GNC
LIVE WELL

FRANCHISE DISCLOSURE DOCUMENT

General Nutrition Corporation
a Pennsylvania corporation
300 Sixth Avenue
Pittsburgh, PA 15222
(412) 288-4600
www.gncfranchising.com

The franchise described in this disclosure document is for the establishment and operation of a GNC retail store specializing in the sale of vitamins, minerals and other food supplements, natural cosmetics and other health management items.

The total investment necessary to begin operation of a single new GNC franchise store ranges from $~~148~~153,758 to $380,173; to convert a single company-owned store to a franchise store ranges from $~~107~~112,258 to $459,173; and to add a GNC Smoothie Bar to a franchise store ranges from $26,930 to $57,000. This includes the following amounts that must be paid to franchisor or affiliate: from $~~132~~137,017 to $334,384 for a new GNC franchise store; from $~~90~~95,517 to $413,384 to convert a company-owned store to a franchise store; and from $26,930 to $57,000 to add a GNC Smoothie Bar to a franchise store. If you enter into an Area Development Agreement, you must also pay franchisor or affiliate a development fee equal to the sum of the following: (i) a development rights fee, which will be determined by franchisor and will vary depending on the location of the development area, (ii) a fee equal to the initial franchise fee for the first GNC store you agree to develop, and (iii) a fee equal to 50% of the total initial franchise fees for the remaining GNC stores that you agree to develop. The fees in (ii) and (iii) will be credited toward the initial franchise fees due for the stores as long as you develop and open the stores in accordance with the terms of the Area Development Agreement. You must open a minimum of two GNC stores under the Area Development Agreement.

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 fourteen (14) calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on this disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer 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. 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: May 13, 2020

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with the franchisor by ~~mediation,~~ arbitration and/or litigation only in Pennsylvania. Out-of-state ~~mediation,~~ arbitration~~,~~ or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to ~~mediate,~~ arbitrate~~,~~ or litigate with the franchisor in Pennsylvania than in your own state.

2. **Spousal ~~Guarantee.~~ Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **~~Sources of Inventory or Supplies.~~ Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from us, from our affiliates, or from suppliers that we designate at prices we or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

4. **Financial Condition of Franchisor.** –The franchisor's financial condition, as reflected in its financial statements (See Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

STATE OF MICHIGAN
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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.

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

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

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

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration, of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection only applies 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 not to renew the franchise.

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

(f) A provision requiring that arbitration or litigation be conducted outside this state [Michigan]. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state [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 the Michigan Department of Attorney General, Consumer Protection Division, Antitrust and Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, (517) 373-7117.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

THE FRANCHISOR AND ITS PREDECESSORS

The franchisor is General Nutrition Corporation. To simplify the language in this disclosure document, "we," "us" or "our" means General Nutrition Corporation. "You" or "your" means the person or entity that buys the franchise, and includes your partners if you are a partnership, your members if you are a limited liability company, or your shareholders if you are a corporation.

General Nutrition Corporation is a Pennsylvania corporation. Our principal business address is 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. We conduct business under our corporate name and under the names "GNC Franchising," "GNC," "General Nutrition Centers," and "GNC Live Well." Our agents for service of process are listed in Exhibit B to this disclosure document.

Our immediate predecessor was GNC Franchising, LLC, a Pennsylvania limited liability company that was organized on December 5, 2003. GNC Franchising, LLC was the franchisor from December 31, 2003 until December 31, 2008, when it was merged into us. GNC Franchising, LLC was our wholly-owned subsidiary prior to the merger and had a principal business address of 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. GNC Franchising, LLC's predecessor was GNC Franchising, Inc., a Pennsylvania corporation that was incorporated on November 2, 1987. GNC Franchising, Inc. was the franchisor before its merger with GNC Franchising, LLC on December 31, 2003. The principal business address of GNC Franchising, Inc. was also 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222.

OUR PARENTS AND AFFILIATES

We are a wholly-owned subsidiary of General Nutrition Centers, Inc., the principal business address of which is 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. The ultimate parent company of General Nutrition Centers, Inc. is GNC Holdings, Inc., which is a public company. The principal business address of GNC Holdings, Inc. is 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222.

Our parent company General Nutrition Centers, Inc., through its department General Nutrition Financial Services ("GNFS"), provides financial services to our franchisees. Our affiliate, GNC Newco Parent, LLC, owns a minority interest in Nutra Manufacturing, Inc., which manufactures many of the products that our franchisees must carry in their stores. The principal business address of GNC Newco Parent, LLC is 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. We do not otherwise have any affiliates that provide products or services to our franchisees.

OUR OTHER BUSINESS ACTIVITIES

We own and operate all of the company-owned GNC retail stores. Our company-owned GNC retail stores are of the type being franchised in this disclosure document. We also sublease GNC retail store locations to our franchisees.

We and/or our affiliates own and operate the Internet site GNC.com, which sells GNC-branded products and third-party products via the Internet, and we also sell a product assortment, including GNC-branded products, on our market place on Amazon.com. We also provide necessary overhead for our company-owned GNC stores and warehousing, distribution, and construction services for company-owned and franchised GNC stores.

We also supply GNC-branded products and certain private label products to third party retailers. We also offer franchises of the type being franchised in this disclosure document in countries and territories outside the United States through our international franchising division.

THE FRANCHISE WE OFFER

The franchise that we offer in this disclosure document is the license to operate a GNC retail store (the "Store" or "GNC Store") at a fixed location as a franchisee under the form of Franchise Agreement attached as Exhibit E to this disclosure document (the "Franchise Agreement").

GNC Stores are retail health, wellness and performance stores that offer for sale vitamin and mineral supplements (some of which will be manufactured and distributed by us under the "GNC" brand or other proprietary brands we may create and develop from time to time), and, depending on the Store size, franchisee preferences, and our requirements, may offer for sale sports nutrition products, herbs, health foods, natural cosmetics and miscellaneous healthcare products, diet products, physical fitness products, specialty workout apparel, health-management products, and related products, as approved for sale by us from time to time. The franchise will be operated under certain trademarks, trade names, service marks, logos, emblems, insignia and other commercial symbols (including without limitation "GNC", "GENERAL NUTRITION CENTER", and "GNC LIVE WELL") developed and approved for use by us from time to time (the "Proprietary Marks"), and pursuant to a comprehensive system (the "System") originally developed by our predecessor, GNC Franchising, Inc., which we may modify from time to time. Further, if you qualify, we may allow you to include within the Store a GNC Smoothie Bar, which will offer for sale nutritional drinks called "smoothies" consisting of fruit, juice and specially developed nutritional supplements.

Our System features: vitamin and mineral supplements and other products manufactured and/or distributed by us under labels bearing the "GNC" mark (the "GNC Brand Supplements") and other proprietary trademarks, such as Pro Performance and Preventive Nutrition; other third party vitamin and mineral supplements; sports nutrition products, herbs, health foods, natural cosmetics and miscellaneous healthcare products, diet products, physical fitness products, specialty workout apparel, health-management products, and related products; distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance, and training; sales and management assistance and training; operating procedures for the storage, display and sale of products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising. The System may be changed, improved and further developed by us from time to time.

If you desire to develop and operate multiple GNC Stores, we offer an Area Development Agreement, which grants you the right to develop and open a specified number of GNC Stores within a specified development area in accordance with a specified development schedule, under the form of Area Development Agreement attached as Exhibit F to this disclosure document (the "Development Agreement"). You must open a minimum of two GNC stores under the Development Agreement. Under the Development Agreement, you have the right to develop, open and operate an agreed upon number of GNC Stores located in an area of responsibility (the "Development Area"), provided that you do so in accordance with an agreed upon development schedule (the "Development Schedule"). There is no preset minimum or maximum number of GNC Stores that you may agree to establish under the Development Agreement. We will negotiate with you on a case-by-case basis the number of GNC Stores that you will develop. In negotiating the number of GNC Stores we will permit you to develop under the Development Agreement, we will take into account market conditions, demographics for the potential development area and other factors we deem relevant. You may establish your GNC Stores at any location within the Development Area provided we consent to the location, which consent may be withheld or granted in our sole discretion, the location is in a state where we are permitted to sell GNC franchises, the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal, the location would not violate any other protected or restricted territories that we have granted or may in the future grant, such as in connection with a joint venture or Rite Aid, and the location would not violate a radius restriction in any real estate lease. You will operate each GNC Store to be developed under the Development Agreement under a separate Franchise Agreement. Upon establishing each additional GNC Store under the Development Schedule, you will be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this disclosure document.

We currently offer the following franchise programs:

New Franchise Store

A new franchise Store ("New Franchise Store"), or the right to develop multiple New Franchise Stores under a Development Agreement, may be awarded to a qualified person who is new to the GNC System, an existing franchisee or an employee of ours pursuant to our employee program. A New Franchise Store will be a new Store constructed by us (unless we designate otherwise in writing) at a location approved by us.

Conversion Store

As part of our business strategy, we have a program to convert existing company-owned GNC Stores to franchised GNC Stores (a "Conversion Store"). This program is available to qualified new franchisees, existing franchisees, and employees of ours pursuant to our employee program. Sales of Conversion Stores under this program are made using the form of Asset Purchase and Sale Agreement attached as Exhibit H to this disclosure document.

In either case, to qualify under our employee program, you must currently be an employee of ours, and you must have been employed (regardless of the position held) full-time for at least 12 months or part-time for at least 24 months prior to the date you execute the Franchise Agreement.

GNC Smoothie Bar

If you qualify, depending on your available Store space, we may offer you the option to incorporate a GNC Smoothie Bar into the Store if you execute a GNC Smoothie Bar Addendum attached to your Franchise Agreement. The GNC Smoothie Bar will be located within your Store, will contain approximately 150 square feet, and will specialize in the sale of drinks blended with fruit, juice, and nutritional supplements. We do not offer free-standing GNC Smoothie Bars independent of a franchise Store.

You will operate your GNC Store as an independent business using the Proprietary Marks, System, support, guidance, and materials developed by us. You will offer and sell products and services to the general public under the terms and conditions contained within the Franchise Agreement and our confidential operating manuals, including the Franchise Operations Manual, Re-Merchandising Manual, Promotional Merchandising Guidelines, POS Operations Manual, and any other manuals that we may develop or prescribe from time to time (the "Manuals"), that will be loaned to you at the time of training. You may not offer other products or services without our prior written approval.

We reserve the right to offer special incentive programs at any time in the future, which may decrease any of the fees listed in Items 5, 6 and 7 of this disclosure document. Generally, these incentive programs will be conditioned upon you executing a Franchise Agreement or opening your Store by a specified date and may only be available for specific Stores or in specified markets, which we determine in our sole discretion. We may alter or discontinue these programs at any time in our sole discretion without notice to you. These incentive programs may not be combined with any other offer or program unless indicated by us in writing. Furthermore, if you have executed a Franchise Agreement before the dates specified for the incentive programs, acquired a GNC location from an existing franchisee via a transfer, or are renewing an existing Franchise Agreement, you are not eligible to receive the incentive program.

COMPETITION

The health, wellness and performance market is well developed and is very competitive. You will compete with independent, regional, and national chains of vitamin stores, health food stores, and fitness stores. You will also compete with specialty stores, mass merchandisers, drug stores and grocery stores that sell the same or similar products, some of which may be located in close proximity to your Store or within the same enclosed mall or strip center. Various companies throughout the United States sell, by mail order, Internet or catalog sales, products which are the same or similar to those you will offer from your franchise location. Depending on the terms of your lease, your landlord may be able to lease other space within the mall or strip center in which you are located to other stores which may offer products that are the same as or similar to your products. Other nearby stores may be owned by us or our affiliates, under the same or a different trade name or trademark. In addition, in response to increasing competition in your area, we may develop programs to compete with that competition, and these programs may lower prices of products in certain GNC Stores in your area; however, these programs will comply with our obligations in connection with your protected territory under your Franchise Agreement.

In our Franchise Agreement, we reserve the right to sell products under the same or similar brands that you sell, including GNC Brand Supplements, via other channels of distribution. We own and operate the Internet site GNC.com. Additionally, our products, including GNC Brand Supplements, are sold on various other Internet sites, including Riteaid.com, Amazon.com., DicksSportingGoods.com, and SamsClub.com. These Internet sites will enable customers to purchase vitamin and mineral supplements, sports nutrition products, diet and energy products, herbal supplements, health and beauty products, health care products, and related products that may be currently available in retail GNC Stores, including GNC Brand Supplements, as well as provide free on-line information about health, wellness and performance. The products offered on these Internet sites may be the same or similar to those sold by you and may be offered for sale at varying prices. We currently wholesale products (including GNC Brand Supplements) to third-party brick-and-mortar retail stores, including Rite Aid, PetSmart, and Sam's Club, and we may pursue and enter into distribution/wholesaling relationships with other third-party brick-and-mortar retail stores. These stores may be located within your Protected Territory, and they may offer for sale the same or similar products offered by you, including GNC Brand Supplements, at varying prices. See Item 12 for more information.

INDUSTRY-SPECIFIC REGULATIONS

In addition to laws and regulations that apply to businesses generally, such as workers' compensation, corporate, and tax laws, you will be subject to certain federal, state, and local laws and regulations that affect the storage, offer, and sale of many products in your Store, which may include rules and regulations of the Federal Food and Drug Administration ("FDA"), the Consumer Product Safety Commission ("CPSC"), and the Federal Trade Commission ("FTC"), and if you carry foods, local health departments. There may be other local laws and regulations that are not mentioned in this disclosure document. The FDA and FTC rules and regulations may constrain the advertising or representations you can make about products and prohibit you from selling certain products, in some cases because of statements on their labels or advertising associated with those products.

You must comply with all applicable FDA requirements contained in the Federal Food, Drug, and Cosmetic Act and any similar state law concerning the sale of vitamins, proteins, cosmetics, drugs, foods, food supplements, medical devices, and other goods or services offered for sale at your Store. You must also obtain all certifications, permits, or other licenses that are necessary for you to operate your Store. You should become generally familiar with the Federal Food, Drug, and Cosmetic Act and any similar state law.

OUR BUSINESS EXPERIENCE AND BUSINESS EXPERIENCE OF OUR PREDECESSORS AND AFFILIATES

We and our predecessors have awarded franchises similar to the franchise we are offering in this disclosure document since 1987. Our predecessor, GNC Franchising, Inc., awarded GNC Store franchises similar to the franchise we are offering in this disclosure document from 1987 until it was merged into GNC Franchising, LLC on December 31, 2003. GNC Franchising, LLC, our immediate predecessor, awarded GNC Store franchises similar to the franchise we are offering in this disclosure document from December 31, 2003 until it was merged into us on December 31, 2008. We have awarded GNC Store franchises since January 1, 2009.

We and our predecessors and affiliates have manufactured and sold vitamins, health foods, diet products, natural cosmetics, fitness products, and other health-related products since 1935 and have distributed these products to our franchisees and company-owned stores since 1993. GNFS, a department of our parent company, General Nutrition Centers, Inc., has provided financial services to our franchisees since 1993. We also own and operate our company-owned Stores in the United States, under the names "GNC," "General Nutrition Center," and "GNC Live Well," all of which specialize in the sale of health, wellness and performance products, such as vitamins and mineral supplements, sports nutrition products, herbs, health foods, natural cosmetics, diet products, physical fitness products, and health management products and services. The GNC Stores operated by us are the same as, or similar to, the franchise offered in this disclosure document.

From May, 2001 through 2013, our affiliate General Nutrition Centres Company, and its predecessor GNC Franchising Canada, LTD., offered franchises in Canada similar to the franchise offered in this disclosure document under the names "General Nutrition Centre" and "GNC Live Well." Since 1989, we and our predecessor, General Nutrition International, Inc., have been offering franchises and Development and Distribution Agreements similar to the franchise offered in this disclosure document in countries and territories outside the United States.

Neither we nor our predecessors or affiliates have ever offered franchises in any other lines of business. In the past, we have operated locations under the names "Nature Food Center", "GNC Value Nutrition", "Amphora" and "Alive." In the past, our predecessor GNC Franchising, Inc. franchised, and we operated, GNC Stores in Harris Teeter supermarket stores in North Carolina, South Carolina and Virginia. This program has been discontinued, and all GNC/Harris Teeter Stores closed in June, 2003.

ITEM 2

BUSINESS EXPERIENCE

Sole Director and Chief Executive Officer: **Kenneth A. Martindale**

Mr. Martindale has served as our Chief Executive Officer since September, 2017 at our headquarters in Pittsburgh, Pennsylvania. He served as Chief Executive Officer of Rite Aid Corporation from August, 2015 to September, 2017, as President and Chief Operating Officer from June, 2013 to August, 2015, as senior Executive Vice President and Chief Operating Officer from June, 2010 to June, 2013, and as Chief Merchandising, Marketing & Logistics Officer from December, 2008 to June, 2010, in Camp Hill, Pennsylvania.

Chief U.S. Officer: **Josh Burris**

Mr. Burris has served as our Chief U.S. Officer since December, 2019, at our headquarters in Pittsburgh, Pennsylvania. He served as President and Chief Operating Officer of AM Retail Group from February, 2016 to December, 2019, as Senior Vice President, Stores and Operations from September, 2013 to February, 2016, and as Vice President, Stores and Operations from April, 2012 to September, 2013, in Minneapolis, Minnesota.

Chief Brand Officer: **Ryan Ostrom**

Mr. Ostrom has served as our Chief Brand Officer since July, 2019, at our headquarters in Pittsburgh, Pennsylvania. He served as Global Chief Digital Officer for KFC at Yum! Brands from May, 2015 to June, 2019, in Dallas/Fort Worth, Texas. He served as Chief Marketing Officer for Kenmore, Craftsman & DieHard at KCD Brands from April, 2012 to May, 2015, in Chicago, Illinois.

Executive Vice President and Chief Financial Officer: **Tricia Tolivar**

Ms. Tolivar has served as our Executive Vice President and Chief Financial Officer since March, 2015, at our headquarters in Pittsburgh, Pennsylvania. From 2011 to March, 2015, she served as Americas Advisory Director of Finance for Ernst & Young, LLP, in Atlanta, Georgia.

Senior Vice President, U.S. Operations: **Nathan Frazier**

Mr. Frazier has served as our Senior Vice President, U.S. Operations since March, 2019, at our headquarters in Pittsburgh, Pennsylvania. Mr. Frazier served as our Vice President, Franchise Operations at our headquarters in Pittsburgh, Pennsylvania from June, 2017 to March, 2019. He previously served as Vice President of Corporate and Franchise Operations at Mattress Firm in Houston, Texas from March, 2016 to June, 2017; and Divisional Vice President of Enterprise Risk for a retail division of Berkshire Hathaway in Kansas City, Missouri from November, 2013 to March, 2016.

Senior Vice President of Marketing: **John Learish**

Mr. Learish has served as our Senior Vice President of Marketing since February, 2018 at our headquarters in Pittsburgh, Pennsylvania. Mr. Learish served as Senior Vice President of Marketing for Rite Aid Corporation from November, 1994 to December, 2017, in Camp Hill, Pennsylvania.

Senior Vice President, General Counsel and Corporate Secretary: **Susan Canning**

Ms. Canning has served as our SVP, General Counsel and Corporate Secretary since August, 2019, at our headquarters in Pittsburgh, Pennsylvania. She served as our VP, Deputy General Counsel and Corporate Secretary from September, 2018 to August, 2019, at our headquarters in Pittsburgh, Pennsylvania. She served as In-house Legal Counsel at Kellogg Company from February, 2008 to March, 2018, in Battle Creek, Michigan.

Vice President, Global Technology Officer: **Scott Saeger**

Mr. Saeger has served as our VP, Global Technology Officer since May, 2018 at our headquarters in Pittsburgh, Pennsylvania. He served as Vice President, Enterprise Applications and Operations at 1-800 Flowers from March, 2016 to May, 2018, in Medford, Oregon. He served as Vice President of IT at The EADS Company from March, 2014 to March, 2016, in Houston, Texas.

Vice President of Real Estate and Franchise Development: **Eric Ravotti**

Mr. Ravotti has served as our Vice President of Real Estate and Franchise Development since January, 2019 at our headquarters in Pittsburgh, Pennsylvania. From November, 2016 to January, 2019, Mr. Ravotti served as the Vice President of Real Estate, and from March, 2015 to November, 2016, as the Director of Real Estate, for Rue 21 in Pittsburgh, Pennsylvania.

Vice President, Franchise Operations: **Maureen DiStefano**

Ms. DiStefano has served as our Vice President, Franchise Operations since February, 2020, at our headquarters in Pittsburgh, Pennsylvania. She served as Vice President, Operations and Development, at Magnolia Bakery International from July, 2018 to September, 2019, in New York, New York. She also served as Business Development Manager at Starbucks from January, 2017 to July, 2018, in Seattle, Washington; as a Consultant for Franchise Update Media from July, 2016 to October, 2016, in San Jose, California; as Director, Franchise Development at Arby's Restaurant Group, Inc. from May, 2014 to November, 2015, in Atlanta, Georgia; and as Franchising Manager at Dunkin' Brands from March, 2004 to May, 2014, in Canton, Massachusetts.

Director, Franchising: **Sarah Peters**

Ms. Peters has served as our Director, Franchising since December, 2019, at our headquarters in Pittsburgh, Pennsylvania. She served as our Sr. Manager, Franchise Operations from March, 2017 to December, 2019, also in Pittsburgh, Pennsylvania. She served as Sr. Director, Retail Business Systems at Giant Eagle, Inc. from April, 2010 to December, 2016, in Pittsburgh, Pennsylvania.

Senior Manager, Market Development: **Timothy Palma**

Mr. Palma has served as Senior Manager, Market Development since December, 2019, at our headquarters in Pittsburgh, Pennsylvania. He also served as our Manager, Market Development from February, 2017 to November, 2019, as Real Estate Analyst from April, 2014 to January, 2017, and as Lease Administrator from August, 2011 to March, 2014, also at our headquarters in Pittsburgh, Pennsylvania.

<u>Manager, Franchise Development</u>: **<u>Sharon Z. Knox</u>**

Ms. Knox has served as our Manager, Franchise Development since November, 2017 at our headquarters in Pittsburgh, Pennsylvania. From November, 2016 to November, 2017, Ms. Knox served as our Franchise Development Specialist at our headquarters in Pittsburgh, Pennsylvania. She also served as GNC Executive Assistant from February, 2003 to November, 2016, at our headquarters in Pittsburgh, Pennsylvania.

ITEM 3

LITIGATION

PENDING ACTIONS

<u>Rigo Amavizca, et al, v. GNC Holdings, Inc.</u>, (U.S. District Court, Central District of California, Case No. 2:20-cv-03545). On April 16, 2020, plaintiff, a GNC customer, filed this putative class action lawsuit, alleging that GNC is selling a dietary supplement that is not what it claims to be. Plaintiff claims that he purchased a product advertised as containing glucosamine sulfate, but that it actually contained glucosamine hydrochloride and sodium sulfate. Plaintiff alleges causes of action against GNC for violating the California Unfair Competition law, Cal. Bus. & Prof. Code sections 17200 et seq., by engaging in unfair, fraudulent, deceptive, and misleading conduct and advertising by representing that its Glucosamine Sulfate 550 product contained glucosamine sulfate, when it actually did not; for violating the California Consumers Legal Remedies Act, Cal. Civ. Code sections 1750 et seq., by engaging in unfair or deceptive acts and practices; for violating the California False Advertising Law, Cal. Bus. & Prof. Code sections 17500 et seq., by engaging in untrue and misleading advertising; for breach of contract; and for unjust enrichment. Plaintiff is seeking unspecified monetary damages, injunctive relief, restitution, punitive damages, and attorneys' fees and costs. GNC is currently evaluating the Complaint.

<u>Richa Arora, Randy Clinton, and Walter Johnston vs. GNC Holdings, Inc.</u> (U.S. District Court, Northern District of California, Case No. 3:19-cv-02414). On May 3, 2019, plaintiffs, GNC customers, filed this putative class action which alleges that GNC engaged in unlawful, deceptive, and misleading labeling and marketing of certain GNC-branded dietary supplements. Plaintiff claims that these products contain structure/function claims without proper disclaimers. Plaintiff alleges causes of action against GNC for violating the California Unfair Competition law, Cal. Bus. & Prof. Code sections 17200 et seq., by engaging in unlawful, unfair or fraudulent business practices by allegedly mislabeling certain of its proprietary brand supplements; for violating the California False Advertising Law, Cal. Bus. & Prof. Code sections 17500 et seq., by engaging in untrue and misleading advertising with respect to these supplements; for violating the California Consumers Legal Remedies Act, Cal. Civ. Code sections 1750 et seq., by engaging in unfair or deceptive acts and practices; for violating the New York Consumer Protection from Deceptive Acts and Practices Law, N.Y. Gen. Bus. Law sections 349 et seq., because GNC's labeling and marketing of these supplements constitutes deceptive practices and false advertising, as such conduct misled plaintiffs as to the characteristics and value of the supplements; and for unjust enrichment. Plaintiff is seeking declaratory and injunctive relief, statutory damages, unspecified monetary damages, punative damages, interest, and attorneys' fees and costs. In October 2019, GNC filed a motion to dismiss, which was subsequently denied. Parties are currently engaged in discovery.

<u>Toby Brock, et al vs. GNC Holdings, Inc., et al.</u> (U.S. District Court, Central District of California. Case No. 2:20-cv-00785-DSF-JC). On January 28, 2020, plaintiff, a GNC customer, filed this putative class action lawsuit against GNC alleging unlawful business practices, false advertising and unfair competition, claiming that the product Vitamin E Skin Oil sold in GNC stores does not contain Vitamin E

oil, but rather is comprised primarily of safflower oil. Plaintiff alleges causes of action against GNC for violating the California Unfair Competition law, Cal. Bus. & Prof. Code sections 17200 et seq., by making false and misleading statements regarding the ingredients in the product, which constitutes unfair competition, unfair, deceptive, untrue or misleading advertising, and an unlawful business practice; for violating the California False Advertising Law, Cal. Bus. & Prof. Code sections 17500 et seq., by making untrue, deceptive, and misleading claims in the product's labeling, packaging and advertising; and for violating the California Consumers Legal Remedies Act, Cal. Civ. Code sections 1750 et seq., by using deceptive representations in connection with the product, and advertising and packaging the product with the intent not to sell it as advertised. Plaintiffs are seeking an order enjoining GNC from continuing to label and advertise the product as alleged in the complaint, and attorneys' fees and costs. The matter is in the initial pleading stages.

Oosha Yusupov vs. GNC Holdings, Inc. (Supreme Court of New York, County of Queens, Case No. 701041/2020). On January 21, 2020, plaintiff, a GNC customer, filed a complaint alleging that the supplement Biotin sold at GNC stores presents the consumer with materially deceptive health benefit representations, which appear conspicuously on the front of each product, and that the Biotin products do not warn of the serious danger that taking mega-doses of Biotin will make medical tests materially inaccurate. Plaintiff claims that she suffered injury through her purchase of Biotin, and that GNC's representations and sales practices are omissive, deceptive and misleading in violation of the New York Consumer Protection from Deceptive Acts and Practices Law, N.Y. Gen. Bus. Law section 349. Plaintiff is seeking declaratory and injunctive relief, unspecified actual and statutory damages, and attorneys' fees and costs. The matter is in the initial pleading stages.

Environmental Research Center, Inc. vs. General Nutrition Corporation, General Nutrition Centers, Inc., and GNC Holdings, Inc. (Superior Court of the State of California, Alameda County, Case No. RG19024023). On June 21, 2019, plaintiff, a non-profit California corporation, filed a complaint against GNC claiming that numerous products sold at GNC stores contain lead and cadmium. Plaintiff alleges that these chemicals have been officially listed by the State of California as chemicals known to cause cancer, birth defects, and other reproductive harm, and that GNC has sold certain identified products that contain these chemicals in California without requisite warning information. Plaintiff alleges causes of action for violation of Health and Safety Code section 25249, et seq., by knowingly exposing individuals who ingest these products to lead and cadmium without first providing a clear and reasonable warning to such individuals as required by the statute. Plaintiff seeks injunctive relief, civil penalties, and attorneys' fees and costs. The parties are currently engaged in discovery.

Erika McCartney, in the public interest v. GNC Corporation, GNC, Inc., GNC Holdings, Inc., GNC Parent Corporation, et al (Superior Court of California, Alameda County, Case No.: RG17882105). On January 15, 2019, plaintiff, a resident of California, filed an Amended Complaint against GNC alleging that certain products sold at GNC stores contain lead. Plaintiff claims that the alleged conduct violates the warning provision of California's Proposition 65, Health and Safety Code section 25249.5, et seq., which makes it unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer, birth defects, or other reproductive harm without providing clear and reasonable warnings to individuals prior to their exposure. Plaintiff claims that GNC has introduced products contaminated with significant quantities of lead into the California marketplace, exposing consumers of the products to lead, and that GNC has provided no warning about the reproductive hazards associated with lead exposure. Plaintiff seeks for the court to assess civil penalties against GNC, to enjoin GNC from committing further violations of Health and Safety Code section 25249.5, and to award attorneys' fees and costs..

Jay Rossi v. General Nutrition Corporation and Grenade USA, LLC (U.S. District Court, Northern District of Illinois, Eastern Division, Case No. 1:19-cv-01417). On February 27, 2019, plaintiff, a GNC customer, filed a putative class action against us and Grenade USA, LLC. Plaintiff alleges that the product Grenade-Thermo Detonator (GTD), manufactured by Grenade USA, LLC and purchased by him at a GNC store, caused harm to him because it contained dangerous levels of bitter orange extract and youhimbe bark. Plaintiff alleges that GNC knew or should have known that GTD was dangerous and contained unlawful and potentially unsafe ingredients, and that GNC failed to warn plaintiff and other consumers that GTD contained a harmful and dangerous amphetamine-like compound or substance. Plaintiff alleges causes of action against GNC for negligent misrepresentation by negligently misrepresenting, omitting and/or concealing material facts relating to GTD; for unjust enrichment; and for violation of the Illinois Consumer Fraud and Deceptive Practices Act by engaging in unfair, deceptive and misleading sales and marketing practices relating to the safety, benefits, quality and efficacy of GTD. Plaintiff is seeking unspecified damages, interest, and attorneys' fees and costs. Plaintiff subsequently abandoned his class claims. GNC is contractually entitled to indemnity from the product vendor.

Steven Minor v. General Nutrition Corporation and Sun Holdings, Inc. (District Court, Dallas County, Texas, Case No. DC-18-16336). On October 18, 2018, plaintiff, a GNC customer, filed this lawsuit against GNC. Plaintiff alleges that he purchased the GNC AMP MASS XXX protein powder product from a GNC store, and the product caused him injury as a result of a piece of plastic from the product becoming lodged in his digestive tract. Plaintiff alleges causes of action for defective manufacturing and marketing, negligence, and breach of warranty. Plaintiff is seeking unspecified damages for medical expenses, physical pain and mental anguish, physical impairment, disfigurement, and lost wages, interest, and attorneys' fees and costs. GNC is contractually entitled to indemnity from the product vendor.

Jennifer Molina v. General Nutrition Corporation (Superior Court of the State of California, Alameda County, Case No. RG18888588). On January 10, 2018, plaintiff, a former GNC employee, filed this putative class action lawsuit, alleging that for at least the last four years prior to the filing of this lawsuit, GNC had a policy of failing to pay wages, including overtime wages to plaintiff and other non-exempt employees in the State of California in violation of California state wage and hour laws as a result of unevenly rounding time worked. Plaintiffs also allege that GNC required plaintiff and other similarly situated employees to make deposits using their own vehicles and failed to reimburse them for mileage as by required by California Labor Code section 2802. Plaintiff alleges the following causes of action: (i) failure to pay overtime wages by requiring plaintiff to work in excess of eight hours per day and/or forty hours per week and without properly compensating overtime wages, in violation of Labor Code section 1194; (ii) failure to pay minimum wages in violation of Labor Code section 1194; (iii) failure to pay all wages upon termination in violation of Labor Code sections 201 and 202; (iv) failure to provide accurate wage statements in violation of Labor Code section 226(a); violation of Labor Code 2802 by failing to reimburse employees making deposits for mileage; and (vi) unfair competition in violation of Business & Professions Code section 17200, by gaining a competitive advantage over other comparable companies by depriving plaintiff from being compensated overtime wages, from plaintiff not being compensated minimum wages, from plaintiff not being paid all wages due upon termination, and from plaintiff being provided with inaccurate wage statements. Plaintiff seeks class certification, and unspecified penalties for inaccurate wage statements, damages for unpaid wages and overtime wages, damages for unpaid penalty wages, damages for minimum wages, liquidated damages for unpaid minimum wages, restitution, reimbursement for mileage, pre-judgment interest, and costs and attorneys' fees. This matter is currently stayed.

Tawney L. Chevalier, et al. v. General Nutrition Centers, Inc. and General Nutrition Corporation (Court of Common Pleas, Allegheny County, Pennsylvania, No. 13-017194, Superior Court of Pennsylvania, No. 1437 WDA 2016). The case was filed in the Court of Common Pleas of Allegheny County, Pennsylvania, on September 19, 2013, as a class action on behalf of all GNC employees in Pennsylvania who were paid overtime pursuant to the fluctuating workweek ("FWW") method of compensation. Plaintiffs allege that the Pennsylvania Minimum Wage Act ("PMWA") does not permit

GNC to use the FWW method. In 2014, the Court agreed with plaintiffs, holding that the FWW method was not consistent with the public policy objectives of the PMWA. In May 2016, the Court ruled that it would not consider whether GNC was permitted to use the "basic rate" formula of 34 Pa. Code § 231.43(d)(3) to calculate overtime compensation. The Court also ruled that under the PMWA, the calculation of overtime on the payment of commissions requires that commissions must be divided by 40 hours, then multiplied by 1.5 times the number of overtime hours. On July 15, 2015, the Court certified this case as a class action on behalf of current and former employees in Pennsylvania who were paid using the FWW method on or after September 18, 2010. On September 6, 2016, the court entered judgment in favor of the class in the amount of $1.73 million. On December 29, 2016, the Court awarded plaintiffs' counsel $360,000 in attorney's fees plus $8,000 in litigation costs. GNC filed an appeal and submits that the FWW is lawful under Pennsylvania law, that its approach to calculating overtime on commissions is lawful, and that the Court erred in awarding a 1.5x multiplier on the award of attorney's fees. On December 22, 2017, the Pennsylvania Superior Court held that the Company correctly determined the "regular rate" by dividing weekly compensation by all hours worked (rather than 40), but held that the regular rate must be multiplied by 1.5 (rather than 0.5) to determine the amount of overtime owed. GNC filed a petition for appeal to the Pennsylvania Supreme Court on January 22, 2018. The Pennsylvania Supreme Court accepted GNC's petition for appeal and subsequently ruled in favor of plaintiffs. The case was remanded to the lower court for final disposition.

Jane Wu, et al. v. General Nutrition Corporation (Superior Court of California, Orange County. Case No. 30-2013-0648577). On May 6, 2013, plaintiff, a former GNC employee, individually and on behalf of all others similarly situated, filed this lawsuit against GNC in the Superior Court of Orange County, California, alleging that GNC's wage statements did not comply with California Labor Code section 226 and seeking statutory penalties for each violation under Section 226 and under California's Private Attorneys' General Act ("PAGA"), and attorneys' fees and costs. Plaintiff also alleges that GNC failed to pay her wages, including overtime wages, for hours worked, and she requests relief under Labor Code sections 203, 510, and 1194. GNC filed a motion for summary judgment on plaintiff's PAGA claim, arguing that it was barred by a 2014 settlement in the *Abad v. GNC* litigation. On July 15, 2016, the court granted GNC's motion for summary judgment on plaintiff's PAGA claim, holding that the claim was barred by the *Abad* settlement. In August 2017, the parties settled the claim relating to failure to pay wages. Pursuant to the settlement agreement, GNC agreed to pay plaintiff the amount of $15,000, less applicable payroll withholdings as determined by GNC, and plaintiff agreed to release GNC from all settled claims. The Section 226 claim remains stayed pending the outcome of the *Naranjo* case described immediately below.

Elizabeth Naranjo et al. v. General Nutrition Corporation (Superior Court of California, Alameda County, Case No. RG-12619626). On February 29, 2012, former Senior Store Manager, Elizabeth Naranjo, individually and on behalf of all others similarly situated, sued GNC in the Superior Court of Alameda County, California. The case was filed as a class action on behalf of GNC Manager Trainees, Store Managers and Senior Store Managers, who claim that they worked off-the-clock, were not provided with their meal/rest breaks, and that GNC failed to reimburse their business expenses (mileage). Plaintiffs also seek derivative claims for waiting time penalties and wage statement penalties (based on the alleged off-the-clock work and meal/rest period violations). Plaintiffs also seek penalties under the California Private Attorney General Act (PAGA). On October 23, 2014, the Court granted Plaintiffs' motion for class certification on their California Labor Code claims. Over the past several years, Plaintiffs have submitted a number of proposed trial plans. In March 2016, the court indicated that Plaintiffs finally submitted a trial plan sufficient to permit discovery to continue and to set a trial date. In June 2018, the court granted in part and denied in part GNC's Motion for Decertification. In August 2018, Plaintiff voluntarily dismissed the class action claims alleging overtime violations. In November 2019, GNC filed a renewed Motion for Decertification, which was denied by the court in January 2020. Trial is currently scheduled for July 2020.

DMAA/Aegeline Cases. Prior to December 2013, we sold products manufactured by third parties that contained derivatives from geranium known as 1.3-dimethylpentylamine/ dimethylamylamine/13-dimethylamylamine, or "DMAA," which were recalled from our stores in November 2013, and/or Aegeline, a compound extracted from bael trees. As of April, 2020, we were named in 27 lawsuits (each is described below) involving products containing DMAA and/or Aegeline. We are contractually entitled to indemnification by our third-party vendors with regard to these matters, although our ability to obtain full recovery in respect of any such claims against them is dependent upon the creditworthiness of the vendors and/or their insurance coverage and the absence of any significant defenses available to their insurers. There are currently twelve of these cases pending in Hawaii (each is described below) that allege that individuals suffered various hepatic (or liver) injuries following the consumption or ingestion of OxyElite Pro brand dietary supplements. The filing of the lawsuits in Hawaii occurred after the State of Hawaii Department of Health announced that it was investigating a cluster of non-viral hepatitis cases that were alleged to be linked to the use of OxyElite Pro brand dietary supplements. In connection with this investigation, the State of Hawaii Department of Health exercised its statutory embargo powers to seize product purporting to be OxyElite Pro brand dietary supplements from various retailers in the State of Hawaii, including GNC stores. Although the exact causal mechanism of the alleged injuries has not yet been established, the plaintiffs in each of the twelve pending cases in Hawaii contend that the claimed injuries were linked to the ingredient aegeline.

Kuulei Hirota v. General Nutrition Corporation, USPLabs, LLC, and SK Laboratories (First Circuit Court, State of Hawaii, Case No. 15-1-0847-05). On May 1, 2015, plaintiff filed this action alleging that plaintiff suffered biliary cirrhosis, hepatitis and jaundice as a result of consuming OxyElite Pro manufactured and/or sold by defendants. This product purportedly contained Aegeline. Plaintiff alleges causes of action for strict product liability, negligence, negligent design, failure to warn, and intentional and negligent infliction of emotional distress. Plaintiff is seeking unspecified compensatory, special and general damages, punitive damages, interest, and attorneys' fees and costs. The parties conducted an unsuccessful mediation on September 25, 2015 and September 28, 2015. The case is currently stayed pending final resolution.

Kenneth Waikiki v. USPLabs, LLC, Jonathan Vincent Doyle, Jacob Geissler, USPLabs OxyElite, LLC, USPLabs OxyElite PN, LLC, USPLabs Holding, LLC, GNC Corporation et al. (United States District Court for the District of Hawaii, Case No. CV13-00639). On November 21, 2013, plaintiff, a GNC store customer, filed a complaint against GNC alleging that plaintiff suffered liver failure that required liver transplant surgery and related injuries after consuming OxyElite Pro Super Thermo manufactured by USPLabs and sold by USPLabs and GNC. This product contained DMAA. Plaintiff alleges causes of action for negligence, strict products liability – manufacturing defect, defective design and failure to warn, breach of implied warranties and punitive damages. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. This case is currently stayed pending final resolution.

Gay Anne K. Mattson v. USPLabs, LLC, Jonathan Vincent Doyle, Jacob Geissler, USPLabs OxyElite, LLC, USPLabs OxyElite PN, LLC, GNC Corporation et al. (United States District Court for the District of Hawaii, Case No. CV14-00032). On January 23, 2014, plaintiff, a GNC store customer, filed a complaint against GNC alleging that plaintiff suffered hepatitis and related injuries after consuming OxyElite Pro Super Thermo manufactured by USPLabs and sold by USPLabs and GNC. This product contained DMAA. Plaintiff alleges causes of action for negligence, strict products liability – manufacturing defect, defective design, and failure to warn, and breach of implied warranty. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The case is currently stayed pending final resolution.

Melissa Igafo v. USPLabs, LLC, Jonathan Vincent Doyle, Jacob Geissler, USPLabs OxyElite, LLC, USPLabs OxyElite PN, LLC, GNC Corporation et al. (United States District Court for the District of Hawaii, Case No. CV14-00030). On January 23, 2014, plaintiff, a GNC store customer, filed a complaint against GNC alleging that plaintiff suffered hepatitis and related injuries after consuming OxyElite Pro Super Thermo manufactured by USPLabs and sold by USPLabs and GNC. This product purportedly contained DMAA. Plaintiff alleges causes of action for negligence, strict products liability – manufacturing defect, defective design, and failure to warn, and breach of implied warranty. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Nicholas Akau v. USPLabs, LLC, Jonathan Vincent Doyle, Jacob Geissler, USPLabs OxyElite, LLC, USPLabs OxyElite PN, LLC, GNC Corporation et al. (United States District Court for the District of Hawaii, Case No. CV14-00029). On January 23, 2014, plaintiff, a GNC store customer, filed a complaint against GNC alleging that plaintiff suffered hepatitis, acute liver failure and related injuries after consuming OxyElite Pro Super Thermo manufactured by USPLabs and sold by USPLabs and GNC. This product purportedly contained DMAA. Plaintiff alleges causes of action for negligence, strict products liability – manufacturing defect, defective design, and failure to warn, and breach of implied warranty. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages interest, costs and punitive and treble damages. The case is currently stayed pending final resolution.

Calvin Ishihara v. USPLabs, LLC, Jonathan Vincent Doyle, Jacob Geissler, USPLabs OxyElite, LLC, USPLabs OxyElite PN, LLC, GNC Corporation et al. (United States District Court for the District of Hawaii, Case No. CV14-00031). On January 23, 2014, plaintiff, a GNC store customer, filed a complaint against GNC alleging that plaintiff suffered hepatitis and related injuries after consuming OxyElite Pro Super Thermo manufactured by USPLabs and sold by USPLabs and GNC. This product purportedly contained DMAA. Plaintiff alleges causes of action for negligence, strict products liability – manufacturing defect, defective design, and failure to warn, and breach of implied warranty. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Mereane Carlisle, Charles Paio, Chanelle Valdez, Janice Fevella, and Christiano Mariano v. USPLabs, LLC, et al (United States District Court for the District of Hawaii, Case No. CV14-00029). On January 23, 2014, plaintiffs filed a complaint that they suffered liver failure and/or hepatitis after consuming OxyElite Pro manufactured on behalf of USPLabs. Three of the plaintiffs claim to be GNC customers. The product purportedly contained Aegeline. Plaintiffs allege causes of action for negligence, strict products liability (manufacturing defect, defective design, and failure to warn) and breach of implied warranty. Plaintiffs seek unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Nichole Davidson, William Dumlao, Gina Martin, Lee Ann Miranda, Yuka Colescott, Sherine Cortinas, and Shawna Nishimoto v. USPLabs, LLC, et al. (United States District Court for the District of Hawaii, Case No. CV14-00364). On August 15, 2014, plaintiffs, all alleged GNC customers, filed a complaint that they suffered liver failure and/or hepatitis after consuming OxyElite Pro manufactured on behalf of USPLabs. The product purportedly contained Aegeline. Plaintiffs allege causes of action for negligence, strict products liability (manufacturing defect, defective design, and failure to warn), and breach of implied warranty. Plaintiffs seek unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Rodney Ofisa, Christine Mosca, Margaret Kawamoto as guardian for Jane Kawamoto (a minor), Ginny Pia, Kimberlynn Tom, Faituitasi Tuioti, Irineo Rabang, and Tihane Laupola v. USPLabs, LLC, et al. (United States District Court for the District of Hawaii, Case No. CV-14-00365). On August 15, 2014, plaintiffs, six of whom are alleged GNC customers, filed a complaint that they suffered liver dysfunction and/or hepatitis after consuming OxyElite Pro manufactured on behalf of USPLabs. The product purportedly contained Aegeline. Plaintiffs allege causes of action for negligence, strict products liability (manufacturing defect, defective design, and failure to warn) and breach of implied warranty. Plaintiffs seek unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Keahi Pavao, Derek Kamiya, as personal representative of the Estate of Sonnette Marras, Gary Powell, on behalf of and as conservator for M.P.C.F.S.M., a minor child, R.P.O.C.S.S.M., a minor child, M.P.C.I.H.S.M., a minor child, M.K.C.S.M., a minor child, Michael Soriano, and Lance Taniguchi v. USPLabs, LLC, et al. (United States District Court for the District of Hawaii, Case No. CV-14-00367) and Rosonnette P.C. Smith-Marras v. General Nutrition Corporation USPLabs, LL and SK Laboratories, Inc. (United States District court for the District of Hawaii, Case No. CV-14-00367). These two cases were consolidated, as one of the claims dealt with the same decedent. On August 15, 2014, plaintiffs, alleged GNC customers, filed a complaint that they suffered liver failure, allegedly resulting in either a liver transplant, death or liver dysfunction, after consuming OxyElite Pro manufactured on behalf of USPLabs. The product purportedly contained Aegeline. Plaintiffs allege causes of action for negligence, strict products liability (manufacturing defect, defective design, and failure to warn), and breach of implied warranty. Plaintiffs seek unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Palani Pantohan, Deborah Cordeiro, J Royal Kanamu, Brent Pascua, Christie Shiroma, Justan Chun, Kasey Grace, and Adam Miyasato v. USPLabs, LLC, et al (United States District Court for the District of Hawaii, Case No. CV-14-00366) On August 15, 2014, plaintiffs, four of whom are alleged GNC customers, filed a complaint that they suffered liver dysfunction and/or hepatitis after consuming OxyElite Pro manufactured on behalf of USPLabs. The product purportedly contained Aegeline. Plaintiffs allege causes of action for negligence, strict products liability (manufacturing defect, defective design, and failure to warn), and breach of implied warranty. Plaintiffs seek unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive and treble damages. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. However, the parties successfully resolved the claims of one of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Thad Estrada v. USPLabs, et al. (United States District Court for the District of Hawaii, Case No. CV-15-00228). Plaintiff filed this action on June 17, 2015 seeking monetary damages in connection with the claimant's alleged consumption of OxyElite Pro, which he alleges contained Aegeline. Plaintiff alleges causes of action for strict product liability, negligence, negligent design, failure to warn, and negligent infliction of emotional distress. Plaintiff is seeking unspecified compensatory, special and general damages, punitive damages, interest, and attorneys' fees and costs. The parties conducted an unsuccessful mediation in September, 2015 and in October, 2016. The case is currently stayed pending final resolution.

Ka Wing Tsui and John McCutchen v. USPLabs, LLC et al. (California Superior Court, Los Angeles County, Case No. BC 559542). Plaintiffs filed this action on October 3, 2014, seeking monetary relief and injunctive relief in connection with Defendants' sale of OxyElite. The product purportedly contained Aegeline, which they claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranties, and strict liability. In early 2015, Plaintiffs requested this matter be added to the JCCP pending in Los Angeles County, and that request was granted. The parties successfully resolved the claims of one of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Jeremy Reed, Timothy Anderson, Dan Anderson, Nadia Black, Michael Cenicola, Anil D'Souza, Jason Jaramillo, Kevin Mullen, Chris Nee, Paul Neidigh, Jeffrey Donato, Melissa Miller, Joe Morris, John Obst, Jonathan Asahi, Lasagon Magee, Torrey Hampton and Zell Johnson v. USPLabs, LLC, Jonathan Vincent Doyle (an individual), Jacob Geissler (an individual), USPLabs Jack3d, LLC, USPLabs OsyElite, LLC, USPLabs Holding, LLC, GNC Corporation, the Vitamin Shoppe, Vitamin Shoppe Industries, Inc., J&N Nutrition LLC d/b/a Nutrishop Norco, Nutrishop, Inc., Natural Alternatives International, Inc. (US District Court Southern District of California, Case No. 3:13cv3135-JLS-DHB). Plaintiffs, consisting of a group of alleged consumers of GNC products, initiated this action on November 4, 2013 alleging that they suffered injuries after ingesting the products under names including Jack3d and/or OxyElite, which are manufactured by USPLabs and distributed by GNC. These products purportedly contained DMAA. The Complaint alleges causes of action for negligence, strict products liability (defective design), strict products liability (failure to warn), breach of express warranty, breach of implied warranty, and unlawful business acts and practices in violation of California Business and Professions Code section 17200. Plaintiffs seek unspecified compensatory and punitive damages, interest, attorneys' fees and costs. On December 23, 2013, defendants filed a Notice of Removal for various defendants. On January 3, 2014, plaintiffs filed a motion to remand the case back to state court. The court granted plaintiffs' motion to remand, and remanded the case back to the Superior Court of California for the County of San Diego on August 11, 2014. On or about November 2014, Plaintiffs requested a JCCP be formed so that coordinated proceedings could be held in California. The parties successfully resolved the claims of fourteen of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Thomas Park v. USPLabs, LLC et al. (California Superior Court, San Diego County, Case No., 37-2014-00010924). Plaintiff filed this action on April 10, 2014, alleging that he purchased OxyElite Pro, containing DMAA, from GNC and another outlet, IN2IT Franchising. Plaintiff alleges that as a result of needing to lose weight rapidly in order to qualify for the Navy, he consumed OxyElite. He further alleges that he required a liver transplant due to his consumption of the product. Plaintiff alleges causes of action for strict liability (design defect), strict liability (failure to warn), breach of implied warranties, breach of express warranties, negligence, deceit by concealment and negligent misrepresentation. Plaintiff seeks unspecified compensatory damages for medical and care expenses, loss of earnings (and/or profits), other economic loss, and non-economic damages, interest, costs and punitive damages. The case is currently stayed pending final resolution.

Roel Vista, Amy Pressley-Gray, Jana Price, Jean Bisbee, James Blain, Charles Coen, Andrew Dixon, and Israel Felix v. USPLabs, LLC et al. (California Superior Court, Santa Clara County, Case No. 115-CV-278046). Plaintiffs, alleged consumers of GNC products, filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with Defendants' sale of OxyElite. The product purportedly contained Aegeline, which they claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. On April, 8, 2015, plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County. The parties successfully resolved the claims of five of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Susan Straub, individual, and as Administratrix of the Estate of Shane Straub v. USPLabs LLC and General Nutrition Holdings, Inc. (Court of Common Pleas of Philadelphia County, Case No. 14-0502403). On May 20, 2014, plaintiff filed this action behalf of herself, David Straub, and the estate of Shane Straub. Plaintiff alleges that on April 8, 2014, the decedent died as the result of hepatitis injury, abnormal liver failure, increased intracranial pressure, and blood infection due to consumption of a dietary supplement called OxyElite Pro Ultra, which is manufactured by USPLabs and sold by GNC. The complaint alleges that OxyElite Pro contains a form of Aegeline which is unreasonably dangerous to consumers such as the decedent and that as a direct and proximate result of using OxyElite Pro, the decedent suffered malignant hyperthermia which caused the decedent's death. The complaint alleges that USP and GNC were negligent in, and strictly liable for, the preparation, design, research, testing, development, manufacturing, inspection, labeling, marketing, promotion, advertising and selling of OxyElite Pro Ultra. The complaint also contains causes of action for breach of express and implied warranties, wrongful death of decedent, and intentional infliction of emotional distress on decedent's parents. Plaintiffs are seeking unspecified compensatory and punitive damages and costs. The case is currently stayed pending final resolution.

Nicholas Olson, Adrian Chavez, Rebecca Fullerton, Robert Gunter, Davina Maes and Edwin Palm v. USPLabs, LLC et al. (California Superior Court, Orange County, Case No., 2014-00740258). Plaintiffs filed this action on August 18, 2014, in connection with defendants' sale of the products OxyElite and Jack3d. The products purportedly contained DMAA and Aegeline, which they claim are dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action against GNC for negligence in the testing, inspection, packaging, promotion, marketing, distribution and/or sale of Jack3d and OxyElite, breach of express and implied warranties, and strict products liability for design defect and failure to warn. Plaintiffs are seeking economic and non-economic damages, punitive and treble damages, interest, and costs. The parties successfully resolved the claims of five of the listed plaintiffs through mediations in September, 2015 and October, 2016. The case is currently stayed pending final resolution.

Cuong Bahn, Ismael Flores, Chue Xiong, Leilani Groden, Trudy Jenkins, and Mary Hess v. USPLabs, LLC et al. (California Superior Court, Orange County, Case No. 30-2015-00776749). Plaintiffs filed this action on March 12, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The case is currently stayed pending final resolution.

Alexis Billones, Austin Ashworth, Karen Litre, Nancy Murray, Wendy Ortiz, Edward Pullen, and Corazon Vu v. USPLabs, LLC et al. (California Superior Court, Los Angeles County, Case No. BC575264). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of two of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Asofiafia Morales, Richard Owens, Lynn Campbell, Joseph Silagy, Delphine Smith-Dean, Nicole Stroud, Barrett Mincey and Amanda Otten v. USPLabs, LLC et al. (California Superior Court, Los Angeles County, Case No. BC575262). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of three of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Laurie Nadura, Angela Abril-Guthmiller, Sarah Rogers, Jennifer Apes, Ellen Beedie, Edmundo Cruz and Christopher Almanza v. USPLabs, LLC et al. (California Superior Court, Monterey County, Case No. M131321). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of one of the listed plaintiffs at mediation in September, 2015. The remainder of the case is currently stayed pending final resolution.

Cynthia Novida, Demetrio Moreno, Mee Yang, Tiffone Parker, Christopher Tortal, David Patton and Raymond Riley v. USPLabs, LLC et al. (California Superior Court, San Diego County, Case No. 37-2015-00008404). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of two of the listed plaintiffs through mediation that began in October, 2016. The remainder of the case is currently stayed pending final resolution.

Johanna Stussy, Lai Uyeno, Gwenda Tuika-Reyes, Zeng Vang, Kevin Williams, and Kristy Williams v. USPLabs, LLC et al. (California Superior Court, Santa Clara County, Case No. 115CV278045). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of three of the listed plaintiffs through mediation in September, 2015 and October, 2016. The remainder of the case is currently stayed pending final resolution.

Issam Tnaimou, Benita Rodriguez, Marcia Rouse, Marcel Macy, Joseph Worley, Joanne Zgrezepski, Crystal Franklin, Deanne Fry, and Caron Jones, in her own right, o/b/o Joshua Jones and o/b/o The Estate of James Jones v. USPLabs, LLC et al. (California Superior Court, Monterey County, Case No.

M131322). Plaintiffs filed this action on March 13, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of four of the listed plaintiffs through mediation in September, 2015 and October, 2016. The remainder of the case is currently stayed pending final resolution.

Dominic Little, David Blake Allen, Jeff Ashworth, Naomi Book and Stanley Book, as Conservators of the Estate of Justin Book, Martin Sanchez, John Bainter, Rich Wolnik, Brian Norris, Joseph Childs, Jimi Hernandez and Novallie Hill v. USPLabs, et al. (California Superior Court, Los Angeles County, Case No. BC534065). Plaintiffs filed this action on January 23, 2014 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite Pro and Jack3d. The products purportedly contained DMAA, which the plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved all claims involving GNC with the exception of one through mediation in September, 2015 and October, 2016. The remainder of the case is currently stayed pending final resolution.

David Ramirez, Michelle Sturgill, Joseph Josefa, Yanira Bernal, Jacob Michels, Cynthia Gaona and Tamara Gandara v. USPLabs, LLC (California Superior Court, Orange County, Case no. 30-2015-00783256-CU-PL-CXC). Plaintiffs filed this action on April 16, 2015 seeking monetary relief and injunctive relief in connection with defendants' sale of OxyElite Pro. The product purportedly contained Aegeline, which plaintiffs claim is dangerous and sold pursuant to deceptive and unfair practices. Plaintiffs allege causes of action for violations of various California consumer protection laws in the California Business and Professions Code, breach of express and implied warranty, and strict liability. Plaintiffs moved to include this case in the JCCP currently pending in Los Angeles County on April 8, 2015. The parties successfully resolved the claims of one of the named plaintiffs at mediation in October, 2016. The remainder of the case is currently stayed pending final resolution.

PRIOR ACTIONS

Christina Labajo, Howard Clark, and Berry Saizon v. General Nutrition Corporation (Superior Court of California, County of San Francisco, Case No. CGC-19-574459). On March 12, 2019, plaintiffs filed this lawsuit against GNC seeking to restrain GNC from selling dietary supplements allegedly mislabeled with unlawful disease claims in California, specifically products that allegedly claimed to cure, treat, mitigate or prevent diseases or conditions like hypercholesterolemia, coronary heart disease and osteoporosis. Plaintiffs alleged that GNC sold several products that made these unlawful claims. Plaintiffs alleged causes of action against GNC for unlawful business practices in violation of California's Unfair Competition Law (Bus. & Prof. Code section 17200, et seq.) by allegedly selling products as new drugs without the approval of the FDA, and for violation of the Consumer Legal Remedies Act (Cal. Civil Code section 1750, et seq.) by allegedly labeling and advertising products with disease and drug claims without approval as being safe and effective for their labeled purposes. Plaintiffs sought an injunction enjoining GNC from manufacturing or selling products with unapproved drug or disease claims, unspecified compensatory damages and attorneys' fees and costs. On or about January 6, 2020, the parties entered into a settlement agreement, pursuant to which GNC agreed, within 180 days of the settlement date, not to make claims regarding certain cholesterol and bone products' effects on cholesterol or bone health without including qualifying language that the effects are associated with those with "already normal" cholesterol or "already healthy" bones. GNC also agreed to pay plaintiffs and plaintiffs' attorneys the total sum of $75,000. Plaintiffs agreed to dismiss the lawsuit with prejudice and to release GNC from all claims relating to plaintiffs' allegations in the complaint.

Sean Jordan v. General Nutrition Corporation, GNC Holdings, Inc., and GN Oldco Corporation (Circuit Court of Cook County, Illinois, Case No. 2018-L-001676). On February 15, 2018, plaintiff, an alleged customer, filed this lawsuit alleging injuries from consumption of the GNC Live Lean & Fit Pack dietary supplement. Plaintiff alleged causes of action for negligence and strict product liability, for failing to use reasonable care in designing, manufacturing, marketing, labeling, packaging and selling the product, for failing to warn foreseeable users of the potential health hazards associated with use of the product, and for placing the product in the stream of commerce in a defective and unreasonably dangerous condition such that the foreseeable risks exceeded the benefits associated with the formulation of the product. Plaintiff sought unspecified damages, attorneys' fees and costs, and punitive damages. On or about June 10, 2019, the parties entered into a Settlement Agreement and Release, pursuant to which GNC agreed to pay plaintiff the sum of $45,000, and plaintiff agreed to dismiss the lawsuit with prejudice and to release GNC from any claims relating to the lawsuit.

Craig C. Kyllonen, Kypro Enterprises LLC and K and K GNC, LLC vs. GNC Franchising LLC and General Nutrition Corporation (U.S. District Court for the District of Nevada, Case No. 2:18-01526). On August 16, 2018, plaintiffs, GNC franchisees, filed this lawsuit against us. Plaintiffs claimed that GNC failed to provide adequate support and accounting services pursuant to their franchise agreements, and that GNC failed to credit amounts and provide proper discounts to their operating entities. Plaintiffs also claimed that GNC failed to discover embezzlement by one of plaintiffs' employees. Plaintiffs alleged that these actions by GNC caused plaintiffs to suffer considerable losses and to be unable to pay amounts due to GNC and afford adequate inventory. Plaintiffs also alleged that these actions by GNC caused plaintiffs to sell two of their stores back to GNC for less than market value, and to relinquish their other two stores to GNC for less than actual value. Plaintiffs alleged breach of their franchise agreements, unjust enrichment, breach of fiduciary duty, fraud, negligent misrepresentation, tortious interference with contractual relations, breach of implied covenant of good faith and fair dealing, and consumer fraud in violation of the Nevada Deceptive Trade Practices Act. Plaintiffs sought damages in excess of $75,000, attorneys' fees and costs, and punitive damages. The parties settled this matter on or about July 9, 2019. The parties agreed to mutual general releases and that neither party would disparage or make negative comments regarding each other to any other person, which are based upon the acts alleged in the lawsuit. The parties specifically disclaimed any liablity to each other, and neither party paid any money to the other party.

Jenna Kaskorkis and Kim Carter, individually and on behalf of all other similarly situated vs. General Nutrition Centers, Inc. and General Holdings Inc. (U.S. District Court, Southern District of California, Case No. 3:16-cv-00990). On April 22, 2016, plaintiff Jenna Kaskorkis, a GNC customer, filed this putative class action lawsuit, which was amended on August 1, 2016 to add Kim Carter, alleging that GNC violated California Business and Professional Code §§17500, *et seq.*- Untrue, Misleading and Deceptive Advertising, California Civil Code §§1750, *et seq.*- Misrepresentation of the Existence of a Discount, and California Business and Professional Code §§17200, *et seq.*- Unlawful Business Acts and Practices, by misleadingly marketing and advertising its products on www.gnc.com as discounted from the "Regular Price" when such discounts are illusory and/or overstated. Plaintiffs sought class certification, unspecified monetary damages, restitution and/or disgorgement (including allowing customers to return any products purchased on GNC's website at GNC's expense and restitution of all shipping and handling fees for products purchased from the website), injunctive relief (including making corrective notices to the website), and attorneys' and experts' fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Gennock and Harrison cases below. The settlement terms are described in the Harrison case below.

Ashley Gennock and Daniel Styslinger, individually and on behalf of all others similarly situated vs. General Nutrition Centers, Inc. and GNC Holdings, Inc. (U.S. District Court, Western District of Pennsylvania, Case No. 16-633). On May 17, 2016, plaintiffs, GNC customers, filed this putative class action lawsuit alleging two causes of action, one for violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law (PUTPCPL), and the other for unjust enrichment. Plaintiffs alleged that GNC misleadingly marketed and advertised its products as discounted from the "Regular Price" when such discounts were illusory and/or overstated. Plaintiffs alleged that GNC's conduct violated the PUTPCP because GNC made false and misleading statements of fact concerning price reductions, and because GNC's pricing scheme was deceptive in that it created the likelihood that consumers would be confused and deceived into believing that they were purchasing products at substantial discounts, when they were not. Plaintiffs sought class certification, unspecified monetary damages, declaratory and injunctive relief (including enjoining GNC's pricing practices, post corrective notices, and identify alleged victims and provide restitution), and attorneys' fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Kaskorkis case above and the Harrison case below. The settlement terms are described in the Harrison case below.

Kenneth Harrison, an individual on behalf of himself and all others similarly situated v. General Nutrition Centers, Inc.; GNC Holdings, Inc. and Does 1 through 25 inclusive (U.S. District Court, Southern District of California, Case No. 16-cv-3086). On December 23, 2016, plaintiffs, GNC customers, filed this putative class action lawsuit, alleging that GNC's website included written misrepresentations regarding price discounts by advertising a regular price for products that was inaccurate, inflated and arbitrary together with a sale price that purported to reflect steep discounts off the falsely advertised regular price, but which were in reality not sales prices or discounts at all. Plaintiff claimed that these allegedly misleading pricing practices violated three state statutes: California Business and Professional Code §§17500, *et seq.*-Untrue, Misleading and Deceptive Advertising; the Consumer Legal Remedies Act, California Civil Code §§1750 *et seq.* - Misrepresentation of the Existence of a Discount (Injunctive Relief Only with Reservation); and California Business and Professional Code §§17200, *et seq.* - Unlawful Business Acts and Practices. Plaintiffs sought class certification, a declaratory judgment that defendants' conduct violated the identified state statutes, unspecified compensatory and punitive damages, prejudgment interest, restitution and/or disgorgement of profits, injunctive relief, and reasonable attorneys' fees and costs. In December 2019, the court approved a settlement agreement in this case, which had previously been consolidated with the Kaskorkis and Gennock cases above. GNC agreed to make available the total amount of $6,000,000 in monetary consideration to create a settlement fund for the benefit of settlement class members. The settlement fund amount consisted of (i) cash payment of settlement administration expenses, service payments to each representative plaintiff, class counsel fees and expenses, and the total aggregate dollar value of all eligible claimaints' cash claims; (ii) issuance of vouchers to eliglible claimants, the aggregate dollar value of which is to be applied as a credit to GNC's obligation to pay the settlement fund; and (iii) redeemed coupons issued to settlement class members, the aggregate value of which is to be applied to GNC's obligation to pay the settlement fund. The settlement class consisted of all persons who, from January 1, 2012, through the preliminary settlement approval date, purchased any product on sale or through a promotion from GNC's website. Settlement class members were entitled to a one-time coupon for $30 off a $100 purchase through GNC's website only, and either (i) a cash payment of $5.00, or (ii) a voucher worth $15.00, which amounts could be adjusted based on the number of eligible claimants. Plaintiffs agreed to release GNC from all claims relating to plaintiffs' allegations in the complaints.

Darren Hartman, Patricia Hartman, Avowood, Inc., and Callamac, Inc. v. General Nutrition Corporation, GNC Holdings, Inc., and GNC Franchising, Inc. (Court of Common Pleas, Allegheny County, Pennsylvania, Case No. GD-1-002047). On February 18, 2018, plaintiffs, former GNC franchisees, filed this lawsuit. Plaintiffs alleged two causes of action, the first for breach of contract and the implied covenant of good faith and fair dealing. Plaintiff allegds that GNC breached the Franchise Agreement by failing to develop, promote and protect the goodwill and reputation associated with the GNC names and marks; by mismanaging GNC on a corporate level; in allowing franchisees to violate the Franchise Agreements resulting in price undercutting of ethical franchisees, in misrepresenting the nature of its rewards programs; in failing to compete ethically in the marketplace in violation of the franchise operations manual; and in failing to comply with applicable laws and regulators as contemplated by the franchise operations manual and Franchise Disclosure Document. Plaintiffs alleged that GNC's breaches have harmed franchisees by diminishing the value and profitability of their GNC Stores. Plaintiffs also alleged a second cause of action seeking to have the post-termination covenant not to complete in the Franchise Agreement declared unenforceable. Plaintiffs sought unspecified compensatory and consequential damages, pre-judgment and post-judgment interest, attoryneys' fees and costs, a judgment allowing plaintiffs to rescind their Franchise Agreement and terminate their relationship with GNC, and a judgment declaring the non-competition covenant in the Franchise Agreement unenforceable. On or about April 30, 2019, the parties entered into a Confidential Settlement Agreement and General Release. GNC agreed to pay plaintiffs the sum of $160,000, and the parties agreed to mutual general releases. Plaintiffs agreed that their rights and interests in their franchises were immediately terminated.

Kwanita Beecham, on behalf of herself and all others similarly situated vs. General Nutrition Corporation, GNC Holdings, Inc. and GNC Corporation (Superior Court of San Diego, California, Case No. 37-2018-0006559-CU-MC-CTL). On December 27, 2018, plaintiff filed this putative class action lawsuit against GNC based on GNC's alleged false and misleading advertising that its biotin dietary supplement products provide meaningful hair, skin and nail health benefits. Plaintiff alleged that GNC knew or should have known that its biotin products do not provide the advertised benefits. Plaintiffs alleged causes of action against GNC for violation of the California Unfair Competition Law (Cal. Bus. & Prof. Code section 17200, et seq.) by making misrepresentations and omissions of material facts in its advertising and labeling; for violation of the California Consumers Legal Remedies Act (Cal. Civ. Code section 1750, et seq.) by falsely representing that the biotin products were beneficial for hair, skin and nail health; for violation of the California False Advertising Law (Cal. Bus. & Prof. Code section 17500) by making untrue or misleading representations that its biotin products are beneficial for hair, skin and nail health; and for breach of express warranty. Plaintiff was seeking class certification, restitution and disgorgement of profits; injunctive relief, interest, and attorneys' fees and costs. On February 7, 2019, the parties entered into a settlement agreement, pursuant to which GNC agreed to pay plaintiff $24,000, and plaintiff agreed to release GNC from all claims relating to plaintiff's allegations in the complaint.

