you have conducted an independent investigation of the matters covered by this Franchise Agreement and have been advised by independent counsel.

20.2 Business Risk. YOU EXPRESSLY RECOGNIZE THAT THE CONTEMPLATED FRANCHISE AND ASSOCIATION WITH US INVOLVES BUSINESS RISKS MAKING THE SUCCESS OF THE FRANCHISED BUSINESS EXCLUSIVELY DEPENDENT UPON YOUR BUSINESS ABILITIES AND EXTERNAL ECONOMIC FACTORS OVER WHICH NEITHER WE NOR YOU HAVE CONTROL. YOU ACKNOWLEDGE AND AGREE THAT THERE ARE NO GUARANTEES OF SUCCESS OF THE FRANCHISED BUSINESS. NO REPRESENTATIONS OR WARRANTIES OR PROMISES HAVE BEEN MADE BY US TO INDUCE YOU TO ENTER INTO THIS AGREEMENT EXCEPT AS SPECIFICALLY SET FORTH HEREIN AND IN THE FRANCHISE DISCLOSURE DOCUMENT. YOU ACKNOWLEDGE THAT YOU HAVE NOT RECEIVED OR RELIED ON ANY WARRANTY OR ASSURANCE, EXPRESSED OR IMPLIED AS TO THE POTENTIAL SALES VOLUME, PROFITS OR SUCCESS OF THE FRANCHISED BUSINESS.

20.3 Survival. All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration or termination of this Agreement, shall so survive the expiration and/or termination of this Agreement. Notwithstanding any provision hereof to the contrary, the following provisions of this Franchise Agreement shall survive any termination hereof: Section 10.3, Sections 12, 13, 15, 17 and 20.

20.4 Entire Agreement. This Agreement and all exhibits to this Agreement constitute the entire agreement of the parties and supersede any and all prior negotiations, understandings, representations and agreements. Nothing in this or any related agreement, however, is intended to disclaim the representations made by us in the Franchise Disclosure Document furnished to you.

No modification or termination of this Agreement shall be binding unless executed in writing by all parties hereto. This Agreement is binding on the parties and their heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in duplicate as of the day and year written herein.

FRANCHISOR:

INSPIRING WELLNESS, LLC
A Florida Limited Liability Company

By: _____ Date: _____
Authorized Signatory

FRANCHISEE:

_____ Date: _____
(Signature of sole proprietor if sole proprietorship)

_____
(Name of entity if partnership or corporation)

_____ Date: _____
(Signature of Corporate Officer if corporation)

_____
(Title of Corporate Officer)

_____
(Name of Principal Owner if partnership or corporation – see §1.10 & 7.2)

_____ Date: _____
(Signature of additional partner or owner)

_____ Date: _____
(Signature of any additional partner or owner)

_____ Date: _____
(Signature of any additional partner or owner)

EXHIBIT 1
FRANCHISE TIER, TERRITORY NAME & DEFINITION

Baby Boot Camp®

Franchise Tier:

1 : ☐ Population : up to 100,000 $5,300

2 : ☐ Population : up to 200,000 Transfers Only

3 : ☐ Population : up to 300,000 Transfers Only

Territory Name: _____

The Territory Name appears on the website to help clients identify the Franchisee they wish to take classes from.

Territory Definition: The territory shall be defined as the physical area encompassed by the zip codes listed below. In the event that such territory is not contiguous, or that a zip code not listed below shall be completely encompassed by the territory as defined, Inspiring Wellness shall have the sole right to redefine such territory, at any point in time, so that it complies with our then-current territory definition standards.

_____

_____

_____

Zip codes must be included in their entirety unless specific approval from Inspiring Wellness' CEO.

Territory Population: Population Total: _____

Source: www.us.census.gov

Population by Zip code: _____

_____

_____

_____

The Territory Population notes are provided for reference only and were gathered as part of the franchise application and award process.

EXHIBIT 2
START UP KIT CONTENTS

We include a standard Start Up Kit with the purchase of the franchise (either a new franchise or a transfer from another Franchisee). We also offer two additional options only available at the time of initial purchase of a franchise. These options are as follows:

OPTION ONE: Standard Kit, included with purchase of franchise

- Baby Boot Camp Stroller by Mountain Buggy
- "Baby Boot Camp: The New Mom's 9 Minute Fitness Solution" book

OPTION TWO: $100 (Save $50 over purchasing separately)

- Baby Boot Camp Stroller by Mountain Buggy
- "Baby Boot Camp: The New Mom's 9 Minute Fitness Solution" book
- $150 store credit applicable towards your purchase of a 10-pack of Baby Boot Camp Client Enrollment Kits

OPTION THREE: $300 (Save $100 over purchasing separately)

- Baby Boot Camp Stroller by Mountain Buggy
- "Baby Boot Camp: The New Mom's 9 Minute Fitness Solution" book
- $150 store credit applicable towards your purchase of a 10-pack of Baby Boot Camp Client Enrollment Kits
- $250 store credit for use at the Baby Boot Camp online store applicable to any products

I would like the following optional Start Up Kit with my Franchise (check appropriate box):

☐	Option One	Standard Kit, Included with purchase of franchise
☐	Option Two	$100
☐	Option Three	$300

I understand and agree that Inspiring Wellness LLC will charge my bank account on file via ACH prior to shipping my selected Start-Up Kit.

Signature: _____ **Date:** _____

EXHIBIT 3
GUARANTEE AND ASSUMPTION OF OBLIGATIONS

For value received and in consideration for, and as an inducement for Inspiring Wellness LLC, a Florida limited liability company ("IW"), to enter into a Franchise Agreement with _____ ("Franchisee"), the undersigned:

1. Jointly and severally, personally, absolutely and unconditionally guarantee to Inspiring Wellness, its successors and assigns, the full payment of all amounts due and owing from the Franchisee to Inspiring Wellness which accrue after the date hereof, as well as the payment of IW's costs of enforcement (including without limitation, attorney's fees and costs) arising from any breach of such payment obligations regardless of when such enforcement costs may arise; and

2. Jointly and severally, absolutely and unconditionally guarantee and otherwise agree to be personally bound by and observe all the covenants, terms, conditions and agreements herein provided to be performed and observed by the Franchisee or any owner under or arising out of the Franchise Agreement or any related agreement between Inspiring Wellness and Franchisee which accrue after the date hereof, as well as the payment of Inspiring Wellness' costs of enforcement (including without limitation, attorney's fees and costs) arising from any breach of such covenants, conditions, or agreements, regardless of when such enforcement costs may arise; and

3. Jointly and severally, personally, absolutely and unconditionally guarantee performance by Franchisee and to be personally bound by the post-termination (meaning accruing after expiration or sooner termination of the Franchise Agreement) obligations (both monetary and non-monetary), as well as the payment of Inspiring Wellness' costs of enforcement (including without limitation, reasonable attorney's fees and costs) arising from any breach of any such obligation.