Sean Wagner, individually and on behalf of all others similarly situated vs. General Nutrition Corporation (U.S. District Court, Northern District of Illinois, Case No. 16-cv-10961). On November 30, 2016, plaintiff, a GNC customer, filed this putative class action lawsuit in which plaintiff alleged that GNC engaged in unfair and/or deceptive business practices by misrepresenting the nature and quality of certain products on the product's labels and through marketing and advertising. The products at issue were various GNC-branded L-Glutamine dietary supplements. Plaintiff alleged causes of action against GNC for violation of state consumer fraud acts (on behalf of the Consumer Fraud Multi-State Class); for violation of the Illinois Consumer Fraud and Deceptive Business Practices Act (On Behalf of the Illinois Subclass); for breach of express warranty (on Behalf of the National Class) and for unjust enrichment (on Behalf of the National Class). Plaintiff also alleged that GNC violated 21 U.S.C. §343(a)(1), which deems food misbranded when the label contains a statement that is false or misleading. Plaintiff sought an order for class certification; an injunction prohibiting GNC from engaging in unlawful conduct; restitution and disgorgement of profits; unspecified actual, punitive and statutory damages; pre-judgment and post-judgment interest; and attorneys' fees and litigation costs. On July 18, 2018, the parties reached a settlement, pursuant to which GNC agreed to pay plaintiff $50,000. The parties agreed to mutual releases, and plaintiff agreed to dismiss the lawsuit with prejudice.

Robert J. Jones and Kristen A. Jones (Court of Common Pleas, City and County of Philadelphia, Pennsylvania, Case ID: 180503605). On June 1, 2018, a praecipe for writ of summons was entered in the Court of Common Pleas, Philadephia County, Pennsylvania, by Robert and Kristen Jones, who were GNC franchisees. The praecipe related to lease negotiations being conducted by GNC with the landlord for their GNC store. During the course of the negotiations, the master lease for the Jones' GNC store expired, and consequently there was no longer leaseable space for their GNC store. The parties settled this matter on October 18, 2018. GNC agreed to pay the Jones' $31,000, and the parties agreed to mutual general releases.

Cole Williams and Novack Lazare v. General Nutrition Centers, Inc. and General Nutrition Corp. (U.S. District Court, District of Connecticut, Case No. 3:14-CV-01429-VLB). On September 29, 2014, plaintiffs, former GNC employees, filed this putative class action alleging that GNC's policy of calculating overtime for certain non-exempt employees pursuant to the fluctuating workweek ("FWW") was in violation of the Connecticut Minimum Wage Act (CMWA), Conn Gen. Stat. s. 31-58 et seq. Plaintiffs alleged that when they worked more than 40 hours a week, they were underpaid by virtue of GNC's application of the FWW method for calculating overtime compensation. Plaintiffs were seeking class certification, unspecified unpaid overtime compensation under the CMWA, liquidated damages under the CMWA, interest and attorneys' fees and costs. On September 27, 2016, the court certified the question of the lawfulness of the FWW under state law to the Connecticut Supreme Court for a decision. In August 2017, the Connecticut Supreme Court issued a mixed ruling. First, the Court held that the FWW was not permitted. Second, the Court ruled that GNC was entitled to be "credited" with having paid the salary and commissions for all hours worked (including overtime hours), thereby eliminating more than 2/3 of the potential liability for overtime damages to the class. After a settlement conference conducted in May 2018, the parties agreed to settle this lawsuit, with GNC agreeing to pay participating class members, named plaintiffs, class counsel and the settlement administrator. GNC agreed to pay plaintiffs and participating class members an amount up to a cumulative total of no more than $95,000, exclusive of the employer's share of payroll taxes. GNC also agreed to pay a service payment allocation (in an amount up to a cumulative total of no more than $15,000), to be allocated among the class representatives. GNC also agreed to pay plaintiff's attorneys' fees and costs, and the settlement administrator for administrative services under the settlement agreement. Named plaintiffs and participating class members agreed to release GNC from all settled claims.

Jane Wu, et al. v. General Nutrition Corporation (Superior Court of California, Orange County, Case No. 30-2012-00593759-CU-OE-CXC). On August 24, 2012, former employee, Jane Wu, individually and on behalf of all others similarly situated, sued GNC in the Superior Court of Orange County, California, alleging that certain GNC vacation payment policies and practices upon termination violated the California Labor Code and Business and Professions Code section 17200, et seq., and seeking unpaid vacation, waiting time penalties and attorneys' fees and costs. GNC endeavored to voluntarily pay the class members for any accrued vacation. On August 17, 2016, the parties entered into a settlement agreement, pursuant to which GNC agreed to pay plaintiff $15,000, less applicable payroll withholdings. Plaintiff also agreed to release GNC from all settled claims.

Thera Lambert v. General Nutrition Corporation (U.S. District Court, Northern District of Illinois, Case No. 1:17-cv-02149). On November 20, 2017, plaintiff, a GNC customer, filed this putative class action lawsuit, alleging that the GNC product Aloe Vera Skin Gel did not contain any aloe vera, and that the product's label was false, deceptive and misleading, in violation of the Federal Food Drug & Cosmetics Act and its parallel state statutes, and state warranty, consumer protection, and product labeling laws. Plaintiff alleged causes of action for breach of express warranty, violation of state consumer protection acts, and violation of the Ilinois Consumer Fraud and Deceptive Business Practices Act. Plaintiff sought class certification, unspecified actual damages, statutory damages, restitution, pre- and post-judgment interest, and attorneys' fees and costs. On January 25, 2018, the parties entered into a settlement agreement, whereby GNC agreed to pay to plaintiff the sum of $48,500, and plaintiff agreed to release GNC from any claims relating to the lawsuit.

General Nutrition Centers, Inc. v. Peter E. Arnell (U.S. District Court, Western District of Pennsylvania, Case No. 2:15-cv-00452). On April 2, 2015, GNC filed this lawsuit in the U.S. District Court for the Western District of Pennsylvania seeking a declaratory judgment against Peter E. Arnell ("defendant"), a media and branding consultant, after GNC received a letter from defendant's attorneys claiming that GNC was infringing upon defendant's copyrighted images. GNC had contracted with defendant to provide certain advertising, branding and marketing communications services to GNC. Defendant was claiming in his letter that, despite expiration of GNC's right and license to use the defendant's images, GNC had continued to use the images without plaintiff's permission, license or authority. GNC's lawsuit sought the following declarations: that GNC had an implied license to use and display defendant's images; that any claim of copyright infringement was barred by the doctrines of laches and equitable estoppel; that defendant was barred from seeking statutory damages under the federal Copyright Act of 1976; that GNC had not engaged in unfair competition under federal and state laws; and that any unfair competition claims were preempted by the Copyright Act. GNC also sought the following orders: an order enjoining defendant from asserting a claim of copyright infringement or unfair competition claim against GNC; an order finding defendant was unjustly enriched by GNC and awarding GNC restitution; and an order awarding GNC its attorneys' fees and costs. On April 3, 2015, Defendant filed a complaint against GNC styled Peter E. Arnell v. General Nutrition Centers, Inc., Case No. 15-cv-02579, in the U.S. District Court for the Southern District of New York, alleging unauthorized use and exploitation of plaintiff's images by GNC. Defendant alleged in his complaint causes of action for copyright infringement by GNC in violation of the Copyright Act of 1976 and various state laws, and unjust enrichment. Defendant's complaint was voluntarily dismissed by defendant on May 22, 2015. On November 12, 2015 the parties reached a settlement, pursuant to which defendant granted to GNC a perpetual license to use the images at issue in the case, and GNC agreed to pay Defendant $300,000.

Patrick Andrew Witte v. General Nutrition Corporation and GNC Parent, LLC (Superior Court for the District of Columbia, Civil Division, Case No. 15-000878). On February 26, 2015, plaintiff, a GNC store customer, filed this lawsuit against GNC alleging a cause of action for unlawful and deceptive trade practices in violation of District of Columbia Code Section 28-3905. Plaintiff alleged that certain products manufactured or carried by GNC are packaged in a deceptive and misleading manner, in that the packaging contains unlawful slack-fill (area of empty space in a bottle or packaging). Plaintiff sought an injunction against GNC, including that GNC be barred from producing its proprietary products with so-called non-functional slack-fill in the District of Columbia. He also sought unspecified compensatory and punitive damages and attorneys' fees. On October 5, 2015, the parties reached a settlement pursuant to which GNC agreed to pay Plaintiff $20,000 in full satisfaction of all claims.

Amanda Huffman v. General Nutrition Corporation and GNC Parent, LLC (Superior Court for the District of Columbia, Civil Division, Case No. 15-002081). On March 26, 2015, plaintiff, a GNC store customer, filed this lawsuit against GNC alleging a cause of action for unlawful and deceptive trade practices in violation of District of Columbia Code Section 28-3905. Plaintiff alleged that certain products manufactured or carried by GNC are packaged in a deceptive and misleading manner, in that the packaging contains unlawful slack-fill (area of empty space in a bottle or packaging). Plaintiff sought an injunction against GNC, including that GNC be barred from producing products with so-called non-functional slack-fill in the District of Columbia. She also sought unspecified compensatory and punitive damages and attorneys' fees. On October 26, 2015, the parties reached a settlement pursuant to which GNC agreed to pay Plaintiff $30,000 in full satisfaction of all claims.

Dominic Vargas and Anne Hickok, et al. v. General Nutrition Centers, Inc. and General Nutrition Corporation. (U.S. District Court, Western District of Pennsylvania, Case No. 10-cv-00867). On June 29, 2010, Plaintiffs, on behalf of themselves and all others similarly situated, sued General Nutrition Corporation and General Nutrition Centers, Inc. Plaintiffs were current and/or former employees of GNC employed at GNC stores. The complaint alleged that plaintiffs were required to perform work on an uncompensated basis and that GNC failed to pay overtime for such work in violation of the Fair Labor Standards Act, and that the defendants retaliated against plaintiffs when they complained about the overtime policy, also in violation of the Fair Labor Standards Act. Plaintiffs sought to designate the action as a collective action; a declaration that the practices complained of are in violation of the Fair Labor Standards Act; an injunction restraining GNC from continuing with the alleged course of conduct; an order reinstating named plaintiffs to their discharged positions; compensatory and liquidated damages; interest; and attorneys' fees and costs. We filed a motion to dismiss Count II of the Complaint relating to the retaliation claim, and on January 5, 2011, the court granted the motion. In the fall of 2011, plaintiffs filed their Motion for Class Certification. On August 16, 2012, the Court conditionally certified a putative class of store managers and senior store managers in divisions 1 and 2. Notice was sent out and approximately 400 putative plaintiffs opted into this lawsuit. The parties reached a settlement agreement on December 5, 2014, pursuant to which GNC agreed to pay the sum of $350,000 to the class and $475,000 as attorneys' fees and costs. GNC also agreed to pay plaintiffs' share of the mediator fees. Per the agreement, the named plaintiffs agreed to dismiss the lawsuit with prejudice, and the named plaintiffs and opt-in plaintiffs were required to agree to a release of claims. The agreement requires that the participation rate of opt-in plaintiffs be at least 90% or GNC may void the settlement agreement in its sole discretion. The agreement also provides that if the participation rate of opt-in plaintiffs falls below 70%, the payment for attorneys' fees and costs shall be reduced as a percentage reduction equal to the percentage of non-participating opt-in plaintiffs which falls below 70%. Two of the plaintiffs will also each receive an additional payment of $10,000 in consideration for their dismissal with prejudice of their separate pending retaliation lawsuit.

Kaitlin Moore and Adam Zaintz v. GNC Holdings, Inc. (United States District Court for the Southern District of Florida, Case No. 12-cv-61703). On August 30, 2012, plaintiffs, retail customers of GNC, on behalf of themselves and all others similarly situated, filed this action against GNC, alleging putative class claims for violation of the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA") and unjust enrichment related to sale by GNC of the GNC Pro Performance Creatine Monohydrate supplement (2.2 lb. product). After discovery, GNC moved for summary judgment on plaintiffs' claims on August 16, 2013. On October 17, 2013, the Court entered an order granting plaintiffs' motion for certification of their claims. On March 18, 2014, the Court issued an order granting in part GNC's Motion for Summary Judgment. In the order, the Court found that GNC was entitled to summary judgment on Plaintiffs' unjust enrichment claim. With respect to the FDUTPA claim, the Court found that plaintiffs were not entitled to damages under FDUTPA, but that plaintiffs may be entitled to injunctive relief. The parties filed a Joint Motion for Settlement and Approval of Class Action Settlement on April 24, 2014. On April 28, 2014, the court entered an order approving the settlement and dismissing all relevant outstanding motions. Pursuant to the settlement agreement, GNC agreed to change the direction on the label of the product; to pay attorney's fees and costs of $20,000; and to pay each plaintiff a class representative award in the amount of $2,500. Plaintiffs agreed to a release of claims.

Robino Abad et al. v. General Nutrition Centers, Inc. (U.S. District Court, Central District of California, Case No. SACV09-00190). Plaintiffs were ninety-five current and/or former employees of GNC classified as non-exempt and employed at GNC stores throughout the State of California. Plaintiffs alleged that that they were not provided all of the rest periods and meal periods to which they were entitled under California law, and that the Company failed to pay them all of the overtime compensation to which they were entitled under California law. From these allegations, plaintiffs identified seven causes of action, including violations of the California Labor Code, unfair competition under California Business and Professions Code Section 17200 et seq., and violation of the California Private Attorney General Act (PAGA). Plaintiffs asserted their PAGA claim on behalf of themselves and all other non-exempt employees of GNC in California employed on or after October 31, 2007. This lawsuit was filed in Orange

County Superior Court on November 4, 2008, and was removed to the U.S. District Court, Central District of California on February 17, 2009. Plaintiffs sought unspecified compensatory and statutory damages, restitution, interest, and attorney fees and costs. Initial efforts to mediate the claims of individual plaintiffs in early 2010 were not successful. Plaintiffs also made a global demand to settle this matter for $1.35 million, which was rejected by GNC. The Court directed the parties to limit the first phase of the litigation to ten plaintiffs as "test" cases. Ultimately, seven of the ten “test case” plaintiffs went to trial in June 2013. The jury returned a verdict in favor of GNC as to all counts tried to the jury, and the Court entered judgment in favor of GNC with respect to the one count tried to the Court (plaintiffs' PAGA claim). The Court entered final judgment in favor of GNC as to the claims of the seven plaintiffs. On December 8, 2014, the parties entered into a settlement agreement to settle all claims made by the plaintiffs. Pursuant to the settlement agreement, GNC agreed to pay $300,000 for plaintiffs' counsel's fees and costs. GNC also agreed to pay $250,000 to the plaintiffs, 50% for the claims asserted for unpaid overtime compensation and any other wage-related damages, and 50% for the claims asserted for liquidated damages, interest and other non-wage relief. Plaintiffs agreed to release GNC from any and all claims that were alleged in the lawsuit and/or could have been alleged in the lawsuit that arose out of the facts alleged in the lawsuit, and GNC expressly denied any liability pursuant to the settlement agreement. The court dismissed plaintiffs' lawsuit with prejudice.

David Di Cillo v. GNC Holdings, Inc. (U.S. District Court for the Northern District of California, Case No. 3:14-cv-00810): On January 6, 2014, Plaintiff David Di Cillo, a GNC store customer, individually, and on behalf of all others similarly situated, filed a complaint against GNC Holdings, Inc. in California state court alleging violations of California consumer protection and unfair or deceptive trade practices laws in connection with the sale of its Creatine products. This case was subsequently removed to the U.S. District Court for the Northern District of California. On August 4, 2014, the parties entered into a Release and Settlement Agreement, pursuant to which GNC agreed to pay a total of $50,000 to settle the claims. GNC also agreed to alter the directions label for its Creatine products, and the parties agreed to mutual releases of claims.

Norma Rothman, et al. v. General Nutrition, et al. (Superior Court, California, Los Angeles County, Case No. BC 457540). On March 16, 2011, Plaintiff, on behalf of herself and all others similarly situated, filed a state court action against GNC alleging violations of the California Song Beverly Credit Card Act. This lawsuit contained a count for unfair business practices in violation of California Business and Professions Code §§17200 et seq., for requesting and/or requiring personal identification information from customers in violation of California Civil Code Section 1747.08. Plaintiff sought class certification, award of statutory penalties, injunctive relief prohibiting collection of personal identification information, such as addresses and phone numbers in connection with credit card transactions, restitution of property, attorneys' fees and costs. On April 26, 2012, the Court entered an Order denying plaintiff's renewed motion to certify a class. On May 10, 2012, plaintiff agreed not to file a motion for reconsideration in exchange for GNC's agreement to forego the filing of any bill of costs.

J.C. Romero v. Ergopharm, Inc., Proviant Technologies, Inc., VS Holdings, Inc., General Nutrition Centers, Inc., et al. (Superior Court of New Jersey, Law Division/Camden County, Case No. CAM-L-2090-09). On April 27, 2009, Plaintiff J.C. Romero, a professional baseball player, filed a complaint alleging that he purchased from a GNC store and consumed 6-OXO Extreme, which is manufactured by a third party, and in August 2008, was alleged to have tested positive for a banned substance. Plaintiff served a 50 game suspension imposed by Major League Baseball. The seven count complaint asserts, among other things, claims for negligence, strict liability, intentional and negligent misrepresentation, breach of implied warranty and violations of the New Jersey Consumer Fraud Act, and seeks unspecified compensatory and punitive damages, interest, attorneys' fees and costs. The alleged violations of the New Jersey Consumer Fraud Act include producing, advertising, and offering the product as fit for consumption by competitive athletes and the general public when defendants knew or should have known it was not, and misrepresenting that the product was safe and fit for consumption by competitive athletes and the general public when defendants knew or should have known such statements were false. GNC tendered the claim to the insurance company of the franchisee whose GNC store sold and allegedly misrepresented the product. In December 2011, the parties reached a settlement through mediation. Pursuant to the settlement agreement, GNC agreed to pay plaintiff the sum of $250,000, and the parties agreed to a mutual release of claims and a dismissal of the lawsuit with prejudice.

Yuging "Phillis" Chen v. Herbalife International, Inc., Nutra Manufacturing, Inc., et al. (Los Angeles Superior Court, Case No. BC 392373). On April 30, 2009, Plaintiff Yuging "Phillis" Chen filed a Third Amended Complaint against, among others, Nutra Manufacturing, Inc., in the Superior Court of California for the County of Los Angeles. Plaintiff alleged that her use and consumption of various products, including Mega Garlic Plus and Herbalifeline, manufactured by us, caused personal injuries. Plaintiff asserted, among other things, claims for strict liability, negligence, and fraud, and sought unspecified monetary damages. On May 22, 2011, the parties entered into a settlement agreement, pursuant to which we agreed to pay plaintiff the sum of $14,000, and plaintiff agreed to a release of claims and dismissal of the lawsuit with prejudice. The parties did not admit any liability.

Daniel Pelayo, Alden Mateo and Jesse Nadler v. General Nutrition Companies, formerly captioned Santiago Guzman and Diego Martinez, each individually, on behalf of all others similarly situated, and on behalf of the general public v. General Nutrition Companies, Inc. (California Judicial Counsel Coordination Proceeding No. 4363, Los Angeles County Superior Court). Plaintiffs filed this putative class action on or about February 17, 2004. The Second Amended Complaint, filed on or about November 27, 2006, alleged claims for violations of the Consumers Legal Remedies Act ("CLRA"), violation of the Unfair Competition Act ("UCA"), and unjust enrichment. Plaintiffs claimed that GNC's practices, acts and course of conduct with respect to the distribution and sale of certain nutritional products alleged to contain the ingredients commonly known as Androstenedione, Androstenediol, Norandrostenedione, and Norandrostenediol (collectively, "Andro Products") violated the CLRA, in that the sale of the Andro Products over the counter as a nutritional supplement constituted: a misrepresentation as to the Andro Products' source, sponsorship, approval or certification; a representation that the Andro Products had sponsorship, approval, characteristics, ingredients, uses or benefits which they did not have; and a representation that the Andro Products were of a particular standard, quality or grade, when they were of another. Plaintiffs claimed that the sale of the Andro Products violated the UCA in that GNC allegedly committed unlawful acts and practices in the course of conducting business by allegedly violating state statutes, including California health and safety codes and the CLRA. Plaintiffs sought certification of the lawsuit as a class action; restitutionary disgorgement and damages; injunctive relief prohibiting GNC from engaging in the alleged deceptive practices; an order prohibiting GNC from distributing or selling the Andro Products in California; an order requiring GNC to provide public notice of the illegality of the Andro Products; unspecified compensatory and punitive damages; and attorneys' fees and costs. Plaintiffs' Motion for Class Certification was denied on September 8, 2008, and Plaintiffs appealed this denial on October 31, 2008. Oral arguments took place on January 15, 2010, and the court reversed the order denying class certification. At a court ordered mediation on March 30, 2011, the parties reached a settlement resolving all claims in the case. Pursuant to the settlement agreement, GNC agreed to fund a common settlement fund for the benefit of the class in the amount of $1,500,000, and to pay half the costs of administration, with GNC's share of such costs not to exceed $50,000. GNC also agreed to an award of attorneys' fees not to exceed one-third of the settlement fund, plus actual costs of litigation, and to an incentive award to the lead plaintiffs not to exceed $5,000 each, all of which amounts are to be deducted from the settlement fund. Plaintiffs also agreed to a release of claims. The court approved the settlement on August 19, 2011 and dismissed the lawsuit with prejudice without any admission of liability.

Kevin Gioia and Aurelio Batista v. GNC Holdings, Inc. (U.S. District Court, Southern District of California, Case No. 3:15-CV-2871). On February 19, 2015, Plaintiffs filed this putative class action lawsuit alleging causes of action for (a) unfair methods of competition in violation of California Civil Code Section 1770(a)(5), (b) unfair or fraudulent business practices under California's Unfair Competition Law, (c) untrue or misleading advertising under California's False Advertising Law, (d) under New York's Deceptive Acts or Practices Law and for negligent misrepresentation. Plaintiffs alleged that certain products manufactured and carried by GNC are packaged in a deceptive and misleading manner, in that the packaging is opaque and contains "slackfill" (an area of empty space in a bottle or package). Plaintiffs sought both injunctive relief and unspecified compensatory and punitive monetary damages and attorneys' fees. On February 18, 2017 the parties entered into a settlement agreement in which GNC agreed to pay the plaintiffs $55,000. On March 20, 2017, the U.S. District Court dismissed the suit without prejudice with each party bearing their own fees and costs.

David B. Gottesmann v. GNC Holdings, Inc., GNC Corporation, General Nutrition Corporation, General Nutrition Centers, Inc., and Constellation Brands U.S. Operations, Inc. d/b/a Constellation Wines U.S., Inc. (Circuit Court, 11th Judicial Circuit, Miami-Dade County, Florida, Case No. 2015-003636-CA-01). On or about May 29, 2015, plaintiff, a customer of GNC, filed this action alleging that he suffered myocardial infarction resulting from his use of Burn 60 dietary supplements manufactured and/or sold by defendants. Plaintiff claims that defendants' failure to warn and manufacture and/or sale of a defective product caused his injuries. Plaintiff alleged causes of action for negligence; strict liability; and violation of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. s. 501.201 et seq., based on his allegations that defendants falsely represented to the public that Burn 60 was safe. Plaintiff sought unspecified compensatory and statutory damages, and attorneys' fees and costs. On January 13, 2017, the parties entered into a settlement agreement in which GNC agreed to pay the plaintiff $22,500. An Order of Dismissal was filed on February 2, 2017.

Charles Brewer, et al. v. General Nutrition Corporation (U.S. District Court, Northern District of California, Case No. 11CV3587). On July 21, 2011, Charles Brewer, on behalf of himself and all others similarly situated, sued us in federal court, alleging state and federal wage and hour claims. Plaintiffs alleged the following claims on behalf of the class: (a) failure to provide meal and rest breaks; (b) non-compliant wage statements; (c) failure to reimburse business expenses (mileage); (d) failure to pay all wages owed in a timely manner at termination. The class included approximately 8,000 non-exempt hourly employees who worked as Sales Associates and/or Assistant Managers in California from July 2007 to November 2014. Plaintiffs were seeking general damages, special damages, restitution, premium pay penalties pursuant to California Labor Code Section 226, interest, and attorneys' fees and costs. The five named plaintiffs also asserted individual "off-the-clock" claims (although the off-the-clock claim was initially conditionally certified as a collective action, the court subsequently decertified the collective action). GNC denied the material allegations in the action and was prepared to defend against the claims asserted. Moreover, GNC contended that the court erred in allowing this case to proceed to trial on a class action basis, as individual questions predominate over common questions with respect to the labor code claims at issue. The trial was scheduled to begin on February 8, 2016. However, during jury selection on February 5, 2016, the parties reached an agreement to resolve this matter on an amicable basis, and we agreed to pay a total of $9.02 million. The agreement received Court approval, and the action was dismissed with prejudice.

GOVERNMENTAL ACTIONS

Consent Decree with the Federal Trade Commission. We are currently subject to a Consent Decree entered into with the Federal Trade Commission in 1994, United States of America v. General Nutrition, Inc. (United States District Court, Western District of Pennsylvania, Civ. Act. No. 94 0686). Pursuant to the Consent Decree, we are enjoined from representing that the use of certain hair care products, including Biotin Hair Care Kit, Biotin Shampoo, Biotin Conditioner, Biotin Vitamins and Minerals for the Hair, and Polysorbate 80, will prevent or retard hair loss. We are also prohibited from representing that any other product or service will cure, relieve, reverse or reduce hair loss, or that use of the product or service will promote hair growth where hair has already been lost, unless the representation is true, and unless, at the time of making the representation, we possess and rely upon competent and reliable scientific evidence that substantiates the representation. We also may not sell or distribute any product that is represented as promoting hair growth or preventing hair loss, unless the product is the subject of an approved new drug application for such purpose under the Federal Food, Drug, and Costmetic Act, 21 U.S.C. 301 et seq. We also agreed to pay a civil penalty of $2.4 million.

Agreement with United States Attorney's Office for the Northern District of Texas and U.S. Department of Justice. On December 7, 2016, our parent company, GNC Holdings, Inc., entered into an agreement with the United States Attorney's Office for the Northern District of Texas and U.S. Department of Justice ("Government") in connection with the Government's criminal investigation of USPlabs, LLC for alleged violation of laws relating to sales of certain dietary supplements manufactured by USPlabs, including OxyElite Pro, Jack3d and VERSA-1. These products were formerly sold by GNC in its retail stores. During its investigation, the Government uncovered sufficient evidence to conclude that USPlabs provided false information, false assurances and fake documentation to third parties, including GNC, about the ingredients used in its products. The Government concluded that GNC was unaware of this information because it did not manufacture those products, did not perform an independent evaluation of the ingredients in those products, and had no knowledge of USPlabs' conclusions regarding ingredients in those products, including that the ingredient cynanchum auriculatum could potentially cause liver toxicity. Pursuant to the agreement, the Government agreed to close any active inquiries affecting GNC relating to the USPlabs products based in part on GNC's acceptance of responsibility for its conduct, GNC's cooperation, GNC's commitment to voluntary compliance measures and organizational changes with respect to its sale of dietary supplements, and GNC's payment of a money sum. GNC agreed to undertake certain voluntary compliance measures intended to prevent illegal ingredients from entering the market, including taking immediate action to suspend sales of products known to contain ingredients that the FDA has indicated may not be legal under federal law and/or may not be safe. GNC also agreed to maintain and continuously update a list of ingredients that will be prohibited from inclusion in any products sold by GNC (the "Restricted List") as well as develop and maintain a list of dietary ingredients that GNC believes comply with applicable provisions of the federal Food, Drug, and Cosmetic Act (the "Positive List"). A list of ingredients currently on the Restricted List is attached as Exhibit R to this disclosure document. GNC agreed that if an ingredient is on the Restricted List, it will not approve any product containing that ingredient for sale, and that it will only sell dietary supplements containing dietary ingredients on the Positive List. GNC also agreed to revise its approach to vendors of third party products, including setting specific vendor certifications for compliance with applicable federal legal requirements. GNC vendors will also be required to make certain warranties with regard to dietary supplements sold to GNC, including that the dietary supplements contain only legal dietary ingredients pursuant to the terms of the Food, Drug, and Cosmetic Act. GNC also agreed to amend its purchasing agreements to provide GNC with the unilateral right to limit the use of promotional money (i.e., monetary incentives provided to GNC employees to sell particular products at GNC stores) at any time. GNC also agreed to update its training modules and provide additional training for its retail store employees relating to the handling of adverse event reports received from customers. GNC's obligations under the agreement will have a term of sixty months from the date of the agreement, and GNC may petition the Government for an early termination of the agreement after thirty-six months. GNC agreed to commit at least $500,000 over the term of the agreement to further certain industry initiatives to improve the quality, purity, integrity and safety of dietary supplement products; regulatory compliance; and credibility, stability and integrity in the supplement industry. GNC also agreed to pay the sum of $2,250,000 to the United States. The agreement contains certain remedies and stipulated penalties in the event GNC breaches the agreement.

Attorney General Rosenblum for the State of Oregon vs. General Nutrition Corporation (Multnomah County Circuit Court, Case No. 15-CV-28591). On October 22, 2015, the Attorney General for the State of Oregon ("Oregon") filed this lawsuit for alleged violations of the Oregon Unlawful Trade Practices Act (OUTPA), in connection with the sale in Oregon of certain third-party products containing BMPEA and picamilon, which has since been amended to add allegations related to products containing DMAA, oxilofrine, Aegeline, and cynanchum auriculatum. Oregon alleges that GNC has engaged in acts declared to be unlawful by the OUTPA, including (1) employing unconscionable tactics in connection with the sale of goods, (2) causing the likelihood of confusion or misunderstanding as to the approval or certification of goods, and/or (3) representing that goods have characteristics, uses, benefits or qualities that they do not have. GNC filed an answer that includes counterclaims for attorneys' fees and declaratory relief against Oregon and vendors USP Laboratories and SK Laboratories. In March 2018, Oregon filed a motion for summary judgment relating to its first claim for relief, which GNC contested. GNC filed a cross motion for summary judgment on the first claim for relief, which Oregon contested. Following oral argument in August 2018, the Court denied Oregon's motion for summary judgment and granted in part and denied in part GNC's motion for summary judgment. The parties are in the process of exchanging discovery. Trial is currently scheduled to begin in September 2020.

In Re: Franchise No Poaching Provisions (General Nutrition Corporation d/b/a GNC (King County Superior Court, State of Washington, Case No. 18-2-57774-8 SEA). In September, 2018, the Attorney General for the State of Washington issued a civil investigative demand to GNC relating to certain provisions in its franchise agreements. Specifically, the Attorney General was concerned with the non-solicitation provision in GNC's franchise agreement, which provided that franchisee shall not directly or indirectly employ or seek to employ any person who at the time is employed by GNC, an affiliate of GNC, or any other GNC franchisee, or otherwise directly or indirectly induce such person to leave his or her employment. The Attorney General asserted that this provision constituted a contract, combination or conspiracy in restraint of trade in violation of the Washington Consumer Protection Act, RCW 19.86.030. GNC denied the Attorney General's assertion because, among other reasons, it had not routinely enforced this provision in the State of Washington. On December 20, 2018, GNC and the Attorney General entered into an Assurance of Discontinuance. Pursuant to the Assurance of Discontinuance, GNC agreed to remove the non-solicitation provision from its franchise agreements; to continue not to enforce the non-solicitation provision in any of its existing franchise agreements; and not to intervene or defend the legality of the non-solicitation provision in any litigation brought by the Washington Attorney General against a current franchisee in the state of Washington. GNC also agreed to notify its franchisees of the entry of the Assurance of Discontinuane; to amend, within 120 days after entry of the Assurance of Discontinuance, all existing franchise agreements in the state of Washington to remove the non-solicitation provision; as they come up for either renewal or renegotiation during the ordinary course of business, to amend all existing franchise agreements nationwide to remove the non-solicitation provision. Within 30 days of the conclusion of the time periods in the Assurance of Discontinuance, GNC agreed to submit a declaration that all provisions of the agreement have been satisfied. Pursuant to the Assurance of Discontinuace, neither the Assurance of Discontinuance nor its terms are to be construed as an admission of law, fact, liability, misconduct or wrongdoing on the part of GNC. On December 20, 2018, the court approved and ordered entry of the Assurance of Discontinuance.

In the Matter of GNC Franchising, LLC. Administrative Proceeding Before the Securities Commissioner of Maryland, Case No. 2005-0537. On or about August 30, 2005, the Securities Division of the Office of the Attorney General of the State of Maryland initiated an investigation into the accuracy of the "Item 3" disclosures in our franchise disclosure document. On August 15, 2006, we entered into a Consent Order with the Securities Commissioner, pursuant to which we agreed, without admitting or denying any of the Commissioner's statements of fact or conclusions of law, except as to the Commissioner's jurisdiction in the proceeding, (1) to immediately and permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Registration and Disclosure Law; and (2) to pay the Securities Division an administrative penalty in the amount of $100,000.00. In the Consent Order, the Commissioner concluded that we had violated §§ 14-216(a) and 14-223 of the Maryland

Franchise Registration and Disclosure Law by offering and selling franchises in Maryland and to Maryland residents using a franchise disclosure document that failed to set forth material information in our application for registration, as required by regulation of the Commissioner. Specifically, the Commissioner found that, in franchise disclosure documents filed with the Division, we had erroneously described amounts we had agreed to pay in the settlement of three of the litigation matters disclosed in Item 3 of the franchise disclosure document. We have corrected those errors.

LITIGATION AGAINST FRANCHISEES IN THE LAST FISCAL YEAR

During our last fiscal year, we did not initiate any lawsuits against franchisees.

Other than these actions, no litigation is required to be disclosed in this disclosure document.

SEE CALIFORNIA ADDENDUM TO THIS DISCLOSURE DOCUMENT FOR INFORMATION REQUIRED TO BE DISCLOSED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

INITIAL FRANCHISE FEE

Before you are awarded a franchise for a GNC Store, you must sign a Franchise Agreement with us and pay us an initial franchise fee. The initial franchise fee is payable in a lump sum and is fully earned when the Franchise Agreement is signed. The initial franchise fee for a GNC Store varies according to the type of franchise you purchase and is shown in the table below. Depending on the type of franchise you are awarded, other initial fees that you must pay to us before you open your Store are also described in this Item.

Type of Franchise	Initial Franchise Fee
New Franchise Store	
– If awarded to a New Franchisee	$20,000
– If awarded to an Existing Franchisee (*See* Note 1)	$15,000
– If awarded to an Employee (*See* Note 2)	$15,000
Conversion Store	
– If awarded to a New Franchisee	$20,000
– If awarded to an Existing Franchisee (*See* Note 1)	$15,000
– If awarded to an Employee (*See* Note 2)	$15,000
GNC Smoothie Bar	$1,000

Notes to Table:

1. You must be a current franchisee in good standing or have a controlling interest in a corporation, company or partnership that is a franchisee in good standing. "Good standing" means, among other criteria, that the existing franchisee is not in default under any existing agreement between it and us or our affiliates, and does not have a past-due accounts receivable (A/R) balance in any Store, including affiliated Stores.

2. You must have been an employee of ours full-time for at least 12 months or part-time for at least 24 months prior to the date you execute the Franchise Agreement.

3. If you are subleasing your location from us, and the term of the sublease is shorter than the 5-year term of your Franchise Agreement, then we may (but are not obligated to) charge a pro-rated initial franchise fee (or renewal fee) in order to match the term of your Franchise Agreement with the term of your sublease.

AREA DEVELOPMENT FEE

Under the Development Agreement, you will obtain the right to develop and open an agreed upon number of GNC Stores, provided you do so in accordance with the specified Development Schedule. You must open a minimum of two GNC stores under the Development Agreement. You must pay us a development fee ("Development Fee") equal to the sum of the following: (i) a development rights fee for the Development Area (which will be determined by us and will vary depending on the location of the Development Area and other factors we deem relevant), (ii) a fee equal to the applicable initial franchise fee shown in the table above for the first GNC Store you agree to develop and open, and (iii) a fee equal to fifty percent (50%) of the total initial franchise fees for the remaining GNC Stores required to be developed and opened during the term of the Development Agreement. The Development Fee is payable in a lump sum upon execution of the Development Agreement and is fully earned when the Development Agreement is signed. We have no intention, now or in the future, of reducing the Development Fee for any franchisee, although we reserve the right to do so in our sole discretion on a case-by-case basis. The initial franchise fee for each GNC Store that you develop and open under the Development Agreement will be paid by you in addition to the Development Fee; provided, that the fees paid pursuant to (ii) and (iii) above will be credited toward the initial franchise fees due for the Stores as long as you develop and open the Stores in accordance with the terms of the Development Agreement (the credit will be in an amount equal to 100% of the initial franchise fee due for the first Store, and 50% of the initial franchise fee due for each remaining Store). The remainder of the initial franchise fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store. In no event will the sum of all credits received by you exceed the total portion of the Development Fee in (ii) and (iii) above. If a Store is not established in accordance with the Development Agreement and your Development Schedule, the portion of the Development Fee that would have otherwise been credited towards payment of the initial franchise fee for that Store will be forfeited and retained by us. If, for any reason, the Development Agreement terminates before any portion of the Development Fee has been applied to the initial franchise fees, we will retain the unapplied portion of the Development Fee to compensate us for our time, effort and foregone opportunities. We reserve the right to reduce the Development Fee for our existing franchisees and employees in accord with the table above.

OTHER INITIAL FEES FOR A NEW FRANCHISE STORE

Employee of Ours or One of Our Affiliates

If you qualify for our employee program, you are eligible to receive a credit of 5% of your initial inventory purchase for a New Franchise Store (See Items 6 and 7 for more information).

OTHER INITIAL FEES

If you are a new or existing franchisee, we may require you to pay us a franchise security deposit in the amount of $2,500, which will be held by us until the expiration or termination of the Franchise Agreement, in which event we will apply it against any outstanding payment obligations under the Franchise Agreement or any related agreement, and return any remaining balance to you within 60 days following expiration or termination. We are not required to pay you interest on the security deposit. If you enter into a renewal Franchise Agreement, and you have previously paid this security deposit, we will roll over the deposit to your renewal Franchise Agreement. ~~We are not required to pay you interest on the security deposit.~~ Before you open your Store or include a GNC Smoothie Bar, we will build it, unless we designate otherwise in writing. You will be responsible for the construction costs, which will vary depending on, among other factors, the size of the Store and the condition of the space. We have provided estimated equipment, signage, fixtures, and other construction costs that you must pay to us to build the Store in Item 7 of this disclosure document. We estimate equipment costs that you must pay to us to be $4,550 to $7,550 for both New Franchise and Conversion Stores. We estimate signage costs that you must pay to us to be $0 to $20,000 for both New Franchise Stores and Conversion Stores. We estimate fixture costs that you must pay to us to be $7,500 to $43,000 for a New Franchise Store and $0 to $43,000 for a Conversion Store. We estimate construction costs that you must pay to us to be $12,000 to $132,000 for a New Franchise Store. We estimate other Store costs that you must pay to us for a Conversion Store to be $35,000 to $186,000, which represents the amount we will charge you for the assets (including goodwill) of the Store, which amount will vary depending on the location of the Store and the value that we place on the assets and the Store (See Item 7).

In addition, you must acquire inventory from us for your Store, which costs $85,000 for a New Franchise Store and between $31,000 and $113,000 for a Conversion Store. Franchisees of New Franchise Stores must also pay us a Construction Handling Fee of $3,000 for non-stamped architectural drawings, procurement and project management. If you sublease your Store premises from us, we estimate that you must pay us between $1,500 and $3,000 in utility security deposits for third party utility services, and between $967 and $18,334 for first month's rent/leasehold expenses. See Items 6, 7, and 8 for more information regarding fees and expenses.

Currently, we are the only person that can construct the Store and provide equipment, fixtures, signage and inventory, so you must purchase these things from us. Except as described below, all of the costs, expenses and fees described in this Item are non-refundable. Except for the initial franchise fee described in the table above and a certain portion of the construction costs (which you must pay at the time you sign the Franchise Agreement), these other costs, expenses and fees are generally not billed to you until the Store has been constructed, although we may require you, in our discretion, to pay all or a portion of these costs, expenses and fees up front, or in the form of progress payments during the construction process.

OTHER INITIAL FEES FOR A GNC SMOOTHIE BAR

If we allow you to include a GNC Smoothie Bar, you must also purchase from us a refrigerator or cooler, 2 freezers (front and back), ice cube maker and filter, and at least 2 blending stations. The estimated cost of these items is $6,750 to $12,000, not including shipping. You must also purchase from us signage for the GNC Smoothie Bar, the estimated cost of which is $580 to $2,000, and fixtures for the GNC Smoothie Bar, the estimated cost of which is $5,000 to $18,000. In addition, you must purchase from us special inventory for the GNC Smoothie Bar, the estimated cost of which is $1,600 to $2,000. We will construct the GNC Smoothie Bar at your expense, the estimated cost of which is $12,000 to $22,000.

REFUNDS OF THE INITIAL FRANCHISE FEE

Except as described below, the initial franchise fees shown in the table above and the Development Fee described above are deemed fully earned upon execution of the Franchise Agreement or Development Agreement in consideration of the granting of the franchise and/or development rights, and are not refundable. If your Franchise Agreement terminates during the Pre-Opening Period (period starting on the Franchise Agreement date and ending on the earlier of 160 days following the Franchise Agreement date or Store opening date, or such longer period as we may agree to in our sole discretion) because of the franchisee's death, if the franchisee is a natural person, we will refund the initial franchise fee (including the initial franchise fee for a GNC Smoothie Bar, if applicable) for that Store. Generally, the other fees, costs and expenses described in this Item are non-refundable, but we may, in our sole discretion, refund some or all of these amounts to you if your Franchise Agreement terminates during the Pre-Opening Period because of the death of the franchisee, if the franchisee is a natural person.

We reserve the right to offer special incentive programs at any time which may decrease any of the fees listed in this Item. We may alter or discontinue these programs at any time at our sole discretion without notice to you. We are a member of the International Franchise Association and participate in the International Franchise Association's VetFran Program, which provides special incentives to qualified veterans. We offer a special incentive program for U.S. military veterans purchasing a New Franchise Store or Conversion Store. Under this program, we offer honorably discharged veterans a $15,000 initial franchise fee.

ITEM 6

OTHER FEES (1)

(Column 1) **Type of fee**	(Column 2) **Amount**	(Column 3) **Due Date**	(Column 4) **Remarks**
Royalty (2)	6% of total gross sales (including GNC Smoothie Bar gross sales, if applicable)	Monthly	Gross sales include all revenue from the franchise location. Gross sales do not include sales tax or substantiated refunds in the ordinary course of business.
National Advertising (3)	3% of total gross sales (including GNC Smoothie Bar gross sales, if applicable)	Same as Royalty fee	*See* Note 3.
Transfer Fee—Franchise Agreement (4)	Transfer fee not to exceed then-current undiscounted initial franchise fee for new franchisees for a new Store, except that the fee will be : **1.** <u>$1,000</u> if you transfer all or a controlling interest in your franchise to an entity that you own (or that is owned by, or under the same ownership as, the existing franchisee), or if the transfer is to your immediate family member; or **2.** <u>$2,500</u> if the transfer is of less than 50% of your ownership interest in the franchise or the existing franchisee	At the time a signed Franchise Agreement is returned to us, or if a Franchise Agreement is not signed in connection with the transfer, at the time of transfer	Payable when you sell your franchised business or otherwise complete a transfer, which you may only do with our prior consent.
Transfer Fee—Development Agreement	$10,000	Upon a permitted assignment of the Development Agreement	Payable when you transfer your development agreement, which you may only do with our prior consent.

(Column 1) **Type of fee**	(Column 2) **Amount**	(Column 3) **Due Date**	(Column 4) **Remarks**
Franchise Store Relocation Fee	$10,000 or such greater amount as we may determine from time to time, to cover our administrative and other costs in processing the relocation	Payable upon the permitted relocation of your GNC store	You may request to relocate your GNC store if you cannot continue to operate due to an act of God (fire, flood, earthquake) or extreme hardship. Approval of a relocation is in our sole discretion. We may at times waive this fee on a case-by-case basis if, in our sole discretion, circumstances merit.
Remodeling (5)	$25,000 to $150,000	When remodeling is complete, or we may require periodic payments during the remodeling process (which may include payment in stages during the remodeling process)	Once every 5 years, if we determine it is necessary, or periodically and potentially more frequently, as required by the terms of the Franchise Agreement and Store lease or sublease. You may be required to remodel the Store, at your expense, at the time of entering into a Franchise Agreement if you franchise a Conversion Store.
Insurance Reimbursement Fee (6)	$500 per occurence	Immediately on demand	You pay us.
Late Payment Charges	1 1/2% interest per month on overdue amount	Immediately	This charge applies to all payments you owe us.
Insufficient Funds Fee	$30 per occurrence	Immediately on demand	Payable if any of your payments to us are not honored by your financial institution.
Store Technology Maintenance (7)	$75 per month (1st register) $25 per month (2nd register)	Monthly	You pay us.
Network Connection (7)	$180.00 per month	Monthly	You pay us.

(Column 1) **Type of fee**	(Column 2) **Amount**	(Column 3) **Due Date**	(Column 4) **Remarks**
Credit Card Processing (EMV, Secure) (7)	$13.50 per month	Monthly	You pay us.
In-Store Wi-Fi (Support Tablet only) (7)	$10.50 per month	Monthly	You pay us.
Financial Services (8)	*See* Note 8 below	Monthly	You pay us
Lease Audit Fee	30% of the amount of any savings	As incurred	If we conduct an audit of CAM or other charges under your lease or sublease.
Rent (9)	$967 to $18,333 per month	Monthly (1st of the month)	If you sublease from us, you pay us; if not, you will pay rent to your Landlord.
Franchise Renewal (10)	$12,500	At least 60 days prior to expiration of then-current term	You pay us. Additionally, we may require you to remodel in connection with the renewal.
Audit	If an audit discloses an understatement of three percent (3%) or more in any report of Gross Sales, you must reimburse us for all costs and expenses of the audit.	Immediately on demand	
Indemnification	Will vary depending on the circumstances	As incurred	You must reimburse us if we are held liable for damages or other expenses related to the operation of your franchise.
Attorneys' Fees and Costs	Will vary depending on the circumstances	As incurred	Payable only if you do not comply with the Franchise Agreement
Liquidated Damages (11)	Will vary depending on the circumstances	Immediately on demand	You pay us.
Default Cure Fee (12)	Up to $1,000 per occurrence, depending on the infraction	On or before the expiration of the cure period	You pay us.

(Column 1) **Type of fee**	(Column 2) **Amount**	(Column 3) **Due Date**	(Column 4) **Remarks**
Annual Inventory Fee (13)	Approximately $540	Annually	We may require you to conduct an annual physical inventory count, which we may perform. If you participate in General Nutrition Financial Services, the annual inventory fee is included in your monthly financial services fee. If you do not participate in General Nutrition Financial Services, you will be billed for the inventory fee.
Non-compliance Management Fee (14)	25% of total gross sales	As incurred and if necessary	Gross sales include all revenue from the franchise location. Gross sales do not include sales tax or substantiated refunds in the ordinary course of business.
Operating Management Fee (15)	$2,000 per week	As incurred and if necessary	In the event that a franchisee dies or is disabled, we may, in our discretion, operate the Store until such time that a transfer can be completed under the terms of the Franchise Agreement.

Explanatory Notes:

1. Generally, and except as otherwise noted in this Item, all fees are uniformly imposed and are non-refundable. However, from time to time, in special circumstances, we may agree to reduce certain fees for a period of time. These decisions are made on a case-by-case basis. Except for insurance premiums and as otherwise noted in this Item, all fees are payable to, and imposed and collected by, us.

2. You will pay an ongoing royalty fee of 6% of your gross sales.

3. We currently charge an advertising fee of 3% of total gross sales, but we reserve the right to increase or decrease this fee from time to time on thirty (30) days' prior written notice to you. We do not collect or impose advertising fees on behalf of a third party. However, we may elect to have you pay the national advertising fee to an advertising agency which we select.

4. We will not refund a transfer fee unless you do not complete the transfer of your Store or of your interest in franchisee, in the case of a franchisee ownership interest transfer. Generally, we will charge a transfer fee equal to the then-current initial franchise fee we charge a new franchisee for a new Store. However, there may be certain circumstances where we charge a reduced transfer fee, such as where we anticipate not renewing the master lease for the Store during the term of the franchise or where a distressed Store is being transferred. You may not transfer a GNC Smoothie Bar separately from your GNC Store. The transfer fee calculation excludes initial franchise fees paid for a GNC Smoothie Bar.

5. If you desire to purchase an existing GNC Store from another GNC franchisee, or if you purchase a Conversion Store, you may be required to remodel the Store. The Franchise Agreement also states that we have the right to request that you remodel your Store no more than once every 5 years. If we require new fixtures, we estimate that the remodeling cost will be between $60,000 and $150,000.

6. You must obtain insurance coverage as specified in Item 8. If you do not obtain the required levels of insurance, we may, at our election, procure such insurance and bill your account for the insurance, together with a fee not to exceed $500 for our reasonable costs and expenses in acquiring the policy or policies.

7. You must sign the P.O.S. License Agreement which is located in Exhibit L of this disclosure document to receive the POS system. You will be charged Store technology maintenance fees to cover the costs of supporting the system. Maintenance fees cover the actual costs of the system. We derive no profit from maintenance fees. Each year, costs relating to store technology maintenance are subject to re-evaluation in order to determine your monthly POS maintenance fees. We reserve the right to change any or all of these fees and to introduce new fees for additional required services and/or equipment on an annual or more frequent basis.

8. We may (but are not obligated to) provide financial services to you through GNFS. If we choose to provide these services, and you opt to or are required to use them, you will pay us the monthly fee(s) for financial services shown in the following table:

One Store	2-5 Stores	6-9 Stores	10-14 Stores	15+ Stores
$345	$320 per Store	$295 per Store	$245 per Store	$230 per Store

You will pay us the fee shown under "One Store," plus the applicable fee in the other columns for each subsequent Store that you franchise, on a monthly basis. The above amounts include charges for annual physical inventories conducted by our Loss Prevention Department. In addition, if you choose to use our payroll services (provided by a third party), you will also pay a monthly pass-through charge for these services. The fees for these services through GNFS are non-refundable. We reserve the right to change any or all of these fees on an annual or more frequent basis. We also reserve the right, in special circumstances on a case-by-case basis, to reduce these fees for one or more particular franchisees for a period of time. If we are providing the financial services, we reserve the right to discontinue any or all of them at any time for any reason. We additionally reserve the right to charge a monthly service charge up to 10% of the monthly service fee for the month(s) that required financial information is not provided to GNFS by the 25th of the month. We further reserve the right to establish minimum enrollment periods;

currently, the opt-out period is December 15th through January 15th for the upcoming year. Currently, we are offering a new opt-in incentive program for new franchisees and for existing franchisees that are currently not using our GNFS financial services. This opt-in program would allow a franchisee to receive an additional 3 months at no charge if the franchisee signs up for GNFS financial services for a 12-month term (the franchisee would receive a total of 15 months of our GNFS financial services). If you choose to opt in and take advantage of the 3 months of GNFS financial services at no charge, you will be billed for the 12-month period, regardless of whether you continue to be enrolled in GNFS financial services. We may modify or discontinue this GNFS incentive program at any time at our discretion.

9. You may be required to sublease your space from us. The cost per square foot of commercial space varies considerably depending on the location and market conditions affecting commercial property. However, in general, you must pay base rent, common area maintenance charges and real estate taxes. The table presented below shows an estimated range of annual lease costs based upon the experiences of our franchisees:

	Mall	**Strip**	**Downtown**
Base Rent	$12,000-94,000	$9,000-130,000	$26,000-108,000
Common Area Maintenance	$2,500-57,000	$2,000-45,000	$300-34,000
Real Estate Taxes	$600-18,000	$500-20,000	$700-20,000
Other	$400-25,000	$100-25,000	$300-1,800

Depending on lease requirements, you may also have to pay a rental deposit when the lease begins, in addition to other occupancy costs such as insurance, utilities, promotional fund charges, and merchant's association charges. Also, if you sublease from us, you will be charged an interest rate of 1.5% APR on late rent payments. The expenditure range in the table includes estimated charges for one month for base rent, common area maintenance charges, real estate taxes, and other charges including deposits, utilities and merchant's association charges, and is based upon Stores that have been opened in strip center locations.

10. We will charge your a $12,500 renewal fee if you enter into a renewal Franchise Agreement. However, there may be circumstances where we charge a reduced renewal fee, such as where we anticipate aligning the franchise renewal term with the existing or future lease agreement term, if less than 5 years are remaining on the lease.

11. Upon termination of the Franchise Agreement due to your default or breach, the Franchise Agreement requires you to pay us, in addition to other amounts owed, liquidated damages in an amount equal to (i) the greater of (a) the average monthly amount of Royalty Fees payable by you to us for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by you to us for the twelve (12-) month period immediately preceding the date of termination, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by you to us for the months in which the Store has been open; then (ii) multiplied by the number of months remaining in the then-current term of the Franchise Agreement.

12. If you fail to comply with any of the requirements imposed by the Franchise Agreement, Franchise Operations Manual, or any other written policies or requirements, and it is determined that you are in default of your franchise obligations, you may be required to pay to us a fee of up to $1,000 per occurrence for our administrative costs associated with managing each default.

13. We may require your Store to have an annual physical inventory, which generally we will conduct. If your Store participates in General Nutrition Financial Services, the cost of the annual inventory is included as part of your financial services fees. If your Store does not participate in General Nutrition Financial

Services, you will be billed for the total cost of the physical inventory on an annual basis. We reserve the right to change this fee on an annual or more frequent basis.

14. If you are in default of your franchise obligations and unable to operate your Store to our standards, we may, in our sole discretion, assume operations of the Store for any period of time, and you will be required to pay to us 25% of your total gross sales earned during the period in which we operate the Store, in addition to any other royalties and fees payable to us pursuant to your Franchise Agreement.

15. If you are unable to operate your Store due to death or disability, GNC may, in its sole discretion, assume operations of the Store at a cost of $2,000 per week until such time that a transfer of the franchise can be completed under the terms of the Franchise Agreement.

ITEM 7

ESTIMATED INITIAL INVESTMENT (1)

YOUR ESTIMATED INITIAL INVESTMENT				
(Column 1) **Type of expenditure**	(Column 2) **Amount**	(Column 3) **Method of payment**	(Column 4) **When due**	(Column 5) **To whom payment is to be made**
Initial Franchise Fee New Franchise Store (2) Conversion (3) GNC Smoothie Bar	~~$15,000 to~~ $20,000 $~~15,000 to $~~20,000 $1,000	Lump-sum	Upon signing Franchise Agreement	Us
Security Deposit New Franchise Store (2) Conversion (3)	$2,500 $2,500	Lump-sum	Upon signing Franchise Agreement	Us
Equipment (4)(10) POS & Peripherals POS Secure Payment Terminal/System Retail Tablet Computer and Printer GNC Smoothie Bar	$2,000 to $5,000 $550 $2,000 $1,000 to $2,000 $6,750 to $12,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us (for POS & Peripherals, POS Secure Payment System/Terminal, Retail Tablet and GNC Smoothie Bar) and Third Party (for Computer and Printer)
Signage (5)(10) New Franchise Store Conversion GNC Smoothie Bar	$0 to $20,000 $0 to $20,000 $580 to $2,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us

YOUR ESTIMATED INITIAL INVESTMENT				
(Column 1) **Type of expenditure**	(Column 2) **Amount**	(Column 3) **Method of payment**	(Column 4) **When due**	(Column 5) **To whom payment is to be made**
Fixtures (6)(10) New Franchise Store Conversion GNC Smoothie Bar	$7,500 to $43,000 $0 to $43,000 $5,000 to $18,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us
Construction Costs (7)(10) New Franchise Store GNC Smoothie Bar	$12,000 to $132,000 $12,000 to $22,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us or a contractor chosen by us
Other Store Costs (8) Conversion	$35,000 to $186,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us
Opening Inventory (9)(10) New Franchise Store Conversion GNC Smoothie Bar	$85,000 $31,000 to $113,000 $1,600 to $2,000	Lump-sum	At purchase or as described in the Asset Purchase Agreement	Us
Construction Handling Fee (11)	$3,000	Lump-sum	As Incurred	Us
Utility Security Deposits	$1,500 to $3,000 (variable)	As required by third party utility companies	As required by third party utility companies when the sublease commences	Us
Business and Worker's Compensation Insurance (12)	$1,241 to $6,789	As specified by Insurer	Before Store opens	Qualified Company or Insurance Broker
Training Expenses (13)	$1,500 to $3,000	As Incurred	As Incurred	Airlines, Hotels & Restaurants
Miscellaneous Opening Costs (14)	$3,000 to $4,000	As Incurred	As Incurred	Suppliers
Rent/Leasehold Space (15)	$967 to $18,334	Monthly	As described in Sublease	Us
Additional Funds—3 months (16)	$10,000 to $30,000	As Incurred	As Incurred	Lessor, Employees, Suppliers

YOUR ESTIMATED INITIAL INVESTMENT				
(Column 1) **Type of expenditure**	(Column 2) **Amount**	(Column 3) **Method of payment**	(Column 4) **When due**	(Column 5) **To whom payment is to be made**
TOTAL (17) **New Franchise Store** **Conversion** **GNC Smoothie Bar**	**$~~148~~153,758 to $380,173** **$~~107~~112,258 to $459,173** **$26,930 to $57,000**			

<u>Explanatory Notes</u>:

1. Except when specifically indicated in the chart for the particular type of franchise, and except as otherwise indicated in these Explanatory Notes, the amounts in this chart apply to New Franchise Stores and Conversion Stores. The expenditures in the chart that relate specifically to GNC Smoothie Bars are indicated in the chart (these expenditures are in addition to the expenditures for a New Franchise Store or Conversion Store). All expenditures are non-refundable unless specifically noted otherwise.

2. A New Franchise Store may be awarded to a new franchisee, an existing franchisee or an employee of ours pursuant to our employee program (See Item 1 for a description of the employee program). The initial franchise fee for a New Franchise Store is $20,000 for a new franchisee~~; $15,000 for~~. If you are an existing franchisee~~; and $15,000 for~~ or an employee of ours, the initial franchise fee is $15,000 for a New Franchise Store. See Item 5 for the conditions when this fee is refundable. We may also require you to pay us a franchise security deposit in the amount of Two Thousand Five Hundred Dollars ($2,500). This deposit will be held by us until the expiration or termination of the Franchise Agreement, in which event the deposit will either (i) be returned to you within 60 days after expiration or termination, if you do not have any outstanding payment obligations to us under the Franchise Agreement or related agreement, or (ii) be applied to any outstanding payment obligations to us under the Franchise Agreement or related agreement (and the balance, if any, will be returned to you within 60 days after expiration or termination). We are not obligated to pay you interest on the security deposit.

   You must also pay us a Development Fee if you enter into a Development Agreement with us. The Development Fee is equal to the sum of the following: (i) a development rights fee, which will be determined by us and will vary based on the location of the Development Area and other factors we deem relevant, (ii) a fee equal to the applicable initial franchise fee for the first GNC Store you agree to develop, and (iii) a fee equal to 50% of the total initial franchise fees for all of the remaining GNC Stores that you agree to develop. The initial franchise fee for each GNC Store that you develop under the Development Agreement is to be paid in addition to the Development Fee; provided, that the fees paid pursuant to (ii) and (iii) in the preceding sentence will be credited toward the initial franchise fees due for the Stores as long as you develop and open the Stores in accordance with the terms of the Development Agreement (the credit will be in an amount equal to 100% of the initial franchise fee due for the first Store, and 50% of the initial franchise fee due for each remaining Store). The remainder of the initial franchise fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store.

3. Conversion Stores may be awarded to new franchisees, existing franchisees or employees of ours pursuant to our employee program. The initial franchise fee for a Conversion Store is $20,000 for

a new franchisee~~; $15,000 for~~. If you are an existing franchisee~~; and $15,000 for~~ or an employee of ours, the initial franchise fee is $15,000 for a Conversion Store. See Item 5 for the conditions when this fee is refundable. We may also require you to pay us a franchise security deposit in the amount of Two Thousand Five Hundred Dollars ($2,500). This deposit will be held by us until the expiration or termination of the Franchise Agreement, in which event the deposit will either (i) be returned to you within 60 days after expiration or termination, if you do not have any outstanding payment obligations to us under the Franchise Agreement or any related agreement, or (ii) be applied to any outstanding payment obligations to us under the Franchise Agreement or any related agreement (and the balance, if any, will be returned to you within 60 days after expiration or termination). We are not obligated to pay you interest on the security deposit.

4. The equipment/technology we require you to purchase from us is as follows: POS and peripherals, a retail tablet, and a POS secure payment system/terminal. The cost for POS and peripherals is approximately $2,000 to $5,000. The cost for our POS secure payment system/terminal is approximately $550. The cost of a retail tablet is approximately $2,000. These costs do not include taxes or shipping charges. You must sign the P.O.S. License Agreement located in Exhibit L of this disclosure document, and pay the maintenance fees which are described in Item 6. If we allow you to install a GNC Smoothie Bar in your Store, you must acquire 2 freezers (one for the front, and one for the back room), a refrigerator unit, and ice cube maker and filter, as well as 2 blender stations. These GNC Smoothie Bar equipment costs do not include taxes or shipping charges.

   We also require you to purchase a computer and printer so that you may participate in our Franchise Portal, a secure web site that allows you to receive company news; communicate to franchisees electronically; pose questions to us or our affiliates; search on-line libraries for information on products, pricing, marketing and operations; customize and print our newest camera-ready local marketing materials; participate in on-line business building sessions with us, other franchisees, and outside vendors; send messages and information to the Franchise Support Center; train your employees, and other functions we may develop from time to time. We do not charge a fee for the Franchise Portal; however, to participate in the program, you must have access to the Internet. We reserve the right to charge a fee for the Franchise Portal at any time in the future upon notice to you.

5. All GNC Stores are required to have approved exterior signs featuring our trademarks to identify the location. Exterior signage includes, but is not limited to, illuminated channel letters, pylon signs or under canopy signs. We have developed a special interior sign for the GNC Smoothie Bar. Manufacturing and installation of signage must adhere to landlord and local regulations.

6. Fixtures include, but are not limited to, the wall units, cash wrap, gondolas, track lighting and accent lighting. The GNC Smoothie Bar contains a separate cash wrap, lighting and wall unit.

7. We, or a contractor approved by us, will install wiring, flooring, fixtures, and decor items which comply with our specifications. We will hire outside firms to prepare architectural, electrical and mechanical drawings which comply with applicable governmental building codes and regulations. The cost will vary depending on the location and condition of the premises, the type of Store you will franchise, the requirements of the landlord for the Store location, and the building code requirements of your area. Shipping and installation costs are included in the construction estimates. Although we do not do so at the present time, we reserve the right to charge you a fee for rendering Store layouts and design plans in the future. Construction includes installation of all the materials to build-out the Store such as acoustical ceiling and flooring materials, plumbing, fixtures, HVAC, electrical, and drywall. Other construction costs you may incur include lighting, props (pieces used in Stores for visual effects and decoration), floor (if not already installed, wood

flooring or ceramic tile), graphics (interior signage and photos), and miscellaneous items (plexiglass sign holders, etc.). The construction cost of a GNC Smoothie Bar varies according to the location of your GNC Store and the building code requirements of your area.

8. This estimate for Conversion Stores includes estimated amounts charged for the assets, including goodwill, of the Store. These amounts will vary on a case-by-case basis depending on the Store converted and the value that we or our affiliates place on the assets and the converted Store.

9. Opening inventory includes a supply of inventory items with a wholesale cost of approximately \$85,000 for a New Franchise Store. Your store at all times must maintain its opening order inventory value to ensure an adequate stock of inventory. At a minimum to not be at risk for being in default of your franchise obligations, your are required to maintain at least \$60,000 of inventory at wholesale cost, in an appropriate mix that ensures that the store is at all times fully stocked in accordance with GNC's merchandising and plan-o-gram guidelines, presents a full display of products to customers, and consists of no more that 10% of non-plan-o-gram products provided that you must otherwise maintain adequate inventory to effectively operate. If you franchise a Conversion Store, you are eligible to receive a credit equal to 5% of your initial inventory purchase. The estimated initial inventory for a GNC Smoothie Bar includes paper products, fruit, juice, supplements and additives.

10. We may require payments in stages during the construction process for the Store (for the estimated costs of inventory, signage, equipment, fixtures, and construction costs for the Store). For example, we may require 34% of the estimated costs at the time the building permit is received, 33% of the estimated costs at the start of construction, and 33% of the estimated costs when construction is completed. Generally, we do not offer financing for any of the items listed in this Item 7 table. In certain circumstances and in our sole discretion, we may offer qualified franchisees financing for opening inventory, signage, equipment, fixtures, and construction costs. See Item 10 for more details.

11. For a New Franchise Store, you must pay to us a Construction Handling Fee of \$3,000 for non-stamped architectural drawings, GNC procurement and project management. For a Conversion Store, you will not pay this fee. This fee is mandatory and non-refundable once paid.

12. Business and worker's compensation insurance costs vary depending on the Store location in the United States and whether it is an urban or rural location. Business and worker's compensation insurance costs average approximately \$3,628 per year, but the range is from \$1,241 to \$6,789 per year. These figures are based on numbers provided by Hylant, which is the insurance broker that a majority of our franchisees use. Generally, coastal franchisees and franchisees located in hazard zones (i.e., areas that may be subject to wild fires, hurricanes, flooding, tornadoes, and other hazards) can expect to pay higher premiums. Global or national conditions may cause your insurance costs to be higher. See Item 8 for a more detailed description of our requirements for business and worker's compensation insurance.

13. The cost of initial training is included in your franchise fee; however, you must pay for your lodging, travel and additional expenses incurred by traveling to Pittsburgh, Pennsylvania, where Phase II training is held. See Item 11 for a description of our training requirements.

14. Miscellaneous opening costs include the costs of various supplies, including cleaning supplies, bathroom supplies, office supplies, and other general supplies necessary to operate your Store.

15. You may be required to sublease your space from us. The cost per square foot of commercial space varies considerably depending on the location and market conditions affecting commercial property. However, in general, you must pay base rent, common area maintenance charges and real estate taxes. Depending on lease requirements, you may also have to pay a rental deposit when the lease begins, in addition to other occupancy costs such as insurance, utilities, promotional fund charges, and merchant's association charges. The expenditure range for this item includes estimated charges for one month for base rent, common area maintenance charges, real estate taxes, and other charges including deposits, utilities and merchant's association charges, and is based upon Stores that have been opened in strip center locations. Your Store must be at least 1,200 square feet.

16. We have relied on the years of experience that we, our predecessors and affiliates have had in this business to compile this estimated range for Additional Funds. We have formulated this estimated range based on information from our corporate Stores and from our current franchisees. The requirement for Additional Funds varies depending on the type and size of the Store you will open. This is the minimum amount of working capital we recommend you have on reserve to pay for the first three months of operational expenses, including rent, organizational costs, deposits, business licenses, insurance, replacement of inventory, POS maintenance fees, and salaries when you begin operations. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level the Store reaches during the initial period.

17. We have relied on the years of experience that we, our predecessors and affiliates have had in this business to compile these estimates. We have also relied on information we have obtained from our current franchisees. The cost estimates given in this table are based upon corporate and franchised Stores that have been opened in strip center locations. The figures in this table are approximations only, and may increase or decrease according to, but not limited to, such factors as whether you open your Store in an urban or rural area, whether the Store is in a mall or strip center location, whether the location is leased as-is or in vanilla shell condition, and how rapidly you open your Store. In addition, your total cost will vary according to whether you are an employee, existing franchisee or new franchisee, and the type of franchise you are awarded.

    As-is locations are sites which are leased in their present condition, i.e. "as-is." This might mean that the previous tenant has removed fixtures, etc. Vanilla shell locations are sites where the space may have been prepared by the landlord with electrical service, 2 x 4 light fixtures, 2 x 4 acoustical ceiling tiles, plumbing, drywall and HVAC. Thus, leasing a vanilla shell space will generally decrease your initial investment because the site is ready for the installation of fixtures, flooring, cashwrap and additional electrical items.

    The total figures do not include compensation for your time or labor, nor do they take into account any finance charges or other costs which you may incur to finance all or any portion of your investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

REQUIRED PURCHASES AND LEASES

You must install and use in or about the Store only the equipment, furniture, fixtures, graphics, inventory, and other items (collectively "items") we prescribe or approve through the Manuals or otherwise in writing. You must comply with our minimum inventory requirements, and carry and offer for sale the quality and brand of vitamin and mineral supplements, including GNC Brand Supplements, and all other products which we may specify in the Manuals or otherwise in writing. You must not offer or sell any product of any kind or character without our express prior written consent. We may approve or disapprove items at any time and for any reason, and if a product is disapproved by us or any law, statute or regulation, you must discontinue that product (whether or not previously authorized by us) promptly, upon notice from us.

In evaluating products, among the many factors we may consider are a product's safety, specifications, consumer demand, efficacy, reputation, manufacturer, prominence in the market, competitive position, availability to all GNC Stores, price, profit margins, and competitiveness with other products we sell or approve. We also will consider whether a product fits within our current or potential marketing and merchandising programs and other business factors. We have no duty or obligation to approve a product, even if it reasonably satisfies all of these criteria.

The following is a list of items we require you to purchase, either from us or approved suppliers or under our specifications, in order to establish and/or operate your franchise. Currently, we are the only approved supplier of your POS and peripherals, retail tablet, and POS secure payment system/terminal; inventory; and equipment, fixtures, signage, and materials for construction and operation of your Store.