Each of the undersigned joins in and agrees to be jointly bound by all obligations of Franchisee or any owner under or arising out of the Franchise Agreement and any related agreement between Inspiring Wellness and Franchisee. Each of the undersigned further covenants and agrees that this personal guarantee shall remain and continue in full force and effect as to any renewal, modification or extension of the Franchise Agreement between Inspiring Wellness and Franchisee and any post-term obligations.

Signature:	_____	Signature:	_____
Print Name:	_____	Print Name:	_____
Address:	_____	Address:	_____
	_____		_____
	_____		_____
Date:	_____	Date:	_____

EXHIBIT 3 Continued

Additional Guarantors:

Signature:	_____	Signature:	_____
Print Name:	_____	Print Name:	_____
Address:	_____	Address:	_____
	_____		_____
	_____		_____
Date:	_____	Date:	_____

EXHIBIT 4
AUTOMATIC DEBIT AUTHORIZATION FORM (Primary Payment Method)

In accordance with the terms of the franchise agreement between Inspiring Wellness LLC ("IW") and the franchisee identified on this form, and for the term of such agreement, the franchisee and/or account holder identified below hereby authorizes IW to initiate electronic withdrawals and deposits to the checking or savings account indicated below and authorizes the financial institution named below to credit or debit these transactions to or from this referenced account.

Franchisee: _____ (Company name if a corporation)

Social Security #: _____ (EIN if a corporation)

Franchisee Address: _____

_____

Franchisee Phone: (_____) _____ - _____

Account Type (Check One): ( ) Personal Account ( ) Business Account

Account Class (Check One): ( ) Checking ( ) Savings

Account Number: _____

Routing Number: _____ (9 digits)

Please confirm the routing number and account number for electronic transactions.
For some banks these may be different from the numbers printed on your checks.

Account Holder Name: _____ (If different from above)

Account Holder Address: _____ (If different from above)

_____

Account Holder Phone: (_____) _____ - _____ (If different from above)

Account Holder Signature: _____ (If different to Franchisee)

Financial Institution Name: _____

Financial Institution Phone: (_____) _____ - _____

Franchisee Signature: _____ Date: _____

Title if business account: _____

Please also include a photo or pdf of a voided check with your form.

EXHIBIT 5
CREDIT CARD AUTHORIZATION FORM (Secondary Payment Method)

Your credit card information will be retained offline by Inspiring Wellness LLC for the duration of your Franchise Agreement. Inspiring Wellness LLC encrypts all electronic transmission of personal and billing information and does not store billing information online or include credit card numbers in electronic receipts.

FRANCHISEE: _____

☐ Please use this credit card to charge my Initial Franchise Fee (IFF). I understand there is a 3% service fee on the full amount processed to my credit card.

☐ Please use this credit card to charge my Franchise fees on a monthly basis. I understand there is a $10 service fee per month for this service and I may request a change at any time with 10 days written notice to customerservice@babybootcamp.com.

☒ I am using this credit card to be kept on file with Inspiring Wellness LLC as a secondary form of payment. In the event my monthly fees are not paid via direct debit or are returned for any reason Inspiring Wellness LLC is authorized to charge this card for the fees due plus a $25 NSF/return fee per occurrence.

Name (on card): _____ Type: Amex MasterCard Visa

Billing Address: _____

City: _____ State: _____ Zip: _____

Card Number: _____ Exp: _____ CVV (3 or 4 digits): _____

I understand and agree that Inspiring Wellness LLC will charge this account in the event of failure to pay monthly fees in accordance with my Franchise Agreement.

Signature: _____ **Date:** _____

C. Transfer & Release Agreement

NOTE: We require you to execute the current form of our Transfer & Release Agreement as a condition of your franchise sale and/or transfer.

INSPIRING WELLNESS LLC
TRANSFER AND RELEASE AGREEMENT

Effective Date of this Agreement: _____

Party 1: Inspiring Wellness LLC, a Florida limited liability company, with a principal place of business at 8830 S. Tamiami Trail, Suite 100, Sarasota, FL 34238 (Also referred to as "IW", "we", "us" or "our.")

Party 2: [Franchisee]_____, with a principal place of business of _____
(Also referred to as "Seller")

Intended Beneficiary: _____, with a principal place of business of _____
(Also referred to as "Buyer")

THIS TRANSFER AND RELEASE AGREEMENT (the "Release") is entered into as of the effective date stated above between Inspiring Wellness and Seller (hereinafter collectively referred to as the "Parties".) The Parties specifically agree that Buyer is an intended beneficiary under this agreement and may directly enforce any provision of this agreement on either party once Buyer's intended beneficiary rights have vested.

Recitals

A. Seller entered into a Franchise Agreement with Inspiring Wellness dated _____ (the "Franchise Agreement").

B. Seller desires to transfer its rights, obligations, title and interest to some or all of the Territory granted under the Franchise Agreement (hereinafter referred to as the "Specified Territory") to Buyer, together with other assets developed by Seller in the course of operating the franchised business, if any, in exchange for a payment from Buyer to Seller.

C. Seller represents and warrants that Seller has entered into a sales agreement with Buyer with the same effective date as this Release (hereinafter referred to as the "Contemporaneous Sales Agreement").

D. Buyer desires to acquire Seller's rights, obligations, title and interest to the Specified Territory and will either execute the current form of Inspiring Wellness' franchise agreement or, in the case of a Buyer that is an existing Baby Boot Camp owner, a Change in Territory Exhibit encompassing the Specified Territory (either of which is hereinafter referred to as the "Buyer Agreement").

E. Inspiring Wellness is willing to enable such transfer of rights, obligations, title and interest to the Specified Territory in exchange for payment of a Transfer Fee to Inspiring Wellness from Seller.

F. Buyer's intended beneficiary rights do not vest until Buyer executes the appropriate Buyer Inspiring Wellness Agreement with the same effective date as this Release.

G. Inspiring Wellness will provide a copy of this Release to Buyer.

Agreements

In consideration of the foregoing recitals, the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Specified Territory.** The Specified Territory is specified in Exhibit 1 to this Release, hereby incorporated by reference.