Equipment/Technology. You must purchase from us a POS and peripherals, a retail tablet, and our POS secure payment sytem/terminal. The package is custom designed to provide GNC Stores with computer assisted product ordering, receiving, transfers and replenishment, price look-up, new item setup, merchandise reporting, communication with us related to products and the provision of financial information, as well as assisting you in recording normal sales transactions. You are required to have a separate computer and printer that meets our minimum specifications to access relevant franchisee information and reporting. If we allow you to install a GNC Smoothie Bar, you must also purchase a refrigerator or cooler, 2 freezers (front and back), ice cube maker and filter and at least 2 blending stations. The Smoothie Bar Plan-O-Gram is attached as Supplement B to the Smoothie Bar Addendum at the end of the Franchise Agreement.

Inventory. You must purchase from us or an approved supplier the products set forth in the current General Nutrition Center Inventory Plan. The Inventory Plan sets forth the required Store layout and design and provides for the types of products you must carry, including specific GNC and non-GNC brand products. You may also offer and sell any of the other lines of approved merchandise categories (which include vitamin and mineral supplements, sports nutrition products, herbs, health foods, natural cosmetics, diet products, physical fitness products and apparel and health management products and services). The Inventory Plan is subject to change periodically at our sole discretion.

We may require you to purchase any or all of the inventory for your Store, including GNC brand products and non-GNC brand products, exclusively from us. If you buy non-GNC brand products from us, we may derive income from your purchases. We also may allow you to purchase approved products from other suppliers and manufacturers we have approved in writing. We currently do not sell perishable goods. However, you may carry perishable goods with our prior written approval according to our guidelines for purchasing, storing, stocking and selling those goods. You may only purchase those food products which we have approved from suppliers and manufacturers approved by us. You must notify us of all perishable items which you stock by type and supplier or manufacturer. If we disapprove the items or the supplier or the manufacturer for any reason or no reason, we will notify you and you must immediately cease selling those items or purchasing goods from that supplier or manufacturer.

We are sometimes able to negotiate price reductions from third-party vendors of non-GNC-branded products. When we agree on a price reduction, we generally notify you in writing of the terms and conditions of receiving the reduction.

Store Construction. We will supervise the construction of your Store by a contractor approved by us, and you will be charged the actual construction costs. Included in the costs of Store construction are wiring, acoustical, ceiling and flooring materials, plumbing, electrical, HVAC, fixtures, drywall, shelving, graphics (interior signage and photos), decor items, exterior and interior signage, fixtures (wall units, cash wrap, gondolas, track lighting and accent lighting), and miscellaneous items (plexiglass sign holders, etc.). If you convert an existing corporate GNC Store to a franchised GNC Store, we will also charge you for the assets and/or goodwill of the Store (*See* Item 7). You may not install or permit others to install, without our prior written consent, any fixtures, furnishings, signs, equipment, or other improvements that we have not previously approved.

Sublease. You may be required to sublease your space from us. If we allow you to lease your space directly from the landlord, you must include certain provisions required by us in your lease.

Insurance. You must purchase and maintain, at your expense, adequate insurance coverage which meets the specifications outlined in your Franchise Agreement (or the Manuals) from an approved supplier. The insurance policy or policies must protect you, us and our affiliates, and our and their officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense arising out of your franchised business. All policies must be written by an insurance company satisfactory to us and that has an A.M. Best rating of not less than A-VII. All policies of insurance must be primary and non-contributory to any policies of insurance maintained by us, and must contain a provision requiring 30-days' written notice of cancellation to us. Currently, policies must include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time in the Manuals or otherwise), the following:

(i) Comprehensive general liability insurance, including product liability, contractual liability, personal and advertising injury, property damage, and auto owned, hired and non-owned vehicles in the amount of:

(a) $2,000,000 per occurrence and aggregate naming us and our affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than $250,000 and medical payments of $5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If you have multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is $2,000,000; for 6-10 locations, the minimum umbrella limit is $4,000,000; for 11-15 locations, the minimum umbrella limit is $6,000,000; and for more than 15 locations, the minimum umbrella limit is $8,000,000; or

(b) A primary policy in the amount of $1,000,000 per occurrence, $2,000,000 aggregate, with an excess policy in the amount of $1,000,000, naming us and our affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than $250,000 and medical payments of $5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is $3,000,000; for 6-10 locations, the minimum umbrella limit is $5,000,000; for 11-15 locations, the minimum umbrella limit is $7,000,000; and for more than 15 locations, the minimum umbrella limit is $9,000,000; and

(ii) Property insurance, written on a special form coverage with primary and excess limits of not less than the full replacement value of your Store(s), their equipment furniture, signs, inventory, and fixtures. The maximum deductible on this policy will be $10,000; and

(iii) Business interruption insurance, in an amount equal to the greater of (i) $250,000, and (ii) your annual Gross Sales for the preceding calendar year. Such policy shall name us as an additional insured. The amount of such policy shall be adjusted on an annual basis to reflect the greater of the two amounts stated above; and

(iv) Such other insurance in the types, amounts and other terms and conditions, as may be required by applicable law or by lease, sublease or other relevant contract, including workers' compensation and employer's liability insurance.

Your lease or sublease may also impose certain insurance requirements upon you; the more restrictive language will apply (e.g., if higher limits are required by us than by the landlord for a certain type of insurance coverage, our limits will apply for that particular coverage). Your obligation to obtain and maintain these insurance policies will not be affected by any insurance which we may maintain for us or our affiliates. After you obtain the required insurance, and on each policy renewal date, you must promptly give us evidence that you have obtained the required insurance and provide us with proof of payment and, if we request it, copies of all policies and policy amendments. The evidence of insurance must include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to us.

If for any reason you fail to procure or maintain the insurance required, we will have the right (but not the obligation) to immediately procure insurance and to charge you with the full cost of that insurance and up to $500 per location for our reasonable expenses in acquiring the policy or policies. You must pay this amount immediately after we request it. Failure to timely procure and maintain the required insurance is a default under your Franchise Agreement.

We estimate that the required purchases and leases described above represent approximately 95% of the cost of all purchases and leases by you of goods and services in establishing your franchised business. We estimate that your ongoing required purchases or leases required to operate the franchised business will represent approximately 100% of your total purchases or leases.

APPROVAL OF ALTERNATE SUPPLIERS AND VENDORS

You must purchase or lease all equipment, inventory, fixtures, signage, and other products and materials required for the operation of your Store from us or suppliers (including distributors, manufacturers, and other sources) which we approve. We may require you to purchase any or all of the foregoing items exclusively from us, in our sole discretion. None of our officers owns an interest in any of our approved third-party suppliers. We may approve or disapprove any supplier (including proposed or existing suppliers) at any time for any reason.

In evaluating a supplier or proposed supplier, among the many factors we may consider are the criteria we use to evaluate products; the supplier's financial capacity; the supplier's ability and willingness to supply all GNC Stores and provide indemnification and insurance to protect us and our franchisees against claims; the quality of its production facilities; frequency of deliveries; reputation; competitive position vis-à-vis us and our affiliates; the number and type of claims made against the supplier; its willingness to promote and support us and our franchisees and other business factors. We have no duty or obligation to approve a supplier or to continue to approve a supplier even if the supplier satisfies all of these criteria.

In evaluating products from third party suppliers, among the many factors we may consider are a product's safety, specifications, consumer demand, efficacy, prominence in the market, competitive position, availability to all GNC Stores, price, profit margin and competitiveness with other products we sell or approve. We have no duty or obligation to approve a product or to continue to approve a product, even if it reasonably satisfies all of these criteria. Generally, we will make our criteria for approving suppliers and products available to franchisees.

If you desire to purchase any items from a then-unapproved supplier, you may submit to us a written request for approval. We may condition our consideration of a supplier upon, among other things, our representatives personally inspecting the proposed supplier's facilities and upon our testing samples of the product supplied by the proposed supplier. We may impose a charge to test or inspect the products and the proposed suppliers' facilities. We reserve the right to grant and to revoke our approval of any supplier or any product at any time for any reason. There is no set time frame within which we must approve a proposed supplier or product, but we generally make approval decisions soon after you make the request.

ISSUANCE AND MODIFICATION OF SPECIFICATIONS

To ensure a uniform image and uniform quality of products and services throughout the GNC System, you must strictly conform to our currently or later prescribed methods, standards, and specifications. We formulate standards and specifications based upon what we, in our subjective opinion, determine is best to further our mission statement. Our methods, standards and specifications are found in the Manuals or otherwise in writing and are issued to our franchisees and, as applicable, to our approved suppliers. You must not use or sell products, materials, fixtures, equipment, supplies, forms, and other items which we either have not expressly approved in writing or which do not conform to our written standards and specifications.

REVENUE DERIVED FROM REQUIRED PURCHASES OR LEASES

We and our affiliates will derive revenues or other material consideration as a result of required purchases or leases by franchisees. If you convert a GNC Store owned by us to a franchised GNC Store, we will sell you the Store at net book value plus a mark-up. In addition, we may sell you GNC brand products at a marked-up price. If you qualify, we may also offer you, in our sole discretion, the option to finance inventory, fixtures, signage, equipment, and other construction costs by executing a promissory note in the form attached as Exhibit I, for which we charge interest. (*See also* Item 10.) This financing arrangement is a service, and so is not defined as revenue according to U.S. generally accepted accounting principles. We negotiate group arrangements for business services such as health insurance and bank credit-card processing and make those arrangements available to you to contract directly with the provider if you so choose; however, we derive no profit from those arrangements. Neither we nor our affiliates receive payments from suppliers or manufacturers on account of transactions with franchisees. We reserve the right to enter into arrangements from which we or our affiliates derive income based upon purchases or leases from franchisees and to use any payments, discounts or other amounts received by us from suppliers, lessors or other parties in connection with those arrangements without restriction. We are not required to give you an accounting of those payments, discounts or other amounts or to share the benefit of them with you or other franchisees. Any such amounts and benefits shall be kept by us as compensation for locating and negotiating with suppliers for you and other franchisees. We do not provide material benefits to franchisees (for example, renewal of existing franchises or granting of additional franchises) based on their use of designated or approved suppliers. There are currently no purchasing or distribution cooperatives within our franchise system.

As included in our parent company's audited financial statements attached as Exhibit O-2, the total revenue of the franchisor in the fiscal year ending December 31, 2019 was $1,944,584,989. The following is the franchisor's revenue derived from required purchases and leases by franchisees in the fiscal year ending December 31, 2019: $214,261,460 from the sale of inventory products (net), which was 11.02% of total annual revenue; $749,450 from the sale of equipment, fixtures and graphics and construction handling fees, which was 0.04% of total annual revenue; $4,157,670 from franchisee fees, which was 0.21% of total annual revenue; $596,000 from the conversion of company-owned Stores to franchised Stores, which was 0.03% of total annual revenue; $27,315,050 from royalty revenues, which was 1.40% of total annual revenue; $161,000 from interest charged on promissory notes, which was 0.01% of total annual revenue; and $42,282,160 from rent charged on franchisee Store subleases, which was 2.17% of total annual revenue. Except for total revenue, these figures were derived from internal accounting records. In addition, for the fiscal year ending December 31, 2019, an affiliate of the franchisor derived revenues of $1,207,320 from financial services provided to franchisees. These figures were derived from that affiliate's internal accounting records.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in franchise or other agreements	Disclosure document item
a. Site selection and acquisition/lease	Sections 6 and 7, and Attachment G – Direct Lease Addendum, Franchise Agreement; Section 3, Smoothie Bar Addendum; Sublease; Sections 6 and 7, Development Agreement	Items 6, 7, 8 and 11
b. Pre-opening purchases/leases	Sections 4.A., 5, 6, 7, 8, and 9, Franchise Agreement; Sections 2 and 4, Smoothie Bar Addendum; Sublease; Asset Purchase Agreement; Product Sales Agreement; Sections 6 and 7, Development Agreement	Items 7 and 8
c. Site development and other pre-opening requirements	Sections 5 and 6, Franchise Agreement; Section 2.1, 5, 6 and 7, Development Agreement	Items 6, 7 and 11
d. Initial and ongoing training	Section 10, Franchise Agreement	Items 7, 11 and 15
e. Opening	Sections 2.A. and 5, Franchise Agreement; Section 5, Development Agreement	Items 7 and 11
f. Fees	Sections 4, 6, 8, 16.E., 18.B.(ii)(l), and 19.F., Franchise Agreement; Section 2, Smoothie Bar Addendum; Section 2, Sublease; Sections 4 and 11.3(ix), Development Agreement	Items 5 and 6
g. Compliance with standards and policies/operating manuals	Sections 12 and 15, Franchise Agreement; Section 9, Development Agreement	Items 8, 11, 14 and 16
h. Trademarks and proprietary information	Sections 14, 15 and 22.C, Franchise Agreement; Section 4, P.O.S. Program License Agreement; Section 10, Development Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 12.B and 12.I, Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Sections 12.J.&K. and 17.D, Franchise Agreement	Item 11
k. Territorial development and sales quotas	Sections 1, 2 and 5, Development Agreement	Items 1, 5, 6 and 12

l. Ongoing product/service purchases	Sections 12.B and 12.H(i), Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	Sections 12.E, 12.F, 19.B and 21.E, Franchise Agreement; Section 7, Development Agreement	Items 7, 11 and 17
n. Insurance	Section 9, Franchise Agreement	Items 6, 7 and 8
o. Advertising	Sections 4.D and 17, Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 23.D, Franchise Agreement; Section 5, Asset Purchase and Sale Agreement; Section 4, Sublease; Section 23, Development Agreement	Item 6
q. Owner’s participation/management/ staffing	Section 12.D and 12.K, Franchise Agreement	Items 11 and 15
r. Records and reports	Section 16, Franchise Agreement	Item 6
s. Inspections and audits	Sections 12.I and 16.D, Franchise Agreement	Items 6 and 11
t. Transfer	Section 18, Franchise Agreement; Section 11, Development Agreement	Items 6 and 17
u. Renewal	Section 19, Franchise Agreement	Items 6 and 17
v. Post-termination obligations	Section 21, Franchise Agreement; Section 9, P.O.S. Program License Agreement; Section 12, Development Agreement	Item 17
w. Non-competition covenants	Section 22 and Attachment B, Franchise Agreement; Section 13, Development Agreement	Item 17
x. Dispute resolution	Section 29, Franchise Agreement; Section 20, Development Agreement	Item 17
y. Other--POS, computer and printer and financial services	Sections 12.H(ii) and 16.E, Franchise Agreement	Item 17

ITEM 10

FINANCING

Generally, we do not offer any financing in connection with a new franchise location; however, on a case-by-case basis and in our sole discretion, we may offer financing to certain qualified franchisees for inventory, fixtures, signage, equipment, and construction costs in connection with a new franchise location. (*See* Item 7, and Exhibits G, I and J to this disclosure document). Before providing any such financing, we would seek to qualify you according to a number of factors, including, but not limited to, creditworthiness. We reserve the right to refuse financing to you, even if you qualify, in our sole discretion. We will not finance ongoing Store operations, nor do we finance any new or existing franchisees that purchase existing franchised Stores.

PROMISSORY NOTES

If financing for your equipment, signage, fixtures, inventory, and/or construction costs is available directly from us (in our sole discretion) and you qualify, you would be required to complete Exhibit I, "Equipment and Inventory Promissory Note." The terms of the Promissory Note may vary with respect to the amount financed, the due date, and the monthly payments. Our standard Promissory Note provides that the principal balance of the note is due on our demand, but if not sooner demanded, is to be repaid in 60 up to 84 monthly installments at an annual interest rate ranging from 8% up to 13.75%. See the table at the end of this Item 10 for important terms regarding this financing arrangement with us. Your interest rate, loan term and down payment amounts may change according to current promotional programs. We reserve the right to change the offered interest rate, loan term and down payment amounts at any time. We will file a UCC-1 financing statement upon execution of the note, giving us a first position security interest in the inventory, fixtures, and equipment (*See* Product Sales Agreement, Section 2 and Exhibit G, Purchase Money Security Agreement, Section 2). We also require a personal guarantee to be signed by you and your spouse or by all the principals of your business and their spouses as we deem necessary for adequate security (*See* Section 5.B, Franchise Agreement, and Guarantee). If you do not pay the installments under the Promissory Note on time, we can require you to pay the entire debt and all accrued interest and late charges on demand, present the Promissory Note to a court in Pennsylvania at any time and have the court declare that you must immediately pay the entire amount of the outstanding balance, repossess your goods, terminate your Franchise Agreement, and/or require you to pay for our court costs and attorneys' fees if we have to institute a collection action against you. (*See* Exhibit I, Equipment and Inventory Promissory Note, "Default", "Collection Costs" and "Confession of Judgment"; Exhibit J, Purchase Money Security Agreement, Section 10; Exhibit G, Product Sales Agreement, Section 4; and Exhibit E, Franchise Agreement, Section 20.B(xi)).

ADDITIONAL FINANCING AGREEMENTS

If you sign a Promissory Note, you must also sign the Purchase Money Security Agreement in Exhibit J of this disclosure document to secure timely payments under the Promissory Note. This Agreement gives us a first lien on certain assets of any of your GNC franchised Stores (*See* Exhibit J, Purchase Money Security Agreement, Section 2). Certain provisions of this Agreement allow us to take possession of your Store or Stores without court intervention, if allowed by your state laws, if you do not timely make the required payments under your Promissory Note (*See* Exhibit J, Purchase Money Security Agreement, Section 10). You will also sign the Product Sales Agreement in the form attached as Exhibit G when you make inventory purchases from us on credit. This gives us a first lien on inventory, fixtures and equipment (See Product Sales Agreement, Section 2). If you purchase an existing GNC location from us, you must sign the Asset Purchase and Sale Agreement in the form attached as Exhibit H. This Agreement will set forth the terms for acquiring equipment, signage, fixtures and/or inventory included in the purchase of the Store.

SUBORDINATION

If you request us to subordinate our security interest in your fixtures, equipment and inventory as outlined in the Promissory Note, Product Sales Agreement and Purchase Money Security Agreement, and we approve, we will require you to sign the Subordination Agreement attached in Exhibit P of this disclosure document. In addition to requiring you to sign the Subordination Agreement, we may also lower your credit limit to 50% of your current limit and if you elect, exempt you from GNFS. The decision to subordinate our interest is in our sole discretion, and we may not agree. (See "Revolving Credit Line" below for more information.)

REVOLVING CREDIT LINE

We may in our sole discretion extend credit to qualified franchisees for the ongoing purchase of inventory. The amount of credit you would receive is based upon your creditworthiness as evaluated by us in our sole discretion and whether or not we have subordinated our security interest in your fixtures, furniture, equipment or inventory. *We reserve the right to adjust or terminate your credit at any time in our sole discretion*. In addition, we reserve the right to place a "credit hold" on product orders, including in situations where you exceed your credit limit, which may result in a delay of the processing of your product order (for more details, you may refer to the Franchise Operations Manual). Furthermore, once the credit limit is reached, or if you are placed on credit hold, subsequent product orders may require payment on a "cash-in-advance" basis. In addition, if you qualify for this program, you must sign the Product Sales Agreement in the form attached as Exhibit G. We will file a UCC financing statement upon execution of the Product Sales Agreement, giving us a first position security interest in your fixtures, equipment and inventory. (Product Sales Agreement, Section 2). If you do not timely pay for your product purchases, we can terminate your Franchise Agreement. (Franchise Agreement, Section 20.B(xi)).

SUBLEASE

You may be required to sublease your location from us. A standard sublease is located in Exhibit K of this disclosure document. However, the precise terms of our standard sublease in Exhibit K will vary depending on the size and location of the premises. Depending upon the type of Store you franchise, e.g., a New Franchise Store or a Conversion Store, the term of the sublease is generally 5 years with one option to renew for 5 years. Most master leases require us to notify the landlord in the fourth lease year whether we will renew the master lease. The renewal option may only be exercised by us. We will decide whether to renew the master lease (and your underlying sublease). If we desire to renew that the master lease, we will ask you if you wish us to extend the lease. You must promptly respond to our notice. If you do not wish to renew, or do not promptly respond prior to the time specified in our notice to you, or if we decide in our sole discretion not to renew the master lease, the lease may expire, which will cause your sublease and Franchise Agreement to expire on the same date. If you are in default under the Franchise Agreement, or if we determine that your Store presents a potential future risk, we will not renew your sublease, and your sublease and Franchise Agreement will expire on the same date. Upon expiration, at our option, you must vacate the premises and de-identify your Store. (Franchise Agreement, Section 21.E). You will not receive a refund of the initial franchise fee or any other fees paid to us or our affiliates upon expiration of your sublease and Franchise Agreement. (Franchise Agreement, Section 21.L). Although you may not wish to renew the sublease or do not timely respond to our request regarding your desire to renew, we may, in our sole discretion, renew the lease and operate the location. If we decide to operate the location, we may, in our sole discretion, purchase any or all of your fixtures, equipment and inventory as described in your Franchise Agreement, less any amounts that you owe us (Franchise Agreement, Section 21.I). Some lease terms include a provision for an early termination right. In the event that we are able to exercise an early termination right within a lease such as a "kick-out" prior to the natural expiration of the lease term, we will evaluate the lease in the same manner as we do with options. If we determine that there is a potential future risk we will exercise the early termination right and provide you with the option to pursue a direct lease with the landlord, unless you are currently in default under the Franchise Agreement. If you are unable to cure a default under your Franchise Agreement, you will not be approved to pursue a direct lease, and as a result, your sublease and Franchise Agreement will expire on the same date. Finally, in some cases, the landlord for the location may offer a lease termination arrangement to terminate the master lease and lease your space to another tenant. Although this option may only be exercised by us, before we decide whether to terminate or accept a buyout, if available, we will ask you whether you wish to terminate or accept the buyout. If you accept a buyout, we will pass on the full amount of the buyout to you.

The cost per square foot of commercial space varies considerably depending on the location and market conditions affecting commercial property (*See* Item 6). Depending on lease requirements, you may have to pay a rental deposit when the lease begins, in addition to other occupancy costs, such as common area maintenance charges, real estate taxes, insurance, utilities, promotional fund charges, and merchant's association charges. The only other security we require is a personal guarantee of the sublease by you and any person or company who signs or guarantees the Franchise Agreement. The sublease can be prepaid without penalty at any time during its term. If you do not make your rent payment on time, we have the right to collect the unpaid rent plus 1.5% interest per month on the overdue amount, repossess the premises, accelerate rent due under the sublease, and terminate your sublease and Franchise Agreement. (Sublease, Sections 2.D and 15 and Franchise Agreement, Section 20.B(xi)). We can also obtain court costs and attorneys' fees if a collection action is necessary. (Sublease, Section 15). If your sublease is terminated, we have an immediate right of re-entry, and may remove all persons, personnel and property from the premises. (Sublease, Section 15). In addition, immediately upon termination, all amounts you owe us are immediately due and payable. (Sublease, Section 15). We also reserve the right to purchase your fixtures, furniture and equipment for their depreciated value, your unexpired inventory purchased from us or our affiliates at cost, and any inventory purchased from a third party vendor for a pre-determined value as may determined by us from time to time for categories of products. (Franchise Agreement, Section 21.I). We reserve the right to refuse to purchase these items, and thus to credit you for them, in our sole discretion.

If we allow you to lease your franchised Store directly from the landlord (See Item 11), you must have a provision in the lease which grants GNC the first option to assume the lease if you default; a provision which allows us to enter and take possession of any fixtures, furniture, equipment and inventory in which we have a security interest; and a provision which prohibits you from subletting or assigning the lease. In addition, the Premises must be delivered asbestos-free, and there can be no radius restriction in the lease. (Attachment G to Franchise Agreement, "Direct Lease Addendum").

GUARANTEES

We require all of our franchisees and their spouses to personally guarantee that any and all amounts due and owing to us or our affiliates will be paid in accordance with the terms disclosed in our Franchise Agreement and, if applicable, sublease and other agreements between the franchisee and us or our affiliates, as we deem necessary for adequate security. If you are not an individual, all principals of your organization (i.e. persons or partners who sign the Franchise Agreement and in the case of a corporation, partnership or limited liability company, the shareholders, partners, managers or members of that organization) and their spouses, must sign the Guarantee attached to the Franchise Agreement as Attachment E, as we deem necessary for adequate security. This is a personal guarantee of the obligations under the Franchise Agreement, sublease and, if applicable, our standard Promissory Note in Exhibit I and all other agreements between you and us or our affiliates. This Guarantee gives us the right to collect any amounts due us or our affiliates from you personally. Neither we nor our affiliates guarantee any notes, leases or other obligations you may have with a third party. If you directly lease your premises from the landlord (*See* Item 11), neither we, nor our affiliates, will guarantee your lease.

WAIVER OF DEFENSES

You waive your rights to notice of default in any payment and collection action and to assert any defenses to collection against us (See Promissory Note, "Certain Waivers"). The Franchise Agreement, Product Sales Agreement, Equipment and Inventory Promissory Note, Purchase Money Security Agreement, and Asset Purchase and Sale Agreement all contain a provision in which you waive the defense of *forum non conveniens*, that is, the claim that the court in which the action is brought is inconvenient or inappropriate, and your right to a jury trial (*See* Exhibit I, Equipment and Inventory Promissory Note, "Forum Selection" and "Waiver of Jury Trial"; Exhibit J, Purchase Money Security Agreement, Sections 18 and 19; Exhibit G, Product Sales Agreement, Sections 7 and 9; Franchise Agreement, Sections 29.D and 29.E; and Exhibit H, Asset Purchase and Sale Agreement, Section 13.3). Generally, you have the right to a jury trial in civil litigation. The laws of certain states do not permit you to waive your right to a jury trial. The Franchise Agreement, Guarantee, Product Sales Agreement, Equipment and Inventory Promissory Note, and Sublease all contain a confession of judgment provision (*See* Exhibit I, Equipment and Inventory Promissory Note, "Confession of Judgment"; Guarantee, Attachment E to Franchise Agreement; Exhibit G, Product Sales Agreement, Section 8; Franchise Agreement, Section 29.C; and Exhibit K, Sublease, Section 16). Except as disclosed in this Item 10, we do not offer financing that requires you to waive notice, confess judgment or waive a defense against us.

THIRD PARTY FINANCING ARRANGEMENTS

Small Business Administration Program Lending

The U.S. Small Business Administration ("SBA") provides a number of financial assistance programs for small businesses including franchise financing. 7(a) loans are the most basic and most common loan of the SBA's business loan programs. SBA loans are not provided by the SBA but rather by lenders that participate with the SBA in the 7(a) loan program. The SBA typically charges a guaranty fee along with other usual and customary lender closing costs associated with providing the loan.

Interest rates are subject to SBA maximums and are tied to a spread over the prime rate, the LIBOR rate, or an optional peg rate. Interest rates may be fixed or variable. Additional and more specific information on the SBA 7(a) and other SBA loan programs and a list of participating lenders can be found at www.sba.gov. However, to the extent that the SBA requires as a condition to any loan that we subordinate our interests to theirs, our decision to do so is in our sole discretion, and we may not agree.

OTHER FINANCING INFORMATION

We are unable to estimate whether you will be able to obtain financing for all or any part of your investment. If you obtain financing from others, we cannot predict the terms of that financing other than as described in this Item 10.

It is not our practice, nor do we intend, to transfer, assign, discount, or sell to a third party any Promissory Note, any portion of a Promissory Note or other payment obligation executed by any franchisee.

We reserve the right to offer special incentive programs at any time in the future which may decrease any of the fees listed in Item 6 and/or the cost of signage, fixtures, other construction, opening inventory, or the construction handling fee, thus decreasing your initial investment and the amount you finance, if any. Generally, these incentive programs will be conditioned upon you executing a Franchise

Agreement or opening your Store by a specified date. In addition, these incentive programs are usually only available for newly constructed Stores or in specified markets which we determine at our sole discretion, not for conversions or existing Stores. We may offer or discontinue these programs at any time without notice to you.

	New Franchisee New Franchise Store (Note 9)	**New Franchisee Conversion Store (Note 9)**	**Existing Franchisee New Franchise Store (Note 9)**	**Existing Franchisee Conversion Store (Note 9)**	**Employee New Franchise Store**	**Employee Conversion Store**
Down Payment on Inventory, Equipment, Signage, Fixtures and Other Construction Costs	At least 20% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	At least 20% of the purchase price	At least 20% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	At least - 20% of the purchase price	At least 20% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	At least 20% of the purchase price
Discount on Opening Inventory	0%	5% (Note 6)	0%	5% (Note 6)	5% (Note 6)	5% (Note 6)
Amount Financed	Up to 80% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	Up to 80% of the purchase price	Up to 80% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	Up to 80% of the purchase price	Up to 80% of the total cost of the opening inventory, equipment, signage, fixtures and other construction costs (Note 4)	Up to 80% of the purchase price
Interest Rate	8% - 13.75%	8% - 13.75%	8% - 13.75%	8% - 13.75%	8% - 13.75%	8% - 13.75%
Loan Term (yrs.) (Note 5)	5 – 7 (Note 5)	5 – 7 (Note 5)	5 – 7 (Note 5)	5 – 7 (Note 5)	5 – 7 (Note 5)	5 – 7 (Note 5)
Prepay Penalty	Note 1	Note 1	Note 1	Note 1	Note 1	Note 1
Security Required	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2
Liability Upon Default	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3

	New Franchisee New Franchise Store (Note 9)	New Franchisee Conversion Store (Note 9)	Existing Franchisee New Franchise Store (Note 9)	Existing Franchisee Conversion Store (Note 9)	Employee New Franchise Store	Employee Conversion Store
Loss of Legal Rights Upon Default	Note 3	Note 3	Note 3	Note 3	Note 3	Note 3

NOTES TO TABLE ABOVE:

The figures listed in this table are approximations only. Your monthly payments will vary according to the amount of the note, and costs of equipment, fixtures, signage and other construction costs. The offered interest rates, loan term and down payments listed in this table may change at any time after notice to you.

1. You can pre-pay the loan without penalty.

2. The security required for a loan is certain assets of the Store and of all your existing GNC Stores, as well as personal guarantees. *See* "Promissory Notes," "Additional Financing Agreements," and "Guarantees" sections in this Item 10.

3. If you default on any loan for your GNC Store, we can accelerate the loan and require you to pay on demand the entire amount due, including accrued interest and late changes. You may also lose the Store and all related franchise rights, including all existing GNC Stores cross-collaterialized under a Security Agreement and their related franchise rights. We may also seek court costs and attorneys' fees. Furthermore, you waive notice of a judgment and the defense of forum non conveniens. (*See* Exhibit I, Equipment and Inventory Promissory Note, "Certain Waivers", "Default", "Forum Selection", "Collection Costs" and "Confession of Judgment"; Exhibit J, Purchase Money Security Agreement, Sections 10 and 18; Exhibit G, Product Sales Agreement, Sections 4 and 7; and Exhibit E, Franchise Agreement, Sections 20.B(xi) and 29.D). *See also* "Promissory Notes," "Additional Financing Agreements," and "Guarantees" sections in this Item 10 for more information.

4. You must pay as a down payment at least 20% of the total cost of the opening inventory, signage, equipment, fixtures, and other construction costs. The balance of these costs (i.e., the remaining amount, up to 80%) will be the amount that we finance. *See* Item 7 for information on estimated costs for opening inventory, signage, equipment, fixtures, and other construction costs.

5. Our standard Promissory Note provides that the principal balance of the note is due on our demand, but if not sooner demanded, is to be repaid in 60 up to 84 monthly installments at an annual interest rate ranging from 8% up to 13.75% interest.

6. If you franchise a Conversion Store, we will credit your Store 5% of your initial inventory purchase, and if you are an employee of ours and franchise a New Franchise Store, we will credit your Store 5% of your initial inventory purchase. The finance amounts and monthly payments given for employees include this discount.

7. All down payments are due at the earlier of a minimum of 4 weeks prior to the opening of your Store, or the completion of construction.

8. Any promissory note must be fully executed prior to your Store opening date or we expressly reserve the right to refuse to release any opening inventory for shipment to your Store.

9. We reserve the right to offer special incentive programs at any time. Generally, these incentive programs will be conditioned upon you executing a Franchise Agreement or opening your Store by a specified date and may only be available for specific Stores or in specified markets which we determine at our sole discretion. We may alter or discontinue these programs at any time at our sole discretion without notice to you. The employee incentive program may not be combined with any other incentive offer unless otherwise indicated by us in writing and may be discontinued at any time at our sole discretion without any notice to you. *See* Items 5, 6 and 7 for more details. Furthermore, if you have executed a Franchise Agreement before the dates specified for the incentive programs, acquired a GNC location from an existing franchisee via a transfer, or are renewing an existing Franchise Agreement, you are not eligible to receive the incentive program unless otherwise indicated by us in writing.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

OBLIGATIONS WE MUST MEET BEFORE YOU OPEN

Before you open your GNC Store, we will:

1) Designate your protected territory, if any. (Franchise Agreement - Selected Term Summary)

2) Assist you in selecting a business site. Your site must be at least 850 square feet in area. The site must be approved by us. (Franchise Agreement - Section 6)

3) Prior to the end of the Pre-Opening Period, assist you in negotiating the lease of a location for your Store. (Franchise Agreement - Section 7) If you lease directly from the landlord, you are responsible for all costs associated with lease negotiations and lease review. We will require that you sublease the location from us on a form that we prescribe. If we do not require you to sublease the location from us, you will lease your Store from the landlord. We do not guarantee any territorial or other protections under the lease or sublease. (Franchise Agreement - Section 7)

4) Provide you with standard specifications for a typical Store, including fixtures, furnishings, equipment, supplies, forms, inventory, and signs; and where applicable, furnish specifications for exterior work and renovation. (Franchise Agreement - Section 13.A) If we allow you to install a GNC Smoothie Bar, we will provide you the standard specifications for the GNC Smoothie Bar, including fixtures, furnishings, signs, inventory, equipment, supplies and forms. We will also furnish specifications for any exterior work or renovation needed or required by lessor. We reserve the right to charge you a fee for these specifications.

5) Generally, we will construct your Store for you at your expense (including a $3,000 Construction Handling Fee for New Franchise Stores), and we will provide directly to you all necessary opening inventory, fixtures, signage and equipment for your Store at your expense. (Franchise Agreement – Section 8 and Development Agreement – Section 7). We will deliver these items to your Store, and our contractors will install them. We reserve the right to decline to construct the Store and require you to construct the Store.

6) Train you and one other person in our franchise training program. (Franchise Agreement - Section 10.) (See below for a discussion of our training program.)

7) Provide you with an initial set of accounting and other administrative forms. (Franchise Agreement - Section 13.C)

8) Provide you, on loan, one copy of our Manuals. (Franchise Agreement - Section 13.E) These Manuals contain mandatory and suggested specifications, standards, and procedures. These Manuals are confidential and remain our property. We may modify these Manuals, and you must comply immediately with any modifications (unless we allow a longer time to comply). (Franchise Agreement – Section 15) The table of contents of the Franchise Operations Manual is in Exhibit C.

9) For Development Agreements, grant you the right to open a specific number of franchised Stores within a specific geographic area within a specified timeframe, and enter into a Franchise Agreement for each location developed by you. (Development Agreement – Section 1)

10) For Development Agreements, furnish to you site selection guidelines, including Franchisor's minimum standards for locations for the GNC Stores, and such site selection counseling and assistance as we may deem advisable, and such on-site evaluations as we may deem advisable in response to your requests for site approval. (Development Agreement – Section 8.1)

OBLIGATIONS WE MUST MEET WHILE YOU OPERATE YOUR FRANCHISE

During the operation of your GNC Store, we will:

1) Make available to you standard specifications for fixtures, furnishings and signs necessary to operate a typical Store. (Franchise Agreement - Section 13.A)

2) Make available at your expense additional training programs and refresher courses that we decide are appropriate. (Franchise Agreement - Section 13.B)

3) Periodically prepare and offer to you advertising and promotional materials for the Store. (Franchise Agreement - Section 17.C) You must pay for these advertising and promotional materials.

4) Make available to you accounting and other administrative forms at your expense. (Franchise Agreement - Section 13.C). We may (but are not obligated to) provide monthly financial services at your expense. (Franchise Agreement - Section 16.E)

5) Provide initial and continuing advisory assistance to assist you in operating the Store, including periodic advice and materials on new sales and marketing developments and operational techniques, and periodic newsletters and bulletins regarding the System. (Franchise Agreement -

Section 13.D) You must permit us or our agents to enter your Store at any reasonable time to conduct inspections. (Franchise Agreement - Section 12.I)

6) Review and approve advertising which you have submitted to us. (Franchise Agreement - Section 17.F)

ADVERTISING

We are obligated to maintain and administer the National Advertising and Promotional Fund (the "Fund"), which we have established to facilitate advertising for the franchise system. The Fund is used to meet all costs of maintaining, administering, directing, and preparing advertising and promotional activities. We are responsible for conducting all advertising, promotional and marketing programs for national and regional coverage, and make all decisions regarding concepts, materials and media. We use television, radio and print advertising media to conduct advertising. Media coverage is generally national and regional. We have an in-house marketing department, but we also may use advertising agencies and consultants. We create and distribute the materials you will use for advertising, conduct market research, and organize public relations activities. All franchisees contribute to the Fund~~.~~ at the same rate, which is currently 3% of total gross sales. GNC Stores owned and operated by us ~~do~~are not required to contribute ~~on a Store-by-Store basis~~to the Fund; however, we or our affiliates may in our sole discretion elect to contribute to the Fund. ~~Your Fund contribution is currently 3% of your gross sales.~~ We are not required to ~~spend a certain amount of the Fund on advertising in any particular area located near you, nor to~~ make expenditures for any franchisee in proportion to its contribution to the Fund, nor are we required to ensure that any franchisee benefits directly or pro rata from expenditures by the Fund. We are also not required to spend any amount on advertising in your territory or area.

We generally spend all contributions to and earnings of the Fund during the fiscal year in which they accrue; however, if excess amounts remain in the Fund at the end of a fiscal year, we roll those amounts over to the following fiscal year. We may prepare an unaudited annual report of the operations and expenditures of the Fund as shown on the books of the Fund at our sole discretion, and if that report is prepared, we will make it available to you.

For fiscal year 2019, the percentage of Fund contributions were spent as follows:

Production*	3.61%
Media placement	51.84%
Other Marketing	38.71%
Merchandising	5.84%
Solicit new franchise sales	0.00%
Total	100.00%**

*Production costs are combined within each category. The "Production" category only includes the cost for producing TV, radio, print, brand videos and other advertising. However, there are production costs associated with other types of advertising as well (e.g., in-store signage, direct mail and packaging), and these costs would be included within the other line items.

**Our franchisees currently pay 3% of their gross sales to us (although we reserve the right to increase or decrease this fee from time to time on thirty (30) days' prior written notice to franchisees), from which we deduct our administration costs. We spend the money collected for the Fund for media, direct marketing, in-store marketing, events and promotions and public relations. The Fund is also used for other marketing programs like updating packaging and conducting market research studies. We do not use the Fund to solicit new franchise sales.

We must approve in writing any advertising or marketing activities that you conduct or which are conducted on your behalf. You must use only advertising materials prepared by us, or materials which have been approved by us if we have not prepared them. If you do not receive written approval from us within 30 days after we receive the materials, those materials are deemed disapproved.

We have not formed a national advertising council or cooperative to advise us on advertising policies. If one is formed, we will have the power to select and approve the members and to form, change or dissolve the advertising council or cooperative.

TECHNOLOGY

You agree to purchase from us or designated third party vendors such technological devices and systems that we deem necessary from time to time to effectively conduct the operation of Stores under the System. You agree to continually update and use the technology, platforms, devices and systems that we prescribe from time to time in our sole discretion.

Currently, you must purchase a POS system and peripherals, a retail tablet, and a POS secure payment system/terminal, from us. The POS system will keep track of sales, transmit that information to us and gather and summarize data which will allow sales and cost data to be tabulated and reported to us. We will have independent and unlimited access to this information and data (*See* Item 8). There are no contractual limitations on our right to access this information. The POS system includes intelligent terminals (or other equipment as we may designate), cash drawers, cabling, scanner, pin pad, and power conditioners.

The current cost of the POS and peripherals is approximately $5,000, the cost of a retail tablet is approximately $2,000, and the cost of the equipment and software for our POS secure payment system/terminal is approximately $550 (*See* Item 7). The price given does not include tax or shipping charges.

We expect you to make a continuing investment in Store technology throughout the term of your franchise. You are obligated to properly maintain and upgrade/update the technology within the Store and will be required to replace or update it as determined by us, which we estimate to be at 5-7 year intervals but can occur in lesser time intervals as we deem necessary. The Franchise Agreement does not limit the frequency or cost of this obligation. We do not have any contractual obligation to provide ongoing maintenance, repairs, upgrades, or updates for your Store technology system. If we send you updates, you must install them within 30 days after receipt. You will be charged maintenance fees to cover the costs of supporting the system. Maintenance fees cover the actual costs for maintenance of the system. We derive no profit from maintenance fees. Your cost for maintaining the POS system is approximately $75 per month for the first register and $25 per month for an additional register. Maintenance fees for POS communications are currently $180 per month. Maintenance fees for our POS secure payment system/terminal are currently $13.50 per month. Your cost for in-Store Wi-Fi is currenlty $10.50 per month. Each year, costs relating to your Store technology are subject to re-evaluation in order to determine your monthly technology maintenance fees. We reserve the right to change any or all of these fees on an annual or more frequent basis.

You must sign the P.O.S. License Agreement for the POS system in <u>Exhibit L</u>. The POS system is proprietary, and you may not copy, modify or transfer the program in whole or in part. Furthermore, because of its proprietary nature, upon termination or expiration of your Franchise Agreement, you must return the Store technology equipment and software to us, and we will credit your account for its depreciated value. (*See also* Items 6, 7, 8 and 9 for additional information regarding POS.)

We require you to provide a computer and printer from a third party vendor. The computer should meet current standards for performance, have high speed Internet connectivity, and be Windows-based. The computer must have an operating system of Windows 10 or higher and be capable of handling the Internet.

We also require you to participate in our Franchise Portal. The Franchise Portal gives you free access to a secure web site that allows you to access our confidential Manuals, receive company news and special notifications; communicate to company managers electronically; pose questions to us or our affiliates; search on-line libraries for information on products, pricing, marketing and operations; customize and print our newest camera-ready local marketing materials; participate in on-line business building sessions with us, other franchisees, and outside vendors; send messages and information to the Franchise Support Center; train your employees; and other functions which we may develop from time to time. We do not currently charge a fee for the Franchise Portal, but you must have access to the Internet to participate in the Franchise Portal. We reserve the right to charge a fee for the Franchise Portal at any time in the future upon notice to you. We reserve the right to offer special incentives to the Franchise Portal participants from time to time.

SITE SELECTION

Sublease

You may be required to sublease your location from us. Before you sign your Franchise Agreement, GNC will make available to you a list of "inventory" GNC Store locations from which you may select a site, if any are available. An inventory location is a site which we have approved as a potential franchise location and for which we have negotiated a lease. We evaluate potential inventory locations according to a number of factors including, but not limited to, proximity to existing GNC locations, visibility, ease of accessibility, road systems, highways, and natural terrain. The list of inventory locations is subject to change, without any notice to you in our sole discretion. Generally, we will not enter into a Franchise Agreement until a site has been selected. If a site has not been selected prior to entering into the Franchise Agreement, we may terminate your Franchise Agreement if we cannot agree with you on a site.

You may also propose a site for our consideration. However, we reserve the right to approve or disapprove any site in our sole discretion. We will base our decisions to approve or reject a particular site on such factors as we may determine in our sole discretion. These factors may include, but are not limited to, cost, demographics, traffic patterns, accessibility, proximity to existing GNC Stores and similar factors which we analyze using our experience and our own subjective judgment. If you enter into a Development Agreement, we must approve the location for each of your future GNC Stores under the Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location (See Item 12 for more information).

We generally do not approve prospective site submissions for franchises in enclosed malls with a total Gross Leaseable Area of more than 500,000 square feet, unless you are an existing franchisee opening a new Store inside your protected territory and we approve the location. We franchise open air strip shopping centers that meet our qualifications. You will need approximately 1,200 to 1,500 square feet for the Store.

Following site approval, you will be required to execute a sublease within 30 days of receipt of the sublease. We have the right to demand that the sublease contain certain terms and conditions before you sign it. Failure to do so is a default under the Franchise Agreement, and if not timely cured, may result in termination of your Franchise Agreement.

Direct Lease

If you propose a site which is not included in our inventory location list, and we approve the site as described above, we may in our sole discretion permit you to negotiate and sign your lease directly with the landlord, subject to our written approval. If you enter into a Development Agreement, we must approve the location for each of your future GNC Stores under the Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location (See Item 12 for more information).

If we approve your site, you may contact the landlord to negotiate the actual lease terms for the location. We will assign you a real estate representative to help you with the negotiation process and we will provide you with a list of required parameters and terminology for the lease; you must include certain clauses regarding right of first refusal, radius restrictions, and subletting in the lease. The landlord may impose certain requirements in a direct lease. We strongly recommend that you explain and fully disclose to any prospective landlord that all lease commitments are subject to our prior approval.

When you have concluded your lease negotiations with the landlord, you must submit the written lease to your real estate representative for approval. Approval of the lease is dependent upon whether the required lease clauses are present. If the required clauses are not present, your real estate representative will inform you, and you must either re-negotiate with the landlord, or select an alternative location. We must approve your lease in writing, which approval will be in our sole discretion. Silence on our part does not constitute acceptance. If you do not receive our written approval, your lease is deemed rejected. You must provide us with a fully-executed lease after the lease has been approved. You acknowledge that time is of the essence, and thus that you must execute a lease for the Store prior to expiration of the Pre-Opening Period or you may be in default under the Franchise Agreement and your Franchise Agreement may be terminated by us.

When your lease has been approved by us, we will begin the initial survey, Store design and permit process. Once your lease is fully executed, you must send a copy of the fully executed lease to us before we will begin construction of your Store. We will not begin construction until the final version of your lease has been approved by us and a fully executed copy has been received by our Real Estate Department.

We strongly encourage and recommend that you retain legal counsel to assist you in directly leasing a Store site. We also suggest that you submit your lease to your attorney for review before you execute the lease. All costs associated with the lease negotiations, legal fees, accounting fees, lease review, and Store construction are your sole responsibility and are due and payable by you. We are not obligated to approve any site requested by you, and we may refuse to grant you the site for any reason at our sole discretion. If the landlord will not accept your directly signed lease, you must procure an alternate site. We will not guarantee the lease on your behalf. Furthermore, we cannot predict, represent, or warrant success, suitability, or income levels for any location.

GNC Smoothie Bar

If we allow you to install a GNC Smoothie Bar in your new or existing GNC Store, your lease must follow separate site selection requirements. To begin the process, you must execute a GNC Smoothie Site Acceptance Request Form. Upon receipt of that form, we will review, among other things, the square footage of your Store, the provisions of your lease or sublease, and whether you are currently in good operational and financial standing. Your GNC Smoothie Bar shall be deemed officially approved when we issue approval in writing. Silence on our part does not constitute acceptance. If you do not receive written approval, your GNC Smoothie Bar is deemed rejected. If you and your Store meet the criteria, we will send you written acceptance and a GNC Smoothie Addendum which is attached to the Franchise Agreement. Upon receipt of the executed Smoothie Addendum, we will begin the construction process. We estimate the construction for a Smoothie Bar is approximately 2 weeks depending upon the length of the permit process and other factors which may be beyond our control.

TABLE OF CONTENTS OF THE FRANCHISE OPERATIONS MANUAL

The table of contents of the version of the Franchise Operations Manual current as of the date of this disclosure document is in Exhibit C. This Manual is used for and applies to all of our franchisees. The number of pages devoted to each subject in this Manual is as follows: 5 pages to Table of Contents; 9 pages to Code of Conduct; 5 pages to Franchise Concept; 17 pages to Operational Support; 32 pages to Business Planning; 16 pages to Administration; 58 pages to Cash Control; 47 pages to Inventory Control; 14 pages to Merchandising; 45 pages to Personnel Management; 11 pages to Customer Service; 30 pages to Legal and Risk Management Information; 30 pages to Loss Prevention; 20 pages to Maintenance and Quality Control; 9 pages to Payment Requirements; 5 pages to Internet Commerce; 5 pages to Transfers; 27 pages to myGNC Rewards; 18 pages to Direct Purchase; 23 pages to Local Marketing, Advertising & Social Media; and 10 pages to Glossary. The total number of pages in this Manual is 436 pages.

LENGTH OF TIME BETWEEN SIGNING OF FRANCHISE AGREEMENT AND OPENING OF STORE

Typically, after you sign the Franchise Agreement or make the first payment of any consideration for the franchise, it will take approximately 160 days for your Store to be ready to open; however, this time frame may vary significantly depending on factors beyond our control, such as whether the strip center or mall is constructed. This time period may decrease if you are awarded a Conversion Store, which is already built and established, or if you participate in one of our special incentive programs. Whether and when your franchise may open for business is dependent upon factors including, but not limited to, the ability to timely obtain a lease for your location, building permits, zoning and local ordinances, weather conditions, shortages, or delayed installation of equipment, fixtures and signs. If you, by your actions or words, evidence an intention to abandon the potential franchise, we have the option to terminate the franchise. If you fail to purchase or obtain an approved lease or sublease for an approved site prior to expiration of the Pre-Opening Period, we may terminate the Franchise Agreement.

TRAINING

TRAINING PROGRAM			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
PHASE I :			
Orientation to the Operation of a GNC Store		40	Company-owned Store near your residence
Orientation to the Operation of a GNC Store (in GNC's sole discretion)		16	Franchise Store visits with DFO
PHASE II:			

TRAINING PROGRAM			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
Introduction to GNC, Visions and Values, and Business Fundamentals	6.5		Pittsburgh, PA
Credit and Collections, Finance, and GNC Financial Services	2.0		Pittsburgh, PA
Construction, Real Estate, Lease Administration, and Store Maintenance	2.0		Pittsburgh, PA
Marketing, E-commerce, Social Media, and Events	3.5		Pittsburgh, PA
Merchandising, Quality Control, and Innovation	1.5		Pittsburgh, PA
Recruiting and Training Resources	2.0		Pittsburgh, PA
Insurance, Legal, and Loss Prevention	2.5		Pittsburgh, PA
Franchise Communication Platform	1.5		Pittsburgh, PA
Distribution Center and Store Tour	6.5		Pittsburgh, PA
Customer Service/Call Center Tour	1.0		Pittsburgh, PA
GNC Ordering System and Nutrimarket System	2.0		Pittsburgh, PA
POS Register System	3.0		Pittsburgh, PA
Classroom Material Review and Testing	1.0		Pittsburgh, PA
PHASE III:			
Store Opening Assistance		40-56	Franchised Location

You must successfully complete all phases of initial training to our satisfaction to be eligible to open your New Franchise or Conversion Store. If you do not successfully complete any Phase of the training program to our satisfaction, we may require you to repeat it. If you do not successfully complete all Phases of training to our satisfaction, we have the option to terminate your Franchise Agreement.

At least 1 of the signatories to the Franchise Agreement must complete all Phases of training. We reserve the right to require all signatories to attend training, and your Store manager may be required to complete one or more Phases of training. If you are an existing franchisee, we may choose not to require you to complete all 3 phases of training. We will provide such instructors and training materials for the initial training program as we may deem appropriate.

Our current instructors for our initial training program are listed in the chart attached as Exhibit Q to this disclosure document. This chart includes the instructor's length of experience in his or her field of instruction and with us (only experience relevant to the subject taught and our operations is included in the chart). Our instructors that conduct Introduction to GNC, Visions and Values, and Business Fundamentals training have at least 11 years of experience in their fields and have been with us for at least 1 year. Our instructors that conduct Credit and Collections, Finance, and GNC Financial Services training have at least 3 years of experience in their fields and have been with us for at least 1 year. Our instructors that conduct Construction, Real Estate, Lease Administration, and Store Maintenance training have at least 5.5 years of experience in their fields and have been with us for at least 2 years. Our instructors that conduct Marketing, E-commerce, Social Media, and Events training have at least 6 years of experience in their fields and have been with us for at least 6 months. Our instructors that conduct Merchandising, Quality Control, and Innovation training have at least 17 years of experience in their fields and have been with us for at least 3 years. Our instructors that conduct Recruiting and Training Resources training have at least 7 years of experience in their fields and have been with us for at least 1.5 years. Our instructors that conduct Insurance, Legal, and Loss Prevention training have at least 7 years of experience in their fields and have been with us for at least 3 years. Our instructors that conduct Franchise Communication Platform training have at least 23 years of experience in their fields and have been with us for at least 3 years. Our instructors that conduct Distribution Center and Store Tour training have at least 11 years of experience in their fields and have been with us for at least 11 years. Our instructors that conduct Customer Service/Call Center Tour training have at least 25 years of experience in their fields and have been with us for at least 3 years. Our instructors that conduct GNC Ordering System and Nutrimarket System training have at least 5 years of experience in their fields and have been with us for at least 1 year. Our instructors that conduct POS Register System training have at least 2 years of experience in their fields and have been with us for at least 6 months.

The Manuals contain the primary instruction materials for training, in addition to other relevant materials which we will provide during training. The training materials will also consist of checklists, demonstrations, practice and quizzes. The cost of initial training is included in the initial franchise fee, but trainees will be responsible for any and all other expenses incurred by them in connection with the initial training program, including the cost of transportation, lodging, meals, and wages.

Following is a more detailed description of the three phases of our initial training program.

Phase I

To successfully complete Phase I training, you will be required to spend 40 hours of on-the-job training in a company-owned GNC Store and, in our sole discretion, depending on your experience with GNC Store operations, up to 16 hours visiting franchised GNC Stores with your Director of Franchise Operations. This training will provide you with an orientation to the operation of a GNC Store. Before designating the location for Phase I training, we will seek your input, and will attempt to choose one or two locations that we operate taking into account proximity to your residence. You are responsible for all costs you incur to attend this training (*See* Item 7). We offer Phase I training on an as-needed basis. There is no set time frame within which you must complete Phase I training, but you must successfully complete Phase I training before you open your Store. We generally attempt to schedule this training as soon as possible after you sign your Franchise Agreement. An individual may be exempted from Phase I training if he/she has worked in a company-owned GNC store, and the GNC field team agrees that he/she has demonstrated the necessary understanding, knowledge and skills.

Phase II

Phase II training requires that you attend up to a 5 day classroom training program. Phase II training will take place at our Franchise Support Center in Pittsburgh, Pennsylvania or such other location designated by Franchisor and must be completed prior to the opening of your Store. You are responsible for all costs you incur to attend this training (*See* Item 7). Phase II training topics are listed in the Training Program table above. We reserve the right to change the Phase II training method of delivery, location and topics at any time without notice. Understanding and mastery of the topics reviewed during Phase II training are important indicators of your ability to operate a GNC Store according to our standards. You should expect to attend our sessions, work diligently on all assignments and spend evening hours, if necessary, reviewing and learning the material. A written examination will be given to all prospective franchisees. The exam is a tool for us to determine how much information was retained during Phase II training, and in what areas, if any, you will need additional training. In some cases where performance in training is poor, or exam scores are below 70%, franchisees may be required in our sole discretion to repeat Phase I as well as Phase II training. The need to repeat training may also affect scheduled Store openings and the rights granted in your Franchise Agreement. In addition, if you are an existing franchisee who wishes to exercise the option to renew your Franchise Agreement, we reserve the right to require you to attend Phase II training as a condition of renewal. We generally offer Phase II training every other month throughout the year. There is no set time frame within which you must complete Phase II training, but you must successfully complete Phase II training before you open your Store. We will usually enroll you in the next scheduled Phase II training session that occurs after your Phase I training. We may initially conduct Phase II training using technology if we determine that this is the most efficient manner to conduct the training; you will also be required to attend the next classroom training when scheduled.

Phase III

Phase III Training for a New Franchise Store is an up to 7-day process for a new franchisee, or an up to 5-day process for an existing franchisee, and takes place at the franchisee's Store. This training takes place when the grand opening shipment is scheduled to be received, and includes receiving the initial delivery and setting the Store up for opening. Phase III Training for a Conversion Store for a new or existing franchisee is an up to 5-day process that begins with the scheduled inventory date. A Director of Franchise Operations or one of our other designated representatives will oversee and assist in this process. It is recommended that you have 4-6 people scheduled for the setup of your Store. Our representative will also review your business plan and budget, and complete a checklist to ensure that you are properly trained and ready to operate the Store. We offer this training when you are ready to open the Store, and you must complete this training before you open your Store.

We do not require any additional initial training if you successfully complete Phase I, Phase II and Phase III training. In some cases, we may postpone a Phase of training (or provide an abbreviated training program) and complete the full training at a later date to expedite opening of your Store. At our option, we may require any manager subsequently employed by you to attend and complete to our sole satisfaction our initial training program. We may require that you attend additional training programs or periodic refresher courses at such times and places as we designate while you are a franchisee.

ITEM 12

TERRITORY

DESCRIPTION OF THE TERRITORY GRANTED

Determination of Protected Territory

In the Franchise Agreement, we grant you the right to operate a Store at a specific location once it is approved by us. This is called the "Approved Location." We will grant you an exclusive territory within a particular radius measured from the public entrance to the Store (not the mall or strip center entrance), referred to as your "Protected Territory," for a specified period of time (see description below). We reserve certain rights in the Franchise Agreement as explained in this Item 12, but for a specified period of time, we will not establish either a company-owned or franchised GNC Store physically located within your

Protected Territory. We reserve the right to reduce or alter the Protected Territory upon any renewal of the franchise or relocation of your franchised GNC Store.

If your Approved Location is located in an enclosed shopping mall, the Protected Territory will generally encompass the shopping mall premises (including the parking lot). If your Approved Location is not located in a shopping mall, the size of your Protected Territory will vary depending on a number of factors, including demographic barriers, market strength measured by various market data profile studies, population density, median income per household, and the categories of products to be offered at your Store, particularly in relation to the competition in the relevant market. Below is a table summarizing the Protected Territory given depending upon the type of Approved Location:

Location Type (1)	**Protected Territory (2)**	**Duration of Exclusivity (4)**
Urban	Premises or 1/10 mile (528 feet) to 2/10 mile (1,056 feet)	1 year
Strip Center/Mall	Premises or 1-2 miles (3)	1 year

Notes:

1. Downtown/urban locations are storefront locations within a metropolitan area such as New York City. Strip Center locations are generally open air collections of shops. Mall locations are generally an enclosed collection of shops.

2. For all Approved Locations, the Protected Territory shall be measured based upon a radius extending from the public entrance to the Store (not the mall or strip center entrance). The Protected Territory can vary and will usually be drawn so that it does not include any existing shopping mall if a shopping mall would otherwise be located within the prescribed area of the Protected Territory. However, the Protected Territory specifically excludes existing GNC Stores or locations under franchise, option, license, development or lease obligations or GNC Stores to be opened under any agreement with us or any of our affiliates, which were negotiated before the Store opens. If you have not determined a specific site upon executing the Franchise Agreement, we will determine your Protected Territory upon site selection.

3. Generally, the Protected Territory for an enclosed shopping mall will be the shopping mall premises (including the parking lot). The Protected Territory for a suburban or strip mall location is determined by the population within a 2 mile radius, and generally will be 1 to 2 miles.

4. We will not establish another franchised or company-owned GNC Store physically located within your Protected Territory for this period of time, after which you will generally have a right of first refusal. (see explanation of this right of first refusal below).

Right of First Refusal

Subject to our right in the Franchise Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks, if, after expiration of the protective period set forth in the table above, we identify within your Protected Territory a site for a new GNC Store, we will give you notice of that opportunity, and you will have a right to franchise that location (the "right of first refusal"), if you execute and return a then current form of our Franchise Agreement and disclosure document receipt, pay the initial franchise fee within 30 days of receipt of our notice, and open the Store within the Pre-Opening Period of your Franchise Agreement. If you do not respond within the 30-day notice period, waive your right to open the Store prior to expiration of the 30-day period, or do not open the Store within the Pre-Opening Period, we will have the right to to develop and operate the site as a company-owned Store or franchise the site, and your right of first refusal will expire.

Continuation of Protected Territory

Our willingness to continue your Protected Territory under the Franchise Agreement does not depend on whether you achieve a certain sales volume, market penetration, or other contingency; however, if you have not demonstrated the ability to operate a profitable franchise over the term of your Franchise Agreement, which generally means that the gross sales of your Store are not adequate for the Store to "break even" on a profit and loss statement, we may not agree to renew your Franchise Agreement, which means that your Franchise Agreement and Protected Territory would terminate at the end of the then-current term. A Store fails to "break even" if all expenses, when subtracted from the Store's gross revenue, results in net income of less than zero. (See also Items 5, 6, 7, 8, 10 and 19)

Area Development Agreement

Your Franchise Agreement does not grant the right to acquire or open additional franchised locations. Additional franchised locations may be established if you enter into a Development Agreement with us. We will grant to you an exclusive Development Area, subject to certain rights we reserve in the Development Agreement, within which you will have the right to open a certain number of franchised Stores, provided that you do so within specified time periods. Each new franchised Store opened by you pursuant to the Development Agreement will be the subject of a separate Franchise Agreement on our then-current form. During the term of the Development Agreement, we will not open or establish, or grant any franchisee the right to open or establish, GNC Stores within your Development Area, subject to our right in the Development Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks. You may establish your GNC Stores at any location within the Development Area, provided we consent to the location, which consent may be withheld or granted in our sole discretion~~,~~; the location is in a state where we are permitted to sell GNC franchises~~,~~; the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal~~,~~; the location would not violate any other protected or restricted territories that we have granted or may in the future grant, such as in connection with a joint venture or Rite Aid or other retailer~~,~~; and the location would not violate a radius restriction in any real estate lease. We ~~will determine or~~must approve the location for each ~~additional~~of your future GNC ~~Store to be developed~~Stores under the ~~development schedule~~Development Agreement and will determine any protected territories for those Stores, and our then-current standards for sites and protected territories will apply for each location, which include proximity to other GNC Store locations and potential profitability of the Store based on occupancy and other costs. Generally, we will not enter into a Franchise Agreement until a site has been selected and approved.

Upon the expiration or termination of the Development Agreement, except for the right of first refusal discussed in this paragraph, you will have no further right to construct, own, open, or operate additional franchised Stores which are not, at the time of such termination or expiration, the subject of a then-existing Franchise Agreement with us which is in full force and effect, and we may thereafter construct, own, open, or operate, or license others to construct, own, open, or operate Stores in your Development Area, except within any Protected Territory (during the protective period) previously granted to you pursuant to the terms of then-existing Franchise Agreements between you and us. If, for a period of one year after the expiration of your Development Agreement, we identify within your Development Area a site for a new franchised GNC Store, we will give you notice of that opportunity, and you will have a right to franchise that location, if you execute and return a then current form of our Franchise Agreement and disclosure document receipt, pay the initial franchise fee within 30 days of receipt of our notice, and open the Store within the Pre-Opening Period of your Franchise Agreement. If you do not respond within the 30-day notice period, waive your right to open the Store prior to expiration of the 30-day period, or do not open the Store within the Pre-Opening Period, we will have the right to franchise or otherwise develop the site, and your right of first refusal will expire. This right of first refusal will not apply to sites within the Development Area that we identify to construct and operate as GNC corporate Stores.

RESTRICTIONS UPON SOLICITATION OR ACCEPTANCE OF ORDERS

We do not place restrictions upon any orders you solicit or accept inside your Protected Territory regardless of the type of franchise acquired, as long as the solicitation meets the criteria outlined in Section 17, "Advertising" of your Franchise Agreement, and the solicitation does not violate the Franchise Agreement. In addition, we reserve the right to solicit or accept orders for products inside your Protected Territory. Further, in our Franchise Agreement, we reserve the right to directly market products, which may include products under the same brands that you sell. Direct marketing includes, but is not limited to, mail-order catalogues, telemarketing and the Internet.

RELOCATION OF YOUR FRANCHISE

If you cannot continue to operate your GNC franchise due to an act of God (including but not limited to fire, flood, or earthquake) or due to extreme hardship or due to other circumstances approved by us in our sole discretion, we may give you permission to relocate your Store at our sole discretion, provided that we may reduce, alter, or eliminate the Protected Territory. You must obtain our prior written approval before you can relocate your franchise, and you and your principals must sign a general release in the form prescribed by us and pay the applicable relocation fee (See Item 6).

INTERNET AND DIRECT MARKETING

Your franchise is limited to the operation of a GNC Store for retail sales only at the Approved Location. You may not use any alternative distribution channels (other than programs we may approve in our sole discretion) to make sales outside or inside your Protected Territory, including, without limitation, operating or using a telemarketing, Internet, mail order, direct mail, catalog, wholesale, distribution, direct sales, export or similar business or any other channel of distribution which permits customers to purchase and receive products or services without being present at the Approved Location (See Item 16). We may permit you to maintain a social media presence for your Store, provided that you, and your affiliates, employees, and store associates comply at all times with any requirements and guidelines established by us regarding social media accounts.

We and our affiliates may sell products, including GNC Brand Supplements, within your Protected Territory or Development Area through any other channel of distribution. We or our affiliates may conduct a telemarketing, Internet or any other electronic media, mail order, direct mail, catalog, wholesale, distribution, direct sales, export or similar business, which may sell, among other things, goods and services under any proprietary marks, including GNC Brand Supplements; and may sell and distribute to other unaffiliated retailers, such as drug stores, mass merchandisers and supermarkets, goods and services under any proprietary marks, including GNC Brand Supplements. These businesses may make sales to customers in your Protected Territory or Development Area, and they may be located in your Protected Territory or Development Area. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

We and/or our affiliates own and operate the Internet site GNC.com. Additionally, our products, including GNC Brand Supplements, are sold on various third-party Internet sites, including Riteaid.com, Amazon.com, DicksSportingGoods.com, and SamsClub.com. These Internet sites will enable customers to purchase vitamin and mineral supplements, sports nutrition products, diet and energy products, herbal supplements, health and beauty products, health care products, and related products currently available in retail GNC Stores, including GNC Brand Supplements, as well as provide free on-line information about health and nutrition. The products offered on these Internet sites may be the same or similar to those sold by you and may be offered at varying prices. We are not required to pay you any compensation for revenues derived from these Internet sites.

OUR RIGHT TO ESTABLISH OTHER FRANCHISES OR COMPANY-OWNED OUTLETS AND OTHER CHANNELS OF DISTRIBUTION USING THE PROPRIETARY MARKS

Our Proprietary Marks include any names, registered trademarks, logos and other commercial symbols used to identify GNC Stores or GNC Brand Supplements.

We and our affiliates retain all rights not specifically granted to you in the Franchise Agreement or Development Agreement, including, among others, to operate, or grant a license for the operation of, a GNC Store, kiosk or other outlet using the System and/or the Proprietary Marks at any location outside your Protected Territory or Development Area, regardless of the proximity of any of those locations to your Protected Territory or Development Area; to operate, or grant a license for the operation of, a kiosk or outlet (other than a franchised or company-owned GNC Store physically located within your Protected Territory or Development Area during your protective period) using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of your Protected Territory or Development Area, regardless of the proximity of any of those locations to any Approved Location; and to relocate GNC Stores (whether franchised or company-owned) open and operating within your Protected Territory as of your store opening date to a different location within your Protected Territory at any time during the term of your Franchise Agreement (including during the protective period under the Franchise Agreement), even if the relocated GNC Store is then closer than before in proximity to your GNC Store(s).

We and our affiliates also retain the rights to give, sell, promote, advertise and/or distribute, directly or indirectly (and to license others to give, sell, promote, advertise and/or distribute, directly or indirectly) any goods, products or services (including GNC Brand Supplements), by any other means (including direct or indirect sales, electronic communications, Internet, world wide web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order, catalog sales and any other method of sale or distribution which now exists or which may in the future exist) to any business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer, or customer at any location. These other points of sale may be located in your Protected Territory or Development Area, and the goods, products or services may be sold to customers located in your Protected Territory or Development Area. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

We and our affiliates also retain the right to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks; provided, that we will not operate, franchise or license such businesses as GNC Stores operating under the Proprietary Marks within your Protected Territory during your protective period.

Rite Aid Corporation has offered and sold GNC brand products and services in Rite Aid stores since January, 1999. These Rite Aid stores are owned and operated by Rite Aid and are staffed by Rite Aid employees. We wholesale GNC brand products to Ride Aid to sell in these stores, and Rite Aid determines how to stock and display these products. Most of these stores target the mass-market consumer in locations that are primarily freestanding (as opposed to mall or strip centers where our franchisees are usually located). In addition, these products will be sold at Rite Aid stores that may be located within your Protected Territory. Beginning in January, 1999, we also became the exclusive supplier of Rite Aid's private label vitamins and nutritional supplements, which may be similar to the products offered by you.

In 2010, we began wholesaling to PetSmart for sale in their stores a new line of GNC branded dietary supplements formulated for dogs and cats. These PetSmart stores are owned and operated by PetSmart and are staffed by PetSmart employees. PetSmart determines how to stock and display these supplements. This line was manufactured exclusively for PetSmart and is currently available for sale at PetSmart locations, from the PetSmart web site, at GNC Store locations, and from the GNC website. These supplements will be sold at PetSmart stores that may be located within your Protected Territory.

Beginning in February, 2011, we began offering selected private label GNC products at Sam's Club locations, which may be the same or similar to products offered by you.

We may pursue and enter into wholesaling or distribution relationships with other third-party retail stores, which stores may be located within your Protected Territory, and which stores may offer for sale the same or similar products offered by you, including GNC Brand Supplements, at varying prices.