2. **Release of Rights to Specified Territory.** Seller acknowledges that upon Seller's execution of this Release and Buyer's execution of the Buyer's Inspiring Wellness Agreement that all of Seller's rights, obligations, title, and interest to the Specified Territory granted under the Franchise Agreement will immediately cease to exist.

3. **Consideration.** The consideration for this Release between Buyer and Seller is evidenced by the consideration outlined in the Contemporaneous Sales Agreement. The consideration for this Release between Inspiring Wellness and Seller is the payment of the transfer fee specified in the Exhibit to this Release, which is due and payable from Seller to Inspiring Wellness as of the effective date of this Release.

4. **Representations and Warranties.** Seller represents and warrants that Seller has good and marketable title to the interests conveyed in the Contemporaneous Sales Agreement and that Seller will defend such conveyance against all persons claiming the same or any part thereof, and indemnify and hold harmless Inspiring Wellness and Buyer from and against any and all loss, expense or liability (including attorneys' fees and costs of court) arising from any such claim providing that in the event of such a claim, upon Seller's written request, Inspiring Wellness and Buyer shall make available to Seller such original documents, or copies thereof, as are necessary to defend such a claim, and shall cooperate with Seller as reasonably necessary, at no expense to Inspiring Wellness and Buyer, to defend such a claim.

5. **Indemnification.** Seller hereby agrees to indemnify Inspiring Wellness and Buyer from any and all claims, actions, causes of action, damages, costs, expenses, liabilities and other obligations (including without limitation all attorneys' fees and costs of court) incurred or sustained by Inspiring Wellness and Buyer as a result of any default by Seller under the terms of the Franchise Agreement through the effective date of this Release.

6. **Release of Claims.** In consideration of the mutual covenants contained herein, Seller, for herself and, as applicable, her respective agents, attorneys, successors,

and assigns, hereby fully, forever, irrevocably, and unconditionally releases Inspiring Wellness, including any parent, subsidiary, related and affiliate entities, any predecessors, successors, and assigns and the current and past officers, directors, shareholders, agents, and employees of each and all of the foregoing from any and all claims, charges, complaints, liabilities, and obligations of any nature whatsoever, which she may have, whether now known or unknown, and whether asserted or unasserted, arising from any event or omission occurring from the beginning of time to the date of execution of this Release.

7. **Effect of Release on Seller.** The effect of this Release on the Seller is specified in the Exhibit to this Release.

8. **Binding Effect.** This Release shall inure to and be binding upon the Parties and their respective successors and assigns.

9. **Governing Law.** This Release shall be governed by and construed in accordance with the laws of the State of Florida, to the extent permitted by applicable state law.

10. **Facsimile Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as transmission of an original.

11. **Counterparts.** This Assignment may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

EXECUTED as of the effective date stated above.

Inspiring Wellness LLC
a Florida Limited Liability Company

By: _____ Date: _____
Authorized Signatory

_____
Authorized Signatory Name

Seller: _____ Date: _____
Authorized Signatory

_____
Authorized Signatory Name

EXHIBIT 1
SPECIFIED TERRITORY & EFFECT OF RELEASE ON SELLER

Specified Territory

Territory Name: _____

Territory Definition: The territory shall be defined as the physical area encompassed by the zip codes listed below. In the event that such territory is not contiguous, or that a zip code not listed below shall be completely encompassed by the territory as defined, Inspiring Wellness shall have the sole right to redefine such territory, at any point in time, so that it complies with Inspiring Wellness' then-current territory definition standards.

_____

_____

_____

Zip codes must be included in their entirety unless specifically approved by Inspiring Wellness' CEO.

Effect of Release on Seller

Release Type: 1 : ☐ Complete or Partial Transfer; Seller's Franchise Terminates

Seller's Franchise Agreement shall terminate as of the effective date of this Release in accordance with the termination provisions of such agreement.

2 : ☐ Partial Transfer; Seller's Franchise does not Terminate

All other terms and conditions of Seller's Franchise Agreement, with the exception of the definition of Territory which shall be deemed to specifically exclude the Specified Territory, shall remain unaffected following execution of this Release.

Seller shall subsequently execute a Change in Territory Exhibit that specifically updates the Territory Definition of Seller's Franchise Agreement. Failure to execute such Change in Territory Exhibit within five (5) days of Inspiring Wellness' provision of the same to Seller, or to provide Inspiring Wellness with sufficient information to prepare the Change in Territory Exhibit within five (5) days of a written request for such information, shall be considered a breach of Seller's Franchise Agreement which Seller will have ten (10) days to cure following written notice from Inspiring Wellness.

Transfer Fee: **US $1,500**

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Baby Boot Camp (212 pages)

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E. List of Current & Former Franchisees

Current Franchisees as of 12/31/2018

First Name	Last Name	City	State	Zip	Phone
Meredith	Carder	Chandler	AZ	85286	949.338.8605
Carrie	Apprill	San Francisco	CA	94112	760.473.1067
Crystal	Ferris	Los Angeles	CA	90064	909.289.2002
Giovanna	Bayly	Walnut Creek	CA	94597	415.286.7005
Helena	Head	Culver City	CA	90230	310.283.7026
Jennifer	Brewer	Winchester	CA	92596	714.345.2502
Jessica	Mannina	Sherman Oaks	CA	91403	817.271.2050
Jessica	Miles	Petaluma	CA	94954	361.877.1215
Jessica	Cohen	Sherman Oaks	CA	91403	818.970.8220
Katherina	Sutter	Irvine	CA	92618	469.360.7261
Lacey	Soares	Redwood City	CA	94065	706.346.7081
Lara	Hughes	Dana Point	CA	92629	949.751.8546
Linda	Okwor	Marina Del Rey	CA	90292	877.319.1133
Marianne	McMullan	San Francisco	CA	94114	415.350.7733
Mary	McQueen	Oakland	CA	94606	510.418.8599
Sandy	Mourad	Cocord	CA	94518	415.350.6970
Kaitlyn	O'Kelly	Colorado Springs	CO	80925	425.212.8089
Alexandra	Seba	Altamonte Springs	FL	32714	407.459.6794
Amanda	Paradiz	Davie	FL	33328	954.399.2521
Amy	Armstrong	Lutz	FL	33558	505.672.8107
Anne	Burik	Fort Myers	FL	33901	239.281.4658
Atali	Connor	Cape Coral	FL	33914	239.209.1163
Cassidy	Carow	Lynn Haven	FL	32444	850.819.2842
Gemma	Fountain	Gulfport	FL	33707	727.437.8004
Haley	Wells	Sarasota	FL	34232	407.473.7272
Heather	Rosenberger	Winter Springs	FL	32708	916.842.4583
Hope	Breman	Tallahassee	FL	32312	321.279.5073
Kirsten	Evans	Oviedo	FL	32765	407.721.1102
Lesley	Valerius	Riviera Beach	FL	33404	561.452.7389
Rebecca	Garay	Palmetto Bay	FL	33157	603.765.5824
Hannah	Gay	Watkinsville	GA	30677	706.614.1814
Beth	Smith	Aurora	IL	60503	847.340.8071
Erica	Freeman	Chicago	IL	60611	423.240.7628
Jaymie	Freeman	Metamora	IL	61548	309.657.8902
Kara	Babcock	Fishers	IN	46040	765.744.7805
Megan	New	Granger	IN	46530	317.370.9757

First Name	Last Name	City	State	Zip	Phone
Meagan	Daup	Louisville	KY	40245	502.873.6383
Bayly	Welch	Denham Springs	LA	70706	225.270.6628
Blaine	Imhoff	St. Francisville	LA	70775	225.939.1615
Brittany	Gorman	New Orleans	LA	70124	504.390.6395
Jamie	Caballero	Brusly	LA	70719	225.717.0480
Kristen	Gary	Lafayette	LA	70503	337.257.3373
Mauree	Brooksher	Baton Rouge	LA	70820	225.788.1200
Ondina	Mendoza	New Orleans	LA	70115	504.875.0938
Catherine	Milliken	Waltham	MA	2451	617.365.4115
Kristen	Herlihy	Woburn	MA	1801	781.281.8379
Christine	Soukup	Woodbury	MN	55129	503.830.0648
Allison	Dougherty	Florissant	MO	63033	502.779.0683
Jen	McDonald	Hendersonville	NC	28739	248.303.8807
Kim	Neff	Lincolnton	NC	28092	828.550.8524
Liz	Tompkins	Huntersville	NC	28078	980.999.1103
Katherine	Barnett	Ralston	NE	68127	402.213.6701
Anna	Markouris	Morristown	NJ	7960	609.432.9822
Donna	Yates	Robbinsville	NJ	8691	732.322.6578
Hollie	Fallon	Ocean	NJ	7712	732.447.6953
Jennifer	Stover	Freehold	NJ	7728	610.730.2685
Kristin	Menapace	Princeton	NJ	8540	949.554.8054
Amy	Jackson	Santa Fe	NM	87505	813.205.1990
Meghan	Pflepsen	Albuquerque	NM	87107	505.450.6087
Clair	Thomas	Las Vegas	NV	89107	702.491.2988
Kate	Jwaskiewicz	Liverpool	NY	13090	315.345.7261
Rebecca	Bouchard	Mechanicbille	NY	12118	518.892.4068
Jen	Rovinsky	Columbus	OH	43016	717.330.1396
Ashley	McLain	Purcell	OK	73080	405.361.8884
Alexa	Hasman	Portland	OR	97224	206.755.4773
Annie	Mills	Eugene	OR	97404	971.237.4089
Kim	Colvin	Aloha	OR	97078	509.438.8232
Rachel	Iannetta	Havertown	PA	19083	215.718.8833
Jackie	Maxey	Summerville	SC	29486	843.670.3379
Allison	Puckett	Dallas	TX	75218	314.805.7202
Jenee	Molacek	Trophy Club	TX	76262	214.205.1749
Jessica	Miles	Austin	TX	78737	818.970.8220
Jessica	Mannina	Houston	TX	77070	817.271.2050
Jill	Schroeder	Frisco	TX	75034	239.293.2976
Kasey	Johnson	Frisco	TX	75033	214.704.1454
Lea	Kellogg	Cypress	TX	77429	713.907.6203
Melanie	Fox	Dallas	TX	75248	972.672.7440

First Name	Last Name	City	State	Zip	Phone
Nakisha	Jackson	Mansfield	TX	76063	817.240.1571
Stephanie	Taylor	Montgomery	TX	77382	713.480.3599
Summer	Monahan	Houston	TX	77077	281.900.2858
Victoria	Salinas	Katy	TX	77450	832.461.5953
Whitney	Rahim	Sugar Land	TX	77478	832.350.4901
Kira	Sullivan	Free Union	VA	22940	434.953.6888

Former Franchisees

The following are the names and last known addresses and telephone numbers of all franchisees who had an outlet terminated, cancelled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during 2018, including the reason for termination.

First Name	Last Name	City	State	Zip	Phone	Reason
Lillian	Lee	Danville	CA	94582	925.353.6193	Non-Renewal
Cecillia	Escobar	San Francisco	CA	94118	415.295.2777	Non-Renewal
Stephanie	Ramirez	Ontario	CA	91761	951.255.2540	Non-Renewal
Heather	Osoy	Sacramento	CA	95818	916.842.4583	Non-Renewal
Ashley	Bartlett	Redwood City	CA	94062	650.701.4672	Transfer
Lauren	Bendixen	Beverly Hills	CA	90212	310.617.8733	Transfer
Kayla	Torres	Orlando	FL	32825	407.234.6979	Non-Renewal
Christine	Kean	Coral Gables	FL	33134	305.726.8220	Transfer
Lindsay	Colotti	Gloucester	MA	01915	978.490.5602	Non-Renewal
Michelle	Griffith	New Orleans	LA	70125	985.714.5234	Non-Renewal
Brittany	Waters	Lafayette	LA	70503	411.979.5972	Transfer
Tara	Linderman	Reno	NV	89704	775.287.3180	Terminated
Jenine	Reier	Naperville	NJ	60585	630.362.2866	Transfer
Dena	Farash	Rumson	NJ	07730	732.497.8247	Transfer
Sarah	Smith	Norman	OK	73072	405.795.0588	Transfer
Mindy	Baker	Scappoose	OR	97056	971.570.5125	Terminated
Elizabeth	Rose	Celina	TX	75009	214.649.6747	Transfer
Christina	Fritz	Murphy	TX	75094	720.936.4835	Terminated
Sarah	Wright	Maysville	WA	98223	425.315.5251	Non-Renewal
Justine	Stone	Snohomish	WA	98223	360.708.4817	Non-Renewal

Non Communication with Franchisees

The following franchisees have not communicated with Inspiring Wellness within 10 weeks of the date of this Disclosure Document:

None

F. List of State Administrators

Listed here are the names, addresses and telephone numbers of state and federal agency personnel having responsibility for franchising disclosure/registration laws and selected business opportunity laws. We have also included a list of certain of these agencies that we have designated as our registered agent for service of process in that state.