OUR RIGHT TO ESTABLISH COMPANY-OWNED OR FRANCHISED STORES AND OTHER CHANNELS OF DISTRIBUTION UNDER DIFFERENT TRADEMARKS

We and our affiliates retain the rights to establish and operate or license any other person or entity to establish and operate retail stores, outlets or kiosks which sell or distribute similar products or services under a trademark or trade name different from our Proprietary Marks (the "Non-GNC Outlets") inside or outside your Protected Territory or Development Area. These Non-GNC Outlets may sell or lease the same or similar products or services as your Store. We and our affiliates also reserve the right to operate Non-GNC Outlets that may be acquired and converted after a transition period to GNC franchise or company-owned Stores. These Non-GNC Outlets may carry products the same as or similar to those offered by a franchisee, such as vitamins, sports nutrition products, and health foods. We and our affiliates may manufacture and distribute products to Non-GNC Outlets owned by us or our affiliates. Subject to our right in the Franchise Agreement and Development Agreement to purchase, merge, acquire or affiliate with another franchise network, chain or business, and to operate, franchise or license those businesses as GNC Stores operating under the Proprietary Marks or other marks, if a Non-GNC Outlet owned by us or our affiliates is opened in your Development Area or your Protected Territory after your franchised Store opens, the Non-GNC Outlet may offer products that have names proprietary to us, but they will not offer GNC Brand Supplements. However, if an existing Non-GNC Outlet owned by us or our affiliates is already open and operating before you open your Store(s), the Non-GNC Outlet may offer GNC Brand Supplements. We may share corporate and field support personnel with the Non-GNC Outlets and conduct training for the Non-GNC Outlets at the same facility in Pittsburgh, Pennsylvania or at separate facilities. We do not currently anticipate any conflict between the systems for our support, customers, or territory. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Territory or Development Area.

ITEM 13

TRADEMARKS

PRINCIPAL REGISTERED TRADEMARKS

The Franchise Agreement grants you a license to use our principal trademarks and service marks described in the chart below. We have the right to use and license these marks pursuant to a license agreement with our affiliate, General Nutrition Investment Company (See paragraphs below for further explanation).

MARK	REGISTRATION NO.	REGISTRATION DATE
GNC GENERAL NUTRITION CENTERS (stylized)	1,786,007	August 3, 1993
GNC GENERAL NUTRITION CENTERS	4,065,938	December 6, 2011
GNC	3,429,065	May 20, 2008
GNC LIVE WELL	3,438,650	June 3, 2008
GNC	2,180,647	August 11, 1998
GNC LIVE WELL	2,187,956	September 8, 1998

All of the listed marks appear on the Principal Register of the United States Patent and Trademark Office. Registration No. 1,786,007 was renewed on December 4, 2003 and October 5, 2012. Registration No. 3,429,065 was renewed on May 24, 2018, and Registration No. 3,438,650 was renewed on April 30, 2018. Registration No. 2,180,647 was renewed on June 28, 2008 and July 20, 2018. Registration No. 2,187,956 was renewed on September 2, 2008 and July 19, 2018. We have filed, or intend to file when due, an affidavit of use and an affidavit of incontestability for each of the listed marks. We have not registered any of our service marks with any state.

MATERIAL DETERMINATIONS

There are no currently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, any state trademark administrator, or any court. Nor are there any pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving the trademarks, service marks, trade names, logotypes or other commercial symbols which are relevant to their use in this state or any other state in which you may locate the franchised business.

AGREEMENTS LIMITING OUR USE

We exercise our right to use and license others to use the Proprietary Marks under a non-exclusive license (the "License") from our affiliate General Nutrition Investment Company ("GNIC"), dated December 10, 1987. The License was originally made with the former franchisor, GNC Franchising, Inc. The License was transferred to GNC Franchising, LLC upon the merger of GNC Franchising, Inc. into GNC Franchising, LLC on December 31, 2003. The License was then transferred to us upon the merger of GNC Franchising, LLC into us on December 31, 2008. The License grants us the right to use, and to license others to use, the Proprietary Marks during the term of the License in business transactions related to retail vitamin and health food store services. The License is for an indefinite term. However, either party may terminate the License and all rights granted under the License, with or without cause, upon 30 days' prior written notice by registered or certified mail to the other party. If either party terminates the License, the License provides that GNIC will substitute itself and will assume all of our rights and obligations under any then-effective Franchise Agreements. Otherwise, there are no currently effective agreements that significantly limit our rights to use or license others to use the Proprietary Marks listed in this Item 13 in a manner material to the franchise.

The right and franchise of the Proprietary Marks granted under the Franchise Agreement to you is non-exclusive. Therefore, we and our affiliates may:

1. Grant other licenses for the Proprietary Marks;

2. Use the Proprietary Marks to sell products and services; and

3. Develop, establish, and franchise other systems or other products for the same or similar Proprietary Marks, or any other Proprietary Marks, and grant licenses or franchises without providing you with any rights in those licenses or franchises.

We reserve the right to substitute different Proprietary Marks to identify the System and the businesses operating under the System. The Franchise Agreement requires you to comply with any of our requirements regarding the substitution of different Proprietary Marks. However, we will reimburse you for all your reasonable costs in substituting different Proprietary Marks, unless the substitution coincides with your required remodeling of the Store.

PROTECTION OF RIGHTS

We are not obligated by the Franchise Agreement, or otherwise, to protect any rights which we have granted you to use the Proprietary Marks or to protect you against claims of infringement or unfair competition which are based on use of the Proprietary Marks.

If litigation involving the Proprietary Marks is instituted or threatened against you, you must promptly notify us and cooperate fully in defending or settling the litigation. You may not make any demand or institute any legal action or negotiate, compromise or settle any controversy involving the Proprietary Marks without our prior written consent. We have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal or otherwise handle any such action involving the Proprietary Marks and take such steps as we may deem advisable to prevent any such action, and to join you as a party to any such action. We are not obligated to seek recovery of costs or damages of any kind in any such action, and the assertion or waiver of any claims will be within our sole discretion. We will pay the costs of any such action, and any recovery will be paid to us. We reserve any rights we may have to seek indemnification from you in any appropriate case. The Franchise Agreement does not otherwise require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Proprietary Marks, or if the proceeding is resolved unfavorably to you.

The Franchise Agreement requires that you execute all documents that we or our counsel believe are necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

SUPERIOR PRIOR RIGHTS AND/OR INFRINGING USES

To the best of our knowledge, there are no superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in your state or elsewhere.

The Franchise Agreement provides that we will consider any use of the Proprietary Marks not authorized by its terms an infringement. You are prohibited from using the Proprietary Marks as part of your corporate or other legal name without our prior written consent or in a way that is inconsistent with our System.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

PATENTS AND COPYRIGHTS

We do not own any right in any patents or registered copyrights that are material to the franchise.

CONFIDENTIAL INFORMATION

You must not, during the term of the Franchise Agreement or Development Agreement or after the expiration of the Franchise Agreement or Development Agreement, communicate, divulge, or use for the benefit of any other person, persons, partnerships, associations, or corporation any confidential information, trade secrets, knowledge, or know-how about the methods of operation of the franchised business which we may communicate to you, or of which you may be apprised, because you operate under the terms of the Franchise Agreement or Development Agreement. You may divulge this confidential information only to your employees who must have access to it in order to operate the franchised business and have signed our required confidentiality agreement. Any information, knowledge, know-how or techniques, including drawings, materials, equipment, formulas, specifications, techniques, and other data and any information, knowledge or know-how which you derive by analysis of these items, is deemed confidential for purposes of the Franchise Agreement and Development Agreement, except information which you can demonstrate came to your attention before our disclosure on a non-confidential basis; or which was publicly known by publication or communication by others, at the time of our disclosure or thereafter through no breach of the Franchise Agreement or Development Agreement.

You must sign and you must require your manager(s) and personnel who have access to any of our confidential information to sign covenants, on our approved form, which provide that you and they will maintain the confidentiality of information they receive in connection with the operation of the franchised business and, with respect to your employees, their employment by you at the Store. Our form will also specifically identify us and deem us a third party beneficiary of these covenants with the independent right to enforce them.

CONFIDENTIAL MANUALS

You must conduct your business according to the Manuals, and any other written directives that we may issue to you (whether or not such directives are included in the Manuals). Periodically, our field representatives, or a third party that we hire, will review your Store to see whether your operations comply with the Manuals or other written directives. If your Store does not comply with the policies, standards, and procedures required to be complied with by the Manuals or our other written directives, you may lose your franchise rights.

The Manuals, any written directives, and/or any other materials we issue or any modifications to these materials are an extension of and will supplement your Franchise Agreement. You will receive 1 copy of the Manuals on loan from us during the training program that is required under the Franchise Agreement and you must retain them for the term of the Franchise Agreement. The Manuals are a compilation of current operating policies, standards, and procedures for the operation of your GNC Store. You must at all times operate your Store in accordance with the Manuals, any other Manuals that we create for or approve for use in operating the franchised business, and treat all such information they contain as secret and confidential. You must not at any time copy, duplicate, record, or reproduce these materials or make them available to any unauthorized person. We reserve the right to charge a replacement fee for any replacement Manual you request.

The Manuals will at all times remain our property. We may revise the contents of the Manuals from time to time, and you must operate the franchise in accordance with each new or changed policy, standard and procedure. You must keep the Manuals in a secure place on the premises of the franchised business at all times. You also must keep your copies of the Manuals current at all times. If there arises any dispute concerning the contents of the Manuals, the terms of the master copy of the Manuals that we maintain at our home office will control.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We encourage you to participate personally in the on-premises supervision of the GNC Store. While we do not require you personally to participate in the direct supervision of the GNC Store, we do require either you or your designated manager to directly supervise the GNC Store on its premises and to devote full-time, energy and best efforts to managing the Store.

We do not control who you may hire as manager, nor does the Franchise Agreement require that you tell us who manages the Store. However, the training program provisions require that you notify us if you change managers, and we retain the right to require any Store manager to attend and successfully complete our training programs at any time during the term of the franchise under the same terms as described in Item 11. If a corporation, partnership or other organization owns the franchise, the manager need not have an ownership interest in the franchise. The manager must sign a written agreement to maintain the confidentiality of the trade secrets and confidential information described in Item 14 and to conform with the covenants not to compete described in Item 17.

We require each individual who owns an interest in the franchise and their spouse to personally guarantee the franchisee's obligations to us under the Franchise Agreement and the Development Agreement. The guarantees will be in the form of the Guarantee attached to the Franchise Agreement as Attachment E and the Guaranty Agreement attached to the Development Agreement as Exhibit C.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may sell only products and services which we have approved and which conform with our standards and specifications. You must offer GNC Brand Supplements and other products for sale as described in Item 8. We may also require you to offer products jointly developed by us or our affiliates at some time in the future. We retain the right to change the types of authorized goods and services you may offer at any time. There are no limits on this right. Any products you sell must conform to our standards and specifications, be approved by us and fall within one of the following categories: vitamins, natural cosmetics, health foods, diet products, physical fitness products, smoothies, health management products and services, and other categories of goods and services as we may periodically add to the System. We may disapprove of any supplier or product for any reason or no reason, even if they meet our standards. (See Item 8 for more information.)

We are currently subject to a Consent Decree entered into in 1994 with the Federal Trade Commission that prohibits us from selling and making various representations regarding certain hair products. Pursuant to an agreement with the U.S. Department of Justice, we have also agreed to maintain and continuously update a list of ingredients that will be prohibited from inclusion in any products sold by GNC (the "Restricted List") as well as develop and maintain a list of dietary ingredients that we believe complies with applicable provisions of the federal Food, Drug, and Cosmetic Act (the "Positive List"). A list of ingredients currently on the Restricted List is attached as Exhibit R to this disclosure document. We have agreed that if an ingredient is on the Restricted List, we will not approve any product containing that ingredient for sale, and that we will only sell dietary supplements containing dietary ingredients on the Positive List. (See Item 3 for more information.)

We do not designate or restrict the customers to whom you may sell goods and services. However, your customers must purchase or receive products or services only at the Approved Location. Furthermore, you must not operate a telemarketing, Internet, mail order, direct mail, catalog, wholesaling, direct sales, export or similar business which permits customers to purchase and receive products or services without being present at the Approved Location. We do not restrict the goods and services you can offer for sale on the basis of your failing to meet certain defined sales results. You generally will have sole discretion to determine the prices you will charge to customers for the goods and services; provided that, to the fullest extent allowed by law, we will have the right to establish minimum and/or maximum prices for any product or service which you offer. (See Items 8 and12 for more information.)

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the Franchise Agreement and related agreements and of the Development Agreement. You should read these provisions in the agreements attached to this disclosure document.

Franchise Agreement

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
a. Length of the franchise term	Selected Term Summary, "Franchise Term" and Section 3 of the Franchise Agreement Section 1 of the Sublease	Term commences on the Store opening date (which is the earlier of the date that the Store opens for business or the rent commencement date of the lease or sublease for the Store) and ends on the earlier of (1) 5 years from the Store opening date, or (2) the expiration or termination of the sublease/lease for the Store. This means that the term of your franchise and the term of your lease or sublease are coterminous. The lease or sublease for a Store is generally five (5) years from the lease commencement date, plus 1 5-year option to renew. The term of your franchise could be shorter than 5 years depending on the term of the lease or sublease and whether it is renewed. In the case of a sublease, it will be

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
		coterminous with the overlease. We have the sole right to determine whether to renew or extend the term of the overlease.
b. Renewal or extension of the term	Section 19 of the Franchise Agreement Section 1 and Section 4, Paragraph 2 of the Sublease	If you meet the requirements in (c) below, you have the option to renew your franchise for additional consecutive 5-year terms. Because the term of your franchise and the term of your lease or sublease are coterminous, renewal terms may be shorter than 5 years depending on the term of the sublease or lease and whether it is renewed. The sublease term is coterminous with the overlease term. We have the sole right to determine whether to renew or extend the term of the overlease.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
c. Requirements for franchisee to renew or extend	Section 19 of the Franchise Agreement Section 1 and Section 4, Paragraph 2 of the Sublease	Give proper notice and obtain our approval; remodel the Store, if required; not be in default under the Franchise Agreement or any Related Agreements, and you shall have maintained compliance with System standards and sustained compliance with the terms of the Franchise Agreement over its term; you shall have satisfied all monetary obligations owed to us and our affiliates, as well as to lessors, sublessors, vendors and suppliers of the Store, and shall have timely met such obligations throughout the term of the Franchise Agreement; present satisfactory evidence that you have the right to remain in possession of the Store premises for the duration of the renewal term, and we shall have approved the continued operation of the franchise at the premises; execute then-current form of the Franchise Agreement; pay renewal fee at least 60 days prior to expiration of then-current term; sign general release; comply with Franchisor's then-current qualification and training requirements for renewal franchisees; your Gross Sales during the franchise term have enabled you to cover all costs of operating the franchised business; and have a sound credit rating with all trade purveyors and service agencies and sufficient financial resources to continue to operate the franchised business in accordance with the requirements of the then-current form of Franchise Agreement. You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d. Termination by franchisee	Section 20.D of the Franchise Agreement	If we commit material breach of Franchise Agreement and do not cure or make diligent efforts to cure within 90 days written notice by you. If the breach is not curable within 90 days, we have an additional 60 days to cure if we are making diligent efforts to do so. Any provisions in the Franchise Agreement regarding termination by franchisee are subject to state law.
e. Termination by franchisor without cause	Not applicable	~~None~~ None. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
f. Termination by franchisor with cause	Sections 20.A, B & C of the Franchise Agreement Section 1 and Section 14 of the Sublease “Default” in the Equipment and Inventory Promissory Note Section 10 of the Purchase Money Security Agreement Section 3 of the Product Sales Agreement Section 8 of the P.O.S. License Agreement	We can terminate only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.
g. “Cause” defined-curable defaults	Section 20.C of the Franchise Agreement Section 14 of the Sublease “Default” in the Equipment and Inventory Promissory Note Section 9 of the Purchase Money Security Agreement Section 3 of the Product Sales Agreement Section 8 of the P.O.S. License Agreement	Failure to comply with our standards and procedures or any term of the Franchise Agreement not covered by “h” below. You have 30 days (or 5 days in the event you fail to pay any amounts due us by their due date) after we give you written notice to cure the default. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
h. "Cause" defined- non-curable defaults	Section 20.A and Section 20.B of the Franchise Agreement Section 14 of the Sublease "Default" in the Equipment and Inventory Promissory Note Section 9 of the Purchase Money Security Agreement Section 3 of the Product Sales Agreement Section 8 of the P.O.S. License Agreement	Bankruptcy; insolvency; assignment for the benefit of creditors; appointment of a receiver; final judgment against you remains unsatisfied or of record for 30 days or longer; execution of levy against your business or property; foreclosure suit is filed against Store premises or equipment and is not dismissed within 30 days; dissolution; failure to comply with pre-opening obligations or you fail to open the Store for business on or prior to the end of the Pre-Opening Period; failure to procure or maintain required insurance; abandonment of the business; relocation without our approval; loss of possession of Store premises; conviction of a felony or crime involving moral turpitude; unauthorized transfer; failure to comply with non-competition and confidentiality covenants; making of material misrepresentations; engaging in fraudulent conduct; deny us immediate access to Store or books or records for audit or inspection; failure to immediately initiate cure of a curable default; curable default occurs more than once; default under Franchise Agreement or any related agreement and failure to cure such default if curable; engaging in illegal activities; assaulting or threatening health or safety of others; engaging in repeated or pattern of abusive behavior against others; selling banned products; failure to comply with applicable laws; engaging in conduct that creates material risk of danger to health or safety; conduct that is injurious to the goodwill associated with Proprietary Marks; receipt of 3 or more default notices within 12-month period; wholesaling or conduct of wholesaling business; your designation as a Specially Designated National or Blocked Person. Termination of your Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
i. Franchisee's obligations on termination/non-renewal	Section 21 of the Franchise Agreement Section 14 of the Sublease "Default" in the Equipment and Inventory Promissory Note Section 10 of the Purchase Money Security Agreement Section 4 of the Product Sales Agreement Section 9 of the P.O.S. License Agreement	Pay liquidated damages; cease operation; complete de-identification; pay all sums due; at our option, surrender of physical possession of Store; return our confidential/proprietary information, including Manuals and POS program and documentation; at our option, sell to us all of your inventory and all of your equipment, fixtures and signs at depreciated value; at our option, sell to us the Store premises if you own the premises; comply with non-competition and confidentiality covenants; acceleration of rent due under sublease and amounts due under promissory note and product sales agreement. **Cross-Termination of Agreements**: If we terminate you because of your default, we may, at our option, immediately terminate, upon notice and without opportunity to cure, all other agreements between (i) us (or our affiliates), and (ii) you or your affiliates or any entity in which you or any principal, manager, partner or joint venture of you (if the franchisee is an entity), directly or indirectly, has any interest of ownership or participation. This could include other franchise agreements you or your principals have with us. If the franchise agreement expires (and is not renewed), we may terminate any other agreements relating to your franchised Store.
j. Assignment of contract by franchisor	Section 18.A of the Franchise Agreement "Unconditional Obligation" in the Equipment and Inventory Promissory Note Section 13 of the Purchase Money Security Agreement Section 12 of the Asset Purchase and Sale Agreement	No restriction on our right to assign.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
k. "Transfer" by franchisee-defined	Section 18.B(i) of the Franchise Agreement Section 4, Paragraph 1 and Section 17 of the Sublease "Unconditional Obligation" in the Equipment and Inventory Promissory Note Section 13 of the Purchase Money Security Agreement Section 14 of the P.O.S. License Agreement Section 12 of the Asset Purchase and Sale Agreement	Includes transfer of Franchise Agreement, any interest in Franchise Agreement, any interest in the franchised business, or any equity interest in you if you are an entity or any equity interest in any owners of you if they are an entity.
l. Franchisor approval of transfer by franchisee	Section 18.B of the Franchise Agreement	All transfers are subject to our prior approval.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
m. Conditions for franchisor approval of transfer	Section 18.B(ii) of the Franchise Agreement	Transferee qualifies; you are not in default under the Franchise Agreement or any related agreement; you pay all sums due and owing in immediately available funds; transferee completes training and does not have an interest in a competitive business; transferee enters into a written assignment assuming your obligations under the Franchise Agreement and if transferee is an entity, it guarantees those obligations; if you are not in compliance with our policies, standards or procedures, transferee agrees to achieve compliance within a reasonable period of time; at our option, transferee executes the then-current form of Franchise Agreement; transferee executes related agreements required by us; transferee, at its expense, upgrades the Store to conform to then-current standards and specifications; you remain liable for all obligations of the franchise prior to date of transfer; pay transfer fee; sign general release (if not prohibited by applicable state law); you have offered to sell the interest to us pursuant to our right of first refusal, and we have declined; terms and conditions of proposed transfer are satisfactory to us; an escrow company is used to complete the transaction; provided if (i) the transfer is of less than a 50% ownership interest in franchisee or (ii) the transfer is to an immediate family member or to an entity owned by, or under the same ownership as, the franchise, you will not first be required to offer to sell the ownership interest to us, and the franchise term will be equal to your then remaining franchise term under your franchise agreement.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 18.C of the Franchise Agreement	We can match any offer for the transfer of your business or any controlling ownership interest.
o. Franchisor’s option to purchase franchisee’s business	Section 18.C and Section 21.I of the Franchise Agreement	We have an option to purchase your business only upon transfer by you of your business or a controlling ownership interest or termination.
p. Death or disability of franchisee	Section 18.D of the Franchise Agreement	Transfer to approved buyer must occur within 6 months after death or disability.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
q. Non-competition covenants during the term of the franchise	Section 22.A of the Franchise Agreement and Section 3 of Attachment B, "Personal Covenants"	You may not be involved in a competing business. These provisions are subject to state law.
r. Non-competition covenants after the franchise is terminated or expires	Section 22.B of the Franchise Agreement and Section 3 of Attachment B, "Personal Covenants"	You must not be involved in a competing business located within 5 miles of the Approved Location, any GNC Store or General Nutrition Center, or any other retail outlet owned by us or our affiliates or employ or seek to employ or induce to leave their employment any of our employees or employees of our affiliates or other franchisees for 1 year. These provisions are subject to state law.
s. Modification of the agreement	Section 15 and Section 31 of the Franchise Agreement Section 12, Section 20 and Section 21 of the Sublease "Replacement of Note" in the Equipment and Inventory Promissory Note Section 16 of the P.O.S. License Agreement Section 5 of the Guarantee	Generally, no modifications unless agreed to by both parties in writing. We may revise the Manuals and you must comply with each requirement.
t. Integration/merger clause	Section 31 of the Franchise Agreement Section 20 of the Sublease Section 23 of the P.O.S. License Agreement	Only the terms of the Franchise Agreement and related agreements are binding or enforceable (subject to applicable federal and state law). Any other promises, if any, may not be enforceable. Nothing in the Franchise Agreement or any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished to you.

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
	Section 13.4.1 of the Asset Purchase and Sale Agreement Section 5 of the Guarantee	
u. Dispute resolution by arbitration or mediation	Section 29 of the Franchise Agreement	Subject to applicable state law, arbitration of disputes required except as otherwise provided under Section 29.C.
v. Choice of forum	Section 29.D of the Franchise Agreement Section 16 of the Sublease "Forum Selection" in the Equipment and Inventory Promissory Note Section 18 of the Purchase Money Security Agreement Section 7 of the Product Sales Agreement Section 17 of the P.O.S. License Agreement Section 13.3 of the Asset Purchase and Sale Agreement Section 8 of the Guarantee	Dispute resolution must be in Pennsylvania except where individual state laws supersede or where we bring an action in another state
w. Choice of law	Section 29.A of the Franchise Agreement "Governing Law" in the Equipment and Inventory Promissory Note	Pennsylvania law applies except where individual state laws supersede

Provision	Section in Franchise Agreement or other agreement	Summary of Franchise Agreement section(s)
	Section 17 of the Purchase Money Security Agreement Section 6 of the Product Sales Agreement Section 16 of the P.O.S. License Agreement Section 13.3 of the Asset Purchase and Sale Agreement Section 7 of the Guarantee	
x. Liquidated Damages	Section 21.A. of the Franchise Agreement	Upon termination of the Franchise Agreement due to your breach, you must pay us, in addition to other amounts owed, liquidated damages in an amount equal to (i) the greater of (a) the average monthly amount of Royalty Fees payable by you to us for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by you to us for the twelve (12-) month period immediately preceding the date of termination, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by you to us for the months in which the Store has been open; then (ii) multiplied by the number of months remaining in the then-current term of the Franchise Agreement.

SEE CALIFORNIA ADDENDUM TO THIS DISCLOSURE DOCUMENT FOR INFORMATION REQUIRED TO BE DISCLOSED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT

Development Agreement

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
a. Length of the franchise term	Section 3	The term expires on the earlier of (i) the date on which Developer has completed its development obligations under Development Agreement; or (ii) the last day specified in the Development Schedule.
b. Renewal or extension of the term	Not applicable	None
c. Requirements for franchisee to renew or extend	Not applicable	None
d. Termination by franchisee	Not applicable	~~None~~None. Any provisions in the Development Agreement regarding termination by franchisee are subject to state law.
e. Termination by franchisor without cause	Not applicable	~~None~~None. Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.
f. Termination by franchisor with cause	Section 12	We can terminate the Development Agreement only if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default. ~~We can also~~Termination of the Development Agreement permits us to terminate your single~~-~~unit Franchise Agreements ~~if we terminate the Development Agreement.~~ , and vice versa.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
g. “Cause” defined-curable defaults	Section 12.3	If you fail to pay the Development Fee or any other payments when due, you may cure the default within 5 days’ written notice. If you fail to pay when due any amount owed to any creditor, supplier or lessor or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings), you may correct the failure within 10 calendar days after written notice. If you fail to comply with any term of the Development Agreement not covered by “h” below, you have 15 days after we give you written notice to cure the default. Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
h. "Cause" defined- non-curable defaults	Sections 12.2 and 12.3	Insolvency; failure to pay debts as they come due; general assignment for the benefit of creditors; bankruptcy; appointment of a receiver; proceedings instituted for a composition with creditors; a final judgment remains unsatisfied or of record for thirty (30) days or longer; execution is levied against your business or assets; suit to foreclose any lien or mortgage against your business or assets is instituted against you and not dismissed within 30 days; you fail to comply with the Development Schedule or fail to maintain in continuous operation the minimum cumulative number of GNC Stores required by the Development Schedule to be in operation; if failure to comply fully with the non-compete, non-solicitation or confidentiality provisions; if you make or attempt to make an unauthorized transfer; you, any principal or any guarantor is convicted of or pleads guilty or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the GNC System, the GNC Proprietary Marks, the goodwill associated therewith, or our interest therein; you or any of your principals, employees, agents or representatives make or give, or have made or given, any material representation or any false, misleading, inaccurate or incomplete information; you or any of your employees, agents or representatives engage in fraudulent conduct, including knowingly maintaining false books or records or submitting or making any false reports or statements to us; you engage in illegal activities in connection with the operation of your business; you fail to comply with any federal, state or local law or regulation applicable to the operation of your business; you default under any Franchise Agreement or ancillary agreement or any other agreement between you and us and fail to cure the default within the applicable cure period, if any; you are dissolved; you receive at least 3 default notices within a 12 month period; designation as a Specially Designated National or Blocked Person. Termination of the Development Agreement permits us to terminate your single unit Franchise Agreements, and vice versa.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
i. Franchisee's obligations on termination/non-renewal	Sections 12.5 and 12.7	You will have no right to establish or operate a GNC Store for which a Franchise Agreement has not been executed by us and delivered to you at the time of termination. You must immediately cease to operate your business and may not directly or indirectly represent to the public or hold yourself out as a present or former developer of us; immediately cease to use in any manner any confidential information and Proprietary Marks; promptly pay all sums owing to us and our affiliates; promptly pay to us all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by us in connection with the termination of the development agreement; and turn over to us all manuals, records, files, instructions, correspondence and all other materials relating to the operation of your business. You must strictly comply with the post-termination/post-expiration covenant not to compete and non-solicitation covenant in the development agreement and continue to abide by the restrictions pertaining to the use of our confidential information. **Cross Termination of Agreements.** If we terminate you because of your default, we may, at our option, immediately terminate upon written notice, all other agreements between (i) us (or our affiliates) and (ii) you, your affiliates or principals or any entity in which you or any principal, manager, partner or joint venture of you, directly or indirectly, has any interest of ownership or participation. This could result in the termination of one or more other agreements that may or may not relate directly to your business. This could also result in the termination of one or more other development agreements or franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.
j. Assignment of contract by franchisor	Section 11.1	No restriction on our right to assign.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
k. "Transfer" by franchisee-defined	Section 11.2	Includes transfer of Development Agreement, any interest in Development Agreement, or any transfer of an equity interest in you if you are an entity or an equity interest in any owners of you if they are an entity.
l. Franchisor approval of transfer by franchisee	Section 11.2	All transfers require our prior written approval.
m. Conditions for franchisor approval of transfer	Section 11.3	We may require, in our sole discretion, as a condition of our approval of any transfer: satisfaction of all of your accrued monetary obligations to us or any affiliate; that there is no default of any provisions of the development agreement or any other agreement with us, including any Franchise Agreements; execution of a general release; that the transferee enter into a written agreement assuming all of your obligations under the development agreement, and that the transferee's principals must guarantee the performance of those obligations; that the transferee demonstrate to our satisfaction that it meets our managerial and business standards, possesses a good moral character and business experience, and has adequate financial resources and capital; at our option, that the transferee executes the then-current standard form of Development Agreement, for a term ending on, at our discretion, either (i) the expiration date of this agreement; or (ii) a mutually-agreed upon expiration date, and all other ancillary agreements we may require; that you and each guarantor remain liable for all obligations of your business prior to the effective date of the transfer; that you transfer all of your rights in each Franchise Agreement and GNC Store operating pursuant to the development agreement to the transferee; that you pay a transfer fee in the amount of $10,000, or such greater amount as is necessary to reimburse us for our reasonable costs and expenses associated with reviewing and approving the transfer; that the terms and conditions of the proposed transfer are satisfactory to us; that neither the transferee nor any of its affiliates or principals are associated with or own a direct or indirect interest in a competitive business.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.1	We can match any offer for the transfer of your business or any controlling ownership interest.
o. Franchisor's option to purchase franchisee's business	Not applicable	None
p. Death or disability of franchisee	Section 11.5	You must immediately notify us upon the death or disability of any person with an interest in the development agreement or you. We may immediately enter upon the premises of the business, and install a manager to manage and operate the business for such time as we deem necessary, or until an approved transfer occurs. We are entitled to reasonable compensation and expenses incurred during this period. Your interest must be transferred to an approved buyer within 6 months after death or disability or we may terminate the Development Agreement.
q. Non-competition covenants during the term of the franchise	Sections 13.1 and 13.2	No involvement in a competing business and no solicitation of our employees or employees of other GNC franchisees. These provisions are subject to state law.
r. Non-competition covenants after the franchise is terminated or expires	Section 13.1 and 13.2	For one year, no involvement in a competing business located within 5 miles of any GNC Store, and no solicitation of our employees or employees of other GNC franchisees. These provisions are subject to state law.
s. Modification of the agreement	Section 27	No modifications unless agreed to by all parties in writing.
t. Integration/merger clause	Section 27	Only the terms of the Development Agreement are binding or enforceable (subject to applicable federal and state law). Any other promises, if any, may not be enforceable. Nothing in the Development Agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished to you.
u. Dispute resolution by arbitration or mediation	Section 20	Subject to applicable state law, arbitration of disputes required except as otherwise provided under Section 20.

Provision	Section in Development Agreement	Summary of Development Agreement section(s)
v. Choice of forum	Section 20	Dispute resolution must be in Pittsburgh, Pennsylvania except where individual state laws supersede or where we bring an action in another state.
w. Choice of law	Section 20	Pennsylvania law applies except where individual state laws supersede.

SEE CALIFORNIA ADDENDUM TO THIS DISCLOSURE DOCUMENT FOR INFORMATION REQUIRED TO BE DISCLOSED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT

ITEM 18

PUBLIC FIGURES

We have neither given nor promised compensation or other benefit to any public figure in connection with the use of the public figure in the franchise name or symbol or the public figure's endorsement or recommendation of the franchise to prospective franchisees.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

~~**BASIS OF FINANCIAL PERFORMANCE REPRESENTATION**~~

~~Below is an historical financial performance representation that is based on information from existing franchised GNC Stores that have been open for business to the public within the United States for at least one year during a one-year measuring period from January 1, 2019 through December 31, 2019. As of December 31, 2019, there were 956 franchised GNC Stores that were open and operating in the United States. Of those 956 franchised GNC Stores, 944 of them had been in business continuously from January~~

~~1, 2019 through December 31, 2019, and we used the financial performance data from those 944 franchised Stores for that period in arriving at the financial performance representation below. The financial performance representation does not include information for franchisees who were terminated, reacquired, not renewed or left our system for other reasons during the 2019 calendar year (see Item 20 for more information.).~~

~~**AVERAGE GROSS RETAIL SALES**~~

~~The average gross retail sales of the 944 franchised Stores described above for the period from January 1, 2019 through December 31, 2019 were $465,659. 375 of those Stores (or 40%) actually attained or surpassed the average gross retail sales of $465,659 for that period. The highest and lowest numbers in the range used to calculate average gross retail sales were $2,601,016 and $138,074, respectively. The median gross retail sales of the 944 franchised Stores described above for the period from January 1, 2019 to December 31, 2019 were $429,240. 90 franchised Stores closed during the one-year measuring period from January 1, 2019 to December 31, 2019, and none of these Stores were open for less than 12 months prior to closing.~~

~~**Some GNC franchised Stores have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.**~~

~~"Gross sales" means the gross receipts from the sale of all products and services sold in, on, about or from the franchised Store, together with any other revenues derived from the operation of the Store, whether by the franchisee or by any other person, whether or not in accordance with the terms of the Franchise Agreement, and whether for cash or on a charge, credit, barter or time basis, and regardless of collection, including all payments to the franchisee under any business interruption insurance or similar insurance policy, gold card sales, gift certificates and other payments for the right to participate in special offers, and all such sales and services (i) where orders originate and/or are accepted by the franchisee in the Store but delivery or performance thereof is made from or at any place other than the Store or (ii) pursuant to telephone or other similar orders received or filled at or in the Store. Gross sales do not include the amount of refunds, allowances or discounts to customers (including coupon sales) in the normal course of business, provided the related sales have previously been included in gross sales and franchisee shall substantiate all such deductions in the manner specified in the Manuals, and the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.~~

~~**OPERATING COSTS AND EXPENSES**~~

~~The average gross retail sales described in this Item 19 do not include average costs and expenses necessary to operate the GNC Store as experienced by GNC franchisees in certain categories, including but not limited to the following: (1) Fixed Expenses - Occupancy, Local Advertising, National Advertising, Royalties, and POS Maintenance; (2) Variable Expenses - Cost of Sales, Wages, and Benefits, Debt Service, Income Taxes, Depreciation, Supply Expenses, Janitorial Services, Telephone Expenses, Credit Card Expenses, Travel/Entertainment and Discretionary Expenses; and (3) Initial Start-up Expenses – initial franchise fee, Construction Handling Fees, Security Deposits, Additional Site Selection Assistance, Initial Training Costs, and Miscellaneous Opening Costs. (See Items 7 and 8 of this disclosure document for further explanation.)~~ ~~**SEE CALIFORNIA ADDENDUM TO THIS DISCLOSURE DOCUMENT FOR INFORMATION REQUIRED TO BE DISCLOSED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT**~~

~~Actual gross sales and earnings capability will vary depending upon the expenses noted above, as well as a variety of internal and external factors, such as: general population of the market, local household income, general economic conditions in the market, recognition and brand patronage, the products offered~~

~~in your Store, competition and price of competitive products and services in the market, your ability to generate repeat customers and create customer loyalty, acquisitions and strategic alliances, competition, e-commerce, new regulations of the supplement industry, taxes, differences in management skills and experience levels, the availability of financing, general economic climate, demographics, weather, Store location, Store size, discounts, and changing consumer preferences. Many of the Stores included in this data have also been open and operating for several years. These franchisees have achieved their level of sales after spending many years building customer goodwill at a particular location. Your sales will also be affected by your own operational ability, which may include your experience with managing a business, your capital and financing (including working capital), continual training of you and your staff, customer service orientation, your business plan, and the use of experts (for example, an accountant) to assist in your business plan. In addition, promotions and discounts we may institute to maintain market share in the increasingly competitive nutritional supplement environment may potentially reduce your earnings capability. There are numerous factors that may affect sales at your Store. The factors listed above are not an all-inclusive list of those factors.~~

~~We strongly recommend that you make your own independent investigation of whether or not the franchise may be "profitable," and confer with your attorney, accountant, or other business advisor before executing any agreement with us.~~

~~We will make written substantiation for the financial performance representation in this Item 19 available to prospective franchisees upon reasonable request.~~

~~The financial performance representation contained in this Item 19 is based upon the reports generated from the POS Cash Registers of our franchisees operating throughout the period represented. We have assumed that the franchisees' information is accurate, complete, and contains no material misrepresentations or omissions. We have not audited or verified this information. This information has not been separately audited or verified by an independent certified public accountant, and it may not have been prepared on a basis consistent with generally accepted accounting principles.~~

~~Other than the preceding financial performance representation, we do not make any financial performance representations.~~We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Sharon Knox, General Nutrition Corporation, 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222, (412) 288-4600, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Data for the tables below is for the periods:	2017:	1-1-2017 through 12-31-2017
	2018:	1-1-2018 through 12-31-2018
	2019:	1-1-2019 through 12-31-2019

ITEM 20 TABLE NO. 1

Systemwide Outlet Summary
For Years 2017 to 2019

(Column 1) Outlet Type	(Column 2) Year	(Column 3) Outlets at the Start of the Year	(Column 4) Outlets at the End of the Year	(Column 5) Net Change
Franchised	2017	1,178	1,099	-79
	2018	1,099	1,037	-62
	2019	1,037	956	-81
Company-Owned*	2017	3,293	3,173	-120
	2018	3,173	2,984	-189
	2019	2,984	2,727	-257
Total Outlets	2017	4,471	4,272	-199
	2018	4,272	4,021	-251
	2019	4,021	3,683	-338

*includes Puerto Rico (28 stores)

ITEM 20 TABLE NO. 2

Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor)
For Years 2017 to 2019

(Column 1) State	(Column 2) Year	(Column 3) Number of Transfers
Arkansas	2017	0
	2018	0
	2019	1
California	2017	3
	2018	1
	2019	1
Colorado	2017	1
	2018	0
	2019	0
District of Columbia	2017	0
	2018	1
	2019	0
Florida	2017	5
	2018	3
	2019	2
Georgia	2017	0
	2018	1
	2019	1
Illinois	2017	0
	2018	2
	2019	0
Indiana	2017	1
	2018	0
	2019	1

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Number of Transfers**
Iowa	2017	0
	2018	0
	2019	1
Louisiana	2017	2
	2018	0
	2019	0
Maryland	2017	0
	2018	1
	2019	0
Massachusetts	2017	0
	2018	0
	2019	1
Michigan	2017	3
	2018	1
	2019	0
Minnesota	2017	0
	2018	0
	2019	2
Missouri	2017	0
	2018	0
	2019	1
Nebraska	2017	1
	2018	0
	2019	0
Nevada	2017	0
	2018	1
	2019	0
New Jersey	2017	1
	2018	0
	2019	0
New York	2017	1
	2018	0
	2019	0
North Carolina	2017	1
	2018	0
	2019	0
Oregon	2017	0
	2018	0
	2019	1
Pennsylvania	2017	0
	2018	1
	2019	0
South Carolina	2017	1
	2018	0
	2019	0
Tennessee	2017	3
	2018	2
	2019	0

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Number of Transfers**
Texas	2017	2
	2018	3
	2019	1
Washington	2017	1
	2018	0
	2019	0
Wisconsin	2017	0
	2018	0
	2019	1
Total	2017	26
	2018	17
	2019	14

ITEM 20 TABLE NO. 3

Status of Franchised Outlets
For Years 2017 to 2019

(Col. 1) **State**	(Col. 2) **Year**	(Col. 3) **Outlets at Start of Year**	(Col. 4) **Outlets Opened**	(Col. 5) **Terminations**	(Col. 6) **Non-Renewals**	(Col. 7) **Reacquired by Franchisor**	(Col. 8) **Ceased Operations -- Other Reasons**	(Col. 9) **Outlets at End of the Year**
Alabama	2017	14	1	0	0	0	0	15
	2018	15	0	0	0	1	0	14
	2019	14	0	0	0	0	0	14
Alaska	2017	2	0	0	0	2	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Arizona	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	1	0	2
Arkansas	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
California	2017	145	3	6	1	8	2	131
	2018	131	1	6	1	4	0	121
	2019	121	1	4	0	5	0	113
Colorado	2017	10	0	2	1	1	1	5
	2018	5	0	0	0	0	0	5
	2019	5	0	1	0	1	0	3
Connecticut	2017	5	0	0	0	3	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	1	0	0	1
District of Columbia	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1

(Col. 1) **State**	(Col. 2) **Year**	(Col. 3) **Outlets at Start of Year**	(Col. 4) **Outlets Opened**	(Col. 5) **Terminations**	(Col. 6) **Non-Renewals**	(Col. 7) **Reacquired by Franchisor**	(Col. 8) **Ceased Operations -- Other Reasons**	(Col. 9) **Outlets at End of the Year**
Delaware	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Florida	2017	113	3	3	1	2	0	110
	2018	110	2	2	3	3	2	102
	2019	102	0	3	0	3	0	96
Georgia	2017	40	0	2	1	0	0	37
	2018	37	0	1	0	0	0	36
	2019	36	0	0	2	0	0	34
Idaho	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Illinois	2017	61	0	5	0	2	1	53
	2018	53	0	8	0	1	0	44
	2019	44	0	4	0	1	0	39
Indiana	2017	18	0	0	0	0	0	18
	2018	18	1	0	1	0	0	18
	2019	18	1	0	0	0	0	19
Iowa (1)	2017	5	0	0	0	0	0	5
	2018	5	1	0	0	3	0	3
	2019	3	0	1	0	0	0	2
Kansas	2017	6	0	0	0	1	0	5
	2018	5	4	0	0	0	0	9
	2019	9	0	1	0	0	1	7
Kentucky	2017	7	1	0	0	1	0	7
	2018	7	0	0	0	0	0	7
	2019	7	1	1	0	0	0	7
Louisiana	2017	16	0	1	0	1	0	14
	2018	14	0	1	0	0	0	13
	2019	13	0	1	0	1	0	11
Maryland	2017	28	0	2	0	4	0	22
	2018	22	0	1	0	4	0	17
	2019	17	0	2	0	2	0	13
Massachusetts	2017	4	0	0	0	0	0	4
	2018	4	0	0	1	0	0	3
	2019	3	0	0	0	0	0	3
Michigan	2017	38	0	1	1	0	0	36
	2018	36	0	2	0	1	0	33
	2019	33	0	1	0	1	0	31
Minnesota (2)	2017	26	0	0	0	5	0	21
	2018	21	2	0	1	2	1	19
	2019	19	1	2	0	0	1	17
Mississippi	2017	16	0	0	0	0	0	16

(Col. 1) **State**	(Col. 2) **Year**	(Col. 3) **Outlets at Start of Year**	(Col. 4) **Outlets Opened**	(Col. 5) **Terminations**	(Col. 6) **Non-Renewals**	(Col. 7) **Reacquired by Franchisor**	(Col. 8) **Ceased Operations -- Other Reasons**	(Col. 9) **Outlets at End of the Year**
	2018	16	0	0	0	0	0	16
	2019	16	0	0	0	0	0	16
Missouri	2017	14	0	2	0	1	0	11
	2018	11	0	1	1	1	0	8
	2019	8	0	0	1	0	0	7
Montana	2017	4	0	1	0	0	0	3
	2018	3	0	0	0	1	0	2
	2019	2	0	0	0	0	0	2
Nebraska (3)	2017	13	0	0	0	0	0	13
	2018	13	4	1	0	4	0	12
	2019	12	0	1	0	0	0	11
Nevada	2017	12	0	0	0	1	0	11
	2018	11	0	0	0	1	0	10
	2019	10	0	3	0	1	0	6
New Hampshire	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	1	0	5
	2019	5	0	1	1	0	0	3
New Jersey	2017	49	2	4	0	0	2	45
	2018	45	0	1	2	1	0	41
	2019	41	0	1	0	2	0	38
New Mexico	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
New York	2017	53	2	0	0	6	1	48
	2018	48	0	0	0	3	0	45
	2019	45	0	3	1	7	0	34
North Carolina	2017	27	0	2	1	1	1	22
	2018	22	2	3	0	0	0	21
	2019	21	0	0	0	0	0	21
Ohio	2017	43	1	2	1	0	2	39
	2018	39	1	3	0	1	0	36
	2019	36	2	0	1	0	0	37
Oklahoma	2017	16	1	0	0	0	0	17
	2018	17	0	1	0	0	0	16
	2019	16	0	0	0	1	0	15
Oregon	2017	4	0	0	1	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Pennsylvania	2017	35	0	0	1	0	0	34
	2018	34	1	0	0	0	0	35
	2019	35	0	0	0	2	0	33
South Carolina	2017	22	0	0	0	0	1	21
	2018	21	0	1	0	0	0	20

(Col. 1) **State**	(Col. 2) **Year**	(Col. 3) **Outlets at Start of Year**	(Col. 4) **Outlets Opened**	(Col. 5) **Terminations**	(Col. 6) **Non-Renewals**	(Col. 7) **Reacquired by Franchisor**	(Col. 8) **Ceased Operations -- Other Reasons**	(Col. 9) **Outlets at End of the Year**
	2019	20	0	0	0	1	0	19
South Dakota	2017	3	1	0	0	0	0	4
	2018	4	1	0	0	0	0	5
	2019	5	0	1	0	0	0	4
Tennessee	2017	24	0	0	0	0	0	24
	2018	24	0	0	0	0	0	24
	2019	24	0	1	0	0	0	23
Texas	2017	225	12	5	2	2	5	223
	2018	223	6	8	0	0	2	219
	2019	219	3	5	2	2	0	213
Utah	2017	5	1	0	0	0	0	6
	2018	60	0	0	0	0	0	6
	2019	6	0	0	0	0	0	6
Virginia	2017	28	2	0	1	0	0	29
	2018	29	1	1	0	0	0	29
	2019	29	0	1	0	3	0	25
Washington	2017	16	0	1	0	0	0	15
	2018	15	0	1	0	0	0	14
	2019	14	0	1	1	4	0	8
West Virginia	2017	5	1	0	0	0	0	6
	2018	6	0	0	0	0	0	6
	2019	6	0	0	0	0	0	6
Wisconsin	2017	3	0	0	1	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	1	0	1
Total	2017	1,178	31	41	12	41	16	1,099
	2018	1,099	27	42	10	32	5	1,037
	2019	1,037	9	39	10	39	2	956

Notes to Table No. 3

(1) One store In Iowa had multiple changes of ownership during 2018. On January 29, 2018, GNC reacquired a store from an Iowa franchisee, and then resold it to another franchisee on March 5, 2018.

(2) Two stores In Minnesota had multiple changes of ownership during 2018. On January 29, 2018, GNC reacquired two stores from a Minnesota franchisee, and then resold them to another franchisee on March 5, 2018.

(3) Four stores In Nebraska had multiple changes of ownership during 2018. On January 29, 2018, GNC reacquired four outlets from a Nebraska franchisee, and then resold them to another franchisee on March 5, 2018.

ITEM 20 TABLE NO. 4

Status of Company-Owned Outlets
For Years 2017 to 2019

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Outlets at Start of Year**	(Column 4) **Outlets Opened**	(Column 5) **Reacquired from Franchisees**	(Column 6) **Outlets Closed**	(Column 7) **Outlets Sold to Franchisees**	(Column 8) **Outlets at End of Year**
Alabama	2017	36	1	0	1	0	36
	2018	36	1	1	2	0	36
	2019	36	1	0	3	0	34
Alaska	2017	15	0	2	0	0	17
	2018	17	0	0	3	0	14
	2019	14	0	0	0	0	14
Arizona	2017	75	0	0	2	0	73
	2018	73	0	0	3	0	70
	2019	70	1	1	3	0	69
Arkansas	2017	24	1	0	1	0	24
	2018	24	0	0	0	0	24
	2019	24	0	0	3	0	21
California	2017	296	2	8	21	1	284
	2018	284	2	4	20	1	269
	2019	269	0	5	36	1	237
Colorado	2017	80	1	1	10	0	72
	2018	72	1	0	5	0	68
	2019	68	0	1	7	0	62
Connecticut	2017	42	0	3	0	0	45
	2018	45	0	0	6	0	39
	2019	39	1	0	0	0	40
Delaware	2017	17	0	0	0	0	17
	2018	17	0	0	0	0	17
	2019	17	0	0	1	0	16
District of Columbia	2017	7	0	0	0	0	7
	2018	7	0	0	0	0	7
	2019	7	0	0	1	0	6
Florida	2017	286	2	2	15	0	275
	2018	275	1	3	21	0	258
	2019	258	4	3	34	0	231
Georgia	2017	116	0	0	6	0	110
	2018	110	0	0	5	0	105
	2019	105	0	0	5	0	100
Hawaii	2017	29	0	0	2	0	27
	2018	27	0	0	1	0	26
	2019	26	1	0	1	0	26
Idaho	2017	13	0	0	1	0	12
	2017	12	0	0	0	0	12
	2019	12	0	0	0	0	12
Illinois	2017	120	1	2	4	0	119
	2018	119	2	1	22	0	100
	2019	100	1	1	6	0	96

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Outlets at Start of Year**	(Column 4) **Outlets Opened**	(Column 5) **Reacquired from Franchisees**	(Column 6) **Outlets Closed**	(Column 7) **Outlets Sold to Franchisees**	(Column 8) **Outlets at End of Year**
Indiana	2017	69	1	0	7	0	63
	2018	63	2	0	5	1	59
	2019	59	1	0	6	1	53
Iowa	2017	28	1	0	0	0	29
	2018	29	0	3	1	1	30
	2019	30	4	0	5	0	29
Kansas	2017	33	0	1	3	0	31
	2018	31	0	0	0	4	27
	2019	27	0	0	2	0	25
Kentucky	2017	44	0	1	3	0	42
	2018	42	0	0	4	0	38
	2019	38	2	0	5	1	34
Louisiana	2017	46	3	1	1	0	49
	2018	49	0	0	2	0	47
	2019	47	0	1	3	0	45
Maine	2017	11	0	0	2	0	9
	2018	9	0	0	1	0	8
	2019	8	0	0	0	0	8
Maryland	2017	63	0	4	1	0	66
	2018	66	0	4	1	0	69
	2019	69	0	2	11	0	60
Massachusetts	2017	81	3	0	2	0	82
	2018	82	0	0	6	0	76
	2019	76	0	0	14	0	62
Michigan	2017	89	0	0	5	0	84
	2018	84	3	1	6	0	82
	2019	82	0	1	7	0	76
Minnesota	2017	59	0	5	3	0	61
	2018	61	1	2	4	2	58
	2019	58	0	0	12	1	45
Mississippi	2017	24	0	0	0	0	24
	2018	24	0	0	0	0	24
	2019	24	0	0	0	0	24
Missouri	2017	63	1	1	9	0	56
	2018	56	0	1	5	0	52
	2019	52	0	0	7	0	45
Montana	2017	7	0	0	0	0	7
	2018	7	0	1	0	0	8
	2019	8	0	0	0	0	8
Nebraska	2017	10	0	0	1	0	9
	2018	9	0	4	0	4	9
	2019	9	0	0	2	0	7
Nevada	2007	31	0	1	1	0	31
	2018	31	0	1	1	0	31
	2019	31	0	1	2	0	30
New Hampshire	2017	19	0	0	1	0	18
	2018	18	0	1	0	0	19

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Outlets at Start of Year**	(Column 4) **Outlets Opened**	(Column 5) **Reacquired from Franchisees**	(Column 6) **Outlets Closed**	(Column 7) **Outlets Sold to Franchisees**	(Column 8) **Outlets at End of Year**
	2019	19	0	0	1	0	18
New Jersey	2017	98	1	0	2	0	97
	2018	97	0	1	5	0	93
	2019	93	1	2	11	0	85
New Mexico	2017	23	1	0	1	0	23
	2018	23	0	0	2	0	21
	2019	21	0	0	1	0	20
New York	2017	214	3	6	16	0	207
	2018	207	0	3	17	0	193
	2019	193	1	7	21	0	180
North Carolina	2017	126	0	1	4	0	123
	2018	123	1	0	5	1	118
	2019	118	0	0	7	0	111
North Dakota	2017	10	0	0	1	0	9
	2018	9	0	0	0	0	9
	2019	9	0	0	0	0	9
Ohio	2017	128	1	0	9	1	119
	2018	119	1	1	11	1	109
	2019	109	0	0	4	2	103
Oklahoma	2017	28	3	0	4	0	27
	2018	27	1	0	4	0	24
	2019	24	0	1	1	0	24
Oregon	2017	41	0	0	6	0	35
	2018	35	0	0	4	0	31
	2019	31	0	0	1	0	30
Pennsylvania	2017	169	3	0	20	0	152
	2018	152	1	0	11	1	141
	2019	141	0	2	18	0	125
Puerto Rico	2017	36	0	0	0	0	36
	2018	36	0	0	7	0	29
	2019	29	0	0	1	0	28
Rhode Island	2017	15	0	0	1	0	14
	2018	14	0	0	0	0	14
	2019	14	0	0	3	0	11
South Carolina	2017	48	1	0	3	0	46
	2018	46	0	0	1	0	45
	2019	45	0	1	3	0	43
South Dakota	2017	8	0	0	1	0	7
	2018	7	0	0	0	1	6
	2019	6	0	0	2	0	4
Tennessee	2017	55	0	0	0	0	55
	2018	55	0	0	4	0	51
	2019	51	1	0	6	0	46
Texas	2017	142	8	2	8	0	144
	2018	144	1	0	6	0	139
	2019	139	0	2	14	1	126
Utah	2017	41	2	0	4	0	39

(Column 1) **State**	(Column 2) **Year**	(Column 3) **Outlets at Start of Year**	(Column 4) **Outlets Opened**	(Column 5) **Reacquired from Franchisees**	(Column 6) **Outlets Closed**	(Column 7) **Outlets Sold to Franchisees**	(Column 8) **Outlets at End of Year**
	2018	39	1	0	5	0	35
	2019	35	0	0	6	0	29
Vermont	2017	5	0	0	1	0	4
	2018	4	0	0	0	0	4
	2019	4	0	0	2	0	2
Virginia	2017	100	1	0	6	0	95
	2018	95	0	0	7	0	88
	2019	88	0	3	11	0	80
Washington	2017	69	0	0	3	0	66
	2018	66	0	0	7	0	59
	2019	59	0	4	6	0	57
West Virginia	2017	24	0	0	2	0	22
	2018	22	0	0	2	0	20
	2019	20	0	0	1	0	19
Wisconsin	2017	72	1	0	8	0	65
	2018	65	0	0	1	0	64
	2019	64	0	1	11	0	54
Wyoming	2017	8	1	0	0	0	9
	2018	9	0	0	0	0	9
	2019	9	0	0	1	0	8
Total	2017	3,293	44	41	203	2	3,173
	2018	3,173	19	32	223	17	2,984
	2019	2,984	19	39	308	7	2,727

ITEM 20 TABLE NO. 5

Projected Openings As Of December 31, 2019

(Column 1) **State**	(Column 2) **Franchise Agreements Signed But Outlet Not Opened**	(Column 3) **Projected New Franchised Outlets in the Next Fiscal Year**	(Column 4) **Projected New Company-Owned Outlets in the Next Fiscal Year**
AL	2		
AR			1
CA	2		
DE	1		
FL	1	1	2
GA			1
IL	1		
IN	1		
KS		2	
MI	1		
MN	1		
MS		1	
NC			
NJ			1
OH	1		
OK		1	1
SD			
TX	6	1	
WA		1	
Total	17	7	6

The names of all of our franchisees and the addresses and telephone numbers of their Stores are listed in Exhibit N-1. Exhibit N-1 also contains the name of each of our franchisees who has signed a franchise agreement, but has not yet opened their Store as of the end of our most recently completed fiscal year, along with the city and state where their franchise will be located, and their business telephone number and/or email address. We offer an area development agreement, but we did not have any area developers as of the end of our last fiscal year.

The name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business pursuant to the Franchise Agreement within the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the date of this disclosure document, are listed in Exhibit N-2 of this Disclosure Document. There are 104 former franchisees listed in Exhibit N-2 (14 of those are transfers). If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, we have signed confidentiality clauses with certain current or former franchisees. Each confidentiality agreement was entered into as part of a settlement of a dispute between us and the current or former franchisee. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the GNC franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

No trademark-specific franchisee associations are required to be disclosed in this Item.

ITEM 21

FINANCIAL STATEMENTS

The financial statements and other documents listed below are attached to this disclosure document and appear in the following order:

A. Guarantee of Performance by our parent company GNC Holdings, Inc., which absolutely and unconditionally guarantees our obligations under the Franchise Agreement. (*See* Exhibit O-1)

B. Audited financial statements of our parent company GNC Holdings, Inc. and Subsidiaries, as follows (*See* Exhibit O-2):

Report of Independent Registered Public Accounting Firm
Consolidated Balance Sheets as of December 31, 2019 and as of December 31, 2018
Consolidated Statements of Operations for the years ended December 31, 2019, 2018 and 2017
Consolidated Statements of Comprehensive (Loss) Income for the years ended December 31, 2019, 2018 and 2017
Consolidated Statements of Stockholders' (Deficit) Equity for the years ended December 31, 2019, 2018 and 2017
Consolidated Statements of Cash Flows for the years ended December 31, 2019, 2018 and 2017
Notes to Consolidated Financial Statements

C. Unaudited interim financial statements of our parent company GNC Holdings, Inc. and Subsidiaries, as follows (*See* Exhibit O-3):

Consolidated Balance Sheets (unaudited) as of March 31, 2020 and as of December 31, 2019
Consolidated Statements of Operations (unaudited) for the three months ended March 31, 2020 and March 31, 2019
Consolidated Statements of Comprehensive Loss (unaudited) for the three months ended March 31, 2020 and March 31, 2019
Consolidated Statements of Stockholders' Deficit (unaudited) as of December 31, 2019, December 31, 2018 and March 31, 2019
Consolidated Statements of Cash Flows (unaudited) for the three months ended March 31, 2020 and March 31, 2019
Supplemental Cash Flow Information (unaudited) as of March 31, 2020 and March 31, 2019
Condensed Notes to the Unaudited Consolidated Financial Statements

THE UNAUDITED INTERIM FINANCIAL STATEMENTS LOCATED IN EXHIBIT O-3 REFLECT MATERIAL CHANGES TO THE FINANCIAL POSITION OF GNC HOLDINGS, INC. AND ITS SUBSIDIARIES AS COMPARED TO THE AUDITED FINANCIAL INFORMATION LOCATED IN EXHIBIT O-2. THESE CHANGES MAY HAVE A MATERIAL ADVERSE EFFECT ON THE LIQUIDITY, FINANCIAL CONDITION, AND BUSINESS OPERATIONS OF GNC HOLDINGS, INC. AND ITS SUBSIDIARIES, AND MAY RESULT IN THE FILING OF A VOLUNTARY PETITION FOR RELIEF UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE IN ORDER TO IMPLEMENT A RESTRUCTURING PLAN. THESE ~~INTERIM~~ FINANCIAL STATEMENTS HAVE ~~NOT~~ BEEN ~~AUDITED.~~PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO ~~INDEPENDENT~~ CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE ~~INTERIM FINANCIAL STATEMENTS~~FIGURES OR EXPRESSED ~~AN~~HIS/HER/ITS OPINION WITH REGARD TO ~~THEIR~~THE CONTENT OR FORM.

ITEM 22

CONTRACTS

The following agreements and other required exhibits are attached to this disclosure document in the pages immediately following:

A. List of State Administrators
B. Agents for Service of Process
C. Table of Contents of Franchise Operations Manual
D. State Addenda to the Disclosure Document (includes form of general release required for renewals and approved transfers)
E. General Nutrition Corporation Franchise Agreement
   The following additional contracts or agreements are attached to the Franchise Agreement:
   a. Definitions for Franchise Agreement (Attachment A)
   b. Personal Covenants (Attachment B)
   c. Franchisee Information (Attachment C)
   d. State Addenda to Franchise Agreement (Attachment D)
   e. Guarantee (Attachment E)
   f. SBA Loan Addendum (for SBA loans only) (Attachment F)
   g. Direct Lease Addendum (Attachment G)
   h. GNC Smoothie Bar Addendum (Attachment H)
F. General Nutrition Corporation Area Development Agreement
   a. Personal Covenants (Exhibit A)
   b. Developer Information (Exhibit B)
   c. Guaranty Agreement (Exhibit C)
   d. State Addenda to Area Development Agreement (Exhibit D)
G. Product Sales Agreement
H. Asset Purchase and Sale Agreement
I. Equipment and Inventory Promissory Note
J. Purchase Money Security Agreement
K. Sublease
L. P.O.S. License Agreement
M. Confidentiality Statement
N. List of Franchisees
   N-1. List of Franchisees
   N-2. List of Former Franchisees
O. Guarantee of Performance and Financial Statements
   O-1. Guarantee of Performance by GNC Holdings, Inc.
   O-2. Audited Financial Statements of GNC Holdings, Inc. and Subsidiaries
   O-3. Unaudited Interim Financial Statements of GNC Holdings, Inc. and Subsidiaries
P. Subordination Agreements (Sublessees and Direct Lessees)
Q. List of Training Instructors
R. List of Restricted Ingredients

~~RECEIPTS~~

Quarterly Update Addendum for the quarter ending June 30, 2020

Monthly Update Addendum for the month ending July 31, 2020

State Effective Dates Page

RECEIPT Pages

ITEM 23

RECEIPTS

The last 2 pages of this disclosure document are detachable Receipts acknowledging your receipt of this disclosure document. Please sign, date and return 1 copy of the Receipt to us and keep the other copy for your records.

EXHIBIT A

List of State Administrators

Listed here are the names, addresses, and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA
Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles, CA 90013-2344
(213) 576-7500
1-866-275-2677

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

ILLINOIS
Illinois Attorney General
c/o Franchise Bureau
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Indiana Secretary of State
Franchise Division
302 West Washington Street, Room E-111
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020
(410) 576-6360

MICHIGAN
Department of the Attorney General
Consumer Protection Division
Franchise Section
G. Mennen Williams Building, 1st Floor
525 W. Ottawa St.
Lansing, MI 48913
(517) 373-1110

NORTH DAKOTA
Franchise Examiner
Office of Securities Commissioner
State Capitol, 5th Floor
600 East Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-2910

OREGON
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor & Industries Building
350 Winter St. NE, Room 410
Salem, Oregon 97301-3881
(503) 378-4140

RHODE ISLAND
Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex—Building 69-1
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA
Department of Labor & Regulation
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

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

WASHINGTON
Department of Financial Institutions
Securities Division
150 Israel Road S.W.
Tumwater, WA 98501
or
P.O. Box 9033
Olympia, WA 98507-9033
(360) 902-8760

MINNESOTA
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198
(651) 296-6328

NEW YORK
New York State Department of Law
Office of the Attorney General
Investor Protection and Securities Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8285

WISCONSIN
Department of Financial Institutions
Division of Securities
201 West Washington Avenue, Suite 300
Madison, WI 53703
(608) 266-8557

EXHIBIT B

Agents for Service of Process

JURISDICTION	AGENT AND ADDRESS
ALABAMA	National Registered Agents, Inc. 150 South Perry Street Montgomery, Alabama 36104
ALASKA	National Registered Agents, Inc. 9360 Glacier Highway Suite 202 Juneau, Alaska 99801
ARIZONA	National Registered Agents, Inc. 638 North Fifth Avenue Phoenix, Arizona 85003
ARKANSAS	National Registered Agents, Inc. of AR 455 W. Maurice St. Hot Springs, Arkansas 71901-6050
CALIFORNIA	Commissioner of Business Oversight Department of Business Oversight 1515 K Street, Suite 200 Sacramento, California 95814 and National Registered Agents, Inc. 2875 Michelle Drive Suite 100 Irvine, California 92606
COLORADO	National Registered Agents, Inc. 1535 Grant Street Suite 140 Denver, Colorado 80203
CONNECTICUT	National Registered Agents, Inc. 12 Old Boston Post Road Old Saybrook, Connecticut 06475
DELAWARE	National Registered Agents, Inc. 160 Greentree Drive Suite 101 Dover, Delaware 19904
DISTRICT OF COLUMBIA	National Registered Agents, Inc. 1090 Vermont Avenue N.W. Suite 910 Washington, D.C. 20005

FLORIDA	NRAI Services, Inc. 2731 Executive Park Drive Suite 4 Weston, Florida 33331
GEORGIA	National Registered Agents, Inc. 3675 Crestwood Parkway, Suite 350 County of Gwinnett Duluth, Georgia 30096
HAWAII	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 and National Registered Agents of HI, Inc. 1136 Union Mall, Suite 301 Honolulu, Hawaii 96813
IDAHO	National Registered Agents, Inc. 1423 Tyrell Lane Boise, Idaho 83706
ILLINOIS	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 and National Registered Agents, Inc. 200 West Adams Street Chicago, Illinois 60606 County of Cook
INDIANA	Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 and National Registered Agents, Inc. 320 N. Meridian Street Indianapolis, Indiana 46204

IOWA	National Registered Agents, Inc. 604 Locust Street Suite 222 Des Moines, Iowa 50309
KANSAS	National Registered Agents, Inc., of KS 2101 SW 21st Street Topeka, Kansas 66604
KENTUCKY	National Registered Agents, Inc. 400 West Market Street Suite 1800 Louisville, Kentucky 40202
LOUISIANA	National Registered Agents, Inc. 1011 North Causeway Blvd. Suite 3 Mandeville, Louisiana 70471
MAINE	National Registered Agents, Inc. P.O. Box 509 Readfield, Maine 04355
MARYLAND	Maryland Securities Commissioner Division of Securities 200 St. Paul Place Baltimore, Maryland 21202-2020 and National Registered Agents, Inc. of MD 836 Park Avenue, 2nd Floor Baltimore, Maryland 21201
MASSACHUSETTS	National Registered Agents, Inc. 303 Congress Street, 2nd Floor Boston, Massachusetts 02210
MICHIGAN	Michigan Department of Commerce Corporations and Securities Bureau 6545 Mercantile Way Lansing, Michigan 48911 and National Registered Agents, Inc. 712 Abbot Road East Lansing, Michigan 48823

MINNESOTA	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 and National Registered Agents, Inc. Capitol Professional Bldg. 590 Park Street, Suite 6 St. Paul, Minnesota 55103
MISSISSIPPI	National Registered Agents, Inc. 840 Trustmark Bldg. 248 E. Capitol Street Jackson, Mississippi 39201
MISSOURI	National Registered Agents, Inc. 300 B. East High Street Jefferson City, Missouri 65101
MONTANA	National Registered Agents, Inc. 26 West Sixth Avenue P.O. Box 1691 Helena, Montana 59624
NEBRASKA	National Registered Agents, Inc. 6003 Old Cheney Road Lincoln, Nebraska 68516
NEVADA	National Registered Agents, Inc. of NV 1000 East William Street, Suite 204 Carson City, Nevada 89701
NEW HAMPSHIRE	National Registered Agents, Inc. 63 Pleasant Street Concord, New Hampshire 03301
NEW JERSEY	National Registered Agents, Inc. of NJ 100 Canal Pointe Blvd., Suite 108 Princeton, New Jersey 08540
NEW MEXICO	National Registered Agents, Inc. 433 Paseo De Peralta Santa Fe, New Mexico 87501

NEW YORK	New York Secretary of State 99 Washington Avenue Albany, New York 12231 and National Registered Agents, Inc. 875 Avenue of the Americas, Suite 501 New York, New York 10001
NORTH CAROLINA	National Registered Agents, Inc. 120 Penmarc Drive, Suite 118 Raleigh, North Carolina 27603
NORTH DAKOTA	National Registered Agents, Inc. 220 North Fourth Street P.O. Box 1776 Bismarck, North Dakota 58502-1776
OHIO	National Registered Agents, Inc. 145 Baker Street Marion, Ohio 43302
OKLAHOMA	National Registered Agents, Inc. of OK 115 Southwest 89th Street Oklahoma City, Oklahoma 73139-8505
OREGON	Director of Department of Consumer and Business Services Division of Finance and Corporate Securities 350 Winter St. NE, Room 410 Salem, Oregon 97301 and National Registered Agents, Inc. 3533 Fairview Industrial Drive SE Salem, Oregon 97302-1155
PENNSYLVANIA	National Registered Agents, Inc. 600 N. 2nd St. Harrisburg, PA 17101
PUERTO RICO	National Registered Agents, Inc. 154 Calle Rafael Cordero Suite 700 San Juan, Puerto Rico 00901-1640
RHODE ISLAND	Securities Administrator Department of Business Regulation 1511 Pontiac Avenue

	John O. Pastore Complex – Building 69-1 Cranston, Rhode Island 02920 and National Registered Agents, Inc. 222 Jefferson Blvd. Suite 200 Warwick, RI 02888
SOUTH CAROLINA	National Registered Agents, Inc. 2 Office Park Court, Suite 103 Columbia, South Carolina 29223
SOUTH DAKOTA	Director Department of Labor & Regulation Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 and National Registered Agents, Inc. 300 South Phillips Avenue Suite 300 Sioux Falls, South Dakota 57104-6322
TENNESSEE	National Registered Agents, Inc. 2300 Hillsboro Road, Suite 305 Nashville, Tennessee 37212
TEXAS	National Registered Agents, Inc. 16055 Space Center Blvd. Suite 235 Houston, Texas 77062
UTAH	National Registered Agents, Inc. 3622 W. Bay Circle Lehi, Utah 84043
VERMONT	National Registered Agents, Inc. 141 Peaked Mountain Road Townshend, Vermont 05353
VIRGINIA	Clerk, Virginia State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 and

	National Registered Agents, Inc. 526 King Street, Suite 423 Alexandria, Virginia 22314
VIRGIN ISLANDS	National Registered Agents, Inc. 208 Citibank Building Veterans Drive St. Thomas, U.S.V.I. 00803-5304
WASHINGTON	Director of Financial Institutions Department of Financial Institutions Securities Division 150 Israel Rd. SW Tumwater, Washington 98501 and National Registered Agents, Inc. 1780 Barnes Blvd., S.W. Bldg. G Tumwater, Washington 98512-0410
WEST VIRGINIA	National Registered Agents, Inc. 300 Kanawha Blvd. East Charleston, West Virginia 25301
WISCONSIN	Administrator, Division of Securities Department of Financial Institutions 201 West Washington Avenue, Ste. 300 Madison, Wisconsin 53703 and National Registered Agents, Inc. 901 South Whitney Way Madison, WI 53711
WYOMING	National Registered Agents, Inc. 1821 Logan Avenue Cheyenne, Wyoming 82001

EXHIBIT C

Franchise Operations Manual
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Franchise Operations Manual
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The total number of pages in the Franchise Operations Manual is 436 pages.