STATE ADMINISTRATORS

Alaska

Attorney General's Office
Commercial and Fair Business Section
1031 W. 4th Avenue, Suite 200
Anchorage, Alaska 99501
(907) 269-5200

California

Franchise Division
Department of Business Oversight
1515 K Street
Sacramento, CA 95814
(916) 445-7205

Connecticut

[Business Opportunity Investment Act]
Department of Banking
Securities Division
260 Constitution Plaza
Hartford, CT 06103
Phone: (860) 240-8230
Toll-free: (800) 831-7225
Fax: (860) 240-8295

Florida

[Sale of Business Opportunities Act]
Dept. Agri. & Consumer Services
407 S. Calhoun St.
Finance & Accounting Section
Tallahassee, FL 32301
(850) 488-2221
(800) 342-2176 (FL only)

Georgia

Office of Consumer Affairs
No. 2 - Martin Luther King Dr.
Plaza Level, East Tower
Atlanta, GA 30334
(404) 656-3790

Hawaii

Department of Commerce & Consumer Affairs
Business Registration Division
Commissioner of Securities
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Illinois

Franchise Division
Office of Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana

Franchise Division
Office of Secretary of State
302 W. Washington St., Rm. E111
Indianapolis, IN 46204
(317) 232-6681

Kentucky
Office of the Attorney General
Office of Consumer Protection
1024 Capital Center Drive
Frankfort, KY 40601
(502) 573-2200

Louisiana
Office of the Attorney General
Consumer Protection Section
1885 3rd St.
Baton Rouge, LA 70802
(225) 326-6460

Maine
Banking Bureau
Securities Division
State House - Station 121
Augusta, ME 04333
(207) 624-8551

Maryland
Office of the Attorney General
Securities Division

200 Saint Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan
Consumer Protection Division
Franchise Section
PO Box 30213
Lansing MI 48909

Minnesota
Commissioner of Commerce
85 Seventh Place East, Suite 500
St. Paul, MN 55101-2198
(651) 296-6328

Nebraska
Dept. of Banking & Finance
Commerce Court
1230 "O" Street, Suite 400
PO Box 95006
Lincoln, NE, 68509-5006
1-877-471-3445

New Hampshire
Attorney General's Office
Consumer Protection Div.
State House Annex
Concord, NH 03301
(603) 271-3641

New York

New York State Department of Law
Investor Protection Bureau
120 Broadway
23rd Floor
New York NY 10271
(212) 416-8236

North Carolina
North Carolina Department of the
Secretary of State
P.O. Box 29622
Raleigh, NC 27626-0622
(919) 807-2000

North Dakota
Franchise Division
Office of Securities Commission
600 East Boulevard - 5th Floor
Bismarck, ND 58505
(701) 328-2910

Ohio

Attorney General's Office
Consumer Protection Section
25th Floor, State Office Tower
30 E. Broad Street - 14th Floor
Columbus, OH 43215
(614) 466-8831
800-282-0515 (in-state only)

Oklahoma

Oklahoma Department of Securities
Suite 860, First National Center
120 N. Robinson
Oklahoma City, OK 73102
(405) 280-7700 (voice)
(405) 280-7742 (fax)

Oregon

Corporate Securities Section
Dept. of Insurance & Finance
Labor & Industries Bldg.
Salem, OR 97310
(503) 378-4387

Rhode Island

Franchise Office
Division of Securities
1511 Pontiac Avenue, Bldg 69-1
Cranston, RI 02920
(401) 462-9527

South Carolina

Secretary of State's Office
P.O. Box 11350
Columbia, SC 29211
(803) 734-2169

South Dakota

Franchise Office
Division of Securities
910 E. Sioux Avenue
Pierre, SD 57501
(605) 773-4013

Tennessee

Tennessee Secretary of State
Department of State
Division of Business Services
312 Eighth Avenue North
6th Floor, Wm R. Snodgrass Tower
Nashville, TN 37243

Texas

Secretary of State's Office
Statutory Documents Section
P.O. Box 12887
Austin, TX 78711-2887
(512) 475-1769

Utah

Consumer Protection Division
160 East 300 South
Salt Lake City, UT 84111
(801) 530-6601

Virginia

Division of Securities & Retail Franchising
State Corporation Commission
1300 East Main Street
Richmond, VA 23219
(804) 371-9276

Washington

Department of Financial Institutions
Securities Division
150 Israel Rd SW
Turnwater, WA 98501
Voice: (360) 902-8760
Fax: (360) 586-5068

Wisconsin

Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701
(608) 266-3364

Federal Trade Commission
Division of Marketing Practices
Department of Consumer Protection
Pennsylvania Avenue at 6th Street, NW
Washington D.C.
(202) 326-3128

AGENTS FOR SERVICE OF PROCESS

California
Department of Business Oversight
1515 K Street
Sacramento, CA 95814-4052

Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
Commissioner of Securities
335 Merchant Street, Room 203
Honolulu, HI 96813

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

Indiana
Indiana Secretary of State
200 West Washington Street, Room 201
Indianapolis, IN 46204

Maryland
Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, MD 21202-2020

Minnesota
Franchise Examiner, Minnesota
Department of Commerce
85 Seventh Place East, Suite 500
St. Paul, MN 55101-2198

New York
Secretary of State of the
State of New York
99 Washington Avenue
Albany, NY 12231

Rhode Island
Director of the Rhode Island
Department of Business Regulation
Division of Securities
1511 Pontiac Avenue, Bldg 69-1
Cranston, RI 02920

Virginia
Clerk of the State Corporation Commission
1300 East Main Street
Richmond, VA 23219

Washington
Department of Financial Institutions
Securities Division
150 Israel Rd SW
Turnwater, WA 98501

Wisconsin
Administrator, Division of Securities
345 West Washington Avenue,
P.O. Box 1768
Madison, WI 53701-1768

G. Copies of Notices of Negotiated Sales

NOTICES FILED WITHIN THE LAST 12 MONTHS OF THE DATE OF THIS DISCLOSURE DOCUMENT FOR INSPIRING WELLNESS LLC.

NONE.

H. State Specific Addenda

CALIFORNIA

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

In recognition of the requirements of the California Administrative Doce, Title 10,. Chapter 3, subchapter 2.6, sections 310.00 through 310.505 and the California Business and Professions Code, Section 20000 through 20043, the Disclosure Document of Baby Boot Camp, LLC for use in the State of California shall be amended as follows:

1. The cover page shall be supplemented with the addition of the following language:

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

   CALIFORNIA BUSINESS AND PROFESSION CODE SECTIONS 20000 THROUGH 20043 PROVIDE RIGHTS TO THE FRANCHISEE CONCERNING TERMINATION OR NON-RENEWAL OF A FRANCHISE. IF THE FRANCHISE AGREEMENT CONTAINS A PROVISION THAT IS INCONSISTENT WITH THE LAW, THE LAW WILL CONTROL.

   THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT 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 FRANCHISE AGREEMENT CONTAINS A LIQUIDATED DAMAGES CLAUSE. UNDER CALIFORNIA CIVIL CODE 1671, CERTAIN LIQUIDATED DAMAGES CLAUSES ARE UNENFORCEABLE.

   THE FRANCHISE AGREEMENT REQUIRES BINDING ARBITRATION. THE ABRITRATION WILL OCCUR IN SARASOTA, FLORIDA WITH THE COSTS OF ARBITRATION BEING BORNE BY EACH PARTY AS INCURRED.

2. The last paragraph of the cover page shall be amended to read as follows:

   Registration of this franchise with any state does not mean that the state recommends it or has verified the information in this Disclosure Document. If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and the California Department of Corporations, at any of its offices.

3. Item 3, entitled "Litigation", shall be supplemented with the addition of the following language:

   Neither we nor any person or franchise broker identified in Item 2 of this FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

4. Item 5, entitled "Initial Franchise Fee" shall be amended as follows:

   The introductory sentence in Item 5 shall be replaced with the following introductory sentence:

   > All Franchisees pay a uniform, non-refundable Initial Franchise Fee, based on the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows. The fee will be invoiced after we have fulfilled all of our pre-opening obligations under the franchise agreement.

5. Item 7, entitled "Estimated Initial Investment" shall be amended as follows:

   The "When Due" column for the initial franchise fee shall read "10 days after we have fulfilled all of our pre-opening obligations under the franchise agreement."

6. Item 17(h), entitled "Cause Defined – Defaults which cannot be cured" shall be supplemented with the addition of the following language:

   The provision for termination upon filing bankruptcy may not be enforceable under federal bankruptcy laws (11 U.S.C.A Sec. 101.

7. Item 17(r), entitled "Non-competition after the franchise is terminated or expires" shall be supplemented with the addition of the following language:

   Because the covenant not to compete extends beyond the termination of the franchise, this provision may not be enforceable under California law.

8. Item 17 (v) entitled, "Choice of forum", shall be supplemented with the addition of the following language.

   You 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.

9. Item 17 (w), entitled "Choice of Law", shall be supplemented with the addition of the following language:

This provision may not be enforceable under California law.

10. Item 17, entitled "Renewal, Termination, Transfer and Dispute Resolution", shall be supplemented with the addition of the following paragraphs at the end of the Item:

    California Corporations Code, Section 31125, requires us to give you a Disclosure Document, approved by the Department of Corporations before a solicitation of a proposed material modification of an existing franchise.

    You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 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).

    California Business and Professions Code Sections 2000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF CALIFORNIA

Section 5.1 of the Franchise Agreement states that the Initial Franchise Fee is due upon execution of the Franchise Agreement.

This provision is amended by replacing the introductory sentence with the following paragraph:

> All Franchisees pay a uniform, non-refundable Initial Franchise Fee, based on the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows. All initial fees and other payments payable to us before the business opens shall be deferred until after we have fulfilled all of our pre-opening obligations under the franchise agreement, and will be due and payable Net 10 days from the date of invoice thereafter.

Section 10.3.2 of the Franchise Agreement provides for termination on bankruptcy

This provision is amended by adding the following sentence:

> This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 1-1 et seq.)

Section 12.1 of the Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise

This provision is amended by adding the following sentence:

> This provision may not be enforceable under California law.

Section 15.3 of the Franchise Agreement requires binding arbitration

This provision is amended by adding the following sentence:

> You 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.

Section 15.4 of the Franchise Agreement requires application of the laws of Florida

This provision is amended by adding the following sentence:

> This provision may not be enforceable under California law.

Inspiring Wellness LLC Franchisee

Signature: _____	Signature: _____
Print Name: Kristen Horler	Print Name: _____
Date: _____	Date: _____

HAWAII

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF HAWAII

The cover page of the Disclosure Document of Baby Boot Camp, LLC for use in the State of Hawaii shall be supplemented with the following language:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Department of Commerce & Consumer Affairs
Business Registration Division
Commissioner of Securities
335 Merchant Street, Room 203
Honolulu, HI 96813

ILLINOIS

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF ILLINOIS

The Franchise Disclosure Document of Inspiring Wellness LLC for use in the State of Illinois shall be amended as follows:

General Revision

Illinois law governs the franchise agreement.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

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 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 Revisions

1. Item 1 entitled "Special Industry Regulation" shall be supplemented with the following paragraphs:

   Two Illinois Statutes govern the operation of physical fitness facilities in Illinois. The Physical Fitness Services Act (815 ILCS 645) requires written contracts, specified cancellation requirements, that contracts cannot be for more than $2,500 per person per year and that a person trained in CPR be on the premises at all times that people can be working out. We believe that this act will govern the operation the franchise we offer and we require you to use our billing contract designed to conform to this act when signing customers to billing contracts.

   The Physical Fitness Facility Medical Emergency Preparedness Act (210 ILCS 74) requires a medical emergency plan, at least one automated external

defibrillator and staff training on CPR and AEDs. Due to our limited class size we believe that this act does not apply to our franchise program.

2. Item 5, entitled "Initial Franchise Fee" shall be amended as follows

   The introductory sentence in Item 5 shall be replaced with the following introductory sentence:

   All Franchisees pay a uniform, non-refundable Initial Franchise Fee, based on the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows:

   The fee will be invoiced at the time you have commenced doing business pursuant to the franchise agreement, and will be due and payable Net 10 days from the date of invoice.

3. Item 7, entitled "Estimated Initial Investment" shall be amended as follows:

   The "When Due" column for the initial franchise fee shall read "10 days after we have met our initial obligations to you and you have commenced doing business".

4. Item 17 (v) entitled, "Choice of forum", shall be supplemented with the addition of the following language:

   For any disputes, controversies or claims not submitted to arbitration, Illinois jurisdiction and venue shall apply.

5. Item 17 (w), entitled "Choice of Law", shall be supplemented with the addition of the following language:

   In the state of Illinois, Illinois venue and law shall apply.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the franchise agreement.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

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 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.

Inspiring Wellness LLC		Franchisee	
Signature:	_____	Signature:	_____
Print Name:	Kristen Horler	Print Name:	_____
Date:	_____	Date:	_____

MICHIGAN

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF MICHIGAN

The Disclosure Document of Inspiring Wellness, LLC for use in the State of Michigan shall be amended as follows:

1. The cover page shall be supplemented with the following language:

   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 the Michigan Franchise Investment Law (the "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 the 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 6 months advance notice of franchisor's intent to not 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 the State of Michigan. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration outside of the State of Michigan.

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:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
Lansing, Michigan 48913
Phone: (517) 373-7117

2. Item 17 (m), entitled "Conditions for our approval of transfer", shall be supplemented with the addition of the following language:

   A franchisor may not require a franchisee to sign anything that waives or releases the franchisor from liability for claims that may arise under the Michigan Franchise Investment Law.

3. Item 17 (v) entitled, "Choice of forum", shall be supplemented with the addition of the following language.

   This provision may not be enforceable under Michigan Law.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MICHIGAN

Section 11.3.5 of the Franchise Agreement requires you and the Principal Owner(s) to release us from any and all claims as a condition for approval of transfer.

This provision is amended by adding the following sentence:

> Notwithstanding the foregoing, the general release required as a condition of transfer shall not apply to claims arising under the Michigan Franchise Investment Law.

Section 15.3 of the Franchise Agreement requires Arbitration in accordance with the rules of AAA in Sarasota Florida.

This provision is amended by adding the following sentence:

> Franchisee still can file a civil lawsuit in Michigan alleging a violation of the Franchise Investment Law.

Section 15.4 of the Franchise Agreement requires litigation and arbitration to take place in Sarasota Florida.

The clause ending the first sentence that states that "… will be venued exclusively with the courts having jurisdiction and locale where our principal office is located" is replaced with the following clause:

> "… will be venued in Lansing, Michigan, unless otherwise agreed by the parties."

Inspiring Wellness LLC		Franchisee	
Signature:	_____	Signature:	_____
Print Name:	Kristen Horler	Print Name:	_____
Date:	_____	Date:	_____

MINNESOTA

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF MINNESOTA

The cover page of the Disclosure Document of Inspiring Wellness, LLC for use in the State of Minnesota shall be amended as follows:

The following statement shall appear on the outside front cover:

> THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.
> THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISION OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The Disclosure Document of Inspiring Wellness, LLC for use in the State of Minnesota shall be amended as follows:

1. Item 17(g), entitled "Cause Defined – Curable defaults", shall be supplemented with the addition of the following language:

   With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, 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.

2. Item 17(h), entitled "Cause Defined – Defaults which cannot be cured", shall be supplemented with the addition of the following language:

   With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, 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.

3. Item 17 (m), entitled "Conditions for our approval of transfer", shall be supplemented with the addition of the following language:

   A franchisor may not require a franchisee to sign anything that waives or releases the franchisor from liability for claims that may arise under the Minnesota Franchise Law.

4. Item 17 (u), entitled "Dispute resolution by arbitration or resolution", shall be supplemented with the addition of the following language:

   Minn. Rule 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

5. Item 17 (v), entitled "Choice of forum", shall be supplemented with the addition of the following language.

   Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws or the jurisdiction.

6. Item 17 (w), entitled "Choice of Law", shall be supplemented with the addition of the following language:

   This section shall not in any way abrogate or reduce any rights of the franchisee as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts in Minnesota.

Agent for Service of Process

Our agent for service of process in Minnesota is:

Minnesota Commissioner of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101-2198

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MINNESOTA

Sections 10.2 of the Franchise Agreement includes various provisions under which IW may terminate the Franchise Agreement following notice and opportunity to cure.

This provision is amended by adding the following sentence:

> 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 you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

Sections 10.3 of the Franchise Agreement includes various provisions under which IW may terminate the Franchise Agreement following notice with no opportunity to cure.

This provision is amended by adding the following sentence:

> 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 you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

Section 11.3.5 of the Franchise Agreement requires that you and the Principal Owner(s) release us from any and all claims as a condition for approval of transfer.

This provision is amended by adding the following sentence:

> Notwithstanding the foregoing, we may not require you and the Principal Owner(s) to sign anything that waives or releases the Released Parties from liability for claims that may arise under the Minnesota Franchise Law.

Section 13 of the Franchise Agreement includes provisions governing indemnification.

This section is amended by adding the following provision:

13.2 Franchisor Indemnification. Pursuant to Minn. Stat. Sec.80C.12, Subd. 1(g), to the extent required by law, we will protect your right to use the Licensed Marks or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Licensed Marks.

Section 15.3 of the Franchise Agreement requires Arbitration in accordance with the rules of AAA in Sarasota Florida.

This provision is amended by adding the following language:

Minn. Rule 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws or the jurisdiction.

Section 15.4 of the Franchise Agreement requires application of the laws of Florida.

This provision is amended by adding the following sentence:

This section shall not in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts in Minnesota.

Inspiring Wellness LLC	Franchisee
Signature: _____	Signature: _____
Print Name: Kristen Horler	Print Name: _____
Date: _____	Date: _____

NEW YORK

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF NEW YORK

1. The cover page of the Franchise Disclosure Document of Inspiring Wellness, LLC shall be amended as follows:

   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.

   The items disclosed as "Risk Factors" shall be replaced as follows:

   SPECIAL RISK FACTORS:

   1. **THE FRANCHISE AGREEMENT PERMITS THE FRANCHISEE TO ARBITRATE DISPUTES ONLY IN SARASOTA, FLORIDA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH THE FRANCHISOR IN FLORIDA THAN IN YOUR HOME STATE.**
   2. **THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
   3. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

   The following statement shall appear above the Disclosure Document Effective Date:

The name and address of the Franchisor's agent for service of process in New York is:

Secretary of State of the State of New York
99 Washington Avenue
Albany, New York 12231

2. The following paragraphs are inserted at the end of Item 3 of the Disclosure Document:

Restrictive Orders:

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 of 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.

Arbitrations:

The franchise agreement contains a binding arbitration provision. Franchisor does not have any material arbitration pending involving a franchisee, nor, during the 10 year period immediately preceding the date of this Disclosure Document, has franchisor been a party to any concluded arbitration proceeding involving a franchisee.

3. The following paragraph is inserted at the end of Item 4:

   Neither the franchisor, its affiliate, its predecessor, officers or general partner during the 10 year period immediately before the date of this Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the US 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 US Bankruptcy Code or that obtained a discharge of its debts under the US 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 Item 17 (c) "Summary" titled "**Requirements for franchisee to renew or extend**":

   As our franchise program continually evolves, you may be asked to sign a Franchise Agreement with materially different terms on renewal. However, we will not change your Territory on renewal unless you request that we do so during the renewal process.

6. 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.