EXHIBIT D

State Addenda to the Disclosure Document

STATE OF CALIFORNIA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Neither we nor any person or franchise broker identified in Item 2 of this disclosure document 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.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement or Development Agreement contains a provision that is inconsistent with the law, the law will control.

You must sign a general release if you relocate, 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). California Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (California Business and Professions Code §§20000 through 20043).

The Franchise Agreement and the Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement and the Development Agreement contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement and the Development Agreement require application of the laws of Pennsylvania. This provision may not be enforceable under California law.

The Franchise Agreement and the Development Agreement require binding arbitration. The arbitration will occur in Pittsburgh, Pennsylvania with each party responsible for costs as determined by the arbitrators. These provisions may not be enforceable under California law.

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

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

The highest interest rate allowed by law in California is 10% annually.

The financial performance representation in Item 19 does not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

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

STATE OF HAWAII
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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 AND THE DEVELOPMENT 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.

OUR PARENT GUARANTOR HAS A STOCKHOLDERS' DEFICIT OF -$207,263,000 AS OF 12/31/2019. AS A RESULT, FOR EACH FRANCHISE SOLD IN HAWAII, THE STATE OF HAWAII HAS REQUIRED FRANCHISOR TO DEFER RECEIPT OF INITIAL FRANCHISE FEES AND OTHER PAYMENTS TO US AND OUR AFFILIATES UNTIL WE HAVE MET ALL OF OUR PRE-OPENING OBLIGATIONS AND YOU HAVE OPENED YOUR FRANCHISE BUSINESS.

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

The Sections in the Franchise Agreement and the Development Agreement that relate to non-renewal, termination and transfer are only applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. In the event of an inconsistency, the Hawaii Franchise Investment Law will control.

In recognition of Chapter 482E of the Hawaii Revised Statutes, Franchise Investment Law and Chapter 37, Rules under the Franchise Investment Law, the following additional disclosure to Item 20 of the Franchise Disclosure Document is provided:

The disclosure document which is the subject of this proposed registration is effective in all non-registration states. This proposed registration is on file or will be on file shortly in all registration states.

No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The registration of these franchises has not been withdrawn in any state.

STATE OF ILLINOIS
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

In recognition of the Illinois Franchise Disclosure Act of 1987 (the "Act"), the following additional disclosure is provided to the Franchise Disclosure Document.

1. The following shall be added to Item 5:

   We will defer your payment of initial franchise fees owed to us or our affiliates until such time as we have satisfied all of our pre-opening obligations to you under the Franchise Agreement or other agreements with us and you have commenced doing business pursuant to your Franchise Agreement. If you enter into a Development Agreement with us, we will defer payment of the Development Fee until your first franchise is open. The Illinois Attorney General's Office imposed this deferral requirement due to Guarantor's financial condition.

2. The following shall be added to Item 17:

   Sec. 705/4. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void provided that a franchise agreement may provide for arbitration in a forum outside of Illinois.

   Sec. 705/41. Any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of Illinois is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

3. Illinois law governs the franchise agreement(s).

4. Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. FRANCHISOR IS A PARTY TO EXTENSIVE LITIGATION. SEE ITEM 3 IN THE FRANCHISE DISCLOSURE DOCUMENT WHILE MAKING ANY DECISION TO BUY THIS FRANCHISE.

STATE OF INDIANA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Sections in the Franchise Agreement and the Development Agreement that relate to termination, non-renewal, governing law, venue for arbitration or litigation, modification, covenants not to compete and any limitations period for bringing claims are only applicable to the extent they are not inconsistent with or prohibited by Indiana law. Indiana law will control to the extent of any inconsistency or prohibition.

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Indiana Deceptive Franchise Practices Act.

STATE OF MARYLAND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

The general release required as a condition of relocation, renewal, sale and/or assignment or transfer will not apply to any liability arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by the Franchise Agreement and the Development Agreement is attached to this Addendum as Schedule A.

You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within 3 years after the grant of your franchise.

The Franchise Agreement and Area Development Agreement provide that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

We will defer your payment of initial franchise fees and other initial payments owed to us or our affiliates until such time as we have satisfied all of our pre-opening obligations to you under the Franchise Agreement and your franchised business is open. If you enter into a Development Agreement with us, we will defer payment of the development fee and other initial payments owed to us or our affiliates until your first franchise is open. The Maryland Attorney General's Office imposed this deferral requirement due to Guarantor's financial condition.

SCHEDULE A TO
STATE OF MARYLAND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following is our current general release form that we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

GENERAL RELEASE

For and in consideration of the Franchise Agreement dated ________________, between the undersigned's and General Nutrition Corporation ("Franchisor"), the undersigned, and each of their respective corporate parents, subsidiaries, affiliates, successors in interest, heirs and assigns, and each of their respective shareholders, directors, officers, agents, servants, and employees, as applicable, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the "Releasing Parties" and, individually, a "Releasing Party"), do hereby release, acquit and forever discharge Franchisor and each of its respective parents, subsidiaries, affiliates, and successors in interest, and each of their respective managers, members, shareholders, directors, officers, agents, servants, employees and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the "Released Parties" and, individually, a "Released Party"), of and from any and all liability, actions, causes of action, claims, debts, demands, damages, and liabilities to person(s) or property, costs, expenses, (including, without limitation court costs and attorneys' fees) and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort ("Claims") which the Releasing Parties or any of them now have, own, hold or claim to have, own or hold or at anytime heretofore had, owned or held, against the Released Parties or any of them, now or at any time awarded to the undersigned and from the inception of any contact with any Released Party to the date of this General Release.

The undersigned acknowledges there is a risk that, after the date hereof, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned on the date hereof, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel. This General Release shall be binding upon the undersigned, and the other Releasing Parties and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the Franchisor's Franchise Disclosure Document or its exhibits or amendments. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from any liability imposed by the Maryland Registration and

Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of this ___________________________.

WITNESS:

By:_______________________________ ____
Print Name: ______________________

By:_______________________________ ____
Print Name: ________________________

STATE OF MINNESOTA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following applies to prospective franchisees governed by Minnesota law and supplement the Items to which they refer and supersede anything inconsistent with them in the text of this disclosure document.

A. Item 13. Per Minnesota Statutes, Section 80C.12, Subdivision 1(g), Minnesota considers it unfair for us not to protect your right to use the trademarks listed in Item 13. We will protect your rights to use those trademarks, and any other trademarks, service marks, trade names, logo types or other commercial symbols we may license you to use, or indemnify you from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of those marks.

B. Item 17. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes Section 80C.14, Subdivisions 3, 4 and 5, which require (except in certain specified cases) (1) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

C. State Cover Page and Item 17. Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation or arbitration to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or any agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22. The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal or transfer of a franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22. In addition, no representation or acknowledgment by you in the Franchise Agreement or the Development Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rule 2860.4400J. Also, a court will determine if a bond is required.

Any limitations of claims sections must comply with Minnesota Statutes, Section 80.17, Subdivision 5.

STATE OF NEW YORK
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the state 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, OFFICE OF THE ATTORNEY GENERAL, INVESTOR PROTECTION AND SECURITIES BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order 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.

3. The following is added to 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 the franchise disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

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

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

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

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

6. The following language replaces the "Summary" sections of Item 17(d), titled **"Termination by franchisee"** and **"Termination by area developer"**:

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

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

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

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

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

9. The Franchise Agreement and Area Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under Article 33, Sections 680 through 695, of the General Business Law of the State of New York and regulations issued thereunder.

10. No representation or acknowledgment by the Franchisee in the Franchise Agreement or the Area Franchisee in the Area Development Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

STATE OF NORTH DAKOTA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The Securities Commissioner for the State of North Dakota has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of the disputes at a location that is remote from the site of the franchisees' business.

C. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota Franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements which specify that they are to be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Covenants restricting competition in the Franchise Agreement and the Development Agreement may be subject to Section 9-08-06 of the North Dakota Century Code.

Although the Franchise Agreement and the Development Agreement require arbitration to be conducted in Pittsburgh, Pennsylvania, we agree that the place of arbitration will be a location that is in close proximity to the site of your business.

Although the Franchise Agreement and the Development Agreement require certain litigation to be instituted in a court in to the state where our principal place of business is located, you may institute litigation in any court of competent jurisdiction located in the State of North Dakota.

Although the Franchise Agreement and the Development Agreement provide that they will be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, the laws of the State of North Dakota will govern the Franchise Agreement and the Development Agreement and their construction, interpretation and enforcement.

The sections in the Franchise Agreement and the Development Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by North Dakota law.

To the extent any provision of the Franchise Agreement or the Development Agreement require you to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.

The requirement in the Franchise Agreement and the Development Agreement that a general release be signed as a condition of relocation, renewal and transfer shall not apply to the extent unenforceable under the laws of North Dakota.

The Sections in the Franchise Agreement and the Development Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Franchise Agreement and the Development Agreement are only applicable to the extent they are not inconsistent with the North Dakota Franchise Investment Law and related rules and regulations. In the event of an inconsistency, the North Dakota Franchise Investment Law and related rules and regulations will control.

STATE OF RHODE ISLAND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

Notwithstanding anything to the contrary set forth in Item 17 or elsewhere in the disclosure document, the following provisions will supersede and apply:

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

Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that "[a] condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by this Act or a rule or order under this Act is void. An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act.. This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under this Act."

The Franchise Agreement and the Development Agreement contain provisions requiring a general release as a condition of relocation, renewal and transfer of a franchise. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.

STATE OF SOUTH DAKOTA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

South Dakota Codified Laws, Title 37, Chapter 37-5B (Franchise Investment), Sections 37-5B-1 through 37-5B-53) provides that any condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by the chapter or a rule or order thereunder is void.

We will defer your payment of initial franchise fees and other initial payments owed to us or our affiliates until such time as we have satisfied all of our pre-opening obligations to you under the Franchise Agreement or other agreements with us and you have commenced doing business pursuant to your Franchise Agreement. If you enter into a Development Agreement with us, we will defer payment of the development fee and other initial payments owed to us or our affiliates until your first franchise is open. The South Dakota Department of Labor & Regulation, Division of Insurance, Securities Regulation, imposed this deferral requirement due to Franchisor's financial condition.

STATE OF VIRGINIA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for General Nutrition Corporation for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.h. and Item 17.i.

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

2. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations with respect to the first store under the development agreement.

STATE OF WASHINGTON
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by you will not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where you are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Washington Franchise Investment Protection Act, such as the right to jury trial, may not be enforceable.

Transfer fees are collectible to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted for inflation). As a result, any provisions contained in the the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor, or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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 (a) has received all initial training that it is entitled to under the Franchise Agreement or Franchise Disclosure Document provided to Franchisee, and (b) is open for business. If franchisee enters into a Development Agreement, in lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any development fees or initial franchise fees relating to the particular GNC Store being developed thereunder until the franchisee, with respect to such GNC Store being developed thereunder (a) has received all initial training that it is entitled to under the applicable

Franchise Agreement or Franchise Disclosure Document provided to Franchisee, and (b) has opened such GNC Store.

EXHIBIT E

Franchise Agreement

GENERAL NUTRITION CORPORATION

FRANCHISE AGREEMENT

TABLE OF CONTENTS

SELECTED TERM SUMMARY

Agreement Date:	__________________________	
Franchisor:	General Nutrition Corporation	
Franchisee:	___________________________	Franchise Agreement Section Reference
Proposed GNC Store Site/Area:	___________________________	Section 6.
Protected Territory:	___________________________	Section 6.D.
Franchise Term:	☐ Initial Term	Section 3.
	☐ Renewal Term	
Lease Expiration Date:	_____________________________	Section 3.
Initial Franchise Fee:	______________ Dollars ($______)	Section 4.A.
Renewal Fee:	______________ Dollars ($______)	Section 19.
Transfer Fee:	______________ Dollars ($______)	Section 18.B.(ii)(1)
Royalty Fee:	6% of Gross Sales of the Store	Section 4.C.
Advertising Fee:	3% of Gross Sales of the Store	Section 4.D.
Designated Principal(s)	___________________________________ ___________________________________ ___________________________________	Section 10.
Date of Transfer (if applicable):	__________________________________	Section 3.C.

This Selected Term Summary is a part of and incorporated by reference into the Franchise Agreement between Franchisor and Franchisee attached hereto. In the event of a conflict between the Selected Term Summary information and the Franchise Agreement, the Franchise Agreement shall control.

____

Initials

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of the ___ day of ___________, 20__ (the "Agreement Date") between General Nutrition Corporation, a Pennsylvania corporation ("Franchisor" or "GNC"), and ___________________________, a ________________________________ ("Franchisee").

Statement of Intentions

A. Franchisor, as the result of the expenditure of substantial time, skill, effort and money, has developed and owns a unique and comprehensive System relating to the opening and operation of GNC Stores which sell the Products and operate under the Proprietary Marks.

B. Franchisee desires to enter into the business of operating a GNC Store under the System and wishes to obtain a franchise from Franchisor for that purpose, as well as to receive the benefit of the training and other assistance provided by Franchisor. Franchisee acknowledges that it has conducted an independent investigation of the business contemplated by this Agreement and recognizes that an investment in a GNC Store involves business risks and that the success of the Store is largely dependent on Franchisee's own business abilities and efforts.

C. Franchisee recognizes that franchising is a method of distributing goods or services in a consistent manner and that the customer expects a similar shopping experience at a franchised business, regardless of its location or operator. By signing this Agreement, Franchisee acknowledges the importance of these concepts. Franchisee recognizes that a uniform presentation of the GNC image is critical to the customer's perception of the GNC System, and Franchisee agrees to contribute to that perception by operating the Franchised Business in compliance with this Agreement and the GNC System.

D. Franchisee agrees that the GNC System is subject to modification from time to time based on changes in technology, competitive circumstances, customer expectations, and other market variables. Those changes to the GNC System may include changes in operating standards, products, pricing, programs, services, methods, forms, policies and procedures; changes in the design and appearance of the building, signage and equipment; and changes to the Proprietary Marks.

E. Based on the foregoing, Franchisor is willing to grant Franchisee the right to operate a GNC Store, all subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual undertakings and commitments set forth in this Agreement, the parties agree as follows:

1. DEFINITIONS. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings given to them in Attachment A.

2. GRANT OF LICENSE.

A. Grant of License. Franchisor grants to Franchisee the right and license to operate, during the Franchise Term, one GNC Store at the Approved Location and to use solely in connection therewith the Proprietary Marks and the System. Franchisee acknowledges that the license granted by Franchisor is expressly subject to the terms and conditions of this Agreement and is limited to the Franchise Term. Franchisee agrees to use the Proprietary Marks and the System, as they are changed, improved and further developed by Franchisor from time to time.

B. Direct Marketing Restriction. Franchisee may solicit and sell to any customers at the Approved Location, provided, however, that Franchisee acknowledges that the license granted herein is limited to the operation of a retail GNC Store for sales only at the Approved Location. Franchisee shall not operate a mail order, direct mail, catalog, telemarketing, wholesale, exporting, distribution, direct sales, direct marketing or similar business, including through the use of the Internet, including through eBay or social media and social networking sites such as Twitter and Facebook, which permits customers to purchase and receive products or services without being present at the Approved Location. Franchisor may permit Franchisee to maintain a social media presence for the Store, provided that Franchisee, and its Affiliates, employees, and store associates comply at all times with any requirements and guidelines established by Franchisor regarding social media accounts. Franchisee acknowledges that Franchisor, its Affiliates, other franchisees and licensees also may solicit and sell to any customers wherever located. Franchisee shall have no rights to such sales by Franchisor, its Affiliates or other franchisees or licensees. For purposes of this Agreement, "wholesale business" or "wholesaling" shall mean when the Franchisee sells, transfers or conveys, or transacts to sell, transfer or convey, Products to any person or entity that it knows, should know or has reason to suspect will resell such Products; provided that it shall not mean bona fide transfers of Products between GNC franchisees made in the ordinary course of business from a retail GNC Store and which allow a franchisee to satisfy the legitimate needs of a retail customer.

C. Retained Rights. The license granted to Franchisee is expressly limited to the terms of Section 2.A. Franchisor and its Affiliates retain all other rights, including the Retained Rights, without any liability whatsoever to Franchisee and without granting Franchisee any rights therein.

3. FRANCHISE TERM. The Franchise Term shall be the term indicated on the Selected Term Summary.

A. Initial Term. If this is the Initial Term, the Franchise Term shall commence on the Store Opening Date and end on the earlier of (i) the fifth (5th) anniversary of the Store Opening Date, or (ii) the expiration or termination of the lease or sublease for Franchisee's Store. Franchisee understands and acknowledges that the lease or sublease is generally five (5) years from the lease or sublease commencement date, plus one (1) five-year option to renew the lease or sublease. Franchisee agrees that, if Franchisor is the sublessor under the sublease for Franchisee's Store, Franchisor may, in its sole discretion, choose to terminate or not renew or extend the term of the master lease for Franchisee's Store, which may reduce the Initial Term. Franchisee acknowledges that, although the Initial Term does not commence until the Store Opening Date, Franchisee's obligations under this Agreement commence on the Agreement Date, except to the extent that those obligations expressly relate to the period after the Store Opening Date.

B. Renewal Term. If this is a Renewal Term, the Franchise Term shall commence on the date of expiration of the immediately preceding franchise term, and end on the earlier of (i) the fifth (5th) anniversary of the expiration date of the immediately preceding franchise term, or (ii) the expiration or termination of the lease or sublease for Franchisee's Store. Franchisee agrees that, if Franchisor is the sublessor under the sublease for Franchisee's Store, Franchisor may, in its sole discretion, choose to terminate or not renew or extend the term of the master lease for Franchisee's Store, which may reduce the Renewal Term.

C. Transfer Term. If this Agreement is being executed by a transferee in connection with a Transfer, references to the Store Opening Date in Section 3.A. above are hereby modified to refer to the Date of Transfer indicated in the Selected Term Summary. If Franchisor has elected for the transferee's Franchise Term to be equal to the remaining franchise term of the transferor or the remaining lease term for the Store premises, the applicable Franchise Term shall be as indicated on the Selected Term Summary, provided that the transferee's Franchise Term under subsection (i) of Section 3.A. or 3.B., whichever is applicable, shall be the transferor's remaining franchise term or the remaining lease term for the Store premises (commencing as of the Date of Transfer indicated in the Selected Term Summary). The transferee shall have the other rights granted in this Section 3 for the applicable Franchise Term (except that the Franchise Term shall be as modified by this Section 3.C.). Franchisor may waive the Pre-Opening Obligations to the extent they are inapplicable or already fulfilled by Franchisee to Franchisor's satisfaction.

D. Rights Upon Expiration or Termination. Franchisee shall have no right to operate the Franchised Business or to use the System or the Proprietary Marks under this Agreement after the expiration of the Franchise Term or following any termination of this Agreement prior to the expiration of the Franchise Term.

4. FEES.

A. Initial Franchise Fee. If this is the Initial Term, Franchisee shall pay to Franchisor the Initial Franchise Fee upon execution of this Agreement. The Initial Franchise Fee shall be fully earned by Franchisor in consideration of Franchisor's execution of this Agreement and shall be non-refundable except as otherwise provided in this Agreement.

B. Royalty Fee. Franchisee shall pay to Franchisor a continuing monthly Royalty Fee in the amount specified in the Selected Term Summary in the manner provided in Section 4.G. below.

C. Advertising Fee. Franchisee shall pay to the National Advertising and Promotional Fund for the System (the "Fund") a continuing monthly Advertising Fee in the amount specified in the Selected Term Summary in the manner provided in Section 4.G. below. Franchisor hereby reserves the right to increase or decrease the Advertising Fee from time to time on thirty (30) days' prior written notice to Franchisee.

D. Financial Services Fee. Franchisee shall pay to Franchisor a continuing monthly fee (the "Financial Services Fee") for accounting and financial services provided to Franchisee by Franchisor, if any, as described in Section 16.E, in the manner provided in Section 4.G. below.

E. Lease Audit Fee. Franchisee shall pay to Franchisor an amount equal to Thirty Percent (30%) of any savings that Franchisor obtains for Franchisee pursuant to any lease or sublease audit conducted by Franchisor pursuant to Section 16.F hereof.

F. Franchise Security Deposit. If this is the Initial Term or a Renewal Term, Franchisor may require Franchisee to pay a franchise security deposit in the amount of Two Thousand Five Hundred Dollars ($2,500) upon execution of this Agreement. This deposit will be held by Franchisor until the expiration or termination of this Agreement, in which event the deposit will either (i) be returned to Franchisee, if Franchisee does not have any outstanding payment obligations to Franchisor under this Agreement or any Related Agreement, or (ii) be applied to any outstanding payment obligations to Franchisor under this Agreement or any Related Agreement (and the balance, if any, will be returned to Franchisee). Franchisor will return any remaining balance to Franchisee within sixty (60) days after termination or expiration of this Agreement. Franchisor shall have no obligation to pay any interest on the deposit to Franchisee. If Franchisee is entering into a renewal franchise agreement, and has previously paid this franchise security deposit, Franchisor will roll over the security deposit to the renewal franchise agreement.

G. Payment. Royalty Fees, Advertising Fees, and, if applicable, Financial Services Fees, shall be payable to Franchisor on or before the twelfth (12th) day of each Period ("Due Date") for the immediately preceding Period, and shall be submitted to Franchisor together with any reports or statements required under Section 16. Franchisee shall not set off or withhold any payment due under this Agreement on the grounds of alleged non-performance of obligations or duties of Franchisor or Franchisor's Affiliates or for any other reason.

H. Late Payment. Any payment or report not actually received by Franchisor on or before the Due Date shall be deemed overdue. If any payment is overdue, Franchisee shall pay to Franchisor, immediately upon demand and in addition to the overdue amount, interest on the overdue amount from the Due Date until paid, calculated on a daily basis, at a rate of one and one-half percent (1 ½%) per month, or the maximum rate permitted by law, whichever is less. Interest shall accrue on all late payments regardless of whether Franchisor exercises its right to terminate this Agreement under Section 20. In addition to its right to charge interest, Franchisor may charge Franchisee the lesser of a $100.00 late payment fee, or the maximum amount permitted by applicable law, for each such overdue payment, and the lesser of a $30.00 insufficient funds fee, or the maximum amount permitted by applicable law, for each check, automated bank draft payment, or other payment that is not honored by Franchisee's financial institution.

I. Franchisor Rights. Franchisor reserves the right to require Franchisee to execute pre-authorized payment agreements with Franchisee's banking institutions pursuant to which all periodic payments to be made to Franchisor or its Affiliates, including rents, equipment, lease payments, note, royalty, advertising and product purchase payments, will be made automatically to Franchisor from the Franchisee's banking accounts via electronic fund transfers. Franchisee agrees that Franchisor has the right to set off amounts Franchisee owes Franchisor or its Affiliates against amounts Franchisor or its Affiliates may owe Franchisee. Notwithstanding designation by Franchisee to the contrary, all payments made by Franchisee hereunder will be applied by Franchisor at its discretion to any of Franchisee's past due indebtedness.

5. PRE-OPENING OBLIGATIONS.

A. Compliance with Law. Franchisee shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, fictitious name registrations, sales tax permits, fire clearances and zoning and building approvals.

B. Conditions to Store Opening and Grant of Franchise. As a condition to the right of Franchisee to open and/or operate the GNC Store and to use the System and the Proprietary Marks, Franchisee must (i) complete, to the sole satisfaction of Franchisor, all of the requirements set forth in Sections 4.A., 5.A., 6, 7, 8, 9 and 10 of this Agreement prior to the expiration of the Pre-Opening Period, (ii) provide to Franchisor personal guarantees of Franchisee's payment and other performance obligations under this Agreement and any Related Agreements, executed by Franchisee and his or her spouse, or if Franchisee is not an individual, by Franchisee's Principals and their respective spouses, in a form prescribed by Franchisor as it deems necessary for adequate security, and (iii) be in full compliance with the terms of this Agreement and all Related Agreements. The foregoing requirements shall be collectively referred to herein as the "Pre-Opening Obligations."

C. Failure to Meet Conditions for Store Opening and Grant of Franchise. Franchisee shall not use Franchisor's Proprietary Marks, except to the extent necessary to fulfill Franchisee's Pre-Opening Obligations, or System and may not under any circumstances commence operation of the Store prior to the timely completion of the Pre-Opening Obligations to the sole satisfaction of Franchisor. If full performance of the Pre-Opening Obligations is not completed by Franchisee during the Pre-Opening Period, or if this Agreement is terminated during the Pre-Opening Period for any reason whatsoever, or if Franchisee has not opened the Store on or before the last day of the Pre-Opening Period, the right of Franchisee to franchise and all rights, powers and privileges related thereto and under this Agreement shall terminate and shall be of no further force and effect, and Franchisee shall have no right to establish or operate a Store within any proposed territory or at the Approved Location, and Franchisor shall be entitled to establish and to license others to establish Stores within any proposed territory or at the Approved Location. If Franchisee has not opened the Store on or prior to the end of the Pre-Opening Period, Franchisor may (but shall not be obligated to) extend the Pre-Opening Period for such period of time as Franchisor determines, in its sole discretion, by written notice to Franchisee. No written communication other than such a written extension shall be deemed a written notice for this purpose.

6. FRANCHISE SITE AND TERRITORY.

A. Location. If Franchisee has selected an area in which to locate its GNC Store, as indicated in the Selected Term Summary of this Agreement, Franchisee must identify a specific Store location during the Pre-Opening Period. Franchisee may select a site it identifies or select a site from Franchisor's list of Inventory Store Locations. Franchisee must receive the written approval of Franchisor for the specific Store location. The Store location and address, as approved in writing by Franchisor, shall automatically be incorporated into the Selected Term Summary as if set forth therein on the Agreement Date.

B. Site Approval. Franchisor may require Franchisee to submit specific site data, demographic and other information concerning a proposed site as may be reasonably required by the Franchisor in a form specified by Franchisor. Franchisor's acceptance or rejection of a proposed site shall only be indicated in writing by Franchisor. Silence by Franchisor is not an acceptance. Franchisor reserves the right to approve or disapprove any site in its sole discretion. If Franchisor rejects a proposed site, Franchisee shall use its best efforts to locate an acceptable location prior to the expiration of the Pre-Opening Period, and the new proposed site shall be submitted to Franchisor.

C. Actions not Deemed Acceptance. Lease negotiations by Franchisor or other contact with third party landlords, lenders, vendors, contractors or other third parties taken individually or collectively shall not constitute Franchisor's acceptance of the site, or any obligation to Franchisee. The acquisition in any manner of any proposed site, or entry into any obligation with respect thereto, prior to acceptance by Franchisor as shown by a contact sheet signed by the Franchisor, shall be at the sole risk and responsibility of Franchisee and shall not obligate Franchisor in any way to accept the same. Further, Franchisor may, in its sole discretion, lend money, provide financing or otherwise become directly or indirectly involved with third party landlords, lenders, vendors, contractors, or other third parties. However, none of these activities, taken individually or collectively, shall constitute an obligation to Franchisee or an approval of any location. Each of these activities and undertakings shall be the exclusive responsibility of Franchisee, financially and otherwise.

D. Protected Territory. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 18.A., Franchisor shall not itself operate, nor grant a franchise for the operation of, another GNC Store, within the Protected Territory during the Protective Period. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 18.A., if, after expiration of the Protective Period, Franchisor identifies within the Protected Territory a site for development or operation of a new GNC Store, then Franchisor shall grant to Franchisee the right and option to franchise such site by providing to Franchisee written notice and a Franchise Agreement for such site along with Franchisor's then current Franchise Disclosure Document ("Disclosure Document"). To exercise its option to franchise the site Franchisor has identified, Franchisee must execute the Franchise Agreement and Disclosure Document receipt and return both items to Franchisor with the then-current initial franchise fee on or before expiration of thirty (30) days from receipt of Franchisor's notice. If Franchisee does not elect to exercise the option in the specified manner within such period, or waives its right prior to expiration of such period by written notice to Franchisor, then Franchisor, or its Affiliate, shall have the right (without any liability whatsoever to Franchisee) to develop and operate such site or to license such right to another party, including other franchisees, and Franchisee's right and option to such site shall expire and be of no further force or effect.

E. Relocation. If Franchisee is unable to continue operation of its GNC Store at the Approved Location due to an act of God (including but not limited to fire, flood, or earthquake) or due to extreme hardship or due to other circumstances approved by Franchisor in its sole discretion, Franchisee may request in writing permission to relocate its GNC Store, provided that Franchisor may reduce, alter, or eliminate the Protected Territory in connection with any such relocation. Franchisee must obtain Franchisor's prior written approval before Franchisee can relocate its GNC Store, which approval shall be at the sole discretion of Franchisor, and Franchisee and its Principals must sign a general release and any other required documents in the forms required by Franchisor and pay to Franchisor a relocation fee in the amount of $10,000, or such greater amount as Franchisor may determine from time to time, to cover Franchisor's administrative and other costs in processing the relocation.

7. LEASING.

A. Sublease. As a condition for accepting a proposed site, Franchisor may require Franchisee to sublease the site from Franchisor or its Affiliate under the terms and conditions of a sublease in a form prescribed by Franchisor, which may contain additional terms and conditions related to the use, possession and occupancy of the location, including terms and conditions contained in the lease between Franchisor or its Affiliate and the lessor of the premises. Franchisee understands and acknowledges that site acceptance may be conditioned on such matters and that if Franchisee does not wish to, or cannot, satisfy the pertinent conditions within a reasonable time, the site will be deemed rejected. If Franchisee subleases a site from Franchisor or its Affiliate, Franchisee shall be required to sign the sublease within thirty (30) days of receipt of the sublease and provide a copy of the fully executed sublease to Franchisor prior to the opening of the Store.

B. Direct Lease. In the alternative, Franchisor, may, in its sole discretion, allow Franchisee to lease the premises directly from the landlord as a condition for accepting a proposed site. Any Franchisee who leases the Store premises directly from a third party landlord other than Franchisor or Franchisor's Affiliate, shall execute the Direct Lease Addendum attached hereto as Attachment G. Franchisor may require Franchisee to negotiate a lease, lease renewals, extensions, amendments or modifications including or excluding certain provisions from the lease. Upon execution of the lease and prior to the opening of the Store, Franchisee shall promptly provide to Franchisor a copy of the fully executed lease. Franchisor must approve Franchisee's lease in writing. Silence on Franchisor's part does not constitute acceptance. If Franchisee does not receive Franchisor's written approval, Franchisee's lease is deemed rejected. Franchisee must provide Franchisor with a fully-executed lease after the lease has been approved. Franchisee acknowledges that time is of the essence, and that Franchisee must execute a lease for the Store prior to expiration of the Pre-Opening Period or Franchisee will be in default under this Agreement.

C. Proposed Changes. Franchisee shall submit, in writing, to Franchisor all proposed amendments, renewals, extensions or modifications to the lease or sublease for the Store premises (collectively, the "Proposed Changes") for Franchisor's prior written approval. If Franchisee does not receive written approval of such Proposed Changes within thirty (30) days from the date on which Franchisor receives the Proposed Changes, the Proposed Changes will be deemed rejected by Franchisor.

8. CONSTRUCTION. Franchisor or its Affiliate will construct and perform all renovation, refurbishing or remodeling of the Store, unless Franchisor otherwise designates in writing. If Franchisor or its Affiliate constructs or performs any renovation, refurbishing or remodeling of the Store, Franchisor or its Affiliate will turn over custody and control of the site to Franchisee upon substantial completion of construction or renovation, refurbishing or remodeling, provided that Franchisee is not then in breach of this Agreement. Franchisee accepts the site "AS IS" and agrees to pay for the construction, renovation, refurbishing or remodeling of the Store according to the invoices for such cost within fifteen (15) days of receipt of any invoice therefor or in such other manner as directed by Franchisor (which may include

payment in stages during the construction, renovation, refurbishing or remodeling process). Such cost shall include contractor's charges, costs of permits and certifications, and the cost of all materials, equipment and fixtures as well as a Construction Handling Fee of $3,000.

9. <u>INSURANCE</u>.

A. <u>General</u>. At the earlier of (i) execution of a lease or sublease for the Store and (ii) acceptance of an owned or non-owned site for the Store, but in no event later than the Store Opening Date, Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and Franchisor, and their Affiliates, officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of the ownership or operation of the Franchised Business.

B. <u>Insurance Policies</u>. Such policies shall be written by an insurance company satisfactory to Franchisor and that has an A.M. Best rating of not less than A-VII. All policies of insurance must be primary and non-contributory to any policies of insurance maintained by Franchisor, and must contain a provision requiring 30-days' written notice of cancellation to Franchisor. Policies shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by Franchisor from time to time in the Manuals or otherwise), the following:

(i) Comprehensive general liability insurance, including product liability, contractual liability, personal and advertising injury, property damage, and auto owned, hired and non-owned vehicles in the amount of:

(a) $2,000,000 per occurrence and aggregate naming Franchisor and its Affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than $250,000 and medical payments of $5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is $2,000,000; for 6-10 locations, the minimum umbrella limit is $4,000,000; for 11-15 locations, the minimum umbrella limit is $6,000,000; and for more than 15 locations, the minimum umbrella limit is $8,000,000; or

(b) A primary policy in the amount of $1,000,000 per occurrence, $2,000,000 aggregate, with an excess policy in the amount of $1,000,000, naming Franchisor and its Affiliates as additional insureds in each such policy or policies; such policies will also apply to vehicles purchased in the name of the business, will include fire/tenant legal liability insurance in an amount not less than $250,000 and medical payments of $5,000. All such policies shall provide for waivers of subrogation and be written on an Occurrence Form. If Franchisee has multiple locations, the following additional umbrella limits will apply (a per location endorsement will be required so that the general aggregate limit applies separately to each individual location): for 2-5 locations, the minimum umbrella limit is $3,000,000; for 6-10 locations, the minimum umbrella limit is $5,000,000; for 11-15 locations, the minimum umbrella limit is $7,000,000; and for more than 15 locations, the minimum umbrella limit is $9,000,000; and

(ii) Property insurance, written on a special form coverage with primary and excess limits of not less than the full replacement value of the Store(s), their equipment furniture, signs, inventory, and fixtures. The maximum deductible on this policy will be $10,000; and

(iii) Business interruption insurance, in an amount equal to the greater of (i) $250,000, and (ii) Franchisee's annual Gross Sales for the preceding calendar year. Such policy shall name Franchisor as an additional insured. The amount of such policy shall be adjusted on an annual basis to reflect the greater of the two amounts stated above; and

(iv) Such other insurance in the types, amounts and other terms and conditions, as may be required by applicable law or by lease, sublease or other relevant contract, including workers' compensation and employer's liability insurance.

C. No Limitation of Franchisee Obligations. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve Franchisee of liability (or limit Franchisee's liability) under any indemnity provisions set forth in this Agreement.

D. Evidence of Insurance. Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of such insurance and proof of payment therefor to Franchisor, together with, upon request, copies of all policies and policy amendments. The evidence of insurance shall include a statement by the insurer that the policies will not be canceled or materially altered without at least thirty (30) days' prior written notice to Franchisor. Franchisor's acceptance of copies of insurance policies or certificates of insurance does not constitute a waiver, release or modification of any of the insurance coverages and endorsements required under this Agreement.

E. Failure to Maintain Insurance. Franchisee's failure to procure or maintain the insurance required by this Agreement shall be a default under this Agreement. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, in addition to and not in lieu of other remedies for such default provided herein and available at law or in equity, Franchisor shall have the right and authority (but not the obligation) immediately to procure such insurance and to charge same to Franchisee, which charges, together with a fee not to exceed $500 for Franchisor's reasonable costs and expenses in so acquiring the policies, shall be payable by Franchisee immediately upon demand.

F. Post-Termination Insurance Obligations. Franchisor shall have the option, at its sole discretion, to require Franchisee to continue the insurance required by this section, or to obtain tail coverage if applicable, following expiration or termination of this Agreement. Franchisor shall provide Franchisee written notice if it elects to exercise this option, and Franchisee hereby agrees to obtain the requested insurance within thirty (30) days of receipt of notice.

10. TRAINING.

A. Initial Training. As a condition to the right to franchise and operate the Store and prior to the Store Opening Date, Franchisee, and if Franchisee is not an individual, its Designated Principal, and Franchisee's Store manager must attend and successfully complete to Franchisor's sole satisfaction Franchisor's initial training program consisting of the following:

(i) Phase I: Spend forty (40) hours of on-the-job training in a GNC Store operated by Franchisor or its Affiliate, and, in Franchisor's sole discretion, depending on Franchisee's experience with GNC Store operations, spend up to 16 hours visiting other franchised GNC Stores with Franchisee's Director of Franchise Operations;

(ii) Phase II: Attend up to a five (5) day training program at Franchisor's Franchise Support Center in Pittsburgh, Pennsylvania, or at another location designated by Franchisor. Phase II training topics include business planning, merchandising, customer service, loss prevention, personnel, ordering, receiving merchandise and payment requirements. Franchisor reserves the right to designate an alternative location for Phase II training and to change training topics at any time without notice to Franchisee. At the conclusion of Phase II training, Franchisee shall complete a written examination. If performance in training is poor, in the sole judgment of Franchisor, or Franchisee's written examination score is below seventy percent (70%), Franchisee shall be in default of this Agreement, and Franchisor shall have the option to (a) require Franchisee to repeat Phase I as well as Phase II training or (b) terminate this Agreement; and

(iii) Phase III: If Franchisee has not previously franchised a GNC Store, Franchisee must spend up to seven (7) days with a Director of Franchise Operations when the grand opening shipment is scheduled to be received to set up the Store for opening, or when the inventory is performed by Franchisor. If Franchisee has previously franchised a GNC Store, Franchisee must spend up to five (5) days with a Director of Franchise Operations when the grand opening shipment is scheduled to be received to set up the Store for opening, or when the inventory is performed by Franchisor. Franchisee must also complete its business plan and budget and review the same with a Director of Franchise Operations prior to the end of Phase III training.

Franchisor shall provide such instructors and training materials for the initial training program as Franchisor may deem appropriate. Trainees shall be responsible for any and all other expenses incurred by them in connection with the initial training program, including the cost of transportation, lodging, meals, and wages.

B. Ongoing Training. At Franchisor's option, any manager subsequently employed by Franchisee shall attend and complete to Franchisor's sole satisfaction Franchisor's initial training program. In addition, Franchisee, and if Franchisee is not an individual, Franchisee's Designated Principal, managers and other employees shall attend such refresher courses, seminars, and other training programs as Franchisor may require from time to time. All training programs shall be at such times and places as may be designated by Franchisor. Franchisor shall provide such instructors and training materials for all required training programs as Franchisor may deem appropriate. Franchisee or its employees shall be responsible for any and all expenses incurred by them in connection with any training program, including the cost of transportation, lodging, meals, and wages.

C. Employee Training. Franchisee or Franchisee's manager shall be responsible for training all of Franchisee's employees. Franchisee shall at all times maintain a competent, conscientious, trained staff, including fully trained employees (some or all of whom may be Franchisee(s)), who are qualified to operate required equipment, including the POS System, and who render competent, prompt, courteous and knowledgeable service to Store customers.

11. GNC SYSTEM.

A. General. Franchisee acknowledges that franchising is a method of selling goods or services in a consistent manner and that store customers expect a similar shopping experience at a franchised business, regardless of its location or operator. Franchisee recognizes the importance of these concepts and agrees to participate in and comply with the requirements of the GNC System, which promotes a uniform method of operating a retail nutrition, health and/or fitness store.

B. Franchisor Modification. The parties agree that the System may be supplemented, improved, and otherwise modified from time to time by Franchisor in response to the opportunity to increase GNC brand awareness, provide different methods of distribution of GNC products, drive consumer trafftic to GNC Stores, offer new services and products to customers of stores operating under the System, to reflect the experience of stores over time, and other factors. In addition, the parties agree that, in the interest of preserving the integrity of the System, Franchisor shall have full control and discretion over the creation and implementation of such developments and that Franchisee shall comply with all requirements of Franchisor and make such expenditures as such changes, modifications or improvements to the System may require in that regard, whether or not such changes directly benefit Franchisee's Store. Any such developments, whether permissive or required by Franchisor, may or may not present additional revenue opportunities for Franchisee.

C. Franchisee Modification. If Franchisee develops any new modification, concept, process, improvement or slogan in the operation or promotion of the Store or to the GNC System, the same shall be deemed a work made for hire owned exclusively by Franchisor, and Franchisee shall promptly notify Franchisor of, and provide Franchisor with, all necessary information regarding such modification, concept, process, improvement or slogan, without compensation to Franchisee. Franchisee hereby assigns, transfers and conveys to Franchisor all rights, title and interests in and to any such modifications, concepts, processes, improvements or slogans and irrevocably constitutes and appoints Franchisor as Franchisee's attorney-in-fact, coupled with an interest, to execute and deliver any documents required to effectuate such assignment, transfer or conveyance on behalf of Franchisee. Franchisor may use or allow other franchisees to use the same in connection with the GNC System or the operation of GNC Stores, without compensation to Franchisee. Notwithstanding the foregoing, in recognition of Franchisor's full control and discretion over such developments, any such new modification, concept, process, improvement or slogan shall not be used by Franchisee without the prior written consent of Franchisor.

12. DUTIES OF FRANCHISEE.

A. Signs. Franchisee shall prominently display and maintain in first class appearance and condition, at Franchisee's expense, signs of such nature, form, color, number, illumination, size and location, and containing such names, designs, legends and symbols, as Franchisor shall prescribe in the Manuals or otherwise in writing. Franchisee shall not display at the Store or elsewhere any signs or advertising media which have not been approved by Franchisor in writing. Franchisor or its authorized representatives may at any time during normal business hours enter the Store and remove any signs or advertising media that are objectionable in the sole judgment of Franchisor.

B. Inventory. Franchisee acknowledges the benefits to Franchisee of participation in the GNC System and purchasing the Products and services sold at the GNC Store from common vendors and/or distributors (including the benefits of scale that a large chain gets from its high volume purchases). Franchisee shall, at all times during the term of this Agreement, purchase inventory of products, either from Franchisor or one of its Affiliates or from an approved supplier of such products, in such categories and minimum quantities as are specified by Franchisor ("Inventory Plan") and as are sufficient to sustain and grow the Franchised Business. Franchisor may require Franchisee to purchase any or all of Franchisee's Store inventory, including GNC Brand Supplements and non-GNC brand products, exclusively from Franchisor, in Franchisor's sole discretion. Franchisor reserves the right to modify the Inventory Plan from time to time in its sole discretion, by providing reasonable advance notice of such changes to Franchisee. Franchisor and its Affiliates may derive profits from the sale of required or optional products. Without limiting the generality of the foregoing, Franchisor and its Affiliates may receive payments, discounts or other consideration from suppliers in consideration of such suppliers' dealings with Franchisee and/or other GNC franchisees. Any such amounts and benefits shall be kept by Franchisor as compensation for locating and negotiating with suppliers for franchisees and may be used by Franchisor without restriction. Franchisor is not required to give Franchisee an accounting of supplier payments or to share the benefit of supplier payments with Franchisee or other GNC franchisees.

C. Use of Premises. Franchisee shall use the Store premises solely for the operation of the Franchised Business (in conformity with this Agreement and the Manuals); agrees not to permit others to carry on or conduct any other business, activity or operation at, in or about the Store premises; and shall keep the business open and in normal operation for such minimum hours and days as Franchisor may from time to time specify in the Manuals or otherwise in writing or as may be specified in an existing lease or sublease for the Store premises.

D. Store Management. Franchisee and/or its designated manager shall devote full time energy and best efforts to the management and operation of the Store.

E. Maintenance. Franchisee shall maintain the Store (including adjacent public areas) in a clean, orderly condition, and in good repair; and, in connection therewith, the Store shall be refurbished in accordance with Section 8, at Franchisee's expense, including such additions, alterations, repairs, and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including such periodic repainting, repairing, and replacing of obsolete signs, fixtures, and furnishings as Franchisor may reasonably require.

F. Remodeling. Except as otherwise set forth in this Section 12.F., at Franchisor's request, but no more often than once every five (5) years unless more frequently required by the Landlord of the Store location, the Store (including signs, fixtures, furnishings and Store layout) shall be remodeled in accordance with Section 8, at Franchisee's expense, to conform to the building design, trade dress, color schemes, and presentation of trademarks and service marks consistent with the then current public image of the System and the particular type and grade of location for the Store and as necessary, as determined by Franchisor in its sole discretion, to protect the value, goodwill and uniformity symbolized by the Proprietary Marks and the System. Notwithstanding the foregoing, if Franchisee is franchising a Conversion Store location in connection with this Agreement, upon entering into this Agreement with Franchisor, Franchisor may require the Store to be remodeled in accordance with Section 8, at Franchisee's expense. This Section 12.F. does not include, and is separate from, Store changes or modifications that are required in connection with the annual reset pursuant to the Re-Merchandising Manual. This Section 12.F. also does not include additional changes or modifications that Franchisor may require, at Franchisee's expense, in Store equipment, technology or electronic platforms, as further described in Section 12.I. below.

G. Annual Physical Inventory. Franchisor may require Franchisee to complete a physical inventory at the Store on an annual basis, at Franchisee's expense. Franchisor shall have the right, in its sole discretion, to conduct the annual physical inventory. Franchisee shall pay to Franchisor, upon demand, an annual inventory fee in the amount of $540, or such other amount as Franchisor may establish from time to time, for conducting each annual inventory; provided, that if Franchisor provides Financial Services to Franchisee as set forth in Section 16.E., then Franchisee shall not be required to pay the annual inventory fee. Franchisor reserves the right to increase or decrease the annual inventory fee from time to time in its sole discretion.

H. Compliance with Manuals. Franchisee shall operate the Store in strict conformity with such policies, procedures, methods, standards, and specifications as Franchisor may from time to time prescribe in the Manuals or otherwise in writing.

I. Products, Equipment and Supplies. Franchisee agrees:

(i) To maintain in sufficient supply, and to use at all times, only such products, materials, supplies, forms, and other items (collectively, "items") as Franchisor shall approve or prescribe; to refrain from using or selling any items which Franchisor has not expressly approved for use or sale at the Store; to not wholesale, directly or indirectly, any items at the Store or otherwise; to promptly (or immediately, if so directed by Franchisor) discontinue selling and offering for sale any items or services which Franchisor may, in its sole discretion, disapprove at any time for any reason whatsoever; and to purchase all items required for the operation of the Store, solely from suppliers (including manufacturers, wholesalers, and distributors) which Franchisor has approved to sell such items to Franchisee at that time. Franchisor may require Franchisee to purchase any or all items exclusively from Franchisor, in Franchisor's sole discretion. If Franchisee desires to purchase any items from an unapproved supplier, Franchisee, at its own expense, shall submit to Franchisor a written request for such approval and samples and specifications, or shall request the supplier itself to do so. Franchisor has the absolute discretion to approve or disapprove any items or suppliers for any reason whatsoever. Further, Franchisor may revoke its approval of a previously approved supplier at any time for any reason whatsoever. No supplier shall be deemed approved by Franchisor, unless such approval is given by Franchisor in writing. Franchisor or its authorized representatives may at any time during normal business hours enter the Store and remove any items or stop any services that are not approved by Franchisor, not provided by suppliers approved by Franchisor, or which are otherwise prohibited by this Agreement or applicable law.

(ii) To purchase, install, operate and maintain in good working order, in the ordinary course of business, at Franchisee's expense (such expense to include reasonable maintenance fees charged by Franchisor), such fixtures, furnishings, technology, electronic platforms, signs and other equipment, including a POS System and peripherals, and such other technology and computerized equipment with such upgrades to the system and equipment as Franchisor may reasonably direct from time to time in the Manuals or otherwise in writing; participate in Franchisor's Franchise Portal; and not install or permit to be installed in, on or about the Store premises, without Franchisor's prior written consent, any fixtures, furnishings, technology, signs, equipment, or other improvements not previously approved as meeting Franchisor's standards and specifications.

J. Inspections. Franchisee shall permit Franchisor and its agents to enter upon the Store premises at any reasonable time, with or without advance notice, for the purpose of conducting inspections, auditing Franchisee's books and records and evaluating Franchisee's operations. Franchisee shall cooperate with Franchisor's representatives in such inspections, audits and evaluations by rendering such assistance as they may reasonably request; and, at the request of Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be necessary to immediately correct the deficiencies detected during such inspections, audits and evaluations. Franchisee's failure to timely comply with its obligations under this Section 12.I. shall constitute a default under this Agreement.

K. Ethical Conduct. Franchisee shall in all aspects of Store operations and in dealings with customers, suppliers, landlords, Franchisor and its Affiliates, other franchisees and the general public act in a professional manner and adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain from any conduct, business or advertising practice which may be injurious or prejudicial to the business of Franchisor, the System, and the goodwill associated with the GNC Brand Supplements, the Proprietary Marks, and other GNC stores.

L. Employees. Franchisee shall take such steps as are necessary to ensure that its employees preserve good customer relations, comply with the requirements and specifications set forth in this Agreement or prescribed in the Manuals or otherwise in writing, and comply with such dress code as

Franchisor may prescribe, including, but not limited to, wearing GNC specified uniforms in a clean and neat condition and use of name tags at all times while working in the Store.

M. Litigation. Franchisee shall notify Franchisor, in writing, immediately, but in any event within five (5) days, of the commencement by Franchisee or any third party of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business or the System.

N. Compliance with Laws. Franchisee acknowledges and understands that Franchisee's storage, offer, and sale of certain products shall be subject to specific federal, state, and local laws and regulations, including rules and regulations of the Food and Drug Administration ("FDA"), the Consumer Product Safety Commission ("CPSC"), and the Federal Trade Commission ("FTC"). Franchisee, at its sole expense, shall comply with all federal, state, and local laws, ordinances, and regulations affecting the operation of the Store, including those regulations referenced above, and shall timely obtain and maintain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, fictitious name registrations, sales tax permits, and fire clearances. Without limiting the foregoing, and in addition to the other duties of Franchisee, Franchisee shall comply with all applicable FDA and state law requirements concerning the sale of vitamins, supplements, proteins, cosmetics, drugs, foods, medical devices and other goods or services offered for sale at the Stores. Franchisee shall submit to Franchisor, on an annual basis, or more frequently as Franchisor may specify, evidence of such compliance, including copies of all certifications, permits or other licenses.

O. Loyalty Programs. Franchisee agrees to comply with and honor any loyalty programs that Franchisor currently has in place or may otherwise adopt from time to time in Franchisor's sole discretion. Franchisee understands and agrees that Franchisor shall have sole control over the components and timing of any loyalty programs that are currently in place or otherwise adopted by Franchisor from time to time in the future.

P. Customer Satisfaction Program. Franchisee agrees to participate in any customer satisfaction program established by Franchisor, as may be supplemented, modified or changed by Franchisor, in Franchisor's sole discretion, from time to time.

Q. Security Interest. As security for the payment and performance of all of Franchisee's obligations under this Agreement and all Related Agreements, whether such obligations now exist or arise hereafter, and whether direct or indirect, certain or contingent (including, but not limited to, the payment of continuing royalty and advertising fees), Franchisee grants to Franchisor a continuing security interest in the following properties, assets and rights of the Franchisee, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the "Collateral"):

(a) all accounts and accounts receivable;

(b) all inventory;

(c) all furniture, trade fixtures, machinery and equipment;

(d) all general intangibles (including customer lists and software));

(e) all contract rights; and

(f) all products and proceeds of any of the Collateral described in the foregoing subsections (a) – (e).

In addition, Franchisee grants to Franchisor a security interest in the Collateral to secure the performance and payment of all liabilities, obligations and indebtedness of Franchisee to Franchisor, whether secured or unsecured, direct or indirect, absolute or contingent, whether heretofore arising, now existing or hereafter existing, including all obligations of Franchisee arising under the Franchise Agreement and any Related Agreement.

Franchisee shall execute and deliver such financing and continuation statements, and execute and deliver such further documents, as Franchisor may deem appropriate to perfect the security interests granted hereunder. Franchisee grants to any officer of Franchisor an irrevocable power of attorney to execute and file such statements and documents on Franchisee's behalf. Franchisee shall keep the Collateral free and clear of all taxes, liens, and encumbrances, and, without Company's prior written consent, shall not mortgage, pledge, grant or create any other security interest in the Collateral, until payment in full of the obligations secured hereunder, and shall not transfer or otherwise dispose of the Collateral, except in the ordinary course of business.

If Franchisee fails to make payment or performance in full in accordance with all of Franchisee's obligations secured hereunder, then Franchisor shall have all rights and remedies at law or in equity available to Franchisor as a secured creditor.

13. DUTIES OF FRANCHISOR.

A. Specifications. Where applicable, Franchisor shall make available standard specifications for a typical store, including fixtures, furnishings, and signs, and Franchisor shall also furnish specifications for exterior work and renovation as required under an existing lease for the Store premises or otherwise by the owner or lessor. Franchisor shall also provide Franchisee with standards and specifications for equipment, supplies, forms, and inventory. Franchisor shall provide such specifications to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a fee for such specifications.

B. Training. Franchisor shall make available such training programs and refresher courses for Franchisee (or, if Franchisee is not an individual, its Designated Principal) and Franchisee's Store manager, as it deems appropriate. All training provided by Franchisor shall be subject to the terms set forth in Section 10. Franchisor shall also provide to Franchisee training materials designed for Franchisee or Franchisee's manager to train Franchisee's employees.

C. Administrative and Accounting Forms. Franchisor shall provide Franchisee with an initial set of accounting and other administrative forms; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a fee for such forms. Franchisor shall also make available to Franchisee, at Franchisee's expense, additional accounting and other administrative forms.

D. Advisory Assistance and Services. Franchisor shall provide such initial and continuing advisory assistance as Franchisor, in its sole discretion, deems advisable in the opening and operation of the Franchised Business. In addition, Franchisor shall provide such general services and other assistance as Franchisor, in its sole discretion, deems necessary and appropriate. Franchisor shall provide such assistance at no expense to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a reasonable fee for unusual, extensive or extraordinary assistance requested by Franchisee and/or require Franchisee to reimburse Franchisor for expenses incurred by it in connection with providing such services. In no event shall Franchisor be liable to Franchisee in connection with providing or failing to provide such services.

E. Manuals. Franchisor shall provide to Franchisee, or otherwise make available electronically, on loan, one (1) copy of the Manuals.

14. PROPRIETARY MARKS.

A. Use of Proprietary Marks. With respect to Franchisee's use of the Proprietary Marks pursuant to this Agreement, Franchisee agrees that:

(i) Franchisee shall use only the Proprietary Marks designated by Franchisor and shall use them only in the manner and location authorized and permitted by Franchisor. Any unauthorized use thereof shall constitute an infringement of Franchisor's rights.

(ii) Franchisee shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

(iii) Franchisee shall not use the Proprietary Marks in its corporate name, domain name, electronic address or any fictitious name without Franchisor's prior written consent. If Franchisor consents to Franchisee's use of a fictitious name containing the Proprietary Marks and state or local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise to file a report or other certificate indicating that GENERAL NUTRITION CENTER or such other Proprietary Mark or similar name is being used as a fictitious or assumed name, Franchisee shall include in such filing or application therefor an indication that the filing is made as a franchisee of GENERAL NUTRITION CORPORATION, a Pennsylvania corporation, of Pittsburgh, Pennsylvania.

(iv) Franchisee shall not directly or indirectly raise or cause to be raised any questions concerning, or objections to, or contest, the validity or the ownership of the Proprietary Marks on any grounds whatsoever.

(v) In the event that litigation involving the Proprietary Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor in writing and shall cooperate fully in defending or settling such litigation, or threatened litigation. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy involving the Proprietary Marks without first obtaining Franchisor's prior written consent. Franchisor shall have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal or otherwise handle any such action and take such steps as it may deem advisable to prevent any such action and to join Franchisee and any other franchisees as a party to any such action to which Franchisor may be a party and to which Franchisee is or would be a necessary or proper party, but nothing herein shall be construed to obligate Franchisor to seek recovery of costs or damages of any kind in any such litigation, the assertion or waiver of such claims being within the sole discretion of Franchisor. The costs of any such action shall be paid by Franchisor and any recovery obtained shall be paid to Franchisor. During the course of any such litigation in which the interests of Franchisee and Franchisor are not adverse, Franchisee and Franchisor shall be deemed to be joint clients of the litigation counsel; and, in that event, no attorney/client privilege shall restrict Franchisee's or Franchisor's right to communicate with and receive information relating to such litigation. Notwithstanding Franchisor's exercise of any of its rights under this section, Franchisor reserves any rights it may have to seek indemnification from Franchisee in any appropriate case.

(vi) Franchisee shall not use or permit the use of any trade names, trademarks or service marks at the Store or otherwise in connection with the Franchised Business other than the Proprietary Marks.

(vii) Upon termination or expiration of this Agreement, Franchisee shall immediately cease the use of the Proprietary Marks and take such action as required under Section 21. Franchisee acknowledges that Franchisee's violation of the terms of this Section 14 may cause immediate, irreparable and incalculable harm and significant injury to Franchisor, the damages of which may be difficult to ascertain and for which no adequate remedy of law may be available. Franchisee agrees to the granting of equitable relief, including injunctive relief and specific performance, in Franchisor's favor without proof of actual damages or posting a bond or other security, such bond or other security hereby being waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining such relief.

B. Acknowledgments. Franchisee expressly understands and acknowledges that:

(i) As between the parties hereto, Franchisor has the exclusive right and interest in and to the Proprietary Marks and the goodwill now or in the future associated with and symbolized by them.

(ii) Franchisee's use of the Proprietary Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to such Proprietary Marks and all goodwill arising from Franchisee's use of the Proprietary Marks in its Franchised Business under the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Proprietary Marks.

(iii) Franchisor reserves the right to change, add or discontinue use of any Proprietary Mark, or to introduce additional or substitute Proprietary Marks for use in identifying the System and the Franchised Business. Franchisee shall comply with any requirements imposed by Franchisor regarding the change, alteration, discontinuation, addition or substitution of different Proprietary Marks. Franchisor shall reimburse Franchisee for all reasonable costs incurred by Franchisee which are associated with the substitution of different Proprietary Marks, except that Franchisee shall bear such costs if such substitution of Proprietary Marks coincides with Franchisee's required refurbishment of the Store as specified under Section 12.F. and 19.B. Franchisor shall have no liability for any loss of revenue or goodwill due to any new or discontinued Proprietary Mark.

15. CONFIDENTIAL OPERATING MANUAL. Franchisee shall conduct its business in strict accordance with the Manuals, one (1) copy of which shall be furnished or otherwise made available electronically to Franchisee on loan for the term of this Agreement. Franchisee shall at all times treat the Manuals and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the Manuals, in whole or in part, nor otherwise make the same available to any unauthorized person. The Manuals shall at all times remain the sole property of Franchisor and shall at all times be kept in a secure place on the Store premises. Franchisee acknowledges that Franchisor may from time to time revise the contents of the Manuals to implement new or different requirements for the operation of the Franchised Business, the implementation of which may require the expenditure of additional sums of money by Franchisee. Franchisee agrees to comply immediately (or by such later time as Franchisor may allow) with all new or changed policies, procedures or standards that are mandatory. Franchisee shall at all times ensure that its copy of the Manuals is kept current and up to date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor at Franchisor's home office shall be controlling.

16. ACCOUNTING AND RECORDS.

A. Records. Franchisee shall maintain and preserve for at least five (5) years from the dates of their preparation, all cash register tapes and full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing. Franchisee shall record all Gross Sales immediately at the time of sale and at the actual price charged to the customer on POS Systems approved by Franchisor which have a sealed and continuous tape which cumulates and consecutively numbers all purchases. Franchisee acknowledges and agrees that if Franchisor is required or permitted by statute, rule, regulation or any other legal requirement to disclose any information regarding Franchisee or the operation of the Store, including earnings or other financial information, Franchisor shall be entitled to disclose such information. Franchisor also shall be entitled to use any such information in connection with the business of Franchisor or its Affiliates. In addition, Franchisee hereby expressly authorizes Franchisor to disclose any such information to its agents and potential purchasers (and their employees, agents and representatives) of Franchisor in connection with the sale or transfer of any equity interests or assets of Franchisor or any merger, reorganization or similar restructuring of Franchisor.

B. Periodic Reports. On or before the twelfth (12th) day of each Period, Franchisee shall submit to Franchisor, in the manner and form prescribed by Franchisor in the Manuals or otherwise in writing, such reports as Franchisor may prescribe, all relating to Franchisee's business activities during the preceding Period, including copies of Franchisee's daily business log reports, periodic sales and royalty reports, periodic activity reports, and periodic advertising expenditure and contribution reports, and such other information as Franchisor may require relating to the operations of the Franchised Business during the preceding Period.

C. Miscellaneous. Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, bank statements, cash register tapes, information, and data as Franchisor may reasonably require, including Franchisee's federal and state income tax returns, sales and employment tax returns and evidence of payment of any such taxes required by local law, in the form and at the times and places reasonably designated by Franchisor, upon request and as specified from time to time in the Manuals or otherwise in writing. In addition, Franchisee shall submit to Franchisor certain weekly and monthly information, data and reports as requested by Franchisor including fully completed cash disbursement, cash receipts, gross-to-net payroll, and accounts payable report forms, direct purchase reports and bank statements. Such records, forms and reports shall be in the form determined by Franchisor from time to time. All such reports and data shall be signed by Franchisee attesting that they are true and correct.

D. Audit. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at Franchisor's expense, the books, records, and business tax returns of Franchisee. Franchisor shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an audit should reveal that any Gross Sales have been understated in any report to Franchisor, then Franchisee shall immediately upon demand pay to Franchisor all royalties and advertising contributions due on the amount understated, in addition to interest from the date such royalties and advertising contributions were due until paid, at the rate of one and one-half percent (1 1/2%) per month, or the maximum rate permitted by law, whichever is less. If an audit discloses an understatement of three percent (3%) or more in any report of Gross Sales, Franchisee shall, in addition to payment of all royalties and advertising contributions due, plus any interest thereon, reimburse Franchisor for all costs and expenses connected with the inspection and audit (including travel, lodging, and wage expenses and reasonable accounting, administrative and legal costs).

E. Financial Services. Franchisor or its Affiliate, for a monthly fee based on actual costs of the Franchisor, may (but is not obligated to) provide to Franchisee various financial support services (the

"Financial Services"), which may, at Franchisor's discretion, include the following: data processing, accounting, and other operational services, including financial statements, monthly bank reconciliations, monthly cash flow statements, and monthly financial statement variance analysis; an annual physical inventory; and payroll and HR services provided by an outside vendor. If Franchisor chooses to provide the Financial Services, Franchisee may, at its option, use or decline the Financial Services provided by Franchisor, unless required to in connection with a Franchisor financing or other program. In special circumstances on a case-by-case basis, Franchisor may reduce fees for Financial Services for Franchisee or for one or more other franchisees for a period of time. Franchisor reserves the right to charge a monthly service charge up to 10% of the monthly service fee for the month(s) that required financial information is not timely provided as required by Franchisor. If Franchisor provides the Financial Services to Franchisee, Franchisor may discontinue any or all of them at any time for any reason. If Franchisor does not provide the Financial Services to Franchisee, or if Franchisee opts not to use the Financial Services (unless required in connection with a Franchisor financing or other program), then Franchisee agrees to procure its own financial bookkeeping and payroll services, at its sole expense. If Franchisor does not provide the Financial Services to Franchisee, or if Franchisee opts not to use the Financial Services, then no later than twenty (20) days after the end of each calendar year during the term of the Agreement, Franchisee shall furnish to Franchisor, for the preceding calendar year, an annual profit and loss statement and balance sheet signed and verified by Franchisee as accurately reflecting the results of operations of Franchisee's GNC Store for the preceding calendar year. In addition, during the term of the Agreement, upon the request of Franchisor, Franchisee agrees to provide to Franchisor current interim financial statements (in a form acceptable to Franchisor) reflecting the operations of Franchisee's GNC Store.

F. Lease Audits. Franchisor may (but is not be obligated to) conduct periodic audits of Common Area Maintenance (CAM) charges and other charges under Franchisee's lease or sublease. Franchisee shall provide or make available such records and information as may be necessary for Franchisor to conduct and complete such audits. Franchisor agrees to pass on any savings resulting from such audits to Franchisee; provided, that Franchisor shall be entitled to retain, or invoice Franchisee for, as the case may be, an amount equal to Thirty Percent (30%) of any such savings. Franchisee agrees to pay any invoice in accordance with its terms.

17. ADVERTISING.

A. Fund Administration. The Fund shall be maintained and administered by Franchisor or its designee, as follows:

(i) Franchisor or its designee shall direct all advertising programs. Franchisor shall have sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Fund is intended to maximize general public recognition, acceptance, and use of the System and that Franchisor and its designees are not obligated in administering the Fund to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular Franchisee benefits directly or pro rata from expenditures by the Fund. Franchisor does not warrant or represent that any or all of the advertising or promotional materials or campaigns will be successful or will achieve any particular result.

(ii) The Fund, all contributions thereto, and any earnings thereon shall be used exclusively to meet any and all costs of maintaining, administering, directing, and preparing advertising and/or promotional activities including the costs of preparing and conducting television, radio, magazine, and newspaper advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; providing promotional and other marketing materials to the Stores operated under the System; costs associated with processing member contributions to the Fund; and payment of salaries and expenses of Franchisor and its Affiliates associated with administering the Fund and processing member contributions to the Fund.

(iii) All sums paid by Franchisee to the Fund shall be maintained in an account separate from the other monies of Franchisor. Franchisor or its designee shall maintain separate bookkeeping accounts for the Fund.

(iv) It is anticipated that all contributions to and earnings of the Fund generally will be expended for advertising and/or promotional purposes during the taxable year within which the contributions and earnings are received. If, however, excess amounts remain in the Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of contributions from previous years, next out of current earnings, and finally from current contributions.

(v) The Fund is not and shall not be an asset of Franchisor or its designee. An unaudited report of the operations of the Fund as shown on the books of the Fund shall be prepared annually by Franchisor and shall be made available to Franchisee upon request.

(vi) Although the Fund is intended to be of perpetual duration, Franchisor maintains the right to terminate the Fund. The Fund shall not be terminated, however, until all monies in the Fund have been expended for advertising, set aside for future contracted advertising commitments and/or promotional purposes or returned to contributors on the basis of their respective contributions.

(vii) The expenditure of Fund monies is to be under the control of, and in the sole discretion of, Franchisor or its designee at all times. Franchisor reserves the right to forgive any payments due to the Fund by any franchisee and to, at its option, allow franchisees to spend monies due to the Fund on local advertising. Franchisor will not be liable for any act or omission with respect to the Fund that is consistent with this Agreement and done in good faith. Except as expressly provided in this Section 17, Franchisor assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Fund. Franchisee acknowledges and agrees that Franchisor is not operating or acting as a trustee or fiduciary with respect to the Fund.

B. Co-operative/Local Advertising Fee. Franchisor shall have the right, in its discretion, to establish an advertising co-operative or a local advertising expenditure requirement at any time in the future upon notice to Franchisee. If such a co-operative is established, Franchisor shall have the right to require Franchisee's participation in said co-operative and to require Franchisee to sign any co-operative advertising agreement it deems necessary.

C. Promotional Materials. Franchisor shall make available to Franchisee from time to time, at Franchisee's expense in such amounts to cover Franchisor's direct costs, advertising plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point-of-purchase materials, special promotions, direct mail materials, community relations programs, and similar advertising and promotional materials.

D. Advertising Standards. All advertising and Media communications by Franchisee in any medium shall be conducted in a dignified manner, shall be completely truthful, accurate, and not misleading, shall comply with the highest ethical standards applicable to advertising generally and the business in particular, shall comply with all federal, state, and local laws and regulations, including rules and regulations of the FDA, the FTC, and all applicable consumer protection agencies and bureaus, and shall conform to such standards and requirements as Franchisor may specify from time to time in the Manuals or otherwise in writing.

E. Telephone Directory Listing/Advertisements. Listings and advertisements in local telephone directories obtained by Franchisee, if any, shall be in the form, size, and type of directory specified by the Franchisor in the Manuals or otherwise in writing. Such listings and advertisements shall be at Franchisee's cost, are in addition to the Advertising Fee, and shall not be paid for out of the Fund.

F. Approval. Franchisee shall submit samples of all advertising, promotional plans and materials proposed to be used by Franchisee or any organization or association in which Franchisee is a member whose business relates, directly or indirectly, to Franchisor or the Franchised Business, and any other advertising or promotional media to Franchisor (via U.S. mail, return receipt requested) for its approval (except with respect to prices to be charged), if such plans and materials have not been prepared or previously approved by Franchisor, and Franchisee shall not use any such advertising or promotional plans or materials prior to receiving written approval of the same from Franchisor. This requirement shall apply to any and all advertising, promotional plans or materials, and any other advertising or promotional media, including, but not limited to, those placed by Franchisee directly or indirectly, those placed on Franchisee's behalf by another person, and those to which Franchisee contributes any financial or other consideration. If written approval is not received by Franchisee from Franchisor within thirty (30) days of date of receipt by Franchisor of such samples or materials, Franchisor shall be deemed to have disapproved them.

G. Pricing. Franchisee shall generally have the right to sell its products and to offer its services at any prices Franchisee may determine; provided, however, that to the fullest extent permitted by law, Franchisor shall have the right to establish minimum and/or maximum prices for any product or service offered by Franchisee. Franchisee acknowledges that Franchisor and its Affiliates and any of their respective licensees, may sell the same products as Franchisee, including GNC Brand Supplements, at discounted prices or other retail prices below those established by Franchisee.

18. TRANSFER OF INTEREST.

A. Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of this Agreement and Franchisor's rights or obligations herein to any person or legal entity without Franchisee's consent, and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all of Franchisor's obligations arising under this Agreement subsequent to the transfer or assignment. In addition, Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Franchisee agrees and affirms that Franchisor may sell its assets, the Proprietary Marks and/or the GNC System to a third-party; may offer its securities privately or publicly; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Franchisee further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Franchisee acknowledges may be proximate to any of its Stores; provided, that Franchisor will not operate, franchise or license such businesses as GNC Stores operating under the Proprietary Marks within Franchisee's Protected Territory during the Protective Period. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Proprietary Marks (or any variation thereof) and the GNC System and/or the loss of association with or identification of General Nutrition Corporation under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the Franchised Business or to offer or sell any products or services to Franchisee.

B. Transfer by Franchisee

(i) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted this franchise in reliance on the business skill, financial capacity, and personal character of Franchisee and its Principals. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement nor any individual or Entity which directly or indirectly controls Franchisee shall subfranchise, sell, assign, transfer, merge, convey or give away (each a "Transfer"), in whole or in part, any direct or indirect interest in this Agreement or in Franchisee or the Franchised Business without the prior written consent of Franchisor. In addition, if Franchisee is an Entity, the shareholders, members, partners, beneficiaries, investors or other equity holders (collectively, "Equity Holders") of Franchisee, as the case may be, may not, directly or indirectly, Transfer their equity interests in Franchisee (each an "Equity Transfer") without the prior written consent of Franchisor. Furthermore, in the event that any Equity Holder of Franchisee is an Entity, the interests of any such Equity Holder may not be Transferred without the prior written consent of Franchisor. Notwithstanding the foregoing, Franchisor's prior written consent shall not be required for a Transfer of less than a five percent (5%) interest in a publicly-held corporation, provided that such Transfer does not result in a change in control of such Entity, Franchisee or the Franchised Business. Any Transfer in violation of this Agreement or the Manuals or other writing that Franchisor may prescribe shall be void and of no force and effect. In the event of any such Transfer in violation of this Agreement, Franchisee shall be in default hereunder and Franchisor shall be entitled to immediately terminate this Agreement on notice to Franchisee.

(ii) Franchisor's approval of any Transfer may be conditioned on any or all of the following:

(a) All of Franchisee's accrued monetary obligations to Franchisor or any Affiliate of Franchisor shall have been satisfied, all or a portion of which Franchisor may require to be paid in immediately available funds, including wire transfers, on or before the date of Transfer;

(b) Franchisee is not in default of any provision of this Agreement or any Related Agreement (as defined in Attachment A);

(c) The Franchisee/transferor and if the transferee is an existing franchisee of Franchisor, the transferee, and their respective Principals and any Entity in which they have any ownership interest or control, directly or indirectly, whose business relates in any way to the Franchised Business, the Products or GNC, shall have executed a general release in a form prescribed by Franchisor, of any and all claims against Franchisor or any of its Affiliates and their respective officers, directors, shareholders, and employees, in their corporate and individual capacities, including claims arising under federal, state, and local laws, rules, and ordinances, which arise out of or are in any way related to any existing contract or franchised business with Franchisor or its Affiliates;

(d) The transferee and his or her spouse (and, if the transferee is not an individual, all owners of a beneficial interest in the transferee and their respective spouses) shall (i) enter into a written assignment, in a form prescribed by Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement and (ii) guarantee the performance of all such obligations in writing in a form prescribed by Franchisor as it deems necessary for adequate security;

(e) In the event the Store is not in compliance with Franchisor's policies, procedures or standards as set forth in this Agreement, the Manuals or otherwise in writing, including, but not limited to, minimum acceptable inventory levels as determined by Franchisor, the transferee shall agree in a writing prescribed by Franchisor to be responsible, at its cost, for achieving compliance with such policies, procedures or standards within a reasonable period of time, as determined by Franchisor, following the Transfer;

(f) The transferee (and, if the transferee is not an individual, such owners of a beneficial interest in the transferee as Franchisor may request) shall demonstrate to Franchisor's satisfaction that the transferee meets Franchisor's educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the Franchised Business on a continuing basis under the System;

(g) At Franchisor's option, the transferee (and, if the transferee is not an individual, all owners of a beneficial interest in the transferee) shall execute the then-current standard form Franchise Agreement with a term equal to, at the option of Franchisor (i) the then-current full franchise term and such renewal term(s), if any, being offered by Franchisor to new franchisees, or (ii) the remaining term of this Agreement and such renewal term(s), if any, being offered by Franchisor to new franchisees, or (iii) the remaining term of the current lease or sublease for the Franchised Business, and such other ancillary agreements as Franchisor may require for the Franchised Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement; provided, that the transfer fee described in Section 18.B.(ii)(l) below shall be in lieu of the initial franchise fee, and, provided further, in the event of an Administrative Transfer (as defined in Attachment A) or an Equity Transfer, directly or indirectly, of less than a fifty percent (50%) ownership interest in Franchisee ("Minority Equity Interest"), the term shall be equal to the remaining term of this Agreement and such renewal term(s), if any, as may be provided thereafter by this Agreement;

(h) The transferee shall execute a Product Sales Agreement, and if needed, a Purchase Money Security Agreement and Promissory Note in the form(s) required by Franchisor;

(i) The transferee shall, at its expense, upgrade the Store to conform to the then-current standards and specifications for stores under the System, and shall complete the upgrading and other reasonable requirements within the time specified by Franchisor;

(j) Franchisee and each guarantor of this Agreement shall remain liable for all obligations of the Franchised Business prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

(k) At the transferee's expense, the transferee (and if transferee is not an individual, its Designated Principal) and the transferee's manager shall complete any training program then in effect for franchisees upon such terms and conditions as Franchisor may require;

(l) Franchisee or the transferee shall pay Franchisor a transfer fee determined by Franchisor in its sole discretion, but which will not exceed the then-current undiscounted initial franchise fee being charged to new franchisees for a new Store, with the exception of (i) Administrative Transfers (as defined in Attachment A), in which case, the transfer fee shall be $1,000, and (ii) a Transfer of a Minority Equity Interest, in which case, the transfer fee shall be $2,500, to cover Franchisor's supervisory, administrative, accounting, legal, training and other costs and expenses in connection with the Transfer;

(m) With the exception of an Administrative Transfer (as defined in Attachment A) or a Minority Equity Interest Transfer, Franchisee shall have first offered to sell such interest to Franchisor pursuant to Section 18.C. and Franchisor shall have declined such offer in the manner set forth herein;

(n) Minority Equity Interest Transfers and Administrative Transfers shall be limited to no more frequently than one such Transfer per Franchise Term, unless otherwise approved in writing by Franchisor, in its sole discretion.

(o) The terms and conditions of the proposed Transfer shall be satisfactory to Franchisor and shall require the use of an escrow company, satisfactory to Franchisor, for the transaction; and

(p) Neither transferee nor any of its Affiliates, principals or beneficial owners shall be associated with or own a direct or indirect interest in a Competitive Business.

(iii) The Transfer, pledge, or hypothecation of all or any part of the assets of the Franchised Business and, if Franchisee is an Entity, all or any part of the equity interest in such entity, to banks or other lending institutions as collateral security for loans made directly to or for the benefit of the Franchised Business shall require the prior written approval of Franchisor.

(iv) Franchisee acknowledges and agrees that each condition set forth above is necessary to assure such transferee's full performance of the obligations hereunder.

(v) If Franchisee is a limited partnership or a limited liability company, Franchisee may not remove or appoint, or permit the limited partners or members to remove or appoint, a new or successor general partner or limited liability company manager without the prior written consent of Franchisor (even if such appointment is due to the resignation, death or Incapacity of the general partner or manager).

C. Right of First Refusal. If Franchisee proposes to sell, transfer or otherwise dispose of all or any portion of Franchisee's right, title or interest in and to the Franchised Business or (except in the ordinary course of business) any of the assets thereof to any third party or if any party who holds any interest in Franchisee or in this Agreement (the transfer of which interest would have the effect of transferring a controlling interest in the Franchised Business) desires to sell such assets or interest to any third party, Franchisee or any such party shall notify Franchisor in writing of the proposed terms of each such sale (each a "ROFR Notice") and shall provide to Franchisor copies of the offer and all related documents and agreements and all such information as Franchisor may reasonably request concerning the proposed purchaser and/or transaction), and Franchisor shall have the right and option, exercisable by written notice to the seller within thirty (30) days after receipt of such written notification and of all such related documents, agreements and reasonably requested information (the "ROFR Period"), to purchase the seller's interest or the assets on the same proposed terms and conditions as set forth in the ROFR Notice and related documents provided by the seller (or, if, in the opinion of Franchisor, circumstances render an exact "match" of the sale terms not practicable, then the monetary equivalent of such terms and conditions, provided thatif the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions of the sale to the third party, an independent appraiser shall be designated by Franchisor, and his or her determination shall be binding). During the ROFR Period, the seller shall not be permitted to transfer, sell or otherwise dispose of such interest or assets to any third party, and Franchisor shall have no obligation whatsoever with respect to any revised or additional offer with respect to such interest or assets, other than that reflected in the terms and conditions described in the ROFR Notice. In the event that Franchisor elects to purchase the assets or seller's interest, closing on such purchase must occur within one hundred and twenty (120) days from the date of notice to the seller of the election to purchase by Franchisor or such later date as may have been provided in the terms of sale to the third party. In the event that Franchisor does not elect to exercise its rights of first refusal with respect to the offer described in the ROFR Notice and the seller proceeds with the proposed sale, then any material change in the terms of such proposed sale prior to closing therefor shall constitute a new sale requiring a new ROFR Notice and shall be subject to the same rights of first refusal by Franchisor as in the case of an initial sale. For purposes hereof, "material change" shall include but shall not be limited to any change in the amount, form of payment or schedule for payment of the proposed purchase price. If the sale to the third party is not completed within one hundred and eighty (180) days after the expiration of the applicable ROFR Period described herein, the seller shall notify Franchisor of such fact and Franchisor shall be entitled to purchase seller's interest on the same terms and conditions as the terms of sale of the third party, or the monetary equivalent thereof. Failure of Franchisor to exercise any option afforded by this Section 18.C. shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 18, with respect to a proposed Transfer.

D. Transfer Upon Death or Incapacity.

(i) Upon the death or Incapacity of any person with an interest in the Franchised Business or in Franchisee (the effect of which would cause the Franchised Business to temporarily or permanently cease to operate in full compliance with all requirements of this Agreement), Franchisee shall immediately notify Franchisor of such event. Franchisor may, in its sole discretion, but without any obligation to do so, immediately enter upon the Store premises, and install a manager to manage and operate the Franchised Business for such time as Franchisor deems necessary, or until an approved Transfer in accordance with the terms of Section 18.D.(ii) occurs. Franchisor shall be entitled to compensation and recoupment of expenses incurred during this period at a rate of $2,000 per week. If Franchisor assumes the Store's management, Franchisee acknowledges that Franchisor will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Principals for any debts, losses or obligations the Store incurs, or to any of Franchisee's creditors for any supplies or services the Store purchases while the Franchisor manages it.

(ii) Upon the death or Incapacity of any person with any interest in the Franchised Business or in Franchisee (the transfer of which interest would have the effect of transferring a controlling interest in the Franchised Business), the executor, administrator, or personal representative of such person shall transfer his or her interest to a third party approved by Franchisor within six (6) months after such death or Incapacity. Such transfers, including transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer (transfer by conveyance). However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 18, the personal representative of the deceased person shall have a reasonable time to dispose of the deceased's interest in the Franchised Business or Franchisee, which disposition shall be subject to all the terms and conditions for Transfers contained in this Agreement. If an approved transfer is not effected within a reasonable time, Franchisor may terminate this Agreement, immediately upon written notice to the personal representative or the executor, administrator or any living person having an ownership interest in the Franchised Business. As used in this Section 18.D., "Franchisee" may include an incapacitated or deceased controlling shareholder, partner, member, investor or other equity holder where the context so requires.

E. Non-Waiver of Claims. Franchisor's consent to a Transfer of any interest in the franchise granted herein shall not constitute a waiver of any claims Franchisor may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferees.

F. Offerings by Franchisee. Securities in Franchisee may not be offered to the public by private offering or otherwise without the prior written consent of Franchisor. If securities in Franchisee are offered to the public, by private offering or otherwise, all materials required for such offering by federal or state law shall be submitted to Franchisor for review prior to their use or filing with any government agency; and any materials to be used in any offering exempt from federal or state securities laws shall be submitted to Franchisor for review prior to their use. No such offering shall imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating in underwriting, issuing, or offering securities of Franchisee or Franchisor; and Franchisor's review of any offering shall be limited solely to the subject of the relationship between Franchisee and Franchisor. Franchisee and the other participants in the offering must fully indemnify Franchisor in connection with the offering. For each proposed offering, Franchisee shall pay Franchisor a non-refundable fee of $5,000 to cover Franchisor's costs and expenses associated with reviewing the proposed offering, including legal and accounting costs. Franchisee shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section 18.F. to enable Franchisor the opportunity to exercise its right of first refusal as provided in Section 18.C. Notwithstanding Franchisor's approval of a public offering, the remaining provisions of Section 18 shall apply to the Transfer.

19. CONDITIONAL RENEWAL OF FRANCHISE. This Agreement shall not automatically renew upon the expiration of the Franchise Term. Subject to the term of the lease or sublease for Franchisee's Store, Franchisee has the option to renew the franchise upon expiration of the Franchise Term for one (1) additional consecutive term of five (5) years, if, and only if, each and every one of the following conditions has been satisfied:

A. Notice and Approval. Franchisee shall give Franchisor written notice of Franchisee's election to renew not less than twelve (12) months nor more than eighteen (18) months prior to the end of the Initial Term or the Renewal Term, as applicable. If Franchisor does not receive the written renewal notice required above within the required time frame, Franchisor shall have no obligation to renew this Agreement. Such renewal shall be subject to Franchisor's prior approval. Franchisor's failure to respond to Franchisee's renewal request shall not constitute a default under this Agreement;

B. Remodeling. Franchisee shall complete or provide for, at its own expense and to Franchisor's satisfaction, such maintenance, renovation and modernization of the Store premises as Franchisor may in its sole discretion require, including, but not limited to, replacement of signs, equipment, furnishings, and decor, to reflect the then-current image of the System and the particular type and grade of location for the Store;

C. No Default. Franchisee shall have maintained the System standards and otherwise sustained compliance with the terms and conditions of this Agreement and all Related Agreements (as defined in Attachment A) over the term of this Agreement. Franchisee shall not be, when notice of renewal is given, or at any time thereafter prior to the expiration of the then-current Franchise Term, in default of any provision of this Agreement or any Related Agreement (as defined in Attachment A); Franchisee shall not have had, when notice of renewal is given, or at any time thereafter prior to the expiration of the then-current Franchise Term, three (3) or more defaults (even if cured) for failure to pay royalties or any other sums owed to Franchisor during the term of this Agreement or any Related Agreement (as defined in Attachment A); and Franchisee shall have fully and faithfully complied with all the terms and conditions of such agreements during the terms thereof;

D. Payment. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its Affiliates, as well as to lessors, sublessors, vendors and suppliers of the Store, and shall have timely met such obligations throughout the term of this Agreement;

E. Premises. Franchisor shall have approved, in its sole discretion, the continued operation of the Franchised Business at the Store premises and the terms of any lease extension or new lease covering the renewal term, whether the lease for the Store premises is with Franchisor or Franchisor's Affiliate or with a third party, including a third party in which Franchisee has an interest. If Franchisee subleases the Store premises from Franchisor or Franchisor's Affiliate, Franchisee agrees that Franchisor or Franchisor's

Affiliate has no obligation to exercise any lease option, if available, or otherwise extend the term of any master lease for the renewal term to accommodate this Conditional Renewal Term;

F. Franchise Agreement. Franchisee and its Principals shall execute Franchisor's then-current form of franchise agreement, and any accompanying addenda and ancillary agreements (including the guaranties contemplated by Section 5.B.(ii) hereof or as otherwise required by Franchisor), for each renewal term, which agreement shall supersede this Agreement in all respects, and the terms of which may differ substantially from the terms of this Agreement, including the Royalty Fees; provided, however, that Franchisor may require that Franchisee pay, in lieu of an initial franchise fee, a Renewal Fee equal to Twelve Thousand Five Hundred Dollars ($12,500), and Franchisor may waive any of the Pre-Opening Obligations to the extent they are inapplicable or already fulfilled by Franchisee to Franchisor's satisfaction. The Renewal Fee shall be paid to Franchisor at least sixty (60) days prior to the expiration of the current Franchise Term. The Renewal Fee shall be fully earned by Franchisor in consideration of granting the renewal franchise and shall be non-refundable except as otherwise provided in this Agreement. Franchisor shall have the right to adjust the term of the renewal franchise agreement to align it with the remaining term of the current lease or sublease for the Franchised Business;

G. Release. Franchisee and its Principals and any entity in which they have any ownership interest or control, directly or indirectly, whose business relates in any way to the Franchised Business, the Products or Franchisor, shall execute a general release covering all existing GNC franchised stores in which such parties have an interest, in a form prescribed by Franchisor, of any and all claims against Franchisor and its Affiliates, and their respective officers, directors, agents, and employees;

H. Training. Franchisee shall comply with Franchisor's then-current qualification and training requirements for renewal franchisees;

I. Ability to Operate the Franchised Business at a Profit. Franchisee's Gross Sales during the Franchise Term have enabled Franchisee to cover all costs of operating the Franchised Business; and

J. Credit Rating. Franchisee shall have a sound credit rating with all trade purveyors and service agencies and sufficient financial resources to continue to operate the Franchised Business in accordance with the requirements of the then-current form of franchise agreement.

20. DEFAULT AND TERMINATION.

A. Automatic Termination without Notice or Opportunity to Cure. Franchisee shall be in default under this Agreement and all rights granted herein shall automatically terminate without notice to Franchisee:

(i) If Franchisee shall become or be adjudicated insolvent or bankrupt, fails to pay debts as they come due and/or admits in writing its inability to pay debts as they come due or makes a general assignment for the benefit of creditors;

(ii) If a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee or proceedings for a composition with creditors under any state or federal law are instituted by or against Franchisee;

(iii) If a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee or such receiver or other custodian (permanent or temporary) is appointed by any court of competent jurisdiction;

(iv) If a final judgment against Franchisee remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed);

(v) If execution is levied against Franchisee's business or property or the real or personal property of the Store shall be sold after levy thereupon by any sheriff, marshal, or constable;

(vi) If suit to foreclose any lien or mortgage against the premises or equipment of the Store is instituted against Franchisee and not dismissed within thirty (30) days; or

(vii) If Franchisee is dissolved either voluntarily or involuntarily.

WAIVER OF AUTOMATIC STAY

If Franchisee shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended (the "Bankruptcy Code"), (ii) be the subject of any order for relief issued under the Bankruptcy Code, (iii) file or be the subject of any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief to debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any bankruptcy, insolvency, or relief for debtors, then (a) Franchisor shall thereupon be entitled to relief from any automatic stay imposed by § 362 of the Bankruptcy Code, or any similar provision, (b) Franchisee hereby stipulates and agrees that "cause" under § 362 (c) of the Bankruptcy Code exists for relief from the automatic stay, (c) Franchisee hereby expressly waives any protection afforded by the automatic stay and any objection to Franchisor's relief therefrom, and (d) Franchisee agrees not to oppose or object to such relief.

B. Termination by Franchisor on Notice without Opportunity to Cure. Upon the occurrence of any of the following events, Franchisee shall be in default hereunder, and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Franchisee:

(i) If Franchisee neglects, fails or refuses to comply with any of the Pre-Opening Obligations, or if Franchisee fails to open the Store for business, on or prior to the end of the Pre-Opening Period;

(ii) If Franchisee fails to timely procure or maintain the insurance required to be procured and maintained by Franchisee under Section 9;

(iii) If Franchisee abandons the Franchised Business, or fails to maintain operating hours required under the lease or sublease for the Store premises for three (3) consecutive business days, or relocates the Franchised Business without the prior written approval of Franchisor or if the Franchisee loses the right to possession of the Store premises, including, without limitation, by failing or refusing to execute a lease or sublease or a renewal or extension of a lease or sublease for the Store premises or otherwise, or otherwise forfeits the right to do or transact business in the jurisdiction where the Store is located;

(iv) If Franchisee or any of its Principals is convicted of, or has entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, and the goodwill associated therewith, or Franchisor's interest therein;

(v) If Franchisee or any Principal of Franchisee purports to Transfer any rights or obligations under this Agreement or any interest in Franchisee or the Franchised Business to any third party without Franchisor's prior written consent, contrary to the terms of Section 18 of this Agreement;

(vi) If Franchisee or any of its Principals, as applicable, fails to comply with the covenants in Section 22.A., 22.B. and 22.C. or fails to obtain and deliver the executed covenants which may be required under Sections 22.I. and 22.J.;

(vii) If Franchisee, or any of its Principals, employees, agents or representatives, has made any material misrepresentations, or has provided any false, misleading, inaccurate or incomplete information, whether written or oral, in connection with Franchisee's application to Franchisor for the franchise granted herein or in connection with the operation of the Franchised Business pursuant to this Agreement, including, repeatedly failing to correctly record each sale on the approved POS System immediately at the time of such sale and at full retail price as required under Section 16.A.;

(viii) If Franchisee, or any of its employees, agents or representatives, engages in fraudulent conduct, including knowingly maintaining false books or records, submitting or making any false reports or statements to Franchisor, or attempting to adjust the POS System or manipulate data input thereon to decrease Franchisee's royalty obligation, cause issuance of credits to Franchisee to which it is not entitled, or otherwise cause data presented not to be true and correct; or if Franchisee, or any of its employees, agents or representatives, denies Franchisor's authorized representatives immediate access to the Store or to Franchisee's books and records for the purposes of an audit or inspection;

(ix) If Franchisee, after receiving notice of termination for a default under Section 20.C. hereof, fails to immediately initiate a remedy to cure such default;

(x) If Franchisee is in default under Section 20.C. hereof for failure to comply with any requirements imposed by this Agreement more than once;

(xi) If Franchisee commits an event of default under this Agreement or any Related Agreement (as defined in <u>Attachment A</u>), and fails to cure such default within the applicable cure period, if any, specified in such agreement;

(xii) If Franchisee engages in illegal activities on or about the Store premises or otherwise in connection with the operation of the Franchised Business;

(xiii) If Franchisee, or any of its employees, agents or representatives, assaults, threatens, verbally or otherwise, the health or safety of, or engages in repeated or a pattern of abusive treatment against, Franchisee's customers, any member of the general public, other franchisees, or any employees, agents or representatives of Franchisor or its Affiliates;

(xiv) If Franchisee markets, offers or sells any products or services which are banned by Franchisor, the Food and Drug Administration, any state agency or any federal, state or local law, statute, regulation or ordinance; engages in any acts or omissions which violate applicable law, including libel and slander laws; engages in any conduct which creates a material risk of danger to health or safety; or engages in any activity which is likely to be directly or indirectly injurious or prejudicial to the goodwill associated with the Proprietary Marks;

(xv) If Franchisee has received at least three (3) default notices from Franchisor within a twelve (12) month period, even if such default is subject to a right to cure or is cured after notice is delivered to Franchisee;

(xvi) If Franchisee operates a mail order, direct mail, catalog, telemarketing, wholesale, exporting, distribution, direct sales, direct marketing or similar business, including through the use of the Internet, which permits customers to purchase and receive products or services without being present at the Approved Location, contrary to the terms of Section 2.B. of this Agreement;

(xvii) If Franchisee does not provide Franchisor with a complete, executed copy of the lease for the Approved Location, if Franchisee is directly leasing the Approved Location; or

(xviii) If Franchisee or any guarantor of its obligations under this Agreement becomes a Specially Designated National or Blocked Person or fails to comply with Section 30 of this Agreement, including a breach of the representations set forth in Section 30 or Franchisor discovers through notice from Franchisee or through its own investigation that representations set forth in Section 30 are or have become false.

C. Termination by Franchisor on Notice with Opportunity to Cure. Except as provided in Sections 20.A. and 20.B. of this Agreement, Franchisee shall have thirty (30) days (except that Franchisee shall have five (5) days for failure by Franchisee to pay any amounts due to Franchisor hereunder by their due date) after its receipt from Franchisor of a written notice of termination pursuant to this Section 20.C. within which to remedy any default hereunder and provide evidence thereof to Franchisor, and to pay a fee to Franchisor in an amount not to exceed $1,000 for each default occurrence for Franchisor's administrative costs associated with managing such default; provided, that if such default is not susceptible of being cured, this Agreement shall terminate on notice to Franchisee of the default. Franchisee shall, upon receiving such notice, immediately initiate a remedy to cure such default. If Franchisor, in its sole discretion, determines that Franchisee is unable to operate the Store in accordance with Franchisor's requirements during the cure period, Franchisor may, in its sole discretion, assume operations of the Store until such time that Franchisee has remedied all defaults. Franchisee agrees to pay to Franchisor a management fee equal to 10% of the Store's total Gross Sales during any period of time in which Franchisor is operating the Store, which fee shall be in addition to any royalties and fees payable to Franchisor pursuant to this Agreement. If any such default is not cured within that time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require. Except as provided in Sections 20.A. and 20.B. of this Agreement, Franchisee shall be in default under this Section 20.C. for any failure to comply with any of the requirements imposed by this Agreement, the Manuals or any other written policies or requirements of Franchisor.

D. Termination by Franchisee on Notice with Opportunity to Cure. If Franchisee is in compliance with this Agreement and Franchisor breaches this Agreement in any material respect and fails to cure such material breach or put forth diligent efforts to cure such material breach within ninety (90) days after written notice thereof is delivered to Franchisor, Franchisee may terminate this Agreement effective ten (10) days after delivery to Franchisor of notice thereof. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such ninety (90) day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional sixty (60) day period to cure the same, and this Agreement shall not terminate. In the event of termination by Franchisee, all post-termination obligations of Franchisee described herein shall not be waived but shall be strictly adhered to by Franchisee.

21. EFFECT OF AND OBLIGATIONS UPON TERMINATION OR EXPIRATION. Upon expiration or termination of this Agreement, regardless of which party terminates this Agreement, all rights granted hereunder to Franchisee shall forthwith terminate and be of no further force and effect, and:

A. Liquidated Damages. Franchisee acknowledges and confirms that by granting Franchisee the license to operate the Store in the Protected Territory, Franchisor lost the opportunity to grant a franchise in the Protected Territory to another person or Entity or itself to own and operate a Store within the Protected Territory. Additionally, Franchisee confirms that Franchisor will suffer substantial damages by virtue of the termination of this Agreement, including lost Royalty Fees, lost market penetration and goodwill in the Protected Territory, lost opportunity costs and the expense Franchisor will incur in developing another franchise in the Protected Territory, which damages are impractical and extremely difficult to ascertain and/or calculate correctly, and the proof of which would be burdensome and costly, although such damages are real and meaningful to Franchisor and the GNC System. Accordingly, in the event that Franchisor terminates this Agreement for Franchisee's default hereunder, Franchisee agrees to pay to Franchisor in a lump sum on the effective date of termination, liquidated damages, which represent a fair and reasonable estimate of Franchisor's foreseeable losses as a result of such termination, and which are not in any way intended to be a penalty, in an amount determined as follows:

(i) the greater of (a) the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the two (2) years immediately preceding the date of termination or (b) the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the twelve (12-) month period immediately preceding the date of termination; provided, however, if the Store has not been open for at least twelve (12) months, the average monthly amount of Royalty Fees payable by Franchisee to Franchisor for the months in which the Store has been open;

(ii) multiplied by the number of months remaining in the then-current term of this Agreement.

Franchisee acknowledges that its obligation to pay Franchisor liquidated damages is in addition to, and not in lieu of, Franchisee's obligations to pay other amounts due to Franchisor under this Agreement up to the date of termination and to strictly comply with any other post-termination obligations required hereunder. Should any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement limit Franchisee's ability to pay, and Franchisor's ability to receive, such liquidated damages, Franchisee shall be liable to Franchisor for any and all damages which it incurs, now or in the future, as a result of Franchisee's default under this Agreement.

B. Cessation of Franchised Business and Disassociation. Franchisee shall immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.

C. Proprietary Marks, Information and Materials. Franchisee shall immediately and permanently cease to use, by advertising or in any other manner whatsoever, any confidential methods, procedures, and techniques associated with the System and the Proprietary Marks. Any license to use the System and the Proprietary Marks immediately shall terminate and Franchisor has the right to immediately terminate Franchisee's access to the POS System. In particular, without limitation, Franchisee shall cease to use all signs, equipment, advertising materials, stationery, forms, and any other articles which display the Proprietary Marks; provided, however, that this Section 21.C. shall not apply to the operation by Franchisee of another GNC Store under the System, pursuant to another agreement between Franchisor and Franchisee which is then in effect. Franchisee shall take all necessary steps to assign, transfer or surrender to Franchisor or otherwise place in Franchisor or its designee title to all such names or marks (other than the Proprietary Marks) which Franchisee may have used during the term of this Agreement in connection with the operation of the Store. Franchisee shall not use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks in connection with any business or for any other use, or use any mark which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Proprietary Marks; and further shall not utilize any designation of origin or description or representation which falsely suggests or represents a current or former association or connection with Franchisor.

D. Cancellation of Assumed Names. Franchisee shall take such action as may be necessary to cancel any assumed or fictitious name or equivalent registration which contains a Proprietary Mark; and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

E. Surrender of Possession; Assignment; Renovation. At Franchisor's option, and within three (3) business days after Franchisor gives notice to Franchisee, Franchisee shall turn over physical possession of the Store to Franchisor. Franchisee expressly acknowledges and agrees that the failure by Franchisee to allow Franchisor to take possession of the Store, or any attempt by Franchisee to remove inventory, furniture, fixtures or equipment from the Store, shall infringe upon the intellectual property and proprietary rights of Franchisor and shall cause immediate, irreparable, and incalculable harm and significant injury to Franchisor, damages for which may be difficult or impossible to ascertain and for which no adequate remedy at law may be available. Accordingly, Franchisee consents to the granting of equitable relief, including an injunction and specific performance in Franchisor's favor, without proof of actual damages or posting of a bond or other security, such bond or other security hereby being waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor or its Affiliates in obtaining such equitable relief. Franchisee shall, at Franchisor's option, assign to Franchisor any right, title and interest which Franchisee has in any lease or sublease for the premises of the Franchised Business and any governmental licenses or permits used for the operation of the Store, and assign to Franchisor, or discontinue use of, the telephone numbers, telephone directory listings and advertisements, website URLs, and e-mail addresses for the use or operation of the Store. If Franchisee fails to promptly execute and deliver such assignments to Franchisor, Franchisee hereby grants any officer of Franchisor an irrevocable power of attorney, coupled with an interest, to execute such assignments on Franchisee's behalf. In the event Franchisor does not elect to exercise its option to acquire the lease or sublease for the premises of the Franchised Business pursuant to this Section 21.E., Franchisee shall make such modifications or alterations to the premises operated hereunder (including changing the telephone number and changing the color scheme and/or other distinctive design features) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of said premises from that of GNC Stores under the System, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose. In the event Franchisee fails or refuses to comply with the requirements of this Section 21.E., Franchisor shall have the right to enter upon the premises where Franchisee's Franchised Business was conducted, or where the leased or subleased premises are being constructed or otherwise prepared to open, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

F. Payment to Franchisor and Affiliates. Franchisee shall promptly pay all sums owing to Franchisor and its Affiliates, together with any advertising and promotional funds, including interest on overdue monies as described in Section 4.H. In the event of termination for any default of Franchisee, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, equipment, inventory, and fixtures owned by Franchisee and on all premises operated hereunder at the time of default.

G. Attorneys' Fees and Court Costs. Franchisee shall pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Section 21.

H. Return of Franchise Information and Materials. Franchisee shall immediately turn over to Franchisor all Manuals, customer lists, records, files, instructions, correspondence, and all other materials related to operating the Franchised Business which are in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), excepting only Franchisee's copy of this Agreement and any correspondence between the parties, and any other documents which Franchisee reasonably needs for compliance with any provision of law.

I. Purchase Option. Franchisor shall have the option, to be exercised within thirty (30) days after termination or expiration, to purchase from Franchisee any or all of the inventory or merchandise owned by Franchisee and originally purchased from Franchisor or its Affiliates, at Franchisee's cost based on the most recent invoices received by Franchisee; to purchase any or all of the inventory or merchandise owned by Franchisee and originally purchased from a third party vendor for a pre-determined value as may from time to time be determined by Franchisor for categories of products; and to purchase any or all equipment, fixtures, and signs used in the Franchised Business, for their depreciated value based upon a five (5) year, straight line depreciation schedule, but in any event, no more than the cost of such items at the time they were put into service. Franchisor shall also have the option, to be exercised within thirty (30) days after termination or expiration, to purchase from Franchisee the Store premises at fair market value if the Franchisee owns the Store premises. If the parties cannot agree on fair market value for the Store premises within a reasonable time, an independent appraiser shall be chosen by the parties (the cost of which shall be borne equally by the parties), and his or her determination shall be binding. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off any amount owed to Franchisee against all amounts due from Franchisee to Franchisor, its Affiliates, successors or assigns under this Agreement or any Related Agreement. Franchisor shall also have the right to set off the cost of the appraisal, if any, against any payment to Franchisee.

J. POS System. Franchisee shall relinquish the POS System to Franchisor, and Franchisor shall purchase the POS System from Franchisee for its depreciated value (as of the date of expiration or termination) as determined by Franchisor in its sole discretion.

K. Survival. All covenants, obligations, and agreements of Franchisee which by their terms or by reasonable implication or by their nature are to be performed, in whole or in part, after the termination or expiration of this Agreement, including the indemnity and confidentiality obligations herein, shall survive such termination or expiration.

L. Refund of Initial Franchise Fee. If this Agreement terminates during the Pre-Opening Period before the Store opens because of the Franchisee's death, if Franchisee is a natural person, Franchisor will refund the Initial Franchise Fee. In the event of expiration or termination for any other reason, the Initial Franchise Fee will not be refundable. If this Agreement terminates for any reason during the Pre-Opening Period before the Store opens, Franchisor and its Affiliates will not be required to refund or reimburse Franchisee for any other costs incurred and/or paid during the Pre-Opening Period, including, without limitation, construction costs, build-out costs and relocation costs.

M. Cross-Termination upon Termination of this Agreement. In the event of the termination of this Agreement by Franchisor under Section 20 hereof, Franchisor shall be entitled, at its option, to terminate all Related Agreements (as defined in Attachment A) immediately on written notice to Franchisee. This means that Franchisor may, at its option, immediately terminate, upon notice and without opportunity to cure, all other agreements between (i) Franchisor (or its Affiliates) and (ii) Franchisee, its Affiliates or any Entity in which Franchisee or any Principal, manager, partner or joint venture of Franchisee, directly or indirectly, has any interest of ownership or participation. Franchisee acknowledges that this provision may result in the termination of one or more other Related Agreements that relate to the Franchised Business. Franchisee further acknowledges that this provision may result in the termination of one or more other franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.

N. Cross-Termination upon Expiration of this Agreement. In the event of the expiration of this Agreement, Franchisor shall be entitled, at its option, to terminate all Related Agreements (as defined in Attachment A, except that for purposes of expiration, the second sentence of the definition shall not apply) immediately on written notice (without opportunity to cure) to Franchisee.

22. BUSINESS PROTECTIVE COVENANTS.

A. Business Protective Covenants Applicable During Franchise Term. During the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, directly or indirectly, for itself, or through, on behalf of, or in conjunction with any other person or Entity: (i) divert or attempt to divert any business or customer of the Franchised Business to any Competitive Business, by direct or indirect inducement or otherwise, (ii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the GNC System; or (iii) own, maintain, advise, control, operate, help, invest in, make loans to, be employed by, engage in, or have any direct or indirect interest in any Competitive Business, regardless of location.

B. Post-Termination/Transfer Business Protective Covenants. Except as otherwise approved in writing by Franchisor, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement for any reason, or following the date of a Transfer by Franchisee, and continuing for one (1) year thereafter, Franchisee shall not, directly or indirectly, for itself, or through, on behalf of, or in conjunction with any other person or Entity: (i) own, maintain, advise, control, operate, help, invest in, make loans to, be employed by, act as a director, representative or agent of, engage in, or have any interest in any Competitive Business which is located within the Protected Territory or located within five (5) miles of the Approved Location or any GNC Store or General Nutrition Center or any other retail outlet that is owned by Franchisor or an Affiliate of Franchisor; or (ii) employ or seek to employ any person who is at that time employed by Franchisor, an Affiliate of Franchisor, or any other franchisee of Franchisor, or otherwise directly or indirectly induce such person to leave his or her employment.

C. Confidential Information. Franchisee acknowledges and agrees that in connection with the operation of GNC stores and the GNC System, Franchisor has developed at great expense competitively sensitive Confidential Information which is not commonly known or available to the public. Franchisee shall not, during the term of this Agreement or at any time thereafter, directly or indirectly, communicate, divulge, copy or use for such party's own benefit or the benefit of any other person, persons, Entity or Entities any of Franchisor's Confidential Information, except as required to carry out Franchisee's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. All Confidential Information of Franchisor is the sole and exclusive property of Franchisor. Franchisee shall divulge such Confidential Information only to those of its employees who have executed covenants as required under Section 22.I. or Section 22.J. hereof and who must have access in connection with their employment to operate the Franchised Business. Franchisee agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's Confidential Information from any unauthorized disclosure, copying or use. Franchisee shall be liable to Franchisor for any breach of these confidentiality obligations by Franchisee or its Principals, managers, employees, agents, representatives or contractors. At any time upon Franchisor's request, and, in any event upon termination or expiration of this Agreement, Franchisee will immediately stop using and return any copies of documents containing Confidential Information and will take appropriate steps to permanently delete and render unusable any Confidential Information stored electronically and certify same to Franchisor in writing.

D. Exceptions and Acknowledgments. Sections 22.A. and 22.B. shall not apply to ownership by Franchisee of another GNC store under the System nor to ownership by Franchisee of a less than one percent (1%) beneficial interest in the outstanding equity securities of any publicly-held corporation. The parties acknowledge that the covenants contained in this Section 22 are based (among other factors) on the reason and understanding that Franchisee will possess knowledge of Franchisor's business and operating methods and Confidential Information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees.

E. Independent Covenants. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant in this Agreement. If all or any portion of a covenant in this Section 22 is held unreasonable, void or unenforceable for any reason by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by such covenant or portion thereof to the maximum extent permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 22. The parties agree that, if a court determines that any of the provisions of this Agreement are unreasonable, void or unenforceable, the court may revise the specific terms of this Agreement to make it reasonable and enforceable. If such provision or portion cannot be modified to be enforceable, the unenforceable portion will be severed from the remaining portions of this Agreement, which shall otherwise remain in full force or effect.

F. Reduction of Scope. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 22.A. or 22.B., or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 31.

G. No Defense to Enforcement. Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section 22.

H. Equitable Relief. Franchisee acknowledges that Franchisee's violation of the terms of this Section 22 may cause immediate, irreparable and incalculable harm and significant injury to Franchisor which may be difficult to ascertain for which no adequate remedy at law may be available, and Franchisee accordingly consents to the granting of equitable relief, including injunction and specific performance, in Franchisor's favor, without proof of actual damages or posting a bond or other security, such bond or other security being hereby waived. Franchisee shall pay on demand all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining such equitable relief.

I. Personal Covenants. As a condition to the effectiveness of this Agreement, and at the time Franchisee delivers this signed Agreement to Franchisor, Franchisee's spouse, and if Franchisee is not an individual, its Principals and their respective spouses, and Store manager(s) (each a "Bound Party") must sign and deliver to Franchisor the Personal Covenants attached hereto as Attachment B (the "Personal Covenants"), agreeing to be bound personally by all of the provisions of this Section 22. If there are any changes in the identity of any such Bound Parties while this Agreement is in effect, Franchisee must notify Franchisor promptly, and each new Bound Party must sign and deliver to Franchisor the Personal Covenants.

J. Additional Personal Covenants. In addition, at the request of Franchisor, Franchisee shall cause any officer, director or other person employed by Franchisee who has received training from Franchisee or Franchisor or who may have access to Confidential Information of Franchisor to execute a non-competition, non-solicitation and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

23. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.

A. Relationship of Parties. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them; that Franchisee shall be an independent contractor, and, that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

B. Notice of Independent Contractor Status. During the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee agrees to take such affirmative action as may be necessary to do so, including exhibiting a notice of that fact in a conspicuous place in the Store, the content of which Franchisor reserves the right to specify in the Manuals or otherwise in writing.

C. No Authorization to Act for or in Name of Franchisor. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name; and, that Franchisor shall in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the Franchised Business or any claim or judgment arising therefrom against Franchisor.

D. Indemnification. Franchisee shall indemnify and hold harmless Franchisor, its Affiliates, and their respective shareholders, officers, directors, employees, agents, successors and assignees (the "Indemnified Parties") against any and all claims, obligations, lawsuits, demands, investigations, damages, losses and liabilities arising directly or indirectly from, as a result of, or in connection with Franchisee's ownership or operation of the Franchised Business or breach of this Agreement, as well as the costs, including attorneys' fees and court costs, of defending against them. However, Franchisee shall not be required to indemnify Franchisor for any claims to the extent arising out of the gross negligence or intentional misconduct of the Franchisor or defects in goods manufactured by Franchisor's Affiliate present on delivery thereof to Franchisee. Franchisor has the exclusive right to defend any such claim. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover fully a claim against Franchisee.

24. TAXES.

A. Payment. Franchisee shall promptly pay when due all taxes levied or assessed, including unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Franchised Business. All accumulated contributions or payments made by Franchisor or its Affiliates to accounts, funds, reserves or pools, for example worker's compensation, disability, unemployment compensation or other programs remain assets of the Franchisor or its Affiliates, as applicable, and if transferred to Franchisee, Franchisee shall pay to Franchisor or the applicable Affiliate such amount. Franchisee shall pay to Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor.

B. Dispute. In the event of any bona fide dispute as to liability for taxes or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor to occur against the premises of the Franchised Business, or any improvements thereon.

25. FRANCHISEE INFORMATION. In the event that Franchisee is an Entity, Franchisee shall comply with the following requirements:

A. Organizational Documents. Franchisee shall be newly organized and its organizational documents shall be provided to Franchisor and shall at all times provide that its activities are confined exclusively to operating the Franchised Business.

B. Stop-Transfer Instructions. Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity security; and each equity security of Franchisee shall have endorsed on it the following printed legend which shall legibly and conspicuously appear:

> The transfer of the [stock] [membership interest] [partnership interest] represented by this certificate is subject to the terms and conditions of a Franchise Agreement with General Nutrition Corporation dated the _____ day of ________________, _________. Reference is made to the provisions of the said Franchise Agreement and to the [Articles and Bylaws of this Corporation] [Operating Agreement of this Limited Liability Company] [Partnership Agreement of this Partnership].

C. Ownership. Attached hereto as Attachment C is a description of the legal organization of Franchisee (whether a corporation, limited liability company, partnership or otherwise), the names and addresses of each Principal, and the percentage of such interest owned by such Principal. Franchisee shall maintain a current list of all Principals and shall furnish the list to Franchisor upon request. Franchisee agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interests of Franchisee as set forth on Attachment C.

26. APPROVALS AND WAIVERS.

A. Approval. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefor; and such approval or consent shall be obtained in writing. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval or consent to any of Franchisee's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed or effected actions that require Franchisor's approval.

B. No Warranty or Assumption of Liability. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

C. Waiver. No delay, waiver, omission, or forbearance on the part of Franchisor to exercise any right, option, duty, or power arising out of any breach or default by Franchisee, or by any other franchisee, of any of the terms, provisions, or covenants hereof, shall constitute a waiver by Franchisor to enforce any such right, option, or power against Franchisee, or any other right, option, or power of Franchisor, or as to subsequent breach or default by Franchisee. Subsequent acceptance by Franchisor of any payments due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants, or conditions of this Agreement.

D. Subordination. Franchisor will not enter into or execute any agreement subordinating any security interest it may have in the equipment, fixtures, furniture, machinery, product, supplies, or other personal property in any GNC franchised store. GNC will not release or waive any liens, security interests, claims, demands or other rights that it may have in such personal property.

27. NOTICES. Any and all notices required or permitted under this Agreement shall be in writing and shall be delivered by (i) personal delivery; (ii) by U.S. certified or registered mail, postage prepaid, return receipt requested; or (iii) by reputable express mail or courier service, to the respective parties at the addresses set forth on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party. Any such notice shall be deemed to have been given the earlier of (i) receipt (or receipt refused), or (ii) in the case of notice sent by U.S. certified or registered mail, three (3) days after mailing, excluding Sundays and national holidays, regardless of whether Franchisee refuses service or is no longer at the address for notice.

28. SEVERABILITY AND CONSTRUCTION.

A. Severability. Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any effect upon, such other sections, parts, terms, and/or provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement; provided, however, that if Franchisor determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement.

B. No Third Party Beneficiaries. Notwithstanding anything to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor and Franchisee and such of their respective successors and assigns as may be contemplated by Section 18 hereof any rights or remedies under or by reason of this Agreement.

C. Maximum Enforceability. Franchisee expressly agrees to be bound by any promise or covenants 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 unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. Captions. All captions and headings in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

E. Construction. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, where applicable, and all acknowledgments, promises, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by each of the persons named as Franchisee, if more than one person is so named. The words “include,” “includes” and “including” when used in this Agreement will be interpreted as if they were followed by the words "without limitation." References to section numbers and attachments will refer to sections of and attachments to this Agreement, as applicable, unless the context indicates otherwise.

29. APPLICABLE LAW.

A. Governing Law. This Agreement has been entered into and shall be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania, and if the Franchised Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this choice of law provision is intended to make applicable any state franchise law that would otherwise not be applicable.

B. Arbitration. Except as set forth in Section C below, any claims between Franchisor and Franchisee shall be resolved by arbitration using the procedures set forth below.

(i) The arbitration shall be conducted in Pittsburgh, Pennsylvania by a Board of Arbitrators selected as provided below using the then-prevailing commercial arbitration rules of a recognized independent alternate dispute resolution service to be selected by Franchisor such as the American Arbitration Association, JAMS/Endispute or United States Mediation and Arbitration.

(ii) The Board of Arbitrators shall consist of three disinterested attorneys skilled in the subject matter of the issues in dispute. Within twenty (20) days of the institution of the arbitration, one of such arbitrators shall be selected by the Franchisor and the second arbitrator shall be selected by Franchisee. The two arbitrators so selected shall select the third arbitrator within twenty (20) days after the last of the first two arbitrators is selected.

(iii) The Board of Arbitrators, as promptly as practicable after selection of the members thereof, shall give to each of the parties a written notice stating the time and place of the hearing upon the matters and questions submitted for arbitration. Such notice shall be given not less than thirty (30) days before the date of such hearing. At such hearing, the Board of Arbitrators shall proceed to a determination of the matters and questions submitted for arbitration. Each of the parties shall be entitled to be represented at such hearing, by counsel or otherwise, and to submit evidence and present arguments in respect of the issues in dispute.

(iv) Promptly upon conclusion of the arbitration, the Board of Arbitrators shall submit to each of the parties a written statement of its findings and determinations and issue an award to the prevailing party. Action concurred in by any two of the arbitrators shall constitute action of the Board of Arbitrators. Such findings and determinations shall be final and binding upon the parties for all of the purposes hereof, subject to applicable law governing review of arbitration awards.

(v) In addition to the award, the statement of the Board of Arbitrators as to its findings and determinations shall also set forth the amount of the expenses of the arbitration and shall state the portion, if any, of such amount payable by Franchisee and the portion, if any, of such amount payable by Franchisor. Each of the parties shall promptly pay to the Board of Arbitrators the amount, if any, so stated. If the award of the Board of Arbitrators includes an award for a sum of money, the award may be entered as a judgment in any court of competent jurisdiction.

(vi) **EACH ARBITRATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY**

PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT EACH ARBITRATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.

(vii) Disputes concerning the validity or scope of this Section 29, including whether a dispute is subject to arbitration, are beyond the authority of the arbitrator(s) and shall be determined by a court of competent jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. §1 et seq., as amended from time to time. The provisions of this Section 29 shall continue in full force and effect subsequent to any expiration or termination of this Agreement.

(viii) Notwithstanding the foregoing, Franchisor shall not be precluded from seeking provisional remedies in the courts of any jurisdiction including, but not limited to, temporary restraining orders and preliminary injunctions, to protect its rights.

C. Litigation; Confession of Judgment.

(i) Litigation. Franchisor may, in its sole discretion and notwithstanding the foregoing, opt out of arbitration and elect to litigate in a court of law any claims it may have against Franchisee.

(ii) CONFESSION OF JUDGMENT. IN ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO FRANCHISOR, TO THE FULLEST EXTENT ALLOWED BY LAW, FRANCHISOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST FRANCHISEE: If Franchisee defaults in the payment of any amounts under this Agreement or any Related Agreement, Franchisee hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Franchisee, and, with or without complaint filed, confess judgment against Franchisee in favor of Franchisor, for any amounts due and owing under this Agreement or any Related Agreement, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Collateral levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Collateral may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisement, or right of appeal. In any action of any amount due and owing, Franchisor shall cause to be filed in such action an affidavit made by Franchisor or someone acting for Franchisor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Agreement and/or Related Agreement, verified by affidavit by or on behalf of Franchisor shall have been filed in any such action, it shall not be necessary to file the original Agreement and/or Related Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Franchisor shall elect, until such time as Franchisor shall have received payment in full of all amounts due, interest and late charges, costs, and reasonable attorneys' fees for collection.

D. <u>Forum Selection; Venue</u>. If the Franchisor selects litigation or notwithstanding the provisions of this Agreement to the contrary, if a court determines that a Franchisee is entitled to bring and maintain an action against Franchisor in a court of law, then and in that event, the parties agree that any action brought by Franchisee or any person or Entity claiming through Franchisee against Franchisor or its Affiliates in any court, whether federal or state, shall be brought and completed only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties expressly waive all objections to personal jurisdiction or venue or that the forum is inconvenient for the purpose of carrying out this provision. The parties also agree that Franchisor may bring any action against Franchisee in any court, whether federal or state, within or outside of the Commonwealth of Pennsylvania. If Franchisor brings an action or other proceeding against Franchisee in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Franchisee accepts generally and unconditionally the *in personam* jurisdiction and venue of the aforesaid courts and waives any defense of *forum non conveniens*.

E. <u>Waiver of Jury Trial, Punitive Damages and Class Actions</u>.

(i) Franchisor and Franchisee agree that in any litigation, suit, action, counterclaim, crossclaim or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement or any Related Agreement, or any and all transactions contemplated hereunder or thereunder, the performance of this Agreement or any Related Agreement, or the relationship between the parties or otherwise, trial shall be by a court of competent jurisdiction and not by a jury. Franchisor and Franchisee hereby irrevocably waive any right either party may have to a trial by jury. Either Franchisor or Franchisee may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Franchisor and Franchisee to the waiver of their right to trial by jury.

(ii) Except for actions for trademark, tradedress or tradename infringement or other infringement or misappropriation of Franchisor's proprietary rights to any trademark, trade dress, patent, copyright, trade secret or other proprietary information, Franchisor and Franchisee hereby waive, to the fullest extent permitted by law, any right to or claim for multiple, punitive or exemplary damages against the other and agree that in the event of any action between them, no party shall seek multiple, punitive or exemplary damages with respect to any claim or cause of action against the other party, whether in arbitration, mediation or litigation, and each party shall be limited to the recovery of any actual damages sustained by it and costs and expenses.

(iii) ANY LITIGATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT ANY LITIGATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.

F. <u>Claims Period</u>. Any and all claims and actions arising out of or relating to this Agreement, the relationship between Franchisee and Franchisor, or the operation of the Franchised Business and the Store brought by any party to this Agreement against another party to this Agreement, shall be commenced within the earlier of one (1) year from the discovery of the facts giving rise to such claim or action, or the expiration of such earlier limitations period as may be prescribed by applicable law, or such claim or action shall be barred; provided, however, that this time limitation shall not apply to unperformed financial obligations of Franchisee to Franchisor or indemnity obligations relating to third party claims of creditors or claimants against the Franchised Business.

G. Cumulative Remedies. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

H. Attorneys' Fees and Costs. In any litigation, mediation, arbitration, or other legal action relating to or in connection with the Franchised Business, this Agreement or the relationship between the parties, to the extent Franchisor is the prevailing party, Franchisor shall be entitled to recover its reasonable costs and expenses, including attorneys' fees, paralegal fees, investigative costs, and court costs incurred in connection therewith, whether such costs, fees and expenses are incurred before or at trial, on appeal, during any insolvency or bankruptcy proceedings, during any post-judgment collection proceedings, or otherwise, from Franchisee.

30. BLOCKED PERSONS OR ENTITIES. Franchisee represents and warrants to Franchisor that, to its actual and constructive knowledge: (i) neither Franchisee (including, for purposes of this section, its Principals, directors and officers), nor any of its Affiliates, funding sources or guarantors, is identified on the list of the U.S. Treasury's Office of Foreign Assets Control ("OFAC"); (ii) neither Franchisee nor any of its Affiliates or guarantors are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither Franchisee nor any of its Affiliates or guarantors are acting on behalf of a government of, or are involved in business arrangements or other transactions with, any country that is subject to such an embargo. Franchisee agrees to notify Franchisor in writing immediately upon the occurrence of any event which would cause the foregoing representations and warranties of this Section 30 to be incorrect in any respect. Notwithstanding anything to the contrary in this Agreement, Franchisee may not allow or sustain a Transfer to a Specially Designated National or Blocked Person or to an Entity in which a Specially Designated National or Blocked Person has an interest.

31. ENTIRE AGREEMENT. This Agreement, the Selected Term Summary and the other documents referred to herein, and the Attachments hereto, constitute the entire, full, and complete Agreement between the parties concerning the subject matter hereof, and supersede any and all prior agreements, written or oral, between the parties; provided, that nothing in this Agreement or in any Related Agreement is intended to disclaim the representations made in Franchisor's Franchise Disclosure Document. No amendment, change, or variance from this Agreement shall be binding on the parties unless mutually agreed to by the parties in writing executed by themselves or their authorized officers or agents. No purported amendment, change or variance from the printed form of this Agreement shall be binding unless initialed by all parties hereto. This Agreement may be signed in multiple counterpart copies, including by facsimile or other electronic means, each of which will be deemed an original. This Agreement shall not be effective unless fully executed by Franchisee and Franchisor.

32. DISCLAIMERS BY FRANCHISOR.

(a) In executing this Agreement, accepting any proposed site, approving a location or giving advice or providing services or assistance in connection with locating a site under this Agreement, Franchisor does not guarantee the suitability of an Approved Location or Inventory Store Location or the success of any Store established at such site. Franchisor expressly disclaims any warranties, express or implied, with respect to the suitability of any site or the success of any Store. Furthermore, Franchisor expressly disclaims the making of any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

(b) FRANCHISOR MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO ALL GNC PRODUCTS, NON GNC PRODUCTS, AND OTHER PRODUCTS, SUPPLIES, SERVICES, AND EQUIPMENT FRANCHISOR OFFERS, SELLS OR REQUIRES FOR FRANCHISEE'S FRANCHISED BUSINESS, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. FRANCHISEE'S EXCLUSIVE REMEDY AND FRANCHISOR'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY GNC PRODUCTS, NON GNC PRODUCTS, AND OTHER PRODUCTS, SUPPLIES, SERVICES AND EQUIPMENT IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, FRANCHISEE PAID; OR, AT FRANCHISOR'S OPTION, THE REPLACEMENT COST THEREOF. FRANCHISOR WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM FRANCHISOR'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.

33. ACKNOWLEDGMENTS BY FRANCHISEE. Franchisee hereby acknowledges the following:

(a) FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE FRANCHISED BUSINESS AND UNDERSTANDS THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS AND THAT THE SUCCESS OF THE VENTURE WILL BE LARGELY DEPENDENT UPON THE BUSINESS ABILITIES OF FRANCHISEE AND ITS EFFORTS AS AN INDEPENDENT BUSINESS OPERATOR.

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Initials

(b) FRANCHISEE AGREES THAT NO CLAIMS OF SUCCESS OR FAILURE HAVE BEEN MADE TO IT PRIOR TO SIGNING THIS AGREEMENT AND THAT IT HAS NOT RECEIVED OR RELIED UPON ANY STATEMENT OR PROMISE, EXPRESS OR IMPLIED, REGARDING THE ACTUAL, AVERAGE OR PROJECTED PROFITS OR EARNINGS, THE LIKELIHOOD OF SUCCESS, THE AMOUNT OF MONEY THAT FRANCHISEE MAY EARN, OR THE TOTAL AMOUNT OF REVENUE THAT A GNC STORE WILL GENERATE, THAT IS NOT CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT OR THAT IS CONTRARY TO, OR DIFFERENT THAN, THE INFORMATION CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT.

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Initials

(c) FRANCHISEE HAS NO KNOWLEDGE OF ANY REPRESENTATIONS BY FRANCHISOR OR ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS OR SERVANTS ABOUT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT THAT ARE CONTRARY TO THE TERMS OF THE FRANCHISE DISCLOSURE DOCUMENT, THIS AGREEMENT OR THE DOCUMENTS INCORPORATED HEREIN. FRANCHISEE REPRESENTS THAT IT HAS MADE NO MISREPRESENTATIONS IN OBTAINING THIS AGREEMENT.

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(d) FRANCHISEE ACCEPTS FULL RESPONSIBILITY AND OBLIGATION FOR SELECTION OF A SITE FOR THE FRANCHISED BUSINESS, ACKNOWLEDGES THAT IT IS MAKING AN INDEPENDENT INFORMED BUSINESS DECISION REGARDING A PROPOSED SITE OR APPROVED LOCATION AND THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR INFORMATION FROM OR SUPERIOR KNOWLEDGE OF FRANCHISOR OR FRANCHISOR'S AFFILIATES REGARDING THE SUCCESS OF A PROPOSED SITE OR APPROVED LOCATION. FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR'S APPROVAL OR ACCEPTANCE OF FRANCHISEE'S SITE DOES NOT CONSTITUTE RECOMMENDATION OR ENDORSEMENT OF THE LOCATION OF THE SITE, NOR THAT THE SIZE OF THE MARKET IN WHICH THE FACILITY IS LOCATED IS ADEQUATE TO SUPPORT THE FRANCHISED BUSINESS OR WILL NOT SUBSEQUENTLY BECOME SATURATED, NOR ANY ASSURANCE BY FRANCHISOR THAT THE OPERATION OF ANY SITE WILL BE SUCCESSFUL OR PROFITABLE. FRANCHISEE UNDERSTANDS THAT THE SUITABILITY OF A SITE AND THE SUCCESS OF ANY STORE DEPEND ON MANY FACTORS, SOME OF WHICH ARE OUTSIDE THE CONTROL OF EITHER FRANCHISOR OR FRANCHISEE (SUCH AS COMPETITION, INTEREST RATES, UNEMPLOYMENT RATES, WORKFORCE AVAILABILITY, DEMOGRAPHIC TRENDS, AND THE GENERAL ECONOMIC CLIMATE), BUT MANY OF WHICH DEPEND ON A PARTICULAR FRANCHISEE'S EFFORTS AND BUSINESS ACUMEN IN OPERATING AND MARKETING THE STORE.

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Initials

(e) FRANCHISEE UNDERSTANDS THAT IT WILL HAVE NO TERRITORIAL PROTECTION UNDER THE AGREEMENT IF, AFTER THE PROTECTIVE PERIOD AS DEFINED IN THE AGREEMENT EXPIRES, FRANCHISOR IDENTIFIES A SITE FOR DEVELOPMENT OR OPERATION OF A GNC STORE WITHIN FRANCHISEE'S PROTECTED TERRITORY, AND FRANCHISEE DOES NOT EXERCISE ITS RIGHT AND OPTION TO FRANCHISE SUCH SITE WITHIN THE TIME FRAME AND PURSUANT TO THE PROCEDURES SET FORTH IN THIS AGREEMENT.

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(f) FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR OR ITS AGENT HAS PROVIDED FRANCHISEE WITH A FRANCHISE DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFORE THE EXECUTION OF THIS AGREEMENT OR PAYMENT OF ANY CONSIDERATION. FRANCHISEE FURTHER ACKNOWLEDGES THAT IT HAS READ SUCH FRANCHISE DISCLOSURE DOCUMENT AND THIS AGREEMENT AND ANY ATTACHMENTS THERETO OR RELATING THERETO, AND UNDERSTANDS THEIR CONTENTS.

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Initials

(g) FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS PROVIDED FRANCHISEE WITH A COPY OF THIS AGREEMENT AND ALL RELATED DOCUMENTS, FULLY COMPLETED, AT LEAST SEVEN (7) CALENDAR DAYS PRIOR TO THE FRANCHISEE SIGNING THIS AGREEMENT.

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Initials

(h) FRANCHISEE ACKNOWLEDGES THAT IT HAS HAD AMPLE OPPORTUNITY TO CONSULT WITH ITS OWN ATTORNEYS, CONSULTANTS, ACCOUNTANTS, AND OTHER ADVISORS AND THAT THE ATTORNEYS FOR FRANCHISOR HAVE NOT ADVISED OR REPRESENTED FRANCHISEE WITH RESPECT TO THIS AGREEMENT OR THE RELATIONSHIP THEREBY CREATED. FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS ENCOURAGED FRANCHISEE TO SEEK LEGAL ADVICE, INCLUDING LEGAL ADVICE IN REVIEWING AND CONSIDERING THE FRANCHISE DISCLOSURE DOCUMENT AND RELATED AGREEMENTS, INCLUDING THIS AGREEMENT.

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(i) FRANCHISEE, TOGETHER WITH ITS ADVISORS, HAS SUFFICIENT KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO MAKE AN INFORMED INVESTMENT DECISION WITH RESPECT TO THE FRANCHISED BUSINESS.

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Initials

(j) FRANCHISEE IS AWARE OF THE FACT THAT OTHER PRESENT OR FUTURE FRANCHISEES OF FRANCHISOR MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS, AND CONSEQUENTLY, THAT FRANCHISOR'S OBLIGATIONS AND RIGHTS WITH RESPECT TO ITS VARIOUS FRANCHISEES MAY DIFFER MATERIALLY IN CERTAIN CIRCUMSTANCES.

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Initials

(k) FRANCHISEE ACKNOWLEDGES THAT THIS INSTRUMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, AND THAT THIS AGREEMENT TERMINATES AND SUPERSEDES ANY PRIOR AGREEMENT BETWEEN THE PARTIES CONCERNING THE SAME SUBJECT MATTER; PROVIDED, THAT NOTHING IN THIS AGREEMENT OR IN ANY RELATED AGREEMENT IS INTENDED TO DISCLAIM THE REPRESENTATIONS MADE IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT PROVIDED TO FRANCHISEE. TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, FRANCHISEE WAIVES THE RULE THAT WOULD CONSTRUE AMBIGUOUS LANGUAGE AGAINST FRANCHISOR AS THE DRAFTER OF THIS AGREEMENT.

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Initials

[Signature Page Follows; Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement on the day and year first above written.

GENERAL NUTRITION CORPORATION
Franchisor

ATTEST:

By: ______________________________ By: ______________________________

Franchisor Address:

General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: Chief Legal Officer

ATTEST:

____
Franchisee

By: ______________________________
Print Name: _______________________
Title: ____________________ Secretary _______

By: ______________________________
Print Name: ______________________
Title: ____________________________

Franchisee Address:

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Attention: _________________________

ATTACHMENT A

DEFINITIONS

For purposes of this Agreement, the terms listed below appearing as initially capitalized terms shall have the meanings set forth below. Other terms used in this Agreement are defined and construed in the context in which they occur.

"Administrative Transfer" means either (i) an assignment of this Agreement by Franchisee, if Franchisee is comprised of an individual and/or group of individuals, to an Entity which is wholly owned by the Franchisee(s); or (ii) an assignment of a Franchisee's obligations and rights under this Agreement or Equity Transfer by a Principal to an Immediate Family Member (as defined below), whether or not such Equity Transfer is in excess of a fifty percent (50%) ownership interest in Franchisee.

"Advertising Fee" shall have the meaning set forth in the Selected Term Summary of this Agreement.

"Affiliate" means any person or Entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. For purposes of this definition, "control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of an Entity, whether through ownership of voting securities, by contract or otherwise.

"Conversion Store" means a GNC Store operated by Franchisor that is being converted to a franchisee-owned Store to be operated under the System in accordance with a Franchise Agreement between Franchisee and Franchisor.

"Agreement" means the Franchise Agreement between Franchisor and Franchisee to which this Attachment A is attached, including all attachments thereto, as the same may be amended from time to time by the parties pursuant to the terms in the Agreement.

"Approved Location" means the Store location and address as approved by Franchisor.

"Competitive Business" means any direct marketing business, wholesale distribution business, other distribution business other than the Franchised Business or retail business, for profit or otherwise, that offers for sale goods or services the same as or similar to those distributed to or offered at the Store.

"Confidential Information" means all information, however received or learned, relating to the System, trade secrets, financial information, product cost information, margin information, supplier information, pricing data, operating data, financial plans, customer and supplier lists, promotional policies, business plans and strategies, standards and procedures, product formulas and specifications, marketing and sales programs, site selection and marketing methods and techniques, research, development, knowledge, know-how, techniques, skill, technology, data, reports, memoranda and other financial, technical or other business information of Franchisor or its Affiliates, with the exception of: (a) information that, at the time of disclosure, already is published or generally known to the public; (b) information that, after disclosure by Franchisor to Franchisee, is published or becomes generally known to the public except as a result of the breach of this Agreement; (c) information that Franchisee can demonstrate was in its possession at the time of disclosure by Franchisor, as evidenced by records kept in the ordinary course of business or by proof of actual prior possession, and was not acquired, directly or indirectly, from Franchisor or any third party in violation of any contractual, fiduciary or legal obligation with respect to the information; or (d) information that is obtained by Franchisee from any third party lawfully in possession of the information and not in violation of any contractual, fiduciary or legal obligation with respect to the information.

"Conversion Store" shall mean an existing company-owned GNC Store that is converted into a franchised Store.

"Designated Principal(s)" shall mean the person or persons identified in the Selected Term Summary of this Agreement, which person or persons is/are the Franchisee's controlling shareholder(s), partner(s), member(s) or other equity holder(s).

"Entity" means any corporation, limited liability company, partnership, joint venture, business trust or similar association or legal entity.

"Franchise Portal" means Franchisor's electronic franchise documentation and informational franchise intranet, which may include, without limitation, Franchisor's GENESIS and GNCAccess platforms.

"Franchise Term" shall have the meaning specified in the Selected Term Summary of this Agreement.

"Franchised Business" means the nutrition, health and/or fitness business operated by Franchisee under and pursuant to this Agreement.

"Gross Sales" means the gross receipts from the sale of all products and services sold in, on, about or from the Store, together with any other revenues derived from the operation of the Store, whether by Franchisee or by any other person, whether or not in accordance with the terms hereof, and whether for cash or on a charge, credit, barter or time basis, and regardless of collection, including all payments to Franchisee under any business interruption insurance or similar insurance policy, gold card sales, gift certificates and other payments for the right to participate in special offers, and all such sales and services (i) where orders originate and/or are accepted by Franchisee in the Store but delivery or performance thereof is made from or at any place other than the Store or (ii) pursuant to telephone or other similar orders received or filled at or in the Store. For purposes of determining the Royalty Fee and Advertising Fee, there shall be deducted from Gross Sales: (a) the amount of refunds, allowances or discounts to customers (including coupon sales) in the normal course of business, provided the related sales have previously been included in Gross Sales and Franchisee shall substantiate all such deductions in the manner specified in the Manuals; and (b) the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.