7. The following language replaces the Item 17 (d) "Summary" titled "**Termination by Franchisee"**:

   You may terminate the Franchise Agreement upon any grounds available to you by law.

8. The following is added to the end of the "Summary" 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.

9. The following sentence is added to the end of the "Summary" 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.

RHODE ISLAND

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF RHODE ISLAND

The Franchise Disclosure Document of Inspiring Wellness, LLC for use in the State of Rhode Island shall be amended as follows:

1. Item 17 (m), entitled "Conditions for our approval of transfer", shall be supplemented with the addition of the following language:

   A franchisor may not require a franchisee to sign anything that waives or releases the franchisor from liability for claims that may arise under the Rhode Island Franchise Investment Act.

2. Item 17 (v) entitled, "Choice of forum", shall be supplemented with the addition of the following language.

   Nothing in the Disclosure Document or franchise agreement can abrogate or reduce any of your rights as provided for the Rhode Island Franchise Investment Act.

3. Item 17 (w), entitled "Choice of Law", shall be supplemented with the addition of the following language:

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by the Rhode Island Franchise Investment Act.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF RHODE ISLAND

Section 11.3.5 of the Franchise Agreement requires that the Franchisee and the Principal Owner release IW from any and all claims as a condition for approval of transfer.

This provision is amended by adding the following sentence:

> Notwithstanding the foregoing, the general release required as a condition of transfer shall not apply to any liability arising under the Rhode Island Franchise Investment Act.

Section 15.3 of the Franchise Agreement requires Arbitration in accordance with the rules of AAA in Sarasota Florida.

This provision is amended by adding the following sentence:

> You still can file a civil lawsuit in Rhode Island alleging a violation of the Rhode Island Franchise Investment Act.

Section 15.8 of the Franchise Agreement provides claims must be brought within one year.

This provision is amended by adding the following sentence:

> This provision may not be enforceable under Rhode Island law.

Inspiring Wellness LLC	Franchisee
Signature: _____	Signature: _____
Print Name: Kristen Horler	Print Name: _____
Date: _____	Date: _____

VIRGINIA

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF VIRGINIA

The following statement shall appear above the Disclosure Document Effective Date:

> The name and address of the Franchisor's agent for service of process in Virginia is:
>
> Clerk of the State Corporation Commission
> Tyler Building, 9th Floor
> 1300 East Main Street
> Richmond, Virginia 23219

The following summary of provision h of Item 17 of the Disclosure Document is amended as follows:

> The clause "we terminate any other agreement with you for good cause" is struck in its entirety and is not applicable in the State of Virginia.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF VIRGINIA

Section 10.3.8 of the Franchise Agreement states that the Franchise Agreement may be terminated with no right to cure by the Franchisee in the event that Inspiring Wellness terminates any other agreement between Inspiring Wellness and the Franchisee for cause.

This provision is not applicable for any Franchise Agreements executed in the State of Virginia.

Inspiring Wellness LLC	Franchisee
Signature: _____	Signature: _____
Print Name: Kristen Horler	Print Name: _____
Date: _____	Date: _____

WASHINGTON

CHANGES TO DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF WASHINGTON

1. The cover page of the Disclosure Document of Inspiring Wellness, LLC for use in the State of Washington shall be amended as follows:

   The cover sheet shall be entitled as follows:

   DISCLOSURES REQUIRED BY THE STATE OF WASHINGTON

   The following statement shall appear under the title:

   THE STATE OF WASHINGTON HAS NOT REVIEWED AND DOES NOT APPROVE, RECOMMEND, ENDORSE, OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT.

   The following statement shall appear before the effective date:

   Our agent for service of process in the State of Washington is:

   Administrator of Securities
   Department of Financial Institutions
   Securities Division
   150 Israel Rd SW
   Turnwater, WA 98501

3. The following rider shall be attached to the Disclosure Document of Inspiring Wellness, LLC for use in the State of Washington:

   If any of the provisions in the franchise offering circular or franchise agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the franchise offering circular and franchise agreement with regard to any franchise sold in Washington.

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

4. Item 5, entitled "Initial Franchise Fee" shall be amended as follows

   The introductory sentence in Item 5 shall be replaced with the following introductory sentence:

All Franchisees pay a uniform, non-refundable Initial Franchise Fee, based on the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows. In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the Franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

CHANGES TO FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

Section 5.1 of the Franchise Agreement states that the Initial Franchise Fee is due upon execution of the Franchise Agreement.

This provision is amended by replacing the introductory sentence with the following introductory paragraph:

> All Franchisees pay a uniform, non-refundable Initial Franchise Fee, based on the population (based on the most recent U.S. Census data) of the franchise territory (the "Franchise Tier") as follows. In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the Franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

Section 15.3 of the Franchise Agreement requires Arbitration in accordance with the rules of AAA in Sarasota Florida.

This provision is amended by adding the following:

> In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.
>
> In addition, if any of the provisions in the franchise offering circular or franchise agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the franchise offering circular and franchise agreement with regard to any franchise sold in Washington.

Inspiring Wellness LLC	Franchisee
Signature: _____	Signature: _____
Print Name: Kristen Horler	Print Name: _____
Date: _____	Date: _____

I. Receipt

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Inspiring Wellness 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.

New York and Rhode Island require 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 and Oregon require 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 Inspiring Wellness 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 agency listed on Exhibit F.

The following is the name, principal business address and telephone number of each franchise seller offering this franchise:

Kristen Horler, 8830 S. Tamiami Trail, Suite 100, Sarasota, Florida 34238, 941.953.5000
Mark Horler, 8830 S. Tamiami Trail, Suite 100, Sarasota, Florida 34238, 941.953.5000

Date of Issuance: April 1, 2019

See Exhibit F for our registered agents authorized to receive service of process.

I have received a Franchise Disclosure Document with an Issuance Date of April 1, 2019 that included the following exhibits:

A. Financial Statements	B. Franchise Agreement
C. Transfer & Release Agreement	
D. Table of Contents of Operations Manual	E. List of Current & Former Franchisees
F. List of State Administrators	G. Copies of Negotiated Sales
H. State Specific Appendix	I. Receipt

Date: _____ Prospective Franchisee: _____

Name / Title: _____

Franchisee's Copy

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RECEIPT

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If Inspiring Wellness 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.

New York and Rhode Island require 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 and Oregon require 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 Inspiring Wellness 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 agency listed on Exhibit F.

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H. State Specific Appendix	I. Receipt

Date: _____ Prospective Franchisee: _____

Name / Title: _____

Franchisor's Copy: Ensure you date this receipt with the date that you received the Disclosure Document.