"GNC Brand Supplements" means food and dietary products manufactured or distributed by Franchisor or its Affiliates under labels bearing the "GNC" Proprietary Mark or any other Proprietary Mark used by Franchisor in the System.

"GNC Store" or "Store" means a retail health, wellness and performance store which offers the Products for sale under the Proprietary Marks and the GNC System operated by Franchisor or its Affiliates or pursuant to a valid license by or franchise agreement with Franchisor.

"GNC System" or "System" means the methods, techniques, standards and specifications of developing, opening, operating and promoting Stores which sell the Products, including GNC Brand Supplements, and operate under the Proprietary Marks and feature distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance and training; sales and management assistance and training; operating procedures for the storage, display and sale of products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising; all of which may be changed, improved and further developed by Franchisor from time to time.

"Immediate Family Member" means, for purposes of the Administrative Transfer definition above, any child, stepchild, parent, stepparent, spouse, sibling, brother-in-law, or sister-in-law, and shall include adoptive relationships.

"Incapacity" means the inability of Franchisee, or, if Franchisee is an Entity, its Designated Principal, to actively participate in its activities as Franchisee hereunder for any reason for a continuous period of six months.

"Initial Franchise Fee" shall have the meaning set forth in the Selected Term Summary of this Agreement.

"Initial Term" means the period commencing on the Store Opening Date and ending on the earlier of (i) the fifth (5th) anniversary of the Store Opening Date, or (ii) the expiration or termination of the lease or sublease for Franchisee's Store.

"Inventory Store Location" means a site which the Franchisor has identified as a potential franchise location, for which a lease has been negotiated and which has been officially approved by Franchisor.

"Manuals" means all of Franchisor's confidential operations manuals, which may consist of printed manuals, computerized documents or software, information provided on the Internet or an Extranet, audiotapes, videotapes, or any other medium Franchisor adopts periodically for use with the GNC System and designates as part of the Manuals, including the Franchise Operations Manual, the Re-Merchandising Manual, the Promotional Merchandising Guidelines, and the POS Operations Manual, and any other manuals that we may develop or prescribe from time to time, which may consist of more than one (1) volume, as the same may be revised and supplemented from time to time.

"Media" includes any news organization, station, publication, show, website, weblog (blog), bulletin board, chatroom, and/or program (past, present and/or future), whether published through the means of print, radio, television, and/or the Internet or otherwise and any member, representative, agent and/or employee of the same.

"Period" means each of the twelve (12) one-month accounting periods of Franchisor beginning on January 1 of each year or such other accounting period as Franchisor may adopt from time to time on written notice to Franchisee.

"Pre-Opening Obligations" shall have the meaning set forth in Section 5.B.

"Pre-Opening Period" means the period commencing on the Agreement Date and ending on the earlier of (i) 160 days following the Agreement Date or (ii) the Store Opening Date; or such longer period as may be permitted by Franchisor in its sole discretion.

"Principals" means all persons or Entities holding a legal or beneficial ownership interest in Franchisee, directly or indirectly, including any Entity directly or indirectly controlling Franchisee and all persons or Entities that have any other direct or indirect interest in Franchisee or Franchisee's assets.

"Products" mean vitamin and mineral supplements, sports nutrition products, herbs, health foods, natural cosmetics and miscellaneous healthcare products, diet products, sports accessories, physical fitness products and specialty workout apparel and related products approved for sale by the Store by Franchisor from time to time, and not later disapproved.

"Proprietary Marks" mean the trademarks, trade names, service marks, logos, emblems, insignia and other commercial symbols (including the marks "GNC", "GENERAL NUTRITION CENTER", and "GNC LIVE WELL") developed and approved for use by Franchisor under the GNC System from time to time.

"POS System" means a computerized cash collection and data processing system.

"Protected Territory" means the geographic area in which the Approved Location is located designated as the "Protected Territory" in the Selected Term Summary. However, the Protected Territory specifically excludes existing GNC Stores or locations under franchise, option, license, development or lease obligations or GNC Stores to be opened under any agreement with us or any of our affiliates, which were negotiated before the Store Opening Date. For all Approved Locations, the Protected Territory, if a distance, shall be measured based upon a radius extending from the public entrance of Franchisee's Store (and not the mall or strip center entrance).

"Protective Period" means a period of one (1) year from the Store Opening Date. The Protective Period commences on the original Store Opening Date (as defined in this Attachment A) and expires one (1) year thereafter. The Protective Period shall not restart or be extended in connection with any Transfer under this Agreement (whether or not a new Franchise Agreement is executed in connection with the Transfer). If this Agreement is executed in connection with a Transfer occurring more than one (1) year after the original Store Opening Date, there is no Protective Period as it has already expired by its terms.

"Publicly-held corporation" means any corporation with a class of securities registered under the Securities and Exchange Act of 1934.

"Related Agreements" means any agreement between Franchisee and Franchisor or its Affiliates or any other party entered into in connection with this Agreement and the operation of the Franchised Business. For purposes of Sections 18.B(ii)(b), 19.C., 20.B(xi), and 21.M. of this Agreement, "Related Agreement" shall include any agreement of Franchisor or its Affiliates entered into with Franchisee, its Affiliates or its Principals or any Entity in which Franchisee or any Principal, manager, partner or joint venture of Franchisee, directly or indirectly, has any interest of ownership or participation, regardless of location; this may include agreements related to the operation of another GNC Store or other GNC franchised business.

"Renewal Fee" means the renewal fee described in Section 19.F., as may be amended by the Selected Term Summary.

"Renewal Term" means the period commencing on the expiration date of the immediately preceding franchise term, and ending on the earlier of (i) the fifth (5th) anniversary of the expiration date of the immediately preceding franchise term, or (ii) the expiration or termination of the lease or sublease for Franchisee's Store.

"Retained Rights" mean Franchisor's and its Affiliates' rights:

(i) to operate, or grant a license for the operation of, a GNC Store, a kiosk or other outlet, using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location outside of the Protected Territory, regardless of the proximity of any of those locations to the Protected Territory, or to do so inside the Protected Territory as permitted by this Agreement;

(ii) to operate, or grant a license for the operation of, a kiosk or outlet (other than a GNC Store physically located within the Protected Territory during the Protective Period) using GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of any of those locations to the Approved Location;

(iii) to use, or distribute or sell to or license others to use, GNC Brand Supplements and/or any or all of the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of any of those locations to the Approved Location;

(iv) to operate, or grant a license for the operation of, or sell or distribute any products to, any store, kiosk or outlet using names or marks other than the Proprietary Marks at any location within or outside of the Protected Territory, regardless of the proximity of those locations to the Approved Location (and regardless of: (a) whether the store, kiosk or outlet sells or distributes goods or services the same as, similar to or different from those sold or distributed by the Franchised Business, and/or (b) whether or not the store, kiosk or outlet sells GNC Brand Supplements or any goods or services which bear and/or are being sold in connection with any of the Proprietary Marks);

(v) to give, sell, promote, advertise and/or distribute, directly or indirectly (or to license others to give, sell, promote, advertise and/or distribute, directly or indirectly) any goods or services (including GNC Brand Supplements), by any other means (including direct or indirect sales, electronic communications, Internet, World Wide Web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order, catalog sales, kiosks, co-branded sites and sites located within other retail businesses, and any other method of sale or distribution which now exists or which may in the future exist), to any business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer, or customer at any location, regardless of: (a) whether or not the business, distributor, wholesaler, retailer, establishment, organization, club, outlet individual consumer, or customer is located within or outside of the Protected Territory, regardless of the proximity of any such business, distributor, wholesaler, retailer, establishment, organization, club, outlet, individual consumer or customer to the Approved Location; (b) whether or not the goods or services bear, and/or are sold in connection with, any or all of the Proprietary Marks; and (c) whether or not the goods or services are the same as, similar to or different from those sold or distributed by the Franchised Business;

(vi) to relocate any GNC Store (whether owned by another franchisee or by Franchisor or its Affiliates) that is open and operating within the Protected Territory as of the Store Opening Date to a different location within the Protected Territory at any time during the Franchise Term (including during the Protective Period), even if the relocated GNC Store is closer in proximity to the Franchisee's Store than the prior GNC Store, and such relocation shall not give rise to any right of first refusal in favor of Franchisee to acquire the relocated GNC Store or any other rights thereto; and

(vii) to sell or permit the conversion, or transfer of any interest in any GNC Store (whether owned by another franchisee or by Franchisor or its Affiliates) that is open and operating within the Protected Territory as of the Store Opening Date, without giving rise to any right of first refusal in favor of Franchisee to acquire the GNC Store or any other rights thereto, which shall not apply in the case of any such sale, conversion or transfer.

"Royalty Fees" shall have the meaning specified in the Selected Term Summary of this Agreement.

"Specially Designated National or Blocked Person" means (i) a person or entity designated by OFAC (or any successor office or agency of the U.S. government) from time to time as a "specially designated national or blocked person" or similar status, (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person or entity otherwise identified by government or legal authority as a person with whom Franchisor or its Affiliates are prohibited from transacting business.

"Store Opening Date" means the earlier of (i) the date the Store first opens for business and (ii) Franchisee's rent commencement date under the lease or sublease for the Store, provided, that the Store Opening Date for a Conversion Store shall be the date Franchisor turns over the assets of the Store to Franchisee.

ATTACHMENT B
PERSONAL COVENANTS

Each of the undersigned ("you") agrees that:

1. All capitalized terms used but not defined in these Personal Covenants shall have the meanings set forth in the General Nutrition Corporation Franchise Agreement dated as of the ___ day of _______, 20__ ("Franchise Agreement") by and between General Nutrition Corporation ("Franchisor") and _________________ ("Franchisee").

2. You are a Bound Party.

3. As an inducement to Franchisor to enter into the Franchise Agreement, and in consideration of the direct and personal benefits you will derive from the Franchise Agreement, you agree that: (i) you have read and understand all the provisions of Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement; (ii) you will be personally bound by all of the obligations and covenants of the Franchisee contained in Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement as if such obligations and covenants were made and given personally by you directly to Franchisor; and (iii) such obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

4. If any sentence, clause paragraph or combination of any of them in Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement is held by a court of competent jurisdiction to be unenforceable as applied to you, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 22.A. through 22.I. of the Franchise Agreement and Section 29.A. of the Franchise Agreement shall remain in full force and effect.

5. You represent and warrant to Franchisor that: (i) you are not a Specially Designated National or Blocked Person; and (ii) you are not acting on behalf of a government of, or involved in business arrangements or other transactions with, any country that is subject to an embargo imposed by the United States government. You agree to notify Franchisor in writing immediately upon the occurrence of any event which would render the foregoing representations and warranties of this Section 5 incorrect.

6. These Personal Covenants shall be governed by the laws of the Commonwealth of Pennsylvania, unless the law of your jurisdiction applies under Section 29.A. of the Franchise Agreement.

[Signature Page Follows]

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Franchise Agreement.

______________________________________	______________________________________
Signature	Signature
______________________________________	______________________________________
Print Name Date: ________________________, 20__	Print Name Date:______________________________, 20__

ATTACHMENT C
FRANCHISEE INFORMATION

1. Franchisee's legal organization (circle one): (a) sole proprietorship; (b) partnership; (c) corporation; (d) limited liability company; or (e) other (please specify:______________________).

2. If Franchisee is an Entity, list of all its partners, members or shareholders or others holding any ownership interest in Franchisee:

	Name and Address	% Interest	Active in Operation of Business? (yes/no)
(a)	______________________________ ______________________________ ______________________________	__________	______
(b)	______________________________ ______________________________ ______________________________	__________	______
(c)	______________________________ ______________________________ ______________________________	__________	______
(d)	______________________________ ______________________________ ______________________________	_________	______

3. If Franchisee is an Entity, list of Franchisee's officers, directors, managers and/or general partners:

	Name	Title
(a)	______________________________	____________________________
(b)	______________________________	____________________________
(c)	______________________________	____________________________
(d)	______________________________	____________________________

[Signature Appears on Following Page]

The undersigned certifies that all information contained in this Attachment C is accurate and complete, and agrees to notify Franchisor promptly (and in any case within fifteen (15) days) upon any change in the information required to be disclosed in this Attachment C.

FRANCHISEE:

If an Individual:

Signature: ____________________________
Print Name: __________________________

If other than an Individual:

____
[Name of Entity]

By: _________________________________
Name:_______________________________
Title: _______________________________

ATTACHMENT D

STATE ADDENDA TO FRANCHISE AGREEMENT

See attached.

STATE OF HAWAII
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

2. Sections 18, 19 and 20 as they relate to transfer, non-renewal and termination are applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.

3. Franchisor agrees to defer payment of the Initial Franchise Fee and other payments by Franchisee to Franchisor and its Affiliates until Franchisor has met all of Franchisor's pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business. At such time that Franchisor has met all of its pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor.

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:

GENERAL NUTRITION CORPORATION
Franchisor

By:_________________________

By:_________________________________

Franchisor Address:

General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:

____
Franchisee

By:_________________________
Print Name:___________________
Title:_______________Secretary__

By:___________________________________
Print Name:____________________________
Title:___________________________________

WITNESS:

By:_________________________
Print Name:_________________

By:___________________________________
Print Name:____________________________

By:___________________________________
Print Name:____________________________

Franchisee Address:

____
____
____

STATE OF ILLINOIS
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat., Chapter 815, §§ 705/1 through 705/44 (the "Act"), the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under the Act.

2. Illinois law governs the Agreement.

3. Sections 19 and 20 of the Agreement as they relate to non-renewal and termination are only applicable to the extent they are not inconsistent with the Act. In the event of any inconsistency, the Act will control. Franchisee's rights upon termination and non-renewal are set forth in sections 19 and 20 of the Act.

4. Franchisor and Franchisee acknowledge, and reference is hereby made to, Sections 705/4 and 705/41 of the Act, which provide as follows:

    Sec. 4. <u>Jurisdiction and Venue</u>. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois.

    Sec. 41. <u>Waivers Void</u>. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. Franchisor agrees to defer payment of the Initial Franchise Fee (and other payments that would be considered initial franchise fees under Section 705/3(14) of the Act) by Franchisee to Franchisor or its Affiliates until such time as Franchisor has met all of Franchisor's pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business. At such time that Franchisor has met all of its pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

6. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

7. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:_________________________	By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	_____________________________________ Franchisee
By:_________________________ Print Name:___________________ Title:_______________Secretary__	By:___________________________________ Print Name:_____________________________ Title:__________________________________
WITNESS:	
By:_________________________ Print Name:__________________	By:___________________________________ Print Name:_____________________________
	By:___________________________________ Print Name:_____________________________
Franchisee Address:	______________________________________ ______________________________________ ______________________________________

STATE OF INDIANA
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. If any of the provisions of the Agreement concerning termination and non-renewal, governing law, venue for litigation or arbitration, modification, covenants not to compete or any limitations period on the time in which claims may be brought are inconsistent with either the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law, then such laws will apply to the extent inconsistent with the terms of the Agreement.

2. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition to relocation, transfer or renewal of the franchise. Each provision is inapplicable to the extent inconsistent with the Indiana Deceptive Franchise Practices Law, IC § 23-2-2.7-1(5).

3. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to deprive the Franchisee of the rights and protections provided in the Indiana Franchise Disclosure Law or to relieve any person of any liability under the Indiana Deceptive Franchise Practices Law.

4. Each of the provisions of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:

GENERAL NUTRITION CORPORATION
Franchisor

By:_________________________

By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:

____
Franchisee

By:_________________________
Print Name:___________________
Title:_______________Secretary__

By:___________________________________
Print Name:______________________________
Title:__________________________________

WITNESS:

By:_________________________
Print Name:__________________

By:___________________________________
Print Name:______________________________

By:___________________________________
Print Name:______________________________

Franchisee Address:

____

____
____

STATE OF MARYLAND
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. The general release language required as a condition of relocation, renewal, sale and/or assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by Sections 6.E., 18.B.(ii)(c) and 19.G. is attached hereto as Schedule A.

2. Although under certain circumstances the Agreement requires Franchisee to submit to a court proceeding or arbitration in the state where Franchisor's principal place of business is located, Franchisor agrees that litigation claims brought under the Maryland Franchise Registration and Disclosure Law may be brought in any court of competent jurisdiction in the State of Maryland.

3. Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.

4. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to relieve any person of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. Franchisor agrees to defer payment of the Initial Franchise Fee (and other initial payments that would be considered franchise fees under the Maryland Franchise Registration and Disclosure Law) by Franchisee to Franchisor or its Affiliates until such time as Franchisor has met all of Franchisor's pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business. At such time that Franchisor has met all of its pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor. The Maryland Attorney General's Office imposed this deferral requirement due to Guarantor's financial condition.

7. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

8. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:_________________________	By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	_____________________________________ Franchisee
By:_________________________ Print Name:___________________ Title:_______________Secretary__	By:___________________________________ Print Name:_____________________________ Title:___________________________________
WITNESS:	
By:_________________________ Print Name:__________________	By:___________________________________ Print Name:_____________________________
	By:___________________________________ Print Name:_____________________________
Franchisee Address:	______________________________________ ______________________________________ ______________________________________

SCHEDULE A

The following is our current general release form that we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release.

GENERAL RELEASE

For and in consideration of the Franchise Agreement dated ________________, between the undersigned and General Nutrition Corporation ("Franchisor"), the undersigned, and each of their respective corporate parents, subsidiaries, affiliates, successors in interest, heirs and assigns, and each of their respective shareholders, directors, officers, agents, servants, and employees, as applicable, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the "Releasing Parties" and, individually, a "Releasing Party"), do hereby release, acquit and forever discharge Franchisor and each of its respective parents, subsidiaries, affiliates, and successors in interest, and each of their respective managers, members, shareholders, directors, officers, agents, servants, employees and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the "Released Parties" and, individually, a "Released Party"), of and from any and all liability, actions, causes of action, claims, debts, demands, damages, and liabilities to person(s) or property, costs, expenses, (including, without limitation court costs and attorneys' fees) and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort ("Claims") which the Releasing Parties or any of them now have, own, hold or claim to have, own or hold or at any time heretofore had, owned or held, against the Released Parties or any of them, now or at any time awarded to the undersigned and from the inception of any contact with any Released Party to the date of this General Release.

The undersigned acknowledges there is a risk that, after the date hereof, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned on the date hereof, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel. This General Release shall be binding upon the undersigned, and the other Releasing Parties and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the Franchisor's Franchise Disclosure Document or its exhibits or amendments. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from any liability imposed by the Maryland Registration and

Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of this ___________________________.

WITNESS:

By:________________________________ ____
Print Name:_________________________

By:________________________________ ____
Print Name:_________________________

STATE OF MINNESOTA
ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") is made and entered into by Franchisor and Franchisee.

1. This Addendum is made a part of the Agreement to which it is attached.

2. Section 19 of the Agreement is hereby amended by adding the following:

"With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 4, which requires, except in certain specified cases, that a franchisee be given one hundred eighty (180) days notice for non-renewal of the franchise agreement."

3. Section 20 of the Agreement is hereby amended by adding the following:

"With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3, which requires, except in certain specified cases, that a franchisee be given ninety (90) days notice of termination (with sixty (60) days to cure)."

4. Section 14 of the Agreement is hereby amended by adding the following:

"The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against any losses, costs or expenses resulting from claims by third parties that the franchisee's use of the Franchisor's trademark infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of franchisee's use of the Franchisor's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim."

5. Section 29 of the Agreement is hereby amended by adding the following:

"Pursuant to Minn. Stat. Sec. 80C.21 and Minnesota Rule 2860.4400J, nothing in this paragraph or in this Agreement shall in any way abrogate or reduce (1) any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota, or (2) Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

6. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22.

7. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

8. Minnesota Statutes, Section 80C.14, Subd. 5, requires that consent to the transfer of the Franchised Business will not be unreasonably withheld. The Sections in the Agreement that relate

to transfer are applicable to the extent they are not inconsistent with Minnesota law. In the event of any inconsistency, Minnesota law will control.

9. Minnesota Rule 2860.4400J prohibits Franchisor from requiring Franchisee to waive its rights to a jury trial or to consent to liquidated damages. Sections 21.A. and 29.E. of the Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by Minnesota law.

10. Franchisor acknowledges that Minnesota Rule 2860.4400J provides that Franchisee cannot consent to Franchisor obtaining injunctive relief, but that Franchisor may seek injunctive relief, and that a court will determine if a bond is required.

11. Franchisor acknowledges that no action may be commenced pursuant to Minnesota Statutes, Section 80C.17, Subd. 5, more than 3 years after the cause of action accrues.

12. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law (Minnesota Statutes, Chapter 80C, Sections 80C.01 through 80C.22) are met independently without reference to this Addendum.

13. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:________________________________ By: ___________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: Franchisee

By:________________________________ By: ___________________________________
Print Name:_________________________ Print Name: ______________________________
Title:_______________________Secretary Title: ___________________________________

WITNESS:

By:________________________________ By: ___________________________________
Print Name:_________________________ Print Name: ______________________________

Franchisee Address: ___________________________________
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STATE OF NEW YORK
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Section 18, "TRANSFER OF INTEREST," Paragraph B, of the Agreement is hereby supplemented with the following:

> No assignment shall be made except to an assignee, who, in the good faith judgment of Franchisor, is willing and possesses the economic resources to fulfill Franchisor's obligations under such Agreement.

2. Section 23, "INDEPENDENT CONTRACTOR AND INDEMNIFICATION," Paragraphs C and D, of the Agreement are hereby supplemented with the following:

> However, Franchisee shall not be required to indemnify for any claims arising out of a breach of the Agreement by Franchisor or other civil wrongs of the Franchisor.

3. Section 28, "SEVERABILITY AND CONSTRUCTION," Paragraph A, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

> A. Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement.

4. Section 29, "APPLICABLE LAW," Paragraph A, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

> A. This Agreement takes effect upon its acceptance and execution by Franchisor, and shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania and if the Franchised Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision shall be interpreted and construed under the laws of that state.

5. Section 29, "APPLICABLE LAW," of the Agreement shall be supplemented with the following paragraph:

> I. The foregoing choice of law should not be considered a waiver of any right conferred upon Franchisee by the General Business Law of New York State, Article 33.

6. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, transfer or renewal of the franchise. Such release will exclude claims arising under the General Business Law of New York State, Article 33, Sections 680 through 695, and the regulations issued thereunder.

7. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

8. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Addendum.

9. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:_______________________________ By: _________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: Franchisee

By:_______________________________ By: _________________________________
Print Name:________________________ Print Name: ____________________________
Title:______________________ Secretary Title: _________________________________

WITNESS:

By:_______________________________ By: _________________________________
Print Name:________________________ Print Name: ____________________________

Franchisee Address: _________________________________
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STATE OF NORTH DAKOTA
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code §§ 51-19-01 through 51-19-17, and the rules and regulations thereunder, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Section 22 of the Agreement contains covenants restricting competition. These covenants will be subject to Section 9-08-06, N.D.C.C.

2. Section 29.B. of the Agreement contains a provision requiring that arbitration be conducted in Pittsburgh, Pennsylvania. Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of the Franchised Business.

3. Section 29.D. of the Agreement contains a provision requiring that certain litigation must be instituted in a court within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business. Franchisor agrees that jurisdiction and venue for litigation claims brought under the Agreement and the North Dakota Franchise Investment Law may be in the State of North Dakota.

4. Section 29.A. of the Agreement contains a provision requiring that the Agreement be governed by Pennsylvania law. Franchisor agrees that North Dakota law will govern the Agreement and will prevail in the event of any conflict of law.

5. Sections 21.A. and 29.E. of the Agreement that relate to waiver of jury trial and liquidated damages shall not apply to franchises governed by North Dakota law.

6. To the extent any provision of the Agreement requires Franchisee to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.

7. The requirement in Section 19.G. of the Agreement that a general release be signed as a condition of renewal shall not apply to franchises governed by North Dakota law.

8. The Sections in the Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Agreement are only applicable to the extent they are not inconsistent with North Dakota law. In the event of any inconsistency, North Dakota law will control. The statute of limitations under North Dakota law applies.

Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Exhibits or Schedules thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:_______________________________ By: _________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: Franchisee

By:_______________________________ By: _________________________________
Print Name:________________________ Print Name: _____________________________
Title:_____________________ Secretary Title: _________________________________

WITNESS:

By:_______________________________ By: _________________________________
Print Name:________________________ Print Name: _____________________________

Franchisee Address: _________________________________
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STATE OF RHODE ISLAND
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Sections 6.E., 18.B.(ii)(c) and 19.G. of the Agreement each contain a provision requiring a general release as a condition of relocation, renewal and transfer of the franchise. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.

2. § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." To the extent that the provisions of Section 29.A. and 29.D conflict with the Rhode Island Franchise Investment Act, such provisions are void under § 19-28.1-14 with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that "a condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by this Act or a rule or order under this Act is void. An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act." If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release shall exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments shall be void with respect to claims under the Act.

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:______________________________ By: ______________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: Franchisee

By:______________________________ By: ______________________________
Print Name:_______________________ Print Name: ____________________________
Title:____________________ Secretary Title: ______________________________

WITNESS:

By:______________________________ By: ______________________________
Print Name:_______________________ Print Name: ____________________________

Franchisee Address: ______________________________
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STATE OF SOUTH DAKOTA
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the South Dakota Franchise Investment law (SDCL 37-5B), the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. Section 33, "ACKNOWLEDGMENTS," of the Agreement shall be supplemented by the following paragraph:

> Pursuant to SDCL 37-5B-21, any condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by the Franchise Investment chapter (SDCL 37-5B) or a rule or order under the Franchise Investment chapter is void.

4. Franchisor agrees to defer payment of the Initial Franchise Fee and other initial payments by Franchisee to Franchisor or its Affiliates until such time as Franchisor has met all of Franchisor's pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business. At such time that Franchisor has met all of its pre-opening obligations under the Agreement and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor. This financial assurance requirement was imposed by the South Dakota Department of Labor & Regulation, Division of Insurance, Securities Regulation, due to Franchisor's financial condition.

5. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchise Investment law are met independently without reference to this Addendum.

6. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:______________________________	By: ______________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	Franchisee
By:______________________________	By: ______________________________
Print Name:________________________	Print Name: ________________________
Title:____________________ Secretary	Title: ______________________________
WITNESS:	
By:______________________________	By: ______________________________
Print Name:________________________	Print Name: ________________________

Franchisee Address: ______________________________
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STATE OF VIRGINIA
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Virginia Retail Franchising Act, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

1. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires Franchisor to defer payment of the Initial Franchise Fee and other initial payments owed by Franchisee to the Franchisor until the Franchisor has completed its pre-opening obligations under the Agreement. At such time that Franchisor has met all of its pre-opening obligations under the Agreement, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor.

2. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.

3. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:______________________________	By: ______________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	Franchisee
By:______________________________	By: ______________________________
Print Name:______________________	Print Name: ______________________
Title:____________________Secretary	Title: ______________________________

WITNESS:

By:______________________________	By: ______________________________
Print Name:______________________	Print Name: ______________________

Franchisee Address: ______________________________
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STATE OF WASHINGTON
ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GENERAL NUTRITION CORPORATION FRANCHISE AGREEMENT (the "Agreement") agree as follows:

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

2. The state of Washington has a statute, RCW 19.100.180, which may supersede the Agreement in Franchisee's relationship with Franchisor including the areas of termination and renewal of the Agreement. There may also be court decisions which may supersede the Agreement in Franchisee's relationship with the Franchisor including the areas of termination and renewal of the Agreement.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Agreement, Franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by Franchisee will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where Franchisee is represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act, such as a right to jury trial, may not be enforceable.

5. Transfer fees are collectible to the extent they reflect Franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of Franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of Franchisee under 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits Franchisor from restricting, restraining, or prohibiting Franchisee from (i) soliciting or hiring any employee of a franchisee of Franchisor, or (ii) soliciting or hiring any employee of Franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

8. In lieu of an impound of franchise fees, Franchisor will not require or accept the payment of the Initial Franchise Fee (or any other fees or payments that would be considered franchise fees under the Washington Franchise Investment Protection Act) by Franchisee to Franchisor or its Affiliates until Franchisee (a) has received all initial training that it is entitled to under the Agreement or the

Franchisor's Franchise Disclosure Document provided to Franchisee, and (b) is open for business. At such time that Franchisee has received all initial training that it is entitled to under the Agreement or the Franchisor's Franchise Disclosure Document provided to Franchisee, and Franchisee has opened the Franchised Business, all deferred fees and payments shall be immediately due and payable by Franchisee to Franchisor.

9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:________________ By: ________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: Franchisee

By:________________ By: ________________
Print Name:________________ Print Name: ________________
Title:________ Secretary Title: ________________

WITNESS:

By:________________ By: ________________
Print Name:________________ Print Name: ________________

Franchisee Address: ________________
____
____

ATTACHMENT E

GUARANTEE

See attached.

GUARANTEE

As an inducement to General Nutrition Corporation ("Franchisor" or "GNC") to execute that certain Franchise Agreement (as defined below) between Franchisor and _________________ ("Franchisee") dated ______________ covering that certain GNC store (the "Store") located or to be located at ____________________, the undersigned, including their spouses, if any (collectively, "Guarantor"), jointly and severally, hereby agree to be individually bound by all the terms and conditions of the above-referenced Franchise Agreement, including any amendments, addendums and attachments thereto whenever made (the "Franchise Agreement") and unconditionally guarantee to Franchisor and its affiliates and their respective successors and assigns that all of Franchisee's obligations under the Franchise Agreement and other agreements between Franchisee and Franchisor or Franchisor's affiliates ("Related Agreements") will be punctually paid and performed. The Franchise Agreement and Related Agreements are collectively referred to herein as the "Agreements."

1. Guarantor's liability under this Guarantee is a guarantee of payment and performance of the Agreements and not of collectability. Guarantor's liability hereunder will continue until all obligations under the Agreements have been satisfied in full and will not be limited or affected in any way by transfer of the GNC Store or any disability of Franchisee. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder will continue and remain in full force and effect if all or any part of such payment or performance is avoided or recovered directly or indirectly from Franchisor as a preference, fraudulent transfer or otherwise, irrespective of any notice of revocation given by Guarantor prior to such avoidance or recovery. Upon the death of an individual Guarantor, the estate of such Guarantor will be bound by this Guarantee but only for defaults and obligations hereunder existing at the time of death, and the obligations of other Guarantors will continue in full force and effect.

2. Upon default by Franchisee under the Agreements and notice of such default from Franchisor to Guarantor, Guarantor will immediately make each payment and perform each obligation required of Franchisee under the Agreements, without any requirement that Franchisor first send a notice of default to Franchisee, and Guarantor hereby waives any and all rights it may otherwise have under statutory or common law relating to any notice requirements thereunder. Without affecting the obligations of Guarantor hereunder, Franchisor may, without notice to Guarantor, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. Guarantor waives notice of amendment of the Agreements and notice of demand for payment or performance by Franchisee.

3. Further, Guarantor hereby waives all other rights or benefits otherwise provided to sureties or guarantors under any state or federal law or common law, except as provided in this Guarantee. This waiver is expressly intended to waive any and all benefits and defenses under California Civil Code Sections 2819, 2845, 2849, and 2850 and any benefits or defenses available under the laws of any other state that may be deemed to be applicable to this Guarantee, including, without limitation, the right to require Franchisor to (i) obtain Guarantor's consent to any modification of the Franchise Agreement or any other agreement between Franchisor and any party other than Guarantor, (ii) proceed against any collateral that may be given for any of Franchisee's obligations, or (iii) pursue any other right or remedy for Guarantor's benefit, and agrees that Franchisor may proceed against Guarantor for the obligations guaranteed herein without taking any action against Franchisee or any other guarantor or pledgor. Guarantor agrees that Franchisor may unqualifiedly exercise, in its sole discretion, any or all rights and remedies available to it against Franchisee or any other guarantor or pledgor without impairing Franchisor's rights and remedies in enforcing this Guarantee, under which Guarantor's liabilities will remain independent and unconditional. Guarantor acknowledges that Franchisor's exercise of certain of such rights or remedies may affect, or eliminate Guarantor's right of subrogation or recovery against Franchisee and that Guarantor may incur a partially or totally nonreimbursable liability under this Guarantee.

4. On Franchisor's request, Guarantor will promptly deliver to Franchisor complete and current financial statements and tax returns and such other financial information about Guarantor as Franchisor may reasonably request. Guarantor further agrees to keep Franchisor fully informed on all aspects of Franchisee's financial condition and the performance of Franchisee's obligations to Franchisor and that Franchisor has no duty to disclose to Guarantor any information pertaining to Franchisee or to notify Guarantor of Franchisee's default under the Franchise Agreement or any Related Agreement.

5. No failure or delay on Franchisor's part in exercising any power or privilege hereunder will impair any such power, right or privilege or be construed as a waiver of or an acquiescence therein. No terms or provisions of this Guarantee may be changed, waived, revoked, or amended without Franchisor's prior written consent. Should any provision of this Guarantee be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions will remain effective. This Guarantee embodies the entire agreement among the parties hereto with respect to the matters set forth herein and supersedes all prior agreements among the parties with respect to the matters set forth herein.

6. Each Guarantor hereby jointly and severally holds harmless, and agrees to defend, protect, and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses, and fees (including attorneys' fees) and all other claims of every nature which may arise as a result of any dispute between or among any of Guarantor and any other persons or entities. Franchisor may assign this Guarantee without in any way affecting Guarantor's liability. This Guarantee will inure to the benefit of Franchisor, its affiliates and their successors and assigns and will bind Guarantor and Guarantor's heirs, executors, administrators, successors, and assigns. This Guarantee is executed in accordance with, and pursuant to, the terms of the Franchise Agreement and any default hereunder will be a default under the Franchise Agreement.

7. This Guarantee shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, the law of which shall prevail in the event of any conflict of law. If, however, any provision of this Guarantee would not be enforceable under the laws of Pennsylvania, and if the GNC Store is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the GNC Store is located, then the provision in question (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this section is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the Commonwealth of Pennsylvania or any other state which would not otherwise apply absent this paragraph.

8. Guarantor agrees that any action brought by Guarantor against Franchisor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Guarantor also agrees that the Franchisor may, in its sole discretion, bring any action against the Guarantor in any court, whether federal or state, within either a) the Commonwealth of Pennsylvania; or b) in any jurisdiction in which the Guarantor resides or owns property. If the Franchisor brings an action against Guarantor in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Guarantor accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

9. FRANCHISOR AND GUARANTOR AGREE THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDING, WHETHER AT LAW OR IN EQUITY, WHICH

ARISES OUT OF, CONCERNS, OR RELATES TO THIS GUARANTEE, ANY AND ALL TRANSACTIONS CONTEMPLATED BY THIS GUARANTEE, THE PERFORMANCE OF THIS GUARANTEE, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. FRANCHISOR AND GUARANTOR HEREBY IRREVOCABLY WAIVE ANY RIGHT ANY PARTY MAY HAVE TO A TRIAL BY JURY. FRANCHISOR OR GUARANTOR MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF FRANCHISOR OR GUARANTOR TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

10. **CONFESSION OF JUDGMENT. IN ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO FRANCHISOR, TO THE FULLEST EXTENT ALLOWED BY LAW, FRANCHISOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST GUARANTOR: If Franchisee defaults in the payment of any amounts under the Agreements, ~~Guarator~~Guarantor hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Guarantor, and, with or without complaint filed, confess judgment against Guarantor in favor of Franchisor, for any amounts due and owing under this Guarantee and/or any Agreement, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Collateral levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Collateral may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisement, or right of appeal. In any action of any amount due and owing, Franchisor shall cause to be filed in such action an affidavit made by Franchisor or someone acting for Franchisor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Guarantee and/or Agreement, verified by affidavit by or on behalf of Franchisor shall have been filed in any such action, it shall not be necessary to file the original Guaranty and/or Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Franchisor shall elect, until such time as Franchisor shall have received payment in full of all amounts due, interest and late charges, costs, and reasonable attorneys' fees for collection.**

~~1.~~11. THE UNDERSIGNED GUARANTOR ACKNOWLEDGES THAT IT WAS AFFORDED THE OPPORTUNITY TO READ THIS DOCUMENT CAREFULLY AND TO REVIEW IT WITH AN ATTORNEY OF ITS CHOICE BEFORE SIGNING IT. GUARANTOR ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE MEANING AND EFFECT OF THIS DOCUMENT BEFORE SIGNING IT.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Franchise Agreement.

GUARANTORS

By: ________________________________
Printed: ____________________________

By: ________________________________
Printed: ____________________________

By: ________________________________
Guarantor's Spouse
Printed: ____________________________

By: ________________________________
Guarantor's Spouse
Printed: ____________________________

ATTACHMENT F

SBA LOAN ADDENDUM

ADDENDUM
RELATING TO A
General Nutrition Corporation
FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE [1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on ________________, 20____, by and between GENERAL NUTRITION CORPORATION ("Franchisor"), located at 300 SIXTH AVENUE, PITTSBURGH, PENNSYLVANIA 15222, and ______________________________ ("Franchisee"), located at ______________________________.

Franchisor and Franchisee entered into a Franchise Agreement on ________________, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the Franchisee owns the real estate where the franchisee location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 - 3733.

Authorized Representative of FRANCHISOR:

By: ______________________________

Print Name: _______________________

Title:______________________________

Authorized Representative of FRANCHISEE:

By: ______________________________

Print Name: ________________________

Title:______________________________

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

ATTACHMENT G

DIRECT LEASE ADDENDUM

This Addendum is made this ___ day of _______________, 20_, by and between General Nutrition Corporation (the "Franchisor") and ____________________ (the "Franchisee").

WHEREAS, Franchisor and Franchisee entered into a Franchise Agreement dated __________, 20__ (the "Franchise Agreement") for a GNC franchise located at ____;

WHEREAS, Franchisee desires to negotiate and sign a lease for the franchised store independent from Franchisor; and

WHEREAS, Franchisor and Franchisee desire to amend the Franchise Agreement to allow for such a direct lease.

NOW THEREFORE, in receipt of consideration which is hereby acknowledged, the parties to this Addendum do hereby covenant and agree as follows:

I. Section 6.B. and Section 6.C. of the Franchise Agreement shall be amended and restated in their entirety as follows:

B. Site Approval. Franchisor may require Franchisee to submit specific site data, demographic and other information concerning the site as may be reasonably required by the Franchisor in a form specified by the Franchisor. Franchisor will assign Franchisee a Real Estate Representative who will inform Franchisee whether the site meets Franchisor's initial approval, pending receipt of a finalized, approved lease. Silence by the Franchisor is not an acceptance. Franchisor reserves the right to approve or disapprove any site in its sole discretion. If Franchisor rejects the proposed site, Franchisee shall use its best efforts to locate an acceptable location prior to the expiration of the Pre-Opening Period, and the new proposed site shall be submitted using the procedures outlined in this section.

C. Lease Negotiation and Approval. If Franchisor gives its initial approval, Franchisee may contact the landlord to negotiate lease terms for the location. The Real Estate Representative will assist the Franchisee in the negotiation process and provide Franchisee with a list of recommended parameters and terminology for the lease.

1. All terms and conditions of the proposed lease, including any subsequent amendments or modifications thereto, shall be subject to Franchisor's prior written approval, which approval shall be in Franchisor's sole discretion and shall be conditioned upon the exclusion from the lease of any radius clause and the inclusion in the lease of the following **required** lease provisions:

a. Landlord shall provide notice to General Nutrition Corporation ("GNC") upon the occurrence of any default by Tenant, as well as provide GNC with copies of all written notices of default sent to Tenant. Landlord shall provide that GNC shall have the right to enter the Premises to cure a default under the Franchise Agreement between GNC and Tenant or under the Lease and to take such necessary reasonable actions to protect GNC's proprietary marks and franchise system.

b. Should Tenant fail to cure any default asserted by Landlord, including abandonment of the Premises, within the time provided herein, Landlord shall notify GNC in writing of its intention to terminate the Lease prior to Landlord exercising said right to terminate pursuant to the default provisions set forth herein. GNC shall have the right but not the obligation, within thirty (30) days after receipt of such notice, to accept all of Tenant's right, title and interest in and to the Lease and assume and agree to perform all of Tenant's corresponding obligations, terms, covenants, conditions, and agreements under the Lease before Landlord may take such action by reason of such default. If GNC does not elect to assume the Lease, Landlord shall allow GNC to enter the Premises at a time chosen by GNC to claim possession of all fixtures, furniture, equipment and inventory in which GNC or its Affiliates have a security interest. Landlord consents to the foregoing conditional assignment of Tenant's right, title and interest in the Lease to GNC and the corresponding acceptance thereof and assumption of Tenant's corresponding obligations, terms, covenants, conditions and agreements made under the Lease by GNC subject to all of the terms, covenants, conditions and agreements set forth herein.

c. Landlord covenants and agrees that the Premises shall be delivered to Tenant: free of all previous tenants' fixtures, equipment and personal property, broom clean with all equipment and building systems in good working order and repair, in compliance with all applicable codes, laws, rules, regulations and ordinances, structurally sound, water-tight and asbestos free.

d. Notwithstanding anything set forth in this Lease, Franchisee shall not sublet or assign all or any part of its occupancy rights or extend the term of or renew the Lease without the prior written consent of GNC.

2. Once Franchisee has negotiated lease terms, Franchisee shall send the assigned Real Estate Representative the final version of the negotiated lease terms for Franchisor's approval. Franchisor's approval of the lease is dependent, among other factors, upon whether the required lease clauses are present. If Franchisor does not approve the lease, Franchisee must either re-negotiate with the landlord, or select an alternative location pursuant to the terms of this Section 6. Franchisee's lease shall be deemed officially approved when Franchisor issues a contact sheet. Silence by the Franchisor does not constitute acceptance. If Franchisee does not receive a contact sheet, Franchisee's lease is deemed rejected.

3. Franchisee hereby agrees that time is of the essence, and thus that Franchisee shall execute a lease for the Approved Location within the Pre-Opening Period or Franchisee will be in default as defined in the Franchise Agreement. A proposed site shall not be deemed guaranteed as Franchisee's official location until all Pre-Opening Obligations are met.

4. Franchisee also hereby acknowledges that Franchisor will not begin the initial survey, store design and permit process until Franchisor receives a fully executed copy of the approved lease. The acquisition in any manner of any proposed site prior to acceptance by Franchisor shall be at the sole risk and responsibility of Franchisee and shall not obligate Franchisor in any way to accept same.

5. All costs associated with the lease negotiations, lease review, and Store construction are Franchisee's sole responsibility and are due and payable by Franchisee in the manner that may be prescribed by Franchisor. Franchisor is not obligated to approve any site requested by Franchisee, and Franchisor may refuse to grant Franchisee the site for any reason at its sole discretion. In addition, Franchisor will not guarantee the lease on your behalf. Furthermore, Franchisor cannot predict, represent, or warrant success, suitability, or income levels for any location.

II. All other terms and conditions of the Franchise Agreement shall remain in full force and effect except as modified or supplemented by this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum to the Franchise Agreement on the day and year first written above.

ATTEST:	GENERAL NUTRITION CORPORATION FRANCHISOR
By: ____________________________ Print Name:_____________________	By: __________________________________ Print Name:____________________________
WITNESS:	____ FRANCHISEE
By:________________________________ Print Name:_____________________	By: _____________________________________ Print Name:_____________________________

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the day and year first above written.

	GENERAL NUTRITION CORPORATION Franchisor
ATTEST:	
By: ___________________________________ Name: ___________________________ Title: _____________________________	By: ___________________________________ Printed: __________________________________ Its: _______________________________________
WITNESS:	____ Franchisee
By: ___________________________________ Print Name:_______________________________ Title:_____________________________________	By:_______________________________________
By: ___________________________________ Print Name:_______________________________ Title:_____________________________________	By: ___________________________________

ATTACHMENT H

GNC SMOOTHIE BAR ADDENDUM

See attached.

GNC SMOOTHIE BAR ADDENDUM

This Addendum is made this ___ day of ____________________, 20___, by and between GENERAL NUTRITION CORPORATION (the "Franchisor") and ___________________ (the "Franchisee"). Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Franchise Agreement.

WHEREAS, Franchisor and Franchisee entered into a Franchise Agreement dated _________ (the "Franchise Agreement") for a GNC franchise located at ____________________ ;

WHEREAS, Franchisee wishes to participate in Franchisor's GNC Smoothie Bar Program, which will allow Franchisee to offer for retail sale drinks that combine fruit, juice, protein powders and nutritional supplements; and

WHEREAS, Franchisor and Franchisee wish to amend the Franchise Agreement to include this GNC Smoothie Bar Addendum.

NOW THEREFORE, in receipt of consideration that is hereby acknowledged, the parties to this Addendum do hereby covenant and agree as follows:

1. SMOOTHIE BAR RETROFIT/ADDITION.

   Franchisee wishes to (*check one*): ___________ Retrofit a GNC Smoothie Bar (as defined below)

   ___________ Add a GNC Smoothie Bar to a New Store

   and subject to fulfillment of the Pre-Opening Obligations and the additional requirements set forth herein, Franchisor hereby grants to Franchisee the right to operate a GNC Smoothie Bar in its GNC Store.

   A Retrofit is hereby defined as the addition of a GNC Smoothie Bar to either an existing store that is open and operating, or the addition of a GNC Smoothie Bar to a GNC Store that has been franchised, but is not yet open.

2. SMOOTHIE BAR INITIAL FRANCHISE FEE. Franchisee shall pay to Franchisor an initial franchise fee for the GNC Smoothie Bar in the amount of $~~1~~5,000.00 upon execution of this Addendum. The "Initial Franchise Fee" in the Selected Term Summary shall be amended to include this initial franchise fee, and the term "Initial Franchise Fee" as used in the Franchise Agreement shall be deemed to include the initial franchise fee for the GNC Smoothie Bar, except that the initial franchise fee for the GNC Smoothie Bar shall be due upon the execution of this Addendum.

3. SMOOTHIE BAR SITE IDENTIFICATION AND ACCEPTANCE.

A. Franchisee must complete and submit to Franchisor Supplement A: Smoothie Bar Site Acceptance Request Form within thirty (30) days after the date of this Addendum. Franchisor's acceptance or rejection of the proposed site shall be indicated in writing within one hundred twenty (120) days of receipt of the GNC Smoothie Bar Site Acceptance Request Form by Franchisor. Failure by Franchisor to respond shall be deemed a rejection of the proposed site by Franchisor. A proposed site shall not be deemed accepted unless Franchisee receives written acceptance from Franchisor.

B. Franchisor reserves the right, in its sole discretion, to approve or disapprove any proposed GNC Smoothie Bar based upon its review of the site and other factors. Such other factors may include review of Franchisee's sublease or lease to determine whether a GNC Smoothie Bar is permitted by the landlord of the location, whether the location is of adequate square footage to add the GNC Smoothie Bar, whether Franchisee is in compliance with the terms of its Franchise Agreement, and whether Franchisee is in good financial standing and has the financial resources to construct and operate the GNC Smoothie Bar. Franchisor also reserves the right to require, as a condition of acceptance, that Franchisee pay, either in full or some portion thereof, any amounts due to Franchisor or its Affiliates, or that Franchisee improve operations of its GNC Store as directed by Franchisor at its sole discretion.

C. Mere negotiations by Franchisor or other contact with third party landlords, lenders, vendors, contractors or other third parties taken individually or collectively shall not constitute Franchisor's acceptance of the site, or any obligation to Franchisee. If Franchisee enters into any obligation for a site before Franchisor's acceptance of that site in writing, such an undertaking shall be Franchisee's own risk and exclusive responsibility, financial or otherwise.

4. CONSTRUCTION OF GNC SMOOTHIE BAR.

A. Franchisor shall construct the GNC Smoothie Bar in accordance with the Plan-O-Gram attached hereto as Supplement B. However, Franchisor reserves the right to modify the site plan as needed in its sole discretion without notice. If required by Franchisor, Franchisee shall enter into a separate Construction Agreement with Franchisor.

B. Franchisee agrees to accept the GNC Smoothie Bar "AS IS" and agrees to pay for the construction of the GNC Smoothie Bar according to the invoices for such cost. Costs shall include, without limitation, contractor's charges, costs of permits and certifications, and the cost of all materials, equipment, fixtures and inventory.

5. SMOOTHIE TRAINING. Once developed, Franchisor reserves the right to require Franchisee, and if Franchisee is not an individual, Franchisee's Designated Principal, or any manager initially or subsequently employed by Franchisee, to attend and successfully complete a Smoothie training program at Franchisor's Franchise Support Center in Pittsburgh, Pennsylvania, or at another location designated by Franchisor. If Franchisee or its manager

does not successfully complete the training program, Franchisor shall have the right to deny Franchisee's request to open or operate a GNC Smoothie Bar.

6. <u>AMENDMENTS TO FRANCHISE AGREEMENT</u>.

A. The following language shall be added to Section 12.B of the Franchise Agreement:

If Franchisee has a GNC Smoothie Bar, Franchisee shall also purchase an inventory of ingredients, including, but not limited to, products, fruit and juice either from Franchisor or one of its Affiliates or from an approved supplier of such ingredients, in such categories and minimum quantities as are specified by Franchisor in the Manuals or otherwise in writing.

B. The following paragraph shall be added to Section 13.A. of the Franchise Agreement:

F. Franchisor shall make available to Franchisee the standard specifications for the GNC Smoothie Bar, including fixtures, furnishings, signs, inventory, equipment, supplies and forms. Franchisor shall also furnish specifications for any exterior work or renovation needed or required by lessor. Franchisor reserves the right to charge Franchisee a fee for these specifications.

C. The following language shall be added to Section 17.B. of the Franchise Agreement:

Franchisor reserves the right to require Franchisee to contribute a percentage of Gross Sales for local advertising for the GNC Smoothie Bar upon written notice to Franchisee.

D. The following paragraph shall be added to Section 18 of the Franchise Agreement:

G. The GNC Smoothie Bar is a part of the Franchised Business and shall not be considered a separate franchise or business. The GNC Smoothie Bar is not transferable, either all or in part, except in connection with and as a part of a Transfer of the Franchised Business as outlined in Section 18 of this Agreement.

E. Attachment A to the Franchise Agreement shall be amended to include the following within the indicated defined terms:

The definition of "Confidential Information" shall include any and all information, know-how or knowledge divulged to Franchisee regarding the GNC Smoothie Bar, subject to the exceptions set forth in the definition.

The definition of "GNC Store," "Store" and "Franchised Business" shall include the GNC Smoothie Bar.

The definition of "Gross Sales" shall include all gross receipts from the sale of any merchandise, service or product sold at the GNC Smoothie Bar.

The definition of “Manuals” shall include any Smoothie Operations Manual and any supplements, additions or modifications thereto.

The definition of “Products” shall include smoothies and related products offered for sale from the GNC Smoothie Bar.

8. RATIFICATION. Except as modified by the terms of this Addendum, the terms and provisions of the Franchise Agreement shall remain unchanged and the Franchise Agreement, as modified and supplemented by this Addendum, shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum to the Franchise Agreement on the day and year first written above.

ATTEST:	GENERAL NUTRITION CORPORATION FRANCHISOR
By:_______________________________	By: ______________________________
Print Name:________________________	Print Name:________________________
WITNESS:	FRANCHISEE
By: ______________________________	By:_______________________________
Print Name:________________________	Print Name:________________________
By: ______________________________	By:_______________________________
Print Name:________________________	Print Name:________________________

SUPPLEMENT A: SMOOTHIE SITE ACCEPTANCE REQUEST FORM

The undersigned hereby requests acceptance by GENERAL NUTRITION CORPORATION (the "Franchisor") of the addition of a GNC Smoothie Bar to the following location:

SHOPPING CENTER NAME: ______________ *STORE NUMBER (if known):*_________

*STREET ADDRESS:*____

CITY: ___________________________ *COUNTY:* ________________________

STATE: _________________________ *ZIP CODE:*_______________________

SITE SUBMITTED FOR: ________________________ ___________________________

Franchise Operator

*By:*____________________ *By:*________________________

Signature *Signature*

*ADDRESS:*____

*TELEPHONE:*____

SUPPLEMENT B: SMOOTHIE PLAN-O-GRAM

To ensure a consistent look at every GNC Smoothie Bar, each Store is expected to have in place the counter top layout shown below. Brochures, take out menus, and nutritional information cards need to be in the merchandising units readily available for customers. **Franchisee agrees to comply with any revisions to the Plan-O-Gram that Franchisor may require from time to time at its sole discretion upon notice in the Manuals or otherwise in writing.**

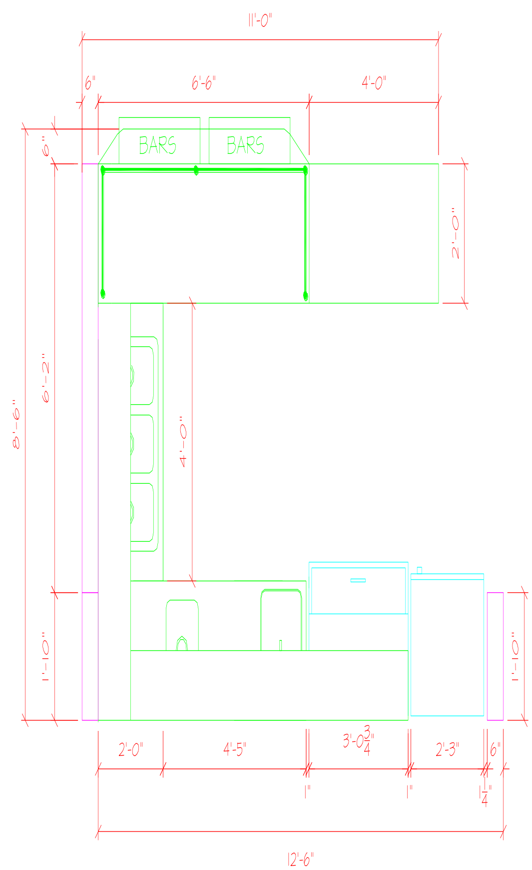

EXHIBIT F

Development Agreement

GENERAL NUTRITION CORPORATION

AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

SELECTED TERM SUMMARY

Agreement Date: ___________________________

Franchisor: General Nutrition Corporation

Developer: _______________________________

Development Area (Section 1): ____
____
____

Development Schedule (Section 1): Developer agrees to have open and operating at least the following minimum, cumulative number of Stores by the date specified:

Cumulative Number of Stores to be Developed	Last Date to Establish and Open the Store	Franchise Fee	Development Fee
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

Development Rights Fee (Section 4.1): $____________________

Total Development Fees from Development Schedule above: $____________________

Total Development Fee (Section 4.1): $__________________

This Selected Term Summary is a part of and incorporated by reference into the Area Development Agreement between Franchisor and Developer attached hereto. In the event of a conflict between the Selected Term Summary information and the Area Development Agreement, the Area Development Agreement shall control.

____
Initials

GENERAL NUTRITION CORPORATION
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into this ______ day of ________________________, 201__ (the “Effective Date”), by and between GENERAL NUTRITION CORPORATION, a Pennsylvania corporation with its principal office at 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222 (“Franchisor”), and ___________________________________, a ____, with (its principal office) (his/her residence) at _______________________________________ (“Developer”), who agree as follows:

RECITALS

Franchisor and its Affiliates, at a substantial expenditure of time, effort and money have established and own a unique and comprehensive system relating to the development, opening, and operation of retail health, wellness and performance stores offering vitamin and mineral supplements, sports nutrition products, herbs, health foods, natural cosmetics and miscellaneous healthcare products, diet products, sports accessories, physical fitness products and related products, under the names “GNC” and GENERAL NUTRITION CENTER (“GNC Stores” or “Stores”).

The distinguishing characteristics of the GNC System include, without limitation, the establishment, development, and operation of Stores which feature vitamins, emphasizing a special selection of vitamins manufactured or distributed by Franchisor or its affiliates under labels bearing the mark “GNC” and related marks (“GNC Products” or “Products”), and which may feature health foods, natural cosmetics, diet products, physical fitness products, or health-management products and services; distinctive building designs, interior and exterior layout, and trade dress; standards and specifications for construction methods and materials, equipment, furnishings, fixtures, supplies, signs, and product lists; technical assistance and training; sales and management assistance and training; operating procedures for the storage, display, and sale of vitamins, health foods, natural cosmetics, diet products, physical fitness products and health-management products and services; and specialized methods and techniques for inventory and cost controls, recordation and reporting, personnel management, purchasing, customer service, sales promotion, and advertising; all of which may be changed, improved, and further developed by Franchisor from time to time.

Franchisor identifies the GNC System by means of certain Proprietary Marks, including trademarks, trade names, service marks, logos, emblems, and other indicia of origin, including but not limited to “GNC” and “GENERAL NUTRITION CENTER,” and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by Franchisor) for use in connection with the System.

Franchisor continues to develop, use, and control the use of the Proprietary Marks in order to identify for the public the source of products and services marketed thereunder and under the System, and to represent the System's high standards of quality, appearance, and service.

Developer wishes to obtain certain development rights to develop and establish a specific number of GNC Stores within a designated geographical area, and to operate such GNC Stores as a franchisee under the GNC System, pursuant to franchise agreements in the Development Area described in this Agreement;

The parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

During the term of this Agreement, Franchisor hereby grants to Developer, subject to the terms and conditions contained herein, the right to establish and operate the number of GNC Stores set forth on the development schedule (the "Development Schedule") in the Selected Term Summary. Each GNC Store to be established hereunder shall be located in the area described in the Selected Term Summary (the "Development Area"). Within Franchisor's discretion, Franchisor may consider sites proposed by Developer outside of the Development Area. Franchisor, in its sole discretion, will determine if any such sites located outside of the Development Area shall count toward the Development Schedule. The rights granted herein pertain only to the development of GNC Stores. This Agreement is not a franchise agreement and does not grant Developer any right or license to operate a GNC Store or to use the GNC System. The operation of any GNC Store established pursuant to this Agreement shall be governed by the then-current individual General Nutrition Corporation Franchise Agreement to be entered into between Franchisor and Developer in accordance with Section 9 below (each, a "Franchise Agreement").

2. TERRITORIAL PROTECTION AND RESERVATION OF RIGHTS

2.1. Territorial Protection. Developer may establish the GNC Stores required to be developed hereunder at any location within the Development Area provided that Franchisor, in its sole discretion, consents in writing to the location, the location is in a state where Franchisor is permitted to sell GNC franchises, the location is not located in a territory or location in which any other GNC franchisee has exclusive rights or a right of first refusal, the location does not violate any other protected or restricted area Franchisor has granted or may in the future grant, and the location does not violate a radius restriction in any real estate lease. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 11.1, during the Term of this Agreement, and so long as Developer is in full compliance with the terms and provisions of this Agreement, Franchisor shall not itself operate, nor grant a franchise for the operation of, another GNC Store within the Development Area. Nothing herein shall be deemed to restrict the ownership and operation of any GNC Stores which are operating within the Development Area as of the Effective Date or, if during the Term, Franchisor terminates the franchise of any GNC Store developed pursuant to this Agreement by the Developer, then Franchisor shall have the right to operate, or to franchise another to operate, a GNC Store at the site where each such terminated franchised business had been established and/or operated.

2.2. Reservation of Rights. Franchisor retains the right, in its sole discretion, without any liability or compensation whatsoever to Developer and without granting Developer any rights therein, to:

(i) develop or operate or grant a license for the development or operation of a GNC Store at any location outside the Development Area, provided that any such GNC Store will not be located within the protected territory (during the protective period) under a Franchise Agreement entered into by Developer pursuant to this Agreement;

(ii) establish and operate, or grant a license to operate, or sell or distribute any goods, products or services (including GNC Products) to any store or outlet that operates under names or marks other than GNC's Proprietary Marks, at any location within or outside of the Development Area, regardless of whether the store or outlet sells or distributes goods or services the same as or similar to or different from those sold or distributed by the Developer under Franchise Agreements entered into pursuant to this Agreement;

(iii) give, sell, promote, advertise, and/or distribute directly or indirectly, and to license others to give, sell, promote, advertise, and/or distribute directly or indirectly, any goods, products, or services (including GNC Products) to any person via the Internet, electronic communications, the world-wide web, websites, electronic pages, interactive electronic media, shopping networks, direct mail, mail order or catalog sales, inside or outside the Development Area;

(iv) develop, use and franchise anywhere the rights to any trade names, trademarks, service marks, commercial symbols, logos, emblems, signs, slogans, insignia, patents or copyrights not designated by Franchisor as GNC's Proprietary Marks, for use with similar or different franchise systems for the sale of similar or different products or services than those constituting a part of the GNC System;

(v) offer, ship, sell and provide products or services identified by GNC's Proprietary Marks or other trademarks, service marks, commercial symbols or emblems to any person or Entity located anywhere through any other distribution channel or method, including grocery stores, convenience stores, the Internet (or any other existing or future form of electronic commerce), kiosks, co-branded sites and sites located within other retail businesses, and delivery services, regardless of the proximity to any GNC Store established hereunder;

(vi) own, operate, franchise or license anywhere, even in close proximity to any GNC Stores developed hereunder, stores of any other type whatsoever operating under marks other than GNC's Proprietary Marks; and

(vii) engage in any other activity, action or undertaking that Franchisor is not expressly prohibited from taking under this Agreement.

The foregoing rights of Franchisor are referred to herein as the "Retained Rights."

2.3 No Right to License. Developer shall have no right under this Agreement to license others to use GNC's Proprietary Marks or the GNC System in any manner.

3. TERM

Unless earlier terminated in accordance with the terms and conditions set forth herein, this Agreement shall commence as of the Effective Date and shall automatically expire, without any action on the part of either party being necessary, on the earlier of (i) the date on which Developer has completed its development obligations under this Agreement; or (ii) 11:59 p.m. (Eastern Time) on the last day specified in the Development Schedule (the “Term”).

4. FEES

4.1 Development Fee. Upon the execution of this Agreement, Developer shall pay to Franchisor a development fee (the “Development Fee”) equal to the sum of the following: (i) the development rights fee set forth on the Selected Term Summary (the “Development Rights Fee”), (ii) a fee equal to the Franchise Fee for the first GNC Store to be developed and opened hereunder, as set forth on the Selected Term Summary, and (iii) a fee equal to Fifty Percent (50%) of the total Franchise Fees for the remaining GNC Stores required to be developed and opened hereunder during the Term, as set forth on the Selected Term Summary. Developer acknowledges and agrees that the Development Fee, which includes the Development Rights Fee, is paid as partial consideration for Franchisor granting Developer the right to establish, open and operate the number of GNC Stores set forth on the Development Schedule, and that the entire Development Fee, which includes the Development Rights Fee, is fully earned by Franchisor at the time this Agreement is executed and shall not be refundable for any reason, in consideration of administrative and other expenses incurred by Franchisor and for the development opportunities lost or deferred as a result of the rights granted to Developer herein. For each GNC Store established pursuant to this Agreement, Developer shall receive a credit toward the Franchise Fee for that GNC Store in the amount of the Development Fee paid for the applicable GNC Store (as set forth in the Selected Term Summary). In no event shall the sum of all credits received by Developer under this Section 4.1 exceed the total of the Development Fee in Sections 4.1(ii) and (iii) above. If a GNC Store is not established in accordance with the Development Schedule, that portion of the Development Fee that would have otherwise been credited towards payment of the Franchise Fee shall be forfeited and retained by Franchisor. If for any reason this Agreement terminates before all or a portion of the Development Fee has been applied to the Franchise Fees, Franchisor will retain the unapplied portion of the Development Fee as consideration for its time, effort and foregone opportunities.

4.2 Franchise Fees. As long as Developer is in compliance with the terms of this Agreement, including, without limitation, the Development Schedule, the amount of the Franchise Fee for each GNC Store to be established hereunder is set forth on the Selected Term Summary (each a “Franchise Fee”). The Franchise Fee for each GNC Store is to be paid in addition to the Development Fee; provided, that a portion of the Development Fee may be credited against the Franchise Fees as provided for in Section 4.1 above. The remainder of the Franchise Fee due for each GNC Store shall be immediately due and payable upon execution of the Franchise Agreement for that GNC Store.

5. DEVELOPMENT OBLIGATIONS

5.1 Minimum Development Requirements. Developer must (i) establish and open the specified minimum number of GNC Stores on or before each of the dates specified on the Development Schedule and (ii) maintain the specified minimum number of GNC Stores in continuous operation as specified on the Development Schedule. Developer's failure to comply with the foregoing requirements shall constitute a default under this Agreement. Developer understands that time is of the essence with respect to its obligations to comply with the Development Schedule and that failure by Developer to adhere to the Development Schedule shall constitute a material default under this Agreement. Developer acknowledges and understands that this Agreement requires Developer to open GNC Stores in the future pursuant to the Development Schedule. Developer further acknowledges and understands that the estimated investment requirement and fees and expenses set forth in Franchisor's Franchise Disclosure Document are subject to increase and change over time, and that future GNC Stores developed hereunder will most likely require a greater initial investment and increased operating capital than those detailed in the Franchise Disclosure Document provided to Developer in connection with the execution of this Agreement.

5.2 Compliance with Conditions. As stated herein, this Agreement does not give Developer a right or license to operate any GNC Store, but rather sets forth the terms and conditions, which, if fully satisfied will entitle Developer to operate a GNC Store in the Development Area pursuant to a Franchise Agreement. Developer shall apply to Franchisor, and supply such information as requested by Franchisor, for the franchise to operate each GNC Store that it develops in the Development Area pursuant to this Agreement. If Franchisor, in its sole discretion, determines that Developer has met the conditions set forth in this Agreement, Franchisor will grant to Developer the franchise. Such conditions shall include, but not be limited to, the following: (i) Developer must be in compliance with this Agreement, including the Development Schedule; (ii) each of Developer, its Principals and their respective Affiliates must be in compliance with any Related Agreements; (iii) Developer and its Principals must satisfy Franchisor's then-current financial criteria for franchisees; (iv) Developer and its Principals must have faithfully performed all terms and conditions of any Related Agreements during the terms of such agreements; and (v) Developer must have submitted to Franchisor, in a timely manner, all information and documents requested by Franchisor.

6. SITE SELECTION AND ACCEPTANCE

6.1 Site Selection and Acceptance. Developer assumes all cost, liability, expense and responsibility for selecting, obtaining and developing sites within the Development Area for each GNC Store to be developed pursuant to this Agreement. Developer shall not make any binding commitment with respect to a site unless the site is approved as set forth below. Developer acknowledges that the selection, procurement and development of sites are Developer's responsibility. Franchisor, in its sole discretion, may counsel and offer advice to Developer with respect to such site selection; provided, however, in no event shall Franchisor be liable to Developer in connection with providing advice or any such assistance. Franchisor's approval of any respective site and any assistance in the selection of a site does not constitute a representation, promise, warranty, or guaranty by Franchisor that the GNC Store operated at that site will be profitable or otherwise successful. Upon Developer's selection of a proposed site for a Store, Developer shall promptly submit to Franchisor such site, demographic and other data and information about the proposed site as reasonably requested by Franchisor, using such forms as may be required by Franchisor, and a copy of any lease, sublease or purchase agreement to be entered into in connection with the acquisition of such site. Franchisor shall either accept or reject the proposed site using its then-current site selection policies and procedures. In addition, Developer acknowledges and agrees that Franchisor's acceptance of a proposed site may be conditioned upon Developer meeting certain other requirements (including, without limitation, the inclusion of additional terms and conditions satisfactory to Franchisor to any lease, sublease or purchase agreement for the proposed site, including any lease addenda that may be required by Franchisor pursuant to this then-existing Franchise Agreement), and if Developer does not, or is unable to meet such requirements within a reasonable time, the site will be deemed rejected. To be effective, any acceptance of a proposed site by Franchisor must be in writing. Developer acknowledges and agrees that Franchisor may reject any proposed site for any reason in its sole discretion, in which event, Developer may not develop a GNC Store at the rejected site, but must locate another proposed site for the GNC Store and submit it to Franchisor for acceptance in accordance with this Agreement. Franchisor's consent to or failure to consent to any site shall not waive, extend or modify the Development Schedule.

6.2 Disclaimer. The acquisition in any manner of any proposed site, whether by option, purchase, lease or otherwise, prior to written acceptance by Franchisor shall be at the sole risk and responsibility of Developer and shall not obligate Franchisor in any way to accept such site or enter into a Franchise Agreement with Developer for the operation of a GNC Store at such site. Developer understands and agrees that Franchisor's approval of a site (including any lease, sublease, or purchase agreement) for a GNC Store is not an assurance or a guarantee by Franchisor of the suitability of such site for a GNC Store or the success of a GNC Store established at such site. Developer acknowledges and agrees that the suitability of a site and the success of any GNC Store depends on many factors outside the control of either Franchisor or Developer (including, without limitation, such factors as interest rates, unemployment rates, demographic trends and the general economic climate) and further depends on Developer's efforts in the operation of the Store. In no event shall Franchisor be liable to Developer in connection with providing any assistance or advice with respect to the selection of a site. In no event shall Franchisor be obligated to loan money, guarantee leases, subleases or purchase agreements, provide financing or otherwise become directly involved and/or obligated to Developer or to any third party in respect of such site selection or development of any Store; these activities and undertakings, financially and otherwise, shall be the exclusive responsibility of Developer.

7. CONSTRUCTION OF THE APPROVED SITE

Franchisor or its Affiliates will construct and perform all construction, renovation, refurbishing or remodeling of the GNC Store, unless Franchisor otherwise designates in writing. If Franchisor or its Affiliates constructs or performs any renovation, refurbishing or remodeling of the Store, Franchisor or its Affiliate will turn over custody and control of the site to Franchisee upon substantial completion of construction or renovation, refurbishing or remodeling, provided that Franchisee is not then in breach of this Agreement. Franchisee accepts the site "AS IS" and agrees to pay for the construction of the GNC Store according to the invoices for such cost within fifteen (15) days of receipt of any invoice therefor. Such cost shall include contractor's charges, costs of permits and certifications, and the cost of all materials, equipment and fixtures, as well as Franchisor's then-current construction handling fee, which currently is $2,500.

8. DUTIES OF THE PARTIES

8.1 Franchisor's Obligations. Franchisor shall furnish to Developer site selection guidelines, including Franchisor's minimum standards for locations for the GNC Stores, and such site selection counseling and assistance as Franchisor may deem advisable, and such on-site evaluations as Franchisor may deem advisable in response to Developer's requests for site approval. Developer shall reimburse Franchisor for all reasonable expenses incurred by Franchisor in connection with requested on-site evaluations, including, the costs of travel, lodging, and meals.

8.2 Entity Requirements. A Developer which is an Entity shall comply, except as otherwise approved in writing by Franchisor, with the following requirements throughout the term of this Agreement:

(i) Developer shall confine its activities, and its Governing Documents shall at all times provide, that its activities are confined exclusively to the management and operation of the GNC franchise business, including the development and establishment of the GNC Stores.

(ii) Developer shall furnish Franchisor its Governing Documents, and any other documents related to the organization of the Entity as Franchisor may reasonably request, and any amendments thereto.

(iii) Developer shall maintain an accurate list of the Principals and provide it to Franchisor upon request. Developer acknowledges that any change in Principals or ownership structure of Developer's Entity shall constitute a transfer of ownership, subject to Franchisor's transfer requirements and provisions. Developer shall request Franchisor's approval in writing prior to making any changes to its organizational structure and shall comply with Franchisor's prescribed transfer requirements as contained in this Agreement and in any Franchise Agreement entered into with Franchisor.

(iv) The Principals of Developer and their spouses, as may be specified by Franchisor, shall execute the Guarantee attached hereto.

8.3 Financial Ability. Developer, and at Franchisor's request, each Principal, shall provide Franchisor with the most recent financial statements of Developer and its Principals. Such financial statements shall present the financial position of Developer and its Principals, as applicable, as of the date indicated therein. Developer shall at all time during the term of this Agreement maintain sufficient working capital to fulfill its obligations under this Agreement.

8.4 Developer's Activities. Developer shall not intentionally do anything that would result in injury or fail to do anything that would prevent injury to the good name or reputation of Franchisor or make any representations or claims regarding Franchisor or Franchisor's products not expressly authorized in writing by Franchisor. Developer shall conduct its operations in accordance with good business practices and industry standards.

9. FRANCHISE AGREEMENTS

Upon receiving Franchisor's approval of a proposed site for development of a GNC Store, Developer must (a) sign and deliver to Franchisor two copies of Franchisor's then-current Franchise Agreement (each, a "Franchise Agreement") for the GNC Store, together with any ancillary agreements required by the Franchise Agreement and (b) pay Franchisor the Franchise Fee as required therein (as set forth in the Selected Term Summary) but consistent with Section 4 above. Once Franchisor has received the signed Franchise Agreement, the Franchise Fee and all ancillary items it requires in satisfactory form, Franchisor will countersign the Franchise Agreement and ancillary agreements and return one fully executed set of contracts to Developer. Developer understands that any obligation or liability Developer incurs with respect to the proposed GNC Store or location before Franchisor has approved it in writing and sent Developer the countersigned Franchise Agreement is at Developer's sole risk, and will be Developer's sole responsibility. With respect to any Franchise Agreement executed in connection with this Agreement, Franchisor acknowledges and agrees that:

(i) the initial term of each Franchise Agreement will be 10 years with the subsequent option to renew for 5-year terms as set forth in the initial Franchise Agreement executed by Developer and Franchisor in connection herewith (the "Initial Franchise Agreement"); and

(ii) neither the distance nor the length of time of the post-termination covenant not to compete in any Franchise Agreement shall be increased from those set forth in the Initial Franchise Agreement;

Developer must comply with Franchisor's then-current franchising policies and procedures for execution of each Franchise Agreement. Franchisor shall be under no obligation to execute a Franchise Agreement unless Developer has complied in a timely manner with all of the terms and conditions of this Agreement and has satisfied all conditions and requirements set forth herein for the execution of the Franchise Agreement. In addition, Franchisor shall be under no obligation to execute a Franchise Agreement if Developer is in breach or default of any other Franchise Agreement or any other agreement between Franchisor and Developer. If any Franchise Agreement contemplated by this Agreement is executed by Franchisor, it shall supersede this Agreement and govern the relationship between the parties hereto with respect to the GNC Store that is the subject matter of such Franchise Agreement.

10. NO RIGHT TO OPERATE OR USE TRADEMARKS

Developer acknowledges and agrees that: (i) until a Franchise Agreement has been entered into for a specific GNC Store, Developer shall not have, nor be entitled to exercise, any of the rights, powers and privileges granted by the Franchise Agreement, including, without limitation, the right to use the Proprietary Marks or the GNC System; (ii) the execution of this Agreement shall not be deemed to grant any such rights, powers or privileges to Developer;

and (iii) Developer may not under any circumstances commence operations of any GNC Store prior to Franchisor's approval and execution of a Franchise Agreement for that particular GNC Store.

11. TRANSFERS

11.1 Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of this Agreement and its rights or obligations herein to any person or Entity without Developer's consent and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all of Franchisor's obligations arising out of this Agreement subsequent to the transfer or assignment. In addition, Franchisor shall have the right to delegate performance of any and all of its obligations and duties hereunder. Developer agrees and affirms that Franchisor may sell its assets, the Proprietary Marks and/or the GNC System to a third-party; may offer its securities privately or publicly; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Developer further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as GNC Stores operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Developer acknowledges may be proximate to any of its Stores. With regard to any of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Proprietary Marks (or any variation thereof) and the GNC System and/or the loss of association with or identification of General Nutrition Corporation under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the business of offering franchise or development agreements for GNC Stores or to offer or sell any products or services to Developer.

11.2 Transfer by Developer. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer, and are granted in reliance on Developer's business skill, financial capacity and personal character. Accordingly, neither Developer nor any immediate or remote successor to any part of Developer's interest in this Agreement, nor any individual or Entity which directly or indirectly controls Developer, shall sell, assign, transfer, convey, or give away (each a "Transfer"), in whole or in part, any direct or indirect interest in this Agreement or in Developer without the prior written consent of Franchisor. In, addition, if Developer is an Entity, the Principals of Developer shall not Transfer their equity interest in Developer without the prior written consent of Franchisor. Furthermore, in the event any Principal of Developer is an Entity, the interest of any such Principal may not be Transferred without the prior written consent of Franchisor. Any Transfer in violation of this Agreement shall be null and void and of no force and effect, and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without opportunity to cure pursuant to Section 12.3 of this Agreement.

11.3 Conditions to Transfer. Franchisor shall not unreasonably withhold its consent to any Transfer as described in Section 11.2 above; provided, however, Franchisor may require, in its sole discretion, as a condition of its approval of any such Transfer:

(i) All of Developer's accrued monetary obligations to Franchisor or any Affiliate of Franchisor shall have been satisfied, all or a portion of which Franchisor may require to be paid in immediately available funds including wire transfers, on or before the date of Transfer;

(ii) Developer is not in default of any provisions of this Agreement or any other agreement with Franchisor, including any Franchise Agreements;

(iii) Developer (and if Developer is an Entity, then its Principals) shall have executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and any of its Affiliates and their respective officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances;

(iv) The transferee (and, if the transferee is an Entity, then its Principals) shall enter into a written agreement, in a form prescribed by Franchisor, assuming and agreeing to discharge all of Developer's obligations under this Agreement; and the transferee's Principals shall guarantee the performance of all such obligations in writing in a form satisfactory to Franchisor;

(v) The transferee (and, if the transferee is an Entity, then its Principals) shall demonstrate to Franchisor's satisfaction that they meet Franchisor's managerial and business standards; possess a good moral character and business experience, and have adequate financial resources and capital to, at Franchisor's discretion, either: (i) comply with the Development Schedule set forth this Agreement; or (ii) comply with a revised Development Schedule as set forth in a substitute Development Agreement.

(vi) At Franchisor's option, the transferee (and, if the transferee is an Entity, then its Principals) shall execute the then-current standard form of Development Agreement, for a term ending on, at Franchisor's discretion, either (i) the expiration date of this Agreement; or (ii) a mutually-agreed upon expiration date, and all such ancillary agreements as Franchisor may require, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement;

(vii) Developer and each guarantor of this Agreement shall remain liable for all obligations of Developer's business prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

(viii) Developer shall transfer all of its right, title and interest in each Franchise Agreement executed and GNC Store operating pursuant to this Agreement to the transferee, subject to the terms and conditions of each Franchise Agreement;

(ix) Except in the case of a Transfer to an Entity formed for the convenience of ownership, a transfer fee in the amount of $10,000, or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing and approving the Transfer;

(x) The terms and conditions of the proposed Transfer shall be satisfactory to Franchisor; and/or

(xi) Neither the transferee nor any of its Affiliates or Principals shall be associated with or own a direct or indirect interest in a Competitive Business.

Developer acknowledges and agrees that each condition which must be met by the transferee is necessary to assure such transferee's full performance of the obligations hereunder.

11.4 Offerings By Developer. Securities in Developer may not be offered to the public by private offering or otherwise without the prior written consent of Franchisor. If securities of Developer are offered to the public, all materials required for any such offering by federal or state law shall be submitted to Franchisor for review prior to their use or filing with any government agency; and any materials to be used in any offering exempt from federal or state securities laws shall be submitted to Franchisor for review prior to their use. No such Developer offering shall imply (by use of the GNC Proprietary Marks or otherwise) that Franchisor is participating as underwriter, issuer, or offeror of Developer's or Franchisor's securities; and Franchisor's review of any offering shall be limited solely to the subject of the relationship between Developer and Franchisor. Developer and other participants in the offering must fully indemnify Franchisor in connection with the offering. For each proposed offering, Developer shall pay Franchisor a non-refundable fee in such amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering materials. Developer shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this section.

11.5 Transfer Upon Death or Incapacity.

(i) Upon the death or Incapacity of any person with an interest in this Agreement or in Developer (the effect of which would cause the Business to temporarily or permanently cease to operate in full compliance with all requirements of this Agreement), Developer shall immediately notify Franchisor of such event. Franchisor may, at its sole discretion, but without any obligation to do so, immediately enter upon the premises of the Business, and install a manager to manage and operate the Business for such time as Franchisor deems necessary, or until an approved Transfer in accordance with the terms of Section 11 occurs. Franchisor shall be entitled to reasonable compensation and recoupment of expenses incurred during this period. If Franchisor assumes management of the Business, Developer acknowledges that Franchisor will have a duty to use only reasonable efforts and will not be liable to Developer or its Principals for any debts, losses or obligations of the Business, or to Developer's creditors for any supplies or services the Store purchases while the Franchisor manages the Business.

(ii) Upon the death or Incapacity of any person with an interest in this Agreement or in Developer (the Transfer of which interest would have the effect of transferring a controlling interest in the Business), the executor, administrator, or personal representative of such person shall transfer their interest within six (6) months after such death or Incapacity to a third party approved by Franchisor. Such Transfers, including without limitation, Transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos Transfer (transfer by conveyance). However, in the case of Transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 11, the personal representative of the deceased person shall have a reasonable time to dispose of the deceased's interest in this Agreement and the Franchised Business, which disposition shall be subject to all the terms and conditions for Transfers contained in this Agreement. If an approved Transfer is not effected, within a reasonable time, not to exceed six (6) months, Franchisor may terminate this Agreement.

11.6 Non-Waiver of Claims. Franchisor's consent to a Transfer of any interest in this Agreement or in Developer shall not constitute a waiver of any claims Franchisor may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

12. DEFAULT AND TERMINATION

12.1 Timely Performance. The rights granted to Developer in this Agreement have been granted in reliance on Developer's representations and assurances, among others, that the conditions set forth in this Agreement will be met by Developer in a timely manner.

12.2 Automatic Termination Without Notice. Developer shall be deemed in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Developer, if:

(i) Developer becomes insolvent, fails to pay debts as they come due and/or admits in writing its inability to pay debts as they come due, or makes a general assignment for the benefit of creditors;

(ii) Developer files a petition under any bankruptcy or reorganization law or such a petition is filed against and not opposed by Developer;

(iii) Developer is adjudicated bankrupt or insolvent;

(iv) A bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer;

(v) A receiver or other custodian (permanent or temporary) of Developer's business or assets or any part thereof is appointed by any court of competent jurisdiction;

(vi) Proceedings for a composition with creditors under any applicable law should be instituted by or against Developer;

(vii) A final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed);

(viii) Execution is levied against Developer's business or assets; or

(ix) Suit to foreclose any lien or mortgage against the Developer's business or assets is instituted against Developer and not dismissed within thirty (30) days.

WAIVER OF AUTOMATIC STAY

If Franchisee shall (i) file with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 of the U.S. Code, as amended (the "Bankruptcy Code"), (ii) be the subject of any order for relief issued under the Bankruptcy Code, (iii) file or be the subject of any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to bankruptcy, insolvency, or other relief to debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator, or (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any bankruptcy, insolvency, or relief for debtors, then (a) Franchisor shall thereupon be entitled to relief from any automatic stay imposed by § 362 of the Bankruptcy Code, or any similar provision, (b) Franchisee hereby stipulates and agrees that "cause" under § 362 (c) of the Bankruptcy Code exists for relief from the automatic stay, (c) Franchisee hereby expressly waives any protection afforded by the automatic stay and any objection to Franchisor's relief therefrom, and (d) Franchisee agrees not to oppose or object to such relief.

12.3 Events of Default. The occurrence of any of the following events shall be deemed a default (a "Default") under this Agreement:

(i) If Developer fails to comply with the Development Schedule or fails to maintain in continuous operation the minimum cumulative number of GNC Stores required by the Development Schedule to be in operation during the applicable time period;

(ii) If Developer or any Bound Party breaches or fails to comply fully with Section 13 hereof;

(iii) If Developer makes or attempts to make a Transfer in violation of Section 11 hereof;

(iv) If Developer, any Principal or any person executing the guarantee attached hereto is convicted of or pleads guilty or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the GNC System, the GNC Proprietary Marks, the goodwill associated therewith, or Franchisor's interest therein;

(v) If Developer or any of its Principals, employees, agents or representatives make or give, or have made or given, to Franchisor any material representation or any false, misleading, inaccurate or incomplete information, whether written or oral, in connection with this Agreement, or in connection with the operation of Developer's Business pursuant to this Agreement;

(vi) If Developer or any of its employees, agents or representatives engage in fraudulent conduct, including knowingly maintaining false books or records or submitting or making any false reports or statements to Franchisor;

(vii) If Developer engages in illegal activities in connection with the operation of Developer's Business;

(viii) If Developer fails to comply with any federal, state or local law or regulation applicable to the operation of the Business;

(ix) If Developer fails to pay the Development Fee or any other payments due in connection with this Agreement when due, and fails to cure such default within five (5) days' written notice of such default;

(x) Developer fails to pay when due any amount owed to any creditor, supplier or lessor of any GNC Store developed hereunder or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Developer does not correct such failure within 10 calendar days after written notice is delivered thereof to Developer;

(xi) If Developer commits a breach or default under any Franchise Agreement entered into pursuant to this Agreement or any agreement ancillary thereto or any other agreement between Developer and Franchisor and fails to cure such default within the applicable cure period, if any, specified in such agreement, regardless of whether Franchisor in fact terminates such Franchise Agreement, ancillary agreement or other agreement;

(xii) If Developer is dissolved either voluntarily or involuntarily;

(xiii) Developer has received at least three default notices from Franchisor within a 12 month period, even if such default is subject to a right to cure or is cured after notice is delivered to Developer;

(xiv) Developer or any guarantor of its obligations under this Agreement becomes a Specially Designated National or Blocked Person or fails to comply with Section 29 of this Agreement, including a breach of the representations set forth in Section 29 or Franchisor discovers through notice from Developer or through its own investigation that representations set forth in Section 29 are or have become false.

(xv) Except for the defaults set forth in Section 12.2 and Sections 12.3(i) – (xiv) above, if Developer fails to comply with any other terms or conditions of this Agreement, and fails to cure such default or breach (if capable of cure) within fifteen (15) days after receipt of notice of such default or breach.

12.4 Remedies. Upon Developer's Default under this Agreement, Franchisor, in its sole discretion, may do any one or more of the following (subject to Developer's right to cure certain Defaults within the prescribed time periods as described in Section 12.3 above):

(i) Terminate this Agreement and all rights granted hereunder effective immediately upon receipt by Developer of written notice;

(ii) Reduce the number of GNC Stores which Developer is herein granted the right to develop without refunding any portion of any Development Fee;

(iii) Reduce the size of the Development Area granted to Developer in Section 1 hereof; or

(iv) Accelerate the Development Schedule.

12.5 Termination of Rights. Upon termination of this Agreement, Developer shall have no right to establish or operate a GNC Store for which a Franchise Agreement has not been executed by Franchisor and delivered to Developer at the time of termination. Franchisor shall be entitled to establish, and to license others to establish, GNC Stores in the Development Area except as may be otherwise provided for under any Franchise Agreement which has been executed between Franchisor and Developer.

12.6 Cross Default. Any default under any Franchise Agreement entered into pursuant to this Agreement, or any default under any Related Agreement, shall constitute a Default under Section 12.3 of this Agreement.

12.7 Cross Termination. In the event of the termination of this Agreement by Franchisor under this Section 12, Franchisor shall be entitled, at its option, to terminate any or all Related Agreements immediately upon written notice. This means that Franchisor may, at its option, immediately terminate, upon notice and without opportunity to cure, any or all other agreements between (i) Franchisor (or its Affiliates) and (ii) Developer, its Affiliates or Principals or any Entity in which Developer or any Principal, manager, partner or joint venture of Developer, directly or indirectly, has any interest of ownership or participation. Developer acknowledges that this provision may result in the termination of one or more other Related Agreements that may or may not relate directly to the Business. Developer further acknowledges that this provision may result in the termination of one or more other development agreements or franchise agreements for other GNC Stores and any agreements related to those other GNC Stores, regardless of location.

12.8 Required Actions by Developer. Upon termination or expiration of this Agreement for any reason, in addition to any requirements pursuant to Section 12.9 below, Developer shall:

(i) Immediately cease to operate Developer's Business and shall not thereafter directly or indirectly represent to the public or hold itself out as a present or former developer of Franchisor;

(ii) Immediately and permanently cease to use in any manner whatsoever any Confidential Information and Proprietary Marks;

(iii) Promptly pay all sums owing to Franchisor and its Affiliates;

(iv) Promptly pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and court costs, incurred by Franchisor in connection with the termination of this Agreement, whether incurred before or after such termination; and

(v) Turn over to Franchisor all manuals, records, files, instructions, correspondence and all other materials relating to the operation of the Business which are in Developer's possession and all copies thereof.

12.9 Effect of Expiration or Termination. Upon the expiration or termination of this Agreement for any reason, any and all rights granted to Developer hereunder shall be extinguished immediately, and Developer shall not be relieved of any of its obligations, debts or liabilities hereunder. All rights and licenses granted to Developer hereunder to develop GNC Stores shall revert to the Franchisor, and Franchisor shall have the right to develop, or license others to develop, without any obligation to Developer, GNC Stores in the Development Area. Developer shall have no further rights to develop GNC Stores, and Developer shall immediately cease all use of the Proprietary Marks, except as permitted under the terms of a fully executed Franchise Agreement that is in effect at the time of the termination or expiration. With respect to such then-effective Franchise Agreements, subject to Franchisor's rights under Sections 12.6 and 12.7, Developer shall retain its interest as a franchisee thereunder, provided that Developer is not in default under such Franchise Agreements. Upon the termination or expiration of this Agreement, Developer shall also undertake the following: (i) strictly comply with the post-termination/post-expiration covenant not to compete and non-solicitation covenant set forth herein; and (ii) continue to abide by those restrictions pertaining to the use of Franchisor's Confidential Information as set forth herein. The expiration and termination of this Agreement will be without prejudice to the rights of the Franchisor against Developer and the expiration or termination will not relieve Developer of any of its obligations to Franchisor existing at the time of such expiration or termination, or terminate those obligations of the Developer which by their nature survive the expiration or termination of this Agreement.

13. RESTRICTIVE COVENANTS

13.1 Covenants Not to Compete.

(i) Non-Competition during Term. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and Developer's spouse, and, if Developer is not an individual, its owners, shareholders, members, partners and managers, as applicable, and their spouses (each, a "Bound Party"), agree that they will not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(ii) Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Developer contained herein, Developer and the Bound Parties agree that they will not, for one year following the effective date of termination or expiration of this Agreement for any reason, or following the date of a Transfer by Developer, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within a five mile radius of any GNC Store.

(iii) General. For purposes of this Agreement, the term "Competitive Business" means any business operating, or granting franchises or licenses to others to operate, a store or other business that offers for sale goods or services that are the same as or similar to those distributed to or offered at a GNC Store (other than another GNC Store operated by Developer under license from Franchisor). Neither Developer nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 5% or less of the number of shares of that class of securities which are issued and outstanding. The parties acknowledge that the covenants contained in this Section 13.1 are based on the reason and understanding that Developer and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees. Developer further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

13.2 Non-Solicitation of Employees. Developer and the Bound Parties agree that while this Agreement is in effect and for one year after expiration or termination of this Agreement for any reason, or following the date of a Transfer by Developer, they will not, directly or indirectly, solicit or attempt to solicit, or otherwise interfere with or disrupt the employment relationship between Franchisor and any of its employees or between any other GNC franchisee and its employees.

13.3 Confidential Information. Developer acknowledges and agrees that in connection with the development and operation of GNC Stores and the GNC System, Franchisor has developed, at great expense, competitively sensitive proprietary and confidential information which is not known or available to the public. Developer and each Bound Party shall not, during the term of this Agreement or thereafter, directly or indirectly, communicate, divulge, copy or use for such party's benefit, or the benefit of any other person or Entity, any of Franchisor's Confidential Information, except as required to carry out Developer's obligations under this Agreement or as Franchisor has otherwise authorized in writing. All Confidential Information is the sole and exclusive property of Franchisor. Developer shall divulge such Confidential Information only to such of its employees who have executed covenants as required under this Section 13.3 and who must have access in connection with their employment to operate the Developer's Business. Developer agrees that it and all of its employees and agents will take appropriate steps to protect the Confidential Information from any unauthorized, disclosure, copying or use. Developer and the

Bound Parties shall be liable to Franchisor for any breach of these confidential obligations by a Bound party or by Developer, its Principals, managers, employees, agents, representatives or contractors. At any time, upon Franchisor's request, and, in any event upon termination or expiration of this Agreement, Developer will immediately stop using and return any copies of documents containing Confidential Information and will take appropriate steps to permanently delete and render unusable, any Confidential Information stored electronically and certify the same to Franchisor in writing.

13.4 Irreparable Harm. Developer and the Bound Parties acknowledge that the provisions of this Section 13 are and have been a primary inducement to Franchisor to enter into this Agreement, and that any failure to comply with the requirements of Section 13 will cause Franchisor irreparable injury without an adequate remedy at law. Developer and the Bound Parties agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 13.

13.5 Personal Covenants of Bound Parties. As a condition to the effectiveness of this Agreement, and at the time Developer delivers this signed Agreement to Franchisor, each Bound Party of Developer must sign and deliver to Franchisor the Personal Covenants attached hereto as Exhibit A (the "Personal Covenants"), agreeing to be bound personally by all the provisions of this Section 13. If there are any changes in the identity of any such Bound Party while this Agreement is in effect, Developer must notify Franchisor promptly and make sure the new Bound Party signs and delivers to Franchisor the Personal Covenants.

13.6 Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Developer, if requested by Franchisor, shall cause each of its management and supervisory employees and other employees to whom disclosures of Confidential Information are made, or who may have access to Confidential Information, to execute a noncompetition, nonsolicitation and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time. Such agreement shall include, without limitation, specific identification of Franchisor as a third party beneficiary of such agreements with the independent right to enforce them.

14. RIGHT OF FIRST REFUSAL

14.1 Transfer of Developer. If during the term of this Agreement, Developer shall receive a bona fide offer from a prospective purchaser for any interest in Developer or any GNC Stores (whether by sale of assets, sale of equity interest, merger, consolidation or otherwise), it shall first offer the same to Franchisor in writing at the same price and on the same terms or the monetary equivalent; which offer Franchisor may accept at any time within 30 days after receipt thereof. If the parties cannot agree on a reasonable monetary equivalent, an independent appraiser designated by Franchisor shall determine the monetary equivalent and the appraiser's determination will be final. If Franchisor declines, or does not within such 30 day period accept, such offer, then Developer may make such Transfer to such purchaser (provided Franchisor approves of such purchaser in accordance with Section 11 and subject to compliance with Section 11), but not at a lower price nor on more favorable terms than have been offered to Franchisor. If Developer fails to complete such Transfer within 90 days following the refusal or failure to act by Franchisor, then Developer may not complete such Transfer without first offering the same to Franchisor again as provided above. In no event shall Developer or any Principal offer any interest in this Agreement or in Developer or in any Principal for Transfer at public auction, nor at any time shall an offer be made to the public to Transfer this Agreement or any interest in Developer or any Principal, through the medium of advertisement, either in the newspapers or otherwise, without having first obtained the written consent of Franchisor to such advertisement or publication.

14.2 Franchise of Additional Stores. Subject to Franchisor's Retained Rights and to Franchisor's rights under Section 11.1, if, for a period of one (1) year after the expiration of this Agreement, Franchisor identifies within the Development Area a site for development or operation of a new franchised GNC Store, then Franchisor shall grant to Franchisee the right and option to franchise such site by providing to Franchisee written notice and a Franchise Agreement for such site along with Franchisor's then current Franchise Disclosure Document ("Disclosure Document"). To exercise its option to franchise the site Franchisor has identified, Franchisee must execute the Franchise Agreement and Disclosure Document receipt and return both items to Franchisor with the then-current initial franchise fee on or before expiration of thirty (30) days from receipt of Franchisor's notice. If Franchisee does not elect to exercise the option in the specified manner within such period, or waives its right prior to expiration of such period by written notice to Franchisor, then Franchisor, or its Affiliate, shall have the right (without any liability whatsoever to Franchisee) to license such right to another franchisee, and Franchisee's right and option to such site shall expire and be of no further force or effect. The right of first refusal in this Section 14.2 shall not apply to sites identified by Franchisor within the Development Area that Franchisor or its Affiliates will own and operate themselves as GNC corporate Stores. This Section 14.2 shall survive the expiration of this Agreement.

15. OWNERSHIP OF DEVELOPER

Attached hereto as Exhibit B is a description of the legal organization of Developer (whether a corporation, limited, liability company, partnership, sole proprietorship, or otherwise), the names and addresses of each person or entity owning a any interest in Developer (the "Principal Owners") and the percentage of such interest owned by such person or entity. Developer agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interest of Developer as set forth on Exhibit B. Franchisor may require each Principal to execute the Guaranty Agreement attached hereto as Exhibit C.

16. SUCCESSORS AND THIRD PARTY BENEFICIARIES

This Agreement and the covenants, restrictions and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Developer and its heirs, personal representatives, successors and permitted assigns. Nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. This Agreement is, however, intended to bind the Bound Parties to the extent set forth in this Agreement.

17. CONSTRUCTION

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Developer, if more than one person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Developer's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Developer makes or to withhold its approval of any of Developer's proposed or effected actions that require Franchisor's approval.

18. INTERPRETATION AND HEADINGS

The parties agree that this Agreement should be interpreted according to its fair meaning. Developer waives to the fullest extent possible the application of any rule which would construe ambiguous language against Franchisor as the drafter of this Agreement. The words "include," "includes" and "including" when used in this Agreement will be interpreted as if they were followed by the words "without limitation." References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

19. NOTICES

Any notice, demand, consent, approval, request, offer, waiver or other communication permitted or required to be given hereunder shall be in writing and shall be either (i) personally delivered, (ii) mailed by prepaid first class registered or certified mail, return receipt requested, or (iii) sent by Federal Express or other nationally recognized overnight delivery service, to the party entitled or required to receive the same at the address first above written, or to such other addresses as a party may designate by notice to the other party in accordance with this Section 19. All such notices, demands, consents, approvals, requests, offers, waivers and other communications will (a) if delivered personally in the manner and to the address provided in this Section, be deemed given upon delivery, (b) if delivered by mail in the manner, and to the address provided in this section, be deemed given on the earlier of the fourth business day following mailing or upon receipt, and (c) if delivered by overnight courier in the manner and to the address provided in this Section, be deemed given on the earlier of receipt or the first business day following the date sent by such overnight courier.

20. APPLICABLE LAW

20.1. <u>Governing Law</u>. This Agreement has been entered into and shall be governed by, and construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania, and if the Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Business is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this choice of law provision is intended to make applicable any state franchise law that would otherwise not be applicable.

20.2 Arbitration. Except as set forth in Section 20.3 below, any claims between Franchisor and Franchisee shall be resolved by arbitration using the procedures set forth below.

(i) The arbitration shall be conducted in Pittsburgh, Pennsylvania by a Board of Arbitrators selected as provided below using the then-prevailing commercial arbitration rules of a recognized independent alternate dispute resolution service to be selected by Franchisor such as the American Arbitration Association, JAMS/Endispute or United States Mediation and Arbitration.

(ii) The Board of Arbitrators shall consist of three disinterested attorneys skilled in the subject matter of the issues in dispute. Within twenty (20) days of the institution of the arbitration, one of such arbitrators shall be selected by the Franchisor and the second arbitrator shall be selected by Franchisee. The two arbitrators so selected shall select the third arbitrator within twenty (20) days after the last of the first two arbitrators is selected.

(iii) The Board of Arbitrators, as promptly as practicable after selection of the members thereof, shall give to each of the parties a written notice stating the time and place of the hearing upon the matters and questions submitted for arbitration. Such notice shall be given not less than thirty (30) days before the date of such hearing. At such hearing, the Board of Arbitrators shall proceed to a determination of the matters and questions submitted for arbitration. Each of the parties shall be entitled to be represented at such hearing, by counsel or otherwise, and to submit evidence and present arguments in respect of the issues in dispute.

(iv) Promptly upon conclusion of the arbitration, the Board of Arbitrators shall submit to each of the parties a written statement of its findings and determinations and issue an award to the prevailing party. Action concurred in by any two of the arbitrators shall constitute action of the Board of Arbitrators. Such findings and determinations shall be final and binding upon the parties for all of the purposes hereof, subject to applicable law governing review of arbitration awards.

(v) In addition to the award, the statement of the Board of Arbitrators as to its findings and determinations shall also set forth the amount of the expenses of the arbitration and shall state the portion, if any, of such amount payable by Franchisee and the portion, if any, of such amount payable by Franchisor. Each of the parties shall promptly pay to the Board of Arbitrators the amount, if any, so stated. If the award of the Board of Arbitrators includes an award for a sum of money, the award may be entered as a judgment in any court of competent jurisdiction.

(vi) **EACH ARBITRATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AGREES THAT EACH**

ARBITRATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.

(vii) Disputes concerning the validity or scope of this Section 20, including whether a dispute is subject to arbitration, are beyond the authority of the arbitrator(s) and shall be determined by a court of competent jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. §1 et seq., as amended from time to time. The provisions of this Section 20 shall continue in full force and effect subsequent to any expiration or termination of this Agreement.

(viii) Notwithstanding the foregoing, Franchisor shall not be precluded from seeking provisional remedies in the courts of any jurisdiction including, but not limited to, temporary restraining orders and preliminary injunctions, to protect its rights.

20.3. Litigation. Franchisor may, in its sole discretion and notwithstanding the foregoing, opt out of arbitration and elect to litigate in a court of law any claims it may have against Franchisee.

20.4. Forum Selection; Venue. If Franchisor selects litigation or notwithstanding the provisions of this Agreement to the contrary, if a court determines that a Developer is entitled to bring and maintain an action against Franchisor in a court of law, then and in that event, the parties agree that any action brought by Developer or any person or Entity claiming through Developer against Franchisor or its Affiliates in any court, whether federal or state, shall be brought and completed only within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties expressly waive all objections to personal jurisdiction or venue or that the forum is inconvenient for the purpose of carrying out this provision. The parties also agree that Franchisor may bring any action against Developer in any court, whether federal or state, within or outside of the Commonwealth of Pennsylvania. If Franchisor brings an action or other proceeding against Developer in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business, Developer accepts generally and unconditionally the *in personam* jurisdiction and venue of the aforesaid courts and waives any defense of *forum non conveniens*.

20.5. Waiver of Jury Trial, Punitive Damages and Class Actions.

(i) Franchisor and Developer agree that in any litigation, suit, action, counterclaim, crossclaim or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, or any and all transactions contemplated hereunder or thereunder, the performance of this Agreement, or the relationship between the parties or otherwise, trial shall be by a court of competent jurisdiction and not by a jury. Franchisor and Developer hereby irrevocably waive any right either party may have to a trial by jury. Either Franchisor or Developer may file an original counterpart or a copy of this Agreement

with any court as written evidence of the consent of Franchisor and Developer to the waiver of their right to trial by jury.

(ii) Except for actions for trademark, trade dress or trade name infringement or other infringement or misappropriation of Franchisor's proprietary rights to any trademark, trade dress, patent, copyright, trade secret or other proprietary information, Franchisor and Developer hereby waive, to the fullest extent permitted by law, any right to or claim for multiple, punitive or exemplary damages against the other and agree that in the event of any action between them, no party shall seek multiple, punitive or exemplary damages with respect to any claim or cause of action against the other party, whether in arbitration, mediation or litigation, and each party shall be limited to the recovery of any actual damages sustained by it and costs and expenses.

(iii) ANY LITIGATION ACTION SHALL BE BROUGHT ONLY IN A PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. TO THE EXTENT PERMITTED BY LAW, DEVELOPER AGREES THAT ANY LITIGATION PROCEEDING WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND WILL NOT BE COMMENCED OR PROCEEDED WITH AS A CLASS ACTION. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE WAIVES ANY RIGHT TO PROCEED AGAINST FRANCHISOR OR ITS AFFILIATES BY WAY OF CLASS ACTION.

20.6. Claims Period. Any and all claims and actions arising out of or relating to this Agreement, the relationship between Developer and Franchisor, or the operation of the Business brought by any party to this Agreement against another party to this Agreement, shall be commenced within the earlier of one (1) year from the discovery of the facts giving rise to such claim or action, or the expiration of such earlier limitations period as may be prescribed by applicable law, or such claim or action shall be barred; provided, however, that this time limitation shall not apply to unperformed financial obligations of Developer to Franchisor or indemnity obligations relating to third party claims of creditors or claimants against the Business.

20.7. Cumulative Remedies. No right or remedy conferred upon or reserved to Franchisor or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

20.8. Attorneys' Fees and Costs. In any litigation, mediation, arbitration, or other legal action relating to or in connection with the Business, this Agreement or the relationship between the parties, to the extent Franchisor is the prevailing party, Franchisor shall be entitled to recover its reasonable costs and expenses, including attorneys' fees, paralegal fees, investigative costs, and court costs incurred in connection therewith, whether such costs, fees and expenses are incurred before or at trial, on appeal, during any insolvency or bankruptcy proceedings, during any post-judgment collection proceedings, or otherwise, from Developer.

21. WAIVER

No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default.

22. SEVERABILITY

If any term, restriction or covenant of this Agreement is deemed invalid or unenforceable, all other terms, restrictions and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction or covenant to any person or circumstance is deemed invalid or unenforceable, the application of such terms, restriction or covenant to other persons and circumstances shall remain unaffected to the extent permitted by law.

23. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION

23.1 Independent Contractor. It is the express intention of the parties hereto that Developer is and shall be an independent contractor under this Agreement, and no partnership, joint venture, fiduciary relationship or other special relationship shall exist between Developer and Franchisor. This Agreement does not constitute Developer as the agent, legal representative or employee of Franchisor for any purpose whatsoever, and Developer is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, Franchisor or in any way to bind Franchisor. Developer agrees not to incur or contract for any debt or obligation on behalf of the Franchisor, or commit any act, make any representation or advertise in any manner, which may adversely affect any right of Franchisor, or be detrimental to the good name and reputation of Franchisor or any other developers of Franchisor.

23.2 Indemnification. Developer agrees to indemnify and hold harmless Franchisor, its Affiliates, and their respective shareholders, officers, directors, employees, agents, successors and assignees (the "Indemnified Parties") from and against any and all claims, obligations, lawsuits, demands, investigations, damages, losses and liabilities arising directly or indirectly from, as a result of, or in connection with Developer's ownership or operation of the Business or breach of this Agreement, as well as the costs, including attorneys' fees and court costs, of defending against them. However, Franchisee shall not be required to indemnify Franchisor for any claims to the extent arising out of the gross negligence or intentional misconduct of the Franchisor. Franchisor has the exclusive right to defend any such claim. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover fully a claim against Developer.

24. DELEGATION BY FRANCHISOR

Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Developer hereby agrees to such delegation.

25. REVIEW OF AGREEMENT

Developer acknowledges that it has had a copy of the Franchisor's franchise disclosure document for not less than 14 calendar days, and this Agreement in final complete form in its possession for not less than 7 calendar days. Developer has had the opportunity to have this Agreement and the business offered hereunder reviewed by professionals of Developer's choosing prior to executing this Agreement.

26. NO RIGHT OF SET OFF

Developer agrees that it will not set off or withhold payment of any amounts it owes Franchisor on the grounds of Franchisor's alleged nonperformance of any of Franchisor's obligations under this Agreement or for any other reason. Developer agrees that all such claims will, if not otherwise resolved, be submitted to arbitration as provided in Section 20.

27. ENTIRE AGREEMENT

This Agreement and any addendum, schedule or exhibit attached hereto contains the entire agreement between the parties hereto relating to the subject matter hereof and no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein; provided, that nothing in this Agreement is intended to disclaim the representations made in Franchisor's Franchise Disclosure Document provided to Developer. No agreement altering, changing, waiving or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all of the parties. This Agreement may not be amended or supplemented by a course of conduct.

28. COUNTERPARTS

This Agreement may be signed and delivered in multiple counterpart copies, including by facsimile or other electronic means, each of which will be deemed an original.

29. BLOCKED PERSONS OR ENTITIES

Developer represents and warrants to Franchisor that, to its actual and constructive knowledge: (i) neither Developer (including, for purposes of this section, its Principals, directors and officers), nor any of its Affiliates, funding sources or guarantors, is identified on the list of the U.S. Treasury's Office of Foreign Assets Control ("OFAC"); (ii) neither Developer nor any of its Affiliates or guarantors are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither Developer nor any of its Affiliates or guarantors are acting on behalf of a government of, or are involved in business arrangements or other transactions with, any country that is subject to such an embargo. Developer agrees to notify Franchisor in writing immediately upon the occurrence of any event which would cause the foregoing representations and warranties of this Section 29 to be incorrect in any respect. Notwithstanding anything to the contrary in this Agreement, Developer may not allow or sustain a Transfer to a Specially Designated National or Blocked Person or to an Entity in which a Specially Designated National or Blocked Person has an interest.

30. DEVELOPER'S ACKNOWLEDGMENTS

30.1 NO GUARANTEE. DEVELOPER ACKNOWLEDGES THAT IT HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS TO BE DEVELOPED HEREUNDER, AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS AND THAT ITS SUCCESS WILL BE LARGELY DEPENDENT UPON THE ABILITY OF DEVELOPER AS AN INDEPENDENT BUSINESS PERSON. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND DEVELOPER ACKNOWLEDGES THAT DEVELOPER HAS NOT RECEIVED, ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS, OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

30.2 RECEIPT. DEVELOPER ACKNOWLEDGES THAT DEVELOPER HAS RECEIVED A COPY OF THIS AGREEMENT, THE ATTACHMENTS THERETO, IF ANY, AND AGREEMENTS RELATING THERETO, IF ANY, AT LEAST SEVEN (7) DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED.

30.3 UNDERSTANDING OF THE AGREEMENT. DEVELOPER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THIS AGREEMENT, THE ATTACHMENTS HERETO, IF ANY, AND AGREEMENTS RELATING THERETO, IF ANY; AND, THAT FRANCHISOR HAS ACCORDED DEVELOPER AMPLE TIME AND OPPORTUNITY TO CONSULT WITH ADVISORS OF ITS OWN CHOOSING ABOUT THE POTENTIAL BENEFITS AND RISKS OF ENTERING INTO THIS AGREEMENT.

30.4 NO FURTHER REPRESENTATIONS. DEVELOPER HAS NO KNOWLEDGE OF ANY REPRESENTATIONS BY FRANCHISOR OR ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS OR SERVANTS ABOUT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT THAT ARE CONTRARY TO THE TERMS OF THE FRANCHISE DISCLOSURE DOCUMENT PROVIDED TO DEVELOPER, THIS AGREEMENT OR THE DOCUMENTS INCORPORATED HEREIN. DEVELOPER REPRESENTS THAT IT HAS MADE NO MISREPRESENTATIONS IN OBTAINING THIS AGREEMENT.

30.5 RESPONSIBILITY FOR SITE SELECTION. DEVELOPER ACCEPTS FULL RESPONSIBILITY AND OBLIGATION FOR SELECTION OF SITES FOR GNC STORES AND ACKNOWLEDGES THAT IT IS MAKING AN INDEPENDENT INFORMED BUSINESS DECISION REGARDING A PROPOSED SITE AND THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR INFORMATION FROM OR SUPERIOR KNOWLEDGE OF FRANCHISOR OR FRANCHISOR'S AFFILIATES REGARDING THE SUCCESS OF A

PROPOSED SITE. DEVELOPER ACKNOWLEDGES THAT FRANCHISOR'S APPROVAL OR ACCEPTANCE OF A SITE DOES NOT CONSTITUTE RECOMMENDATION OR ENDORSEMENT OF THE LOCATION OF THE SITE, NOR THAT THE SIZE OF THE MARKET IN WHICH THE SITE IS LOCATED IS ADEQUATE TO SUPPORT A STORE OR WILL NOT SUBSEQUENTLY BECOME SATURATED, NOR ANY ASSURANCE BY FRANCHISOR THAT THE OPERATION OF ANY SITE WILL BE SUCCESSFUL OR PROFITABLE. DEVELOPER UNDERSTANDS THAT THE SUITABILITY OF A SITE AND THE SUCCESS OF ANY STORE DEPEND ON MANY FACTORS, SOME OF WHICH ARE OUTSIDE THE CONTROL OF EITHER FRANCHISOR OR DEVELOPER (SUCH AS COMPETITION, INTEREST RATES, UNEMPLOYMENT RATES, WORKFORCE AVAILABILITY, DEMOGRAPHIC TRENDS, AND THE GENERAL ECONOMIC CLIMATE), BUT MANY OF WHICH DEPEND ON DEVELOPER'S EFFORTS AND BUSINESS ACUMEN IN OPERATING AND MARKETING THE STORE.

31. DEFINITIONS

For purposes of this Agreement, the terms listed below appearing as initially capitalized terms shall have the meanings set forth below. Other terms used in this Agreement are defined and construed in the context in which they occur.

31.1 Affiliate. "Affiliate" means any person or Entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. For purposes of this definition, "control" means the power, directly or indirectly, to direct or cause the direction of the management and polices of an Entity, whether through ownership of voting securities, by contract or otherwise.

31.2 Business. "Business" means the business carried on by Developer in developing GNC Stores pursuant to this Agreement.

31.3 Confidential Information. "Confidential Information" means all information, however received or learned, relating to the System, trade secrets, financial information, product cost information, margin information, supplier information, pricing data, operating data, financial plans, customer and supplier lists, promotional policies, business plans and strategies, standards and procedures, product formulas and specifications, marketing and sales programs, site selection and marketing methods and techniques, research, development, knowledge, know-how, techniques, skill, technology, data, reports, memoranda and other financial, technical or other business information of Franchisor or its Affiliates, with the exception of: (a) information that, at the time of disclosure, already is published or generally known to the public; (b) information that, after disclosure by Franchisor to Developer, is published or becomes generally known to the public except as a result of the breach of this Agreement; (c) information that Developer can demonstrate was in its possession at the time of disclosure by Franchisor, as evidenced by records kept in the ordinary course of business or by proof of actual prior possession, and was not acquired, directly or indirectly, from Franchisor or any third party in violation of any contractual, fiduciary or legal obligation with respect to the information; or (d) information that is obtained by Developer from any third party lawfully in possession of the information and not in violation of any contractual, fiduciary or legal obligation with respect to the information.

31.4 Entity. "Entity" means any corporation, limited liability company, partnership, joint venture, business trust or similar association or legal entity.

31.5 Governing Documents. "Governing Documents" means the organizational and other governing documents of an Entity.

31.6 Incapacity. "Incapacity" means the inability of Developer or if Developer is an Entity, its Principals, to actively participate in the activities of Developer hereunder for any reason.

31.7 Internet. "Internet" means the Internet or World Wide Web (or any successor) or other on-line network including, but not limited to, those using delivery over computers, televisions, cable, set top boxes, Intranets, MP3 players or personal digital assistants.

31.8 Principals. "Principals" means all persons or Entities holding a legal or beneficial ownership interest in Developer, directly or indirectly, including any Entity directly or indirectly controlling Developer and all persons or Entities that have any other direct or indirect interest in Developer's assets.

31.9 Proprietary Marks. "Proprietary Marks" mean the trademarks, trade names, service marks, logos, emblems. insignia and other commercial symbols (including the marks "GNC", "GENERAL NUTRITION CENTER", and "GNC LIVE WELL") developed and approved for use by Franchisor under the GNC System from time to time.

31.10 Related Agreements. "Related Agreements" means any agreement entered into between (i) Franchisor or its Affiliates, and (ii) any of Developer, its Affiliates or Principals or any Entity in which Developer or any Principal, manager, partner or joint venturer of Developer, directly or indirectly, has any interest of ownership or participation. Related Agreements include any such agreements whether they are related or unrelated to the Business, and include Franchise Agreements entered into pursuant to this Agreement, as well as any development, franchise or other agreements related to the development or operation of other GNC Store(s) or other GNC franchised businesses.

31.11 Specially Designated National or Blocked Person. "Specially Designated National or Blocked Person" means (i) a person or entity designated by OFAC (or any successor office or agency of the U.S. government) from time to time as a "specially designated national or blocked person" or similar status, (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001, or (iii) a person or entity otherwise identified by government or legal authority as a person with whom Franchisor or its Affiliates are prohibited from transacting business.

31.12 System. "GNC System" or "System" means the methods, techniques, standards and specifications of developing, opening, operating and promoting GNC Stores which operate under the Proprietary Marks and feature distinctive trade dress; interior and exterior building design and Store format; standards and specifications for construction, equipment, signs, furnishings, assistance and training; sales and management assistance and training; operating procedures for the storage, display and sale of the products and services; and specialized methods and techniques for inventory and cost purchasing, customer service, sales promotion and advertising; all of which may be changed, improved and further developed by Franchisor from time to time.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

GENERAL NUTRITION CORPORATION

By:____

Name:______________________________________

Title:_______________________________________

DEVELOPER:

If an Individual:______________________________

Signature:___________________________________

Printed Name:________________________________

If other than an Individual: [INSERT ENTITY NAME]

By:____

Name:______________________________________

Title:_______________________________________

Exhibit A

Personal Covenants

(See Attached)

PERSONAL COVENANTS

Each of the undersigned ("you") agrees that:

1. All capitalized terms used but not defined in this Personal Covenants shall have the meaning set forth in that certain General Nutrition Corporation Area Development Agreement, dated as of the ______ day of _____________________, 20___ (the "Development Agreement"), by and between General Nutrition Corporation ("Franchisor"), and ("Developer").

2. You are a Bound Party.

3. As an inducement to Franchisor to enter into the Development Agreement, and in consideration of the direct and personal benefits you will derive from the Development Agreement, you agree that: (i) you have read and understand all the provisions of Sections 13 and 20 of the Development Agreement; (ii) you will be personally bound by all of the obligations and covenants of Developer contained in Sections 13.1, 13.2, 13.3, 13.4 and 20 as if such obligations and covenants were made and given personally by you directly to Franchisor; and (iii) such obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

4. If any sentence, clause, paragraph, or combination of any of them in Sections 13.1, 13.2, 13.3, 13.4 and 20 of the Development Agreement is held by a court of competent jurisdiction to be unenforceable as applied to you, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 13.1, 13.2, 13.3, 13.4 and 20 shall remain in full force and effect.

5. These personal covenants shall be governed by the internal laws of the State of Pennsylvania, unless the law of your jurisdiction applies as provided for in Section 20 of the Development Agreement.

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Development Agreement.

____________________________________	____________________________________
Signature	Signature
____________________________________	____________________________________
Print Name	Print Name
Date:__________________________, 201__	Date:__________________________, 201__

______________________________	______________________________
Signature	Signature
______________________________	______________________________
Print Name	Print Name
Date:______________________, 201__	Date:______________________, 201__
______________________________	______________________________
Signature	Signature
______________________________	______________________________
Print Name	Print Name
Date:______________________, 201__	Date:______________________, 201__
______________________________	______________________________
Signature	Signature
______________________________	______________________________
Print Name	Print Name
Date:______________________, 201__	Date:______________________, 201__
______________________________	______________________________
Signature	Signature
______________________________	______________________________
Print Name	Print Name
Date:______________________, 201__	Date:______________________, 201__
______________________________	______________________________
Signature	Signature
______________________________	______________________________
Print Name	Print Name
Date:______________________, 201__	Date:______________________, 201__

Exhibit B

Developer Information

1. Developer's legal organization (circle one): (a) sole proprietorship; (b) partnership; (c) corporation; (d) limited liability company; or (e) other.

2. If Developer is not a sole proprietor, list of **all** its partners, members or shareholders or others holding **any** ownership interest in Developer:

	Name and Address	% interest	Active in Operation of Business? (yes/no))
(a)	______________________ ______________________ ______________________	_____	_____
(b)	______________________ ______________________ ______________________	_____	_____
(c)	______________________ ______________________ ______________________	_____	_____
(d)	______________________ ______________________ ______________________	_____	_____

3. If Developer is not a sole proprietor, list all of its officers, directors, managers and/or general partners:

	Name	Title
(a)	______________________	______________________
(b)	______________________	______________________
(c)	______________________	______________________
(d)	______________________	______________________

[Signature Appears on Following Page]

The undersigned certifies that all information contained in this Exhibit B is accurate and complete, and agrees to notify Franchisor promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this Exhibit B.

DEVELOPER:

If an Individual:

Signature:______________________________

Printed Name:___________________________

If other than an Individual: [INSERT ENTITY NAME]

By:_____________________________________

Name:__________________________________

Title:___________________________________

Exhibit C

Guaranty Agreement

(See Attached)

GUARANTY AGREEMENT

In consideration of, and as an inducement to, the execution by General Nutrition Corporation ("Franchisor") of that certain General Nutrition Corporation Development Agreement, dated ____________________, 201_ (as the same from time to time may be amended or modified, the "Development Agreement"), by and between ____________________ ("Developer") and Franchisor, the undersigned, for the term of the Development Agreement, and thereafter until all obligations of Developer to Franchisor have been satisfied, jointly and severally, do hereby personally, absolutely, and unconditionally guarantee that Developer shall punctually pay and perform each and every undertaking, condition, and covenant set forth in the Development Agreement.

Each of the undersigned further waives acceptance and notice of acceptance of the foregoing obligations of Developer, notice of demand for payment of any indebtedness or for performance of any obligations hereby guaranteed, and any right the undersigned may have to require that an action be brought against Developer or any other person as a condition to the liability of the undersigned.

This Guaranty is a guarantee of payment and performance not merely one of collection. Each of the undersigned further consents and agrees that its liability under this Guaranty shall be direct and immediate and joint and several; that the undersigned shall render any payment or performance required under the Development Agreement upon demand if Developer fails or refuses punctually to do so; that such liability shall not be contingent or conditioned upon the pursuit of any remedies against Developer or any other person; and that such liability shall not be diminished, relieved or otherwise affected by the extension of time, credit or any other indulgence which Franchisor, its affiliates, successors or assigns may, from time to time, grant to Developer or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, or the release of any one or more of the undersigned hereunder, or the consent to assignment of the Development Agreement or any interest in Developer, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable throughout the term of the Development Agreement and any extension or renewal thereof and thereafter until all obligations of Developer to Franchisor have been satisfied.

Until all obligations of Developer to Franchisor have been satisfied, the obligations of the undersigned under this Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or in any way modified or affected by, any circumstance or condition (whether or not the undersigned shall have any knowledge or notice thereof), including, without limitation, any bankruptcy, insolvency, reorganization, composition, liquidation or similar proceeding, with respect to Developer or its properties or creditors, or any action taken by any trustee or receiver or by any court in any such proceeding. Each of the undersigned specifically waives any rights that may be conferred upon the undersigned as a guarantor or surety under the applicable law of any state. The remedies provided herein shall be nonexclusive and cumulative of all other rights, powers and remedies provided under the Development Agreement or by law or in equity.

The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder, any term, covenant or condition of the Development Agreement may be amended, compromised, released or otherwise altered by Franchisor and the Developer and the undersigned do guarantee and promise to perform all of the obligations of the Developer under the Development Agreement as so amended, compromised, released or altered.

Upon notice from Franchisor that Developer has failed to pay monies due and owing to Franchisor under the Development Agreement, any and each of the undersigned agree to cure the monetary default within five business days from such notice.

Upon the death of an undersigned, the estate of such undersigned shall be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death. The obligations of the surviving undersigned shall continue in full force and effect.

The undersigned expressly acknowledge that the obligations hereunder survive the termination of the Development Agreement.

Franchisor's failure to enforce all or any portion of its rights under this Guaranty shall not constitute a waiver of its ability to do so at any point in the future.

No delay or failure of Franchisor in the exercise of any right, power, or remedy shall operate as a waiver thereof, and no partial exercise by Franchisor shall preclude any further exercise thereof or the exercise of any other right, power or remedy.

This Guaranty shall be governed by and construed in accordance with the internal laws of the State of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guaranty would not be enforceable under the laws of Pennsylvania, and if the business franchised under the Development Agreement is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the franchised business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Guaranty is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or other doctrine of law of the State of Pennsylvania or any other state, which would not otherwise apply. Any litigation initiated under this Guaranty shall be instituted exclusively at Franchisor's discretion in the most immediate state judicial district and court encompassing Franchisor's headquarters and having subject matter jurisdiction thereof or the United States District Court encompassing Franchisor's headquarters. Each of the undersigned expressly agree that the undersigned is subject to the jurisdiction and venue of those courts for purposes of such litigation. Each of the undersigned hereby waive and covenant never to assert any claim that the undersigned is not subject to personal jurisdiction in those courts or that venue in those courts is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

If Franchisor chooses to proceed against the undersigned under this Guaranty, and

Franchisor prevails, the undersigned shall reimburse Franchisor its costs and expenses associated with the proceeding, including its reasonable attorneys' fees, court costs and expenses.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed its signature this ______ day of ______________________, 201__.

Agreed:

GENERAL NUTRITION CORPORATION

By:_________________________________
Name:______________________________
Its:_________________________________

GUARANTORS

______________________________(SEAL)
Signature

Address:
____
____
Social Security No.:____________________

______________________________(SEAL)
Signature

Address:
____
____
Social Security No.:____________________

______________________________(SEAL)
Signature

Address:
____
____
Social Security No.:____________________

______________________________(SEAL)
Signature

Address:
____
____
Social Security No.:____________________

Exhibit D

State Addenda to Development Agreement

(See Attached)

STATE OF HAWAII
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

2. Sections 11 and 12 as they relate to transfer and termination are applicable to the extent they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.

3. Franchisor agrees to defer payment of the Development Fee, the Franchise Fee and other payments by Developer to Franchisor and its Affiliates related to each Store required to be developed hereunder until, with respect to such Store being developed hereunder, Franchisor has met all of its pre-opening obligations under this Agreement and the applicable Franchise Agreement, and Developer has opened the Store. At such time that, with respect to the particular Store being developed hereunder, Franchisor has met all of its pre-opening obligations under this Agreement and the applicable Franchise Agreement, and Developer has opened the Store, all deferred fees and payments related to such Store shall be immediately due and payable by Developer to Franchisor.

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:_________________________	By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	______________________________________ Developer
By:_________________________ Print Name:___________________ Title:_______________Secretary__	By:____________________________________ Print Name:_____________________________ Title:__________________________________

WITNESS:

By:_________________________ Print Name:__________________	By:____________________________________ Print Name:_____________________________
	By:____________________________________ Print Name:_____________________________

Developer Address: _______________________________________
____
____

STATE OF ILLINOIS
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat., Chapter 815, §§ 705/1 through 705/44 (the "Act"), the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Illinois law governs the Agreement.

2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Act.

3. Section 12 of the Agreement as it relates to termination is only applicable to the extent it is not inconsistent with the Act. In the event of any inconsistency, the Act will control. Franchisee's rights upon termination and non-renewal are set forth in sections 19 and 20 of the Act.

4. Franchisor and Developer acknowledge, and reference is hereby made to, Sections 705/4 and 705/41 of the Act, which provide as follows:

   Sec. 4. <u>Jurisdiction and Venue</u>. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void, provided that a franchise agreement may provide for arbitration in a forum outside of the State of Illinois.

   Sec. 41. <u>Waivers Void</u>. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

5. Franchisor agrees to defer payment of the Development Fee (and other payments that would be considered initial franchise fees under Section 705/3(14) of the Act) by Developer to Franchisor or its Affiliates until Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store. At such time that Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store, all deferred fees and payments shall be immediately due and payable by Developer to Franchisor. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

6. Each provision of this Addendum shall be effective only to the extent, with respect to each such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

7. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:_________________________	By:_________________________________
Franchisor Address:	General Nutrition Corporation 300 Sixth Avenue Pittsburgh, Pennsylvania 15222 Attention: General Counsel
ATTEST:	_____________________________________ Developer
By:_________________________ Print Name:___________________ Title:______________Secretary__	By:___________________________________ Print Name:______________________________ Title:__________________________________
WITNESS:	
By:_________________________ Print Name:__________________	By:___________________________________ Print Name:______________________________
	By:___________________________________ Print Name:______________________________
Developer Address:	______________________________________ ______________________________________ ______________________________________

STATE OF INDIANA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. If any of the provisions of the Agreement concerning termination, governing law, venue for litigation or arbitration, modification, covenants not to compete or any limitations period on the time in which claims may be brought are inconsistent with either the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law, then such laws will apply to the extent inconsistent with the terms of the Agreement.

2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition to transfer of the Agreement. Such provision will not apply to the extent inconsistent with the Indiana Deceptive Franchise Practices Law, IC § 23-2-2.7-1(5).

3. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to deprive the Developer of the rights and protections provided in the Indiana Franchise Disclosure Law or to relieve any person of any liability under the Indiana Deceptive Franchise Practices Law.

4. Each of the provisions of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:

GENERAL NUTRITION CORPORATION
Franchisor

By:_________________________

By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:

____
Developer

By:_________________________
Print Name:__________________
Title:______________Secretary__

By:___________________________________
Print Name:______________________________
Title:___________________________________

WITNESS:

By:_________________________
Print Name:_________________

By:___________________________________
Print Name:______________________________

By:___________________________________
Print Name:______________________________

Developer Address:

____
____
____

STATE OF MARYLAND
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§ 14-201 through 14-233, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. The general release language required as a condition of assignment or transfer shall apply except for claims arising under the Maryland Franchise Registration and Disclosure Law. A copy of the form of general release required by Section 11.3(iii) is attached hereto as Schedule A.

2. Although under certain circumstances the Agreement requires Developer to submit to a court proceeding or arbitration in the state where Franchisor's principal place of business is located, Franchisor agrees that litigation claims brought under the Maryland Franchise Registration and Disclosure Law may be brought in any court of competent jurisdiction in the State of Maryland.

3. Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.

4. No representation or acknowledgment by the Franchisee in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to relieve any person of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. The Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. Franchisor agrees to defer payment of the Development Fee (and other initial payments that would be considered franchise fees under the Maryland Franchise Registration and Disclosure Law) by Developer to Franchisor or its Affiliates until Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store. At such time that Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store, all deferred fees and payments shall be immediately due and payable by Developer to Franchisor. The Maryland Attorney General's Office imposed this deferral requirement due to Guarantor's financial condition.

7. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

8. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:_________________________	By:_________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	_____________________________________ Developer
By:_________________________ Print Name:___________________ Title:_______________Secretary__	By:___________________________________ Print Name:_____________________________ Title:___________________________________
WITNESS:	
By:_________________________ Print Name:__________________	By:___________________________________ Print Name:_____________________________
	By:___________________________________ Print Name:_____________________________
Developer Address:	______________________________________ ______________________________________ ______________________________________

SCHEDULE A

The following is our current general release form that we expect to include in a release that a developer and/or transferor may sign as part of an approved transfer. We may, in our sole discretion, periodically modify the release.

GENERAL RELEASE

For and in consideration of the Area Development Agreement dated ________________, between the undersigned and General Nutrition Corporation ("Franchisor"), the undersigned, and each of their respective corporate parents, subsidiaries, affiliates, successors in interest, heirs and assigns, and each of their respective shareholders, directors, officers, agents, servants, and employees, as applicable, whether specifically mentioned herein or not, including, without limitation, any entity or enterprise in which the undersigned, directly or indirectly, owns an equity or profits interest or controls (the "Releasing Parties" and, individually, a "Releasing Party"), do hereby release, acquit and forever discharge Franchisor and each of its respective parents, subsidiaries, affiliates, and successors in interest, and each of their respective managers, members, shareholders, directors, officers, agents, servants, employees and all other persons acting by, through, under or in concert with any of them and whether specifically mentioned herein or not (the "Released Parties" and, individually, a "Released Party"), of and from any and all liability, actions, causes of action, claims, debts, demands, damages, and liabilities to person(s) or property, costs, expenses, (including, without limitation court costs and attorneys' fees) and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, direct, indirect, contingent or actual, liquidated or unliquidated, whether in contract or in tort ("Claims") which the Releasing Parties or any of them now have, own, hold or claim to have, own or hold or at any time heretofore had, owned or held, against the Released Parties or any of them, now or at any time awarded to the undersigned and from the inception of any contact with any Released Party to the date of this General Release.

The undersigned acknowledges there is a risk that, after the date hereof, the undersigned will discover, incur, or suffer claims which are unknown or unanticipated at the time of execution of this General Release and which, if known by the undersigned on the date hereof, may have materially affected the undersigned's decision to execute this General Release. Nevertheless, the undersigned agrees that the undersigned intends to assume, and is assuming, the risk of such unknown or unanticipated Claims, and that the Releasing Parties' release of the Released Parties set forth in this General Release shall apply to any and all such Claims. Neither the undersigned nor any other Releasing Party has assigned, transferred or purported to assign or transfer to any other person or entity any of the Claims or any portion thereof or interest therein and agrees to indemnify, defend and hold the Released Parties harmless from and against any and all Claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

The undersigned represents and warrants that it intends to be legally bound by this General Release, that the execution of this General Release is free and voluntary, that no inducements, threats, presentations, or influences of any kind were made or exerted by or on behalf of Franchisor, and that, prior to the execution hereof, the undersigned was given the opportunity, if desired, to consult with counsel. This General Release shall be binding upon the undersigned, and the other Releasing Parties and their heirs, successors and legal representatives. This General Release excludes Claims arising from any representations in the Franchisor's Franchise Disclosure Document or its exhibits or amendments. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to release any Released Party from any liability imposed by the Maryland Registration and Disclosure Law. This General Release shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions.

It is the express intention of the undersigned and Franchisor that this General Release be as broad as permitted by law.

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this General Release as of this ______ day of ________________, 20__.

WITNESS:

By:____________________________________ ______________________________________
Print Name:_____________________________

By:____________________________________ ______________________________________
Print Name:_____________________________

STATE OF MINNESOTA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

This Addendum to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into by Franchisor and Developer.

1. This Addendum is made a part of the Agreement to which it is attached.

2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22.

3. Section 12 of the Agreement is hereby amended by adding the following:

   "With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3, which requires, except in certain specified cases, that a franchisee be given ninety (90) days notice of termination (with sixty (60) days to cure), but only to the extent it applies to this Agreement."

4. Section 20 of the Agreement is hereby amended by adding the following:

   "Pursuant to Minn. Stat. Sec. 80C.21 and Minnesota Rule 2860.4400J, nothing in this paragraph or in this Agreement shall in any way abrogate or reduce (1) any rights of the Developer as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota, or (2) Developer's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

5. No representation or acknowledgment by Developer in the Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

6. Minnesota Statutes, Section 80C.14, Subd. 5, requires that consent to the transfer of the Business will not be unreasonably withheld. The Sections in the Agreement that relate to transfer are applicable to the extent they are not inconsistent with Minnesota law. In the event of any inconsistency, Minnesota law will control.

7. Minnesota Rule 2860.4400J prohibits Franchisor from requiring a franchisee to waive its rights to a jury trial. Section 20.5(i) of the Agreement that relates to waiver of jury trial shall not apply to the extent this provision is governed by Minnesota law.

8. Franchisor acknowledges that Minnesota Rule 2860.4400J provides that a franchisee cannot consent to a franchisor obtaining injunctive relief, but that a franchisor may seek injunctive relief, and that a court will determine if a bond is required.

9. Franchisor acknowledges that no action may be commenced pursuant to Minnesota Statutes, Section 80C.17, Subd. 5, more than 3 years after the cause of action accrues.

10. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law (Minnesota Statutes, Chapter 80C, Sections 80C.01 through 80C.22) are met independently without reference to this Addendum.

11. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:________________________________ By: ________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: ________________________________
Developer

By:________________________________ By: ________________________________
Print Name:____________________________ Print Name: ____________________________
Title:____________________Secretary Title: ________________________________

WITNESS:

By:________________________________ By: ________________________________
Print Name:____________________________ Print Name: ____________________________

Developer Address: ______________________________
____
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STATE OF NEW YORK
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Section 11, "TRANSFERS," Paragraph 11.1, of the Agreement shall be supplemented with the following:

   No assignment shall be made except to an assignee, who, in the good faith judgment of Franchisor, is willing and possesses the economic resources to fulfill Franchisor's obligations under such Agreement.

2. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the General Business Law of New York State, Article 33, Sections 680 through 695, and the regulations issued thereunder.

3. Section 20, "APPLICABLE LAW," Paragraph 20.1, of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

   20.1. Governing Law. This Agreement takes effect upon its acceptance and execution by Franchisor, and shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law; provided, however, that if any provision of this Agreement would not be enforceable under the laws of Pennsylvania and if the Business is located outside of Pennsylvania, and further, if such provision would be enforceable under the laws of the state in which the Business is located, then such provision shall be interpreted and construed under the laws of that state. The foregoing choice of law should not be considered a waiver of any right conferred upon Developer by the General Business Law of New York State, Article 33.

4. Section 20, "APPLICABLE LAW," of the Agreement shall be supplemented with the following paragraph:

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

6. Section 22, "SEVERABILITY," of the Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu thereof:

   22. SEVERABILITY. Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, determined to be invalid and contrary to, or in conflict with, any

existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement.

6. Section 23, "RELATIONSHIP OF THE PARTIES; INDEMNIFICATION," of the Agreement shall be supplemented with the following:

   However, Developer shall not be required to indemnify for any claims arising out of a breach of the Agreement by the Franchisor or other civil wrongs of the Franchisor.

7. No representation or acknowledgment by the Developer in the Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

8. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Addendum.

9. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST: GENERAL NUTRITION CORPORATION
Franchisor

By:________________________________ By: ________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST: ________________________________
Developer

By:________________________________ By: ________________________________
Print Name:__________________________ Print Name: __________________________
Title:____________________ Secretary Title: ________________________________

WITNESS:

By:________________________________ By: ________________________________
Print Name:__________________________ Print Name: __________________________

Developer Address: ________________________________
____
____

STATE OF NORTH DAKOTA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code §§ 51-19-01 through 51-19-17, and the rules and regulations thereunder, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Section 13 of the Agreement contains covenants restricting competition. These covenants will be subject to Section 9-08-06, N.D.C.C.

2. Section 20.1 of the Agreement contains a provision requiring that the Agreement be governed by Pennsylvania law. Franchisor agrees that North Dakota law will govern the Agreement and will prevail in the event of any conflict of law.

3. Section 20.2. of the Agreement contains a provision requiring that arbitration be conducted in Pittsburgh, Pennsylvania. Franchisor agrees that the place of arbitration will be a location that is in close proximity to the site of the Business.

4. Section 20.4 of the Agreement contains a provision requiring that certain litigation must be instituted in a court within the Commonwealth of Pennsylvania in the judicial district in which Franchisor has its principal place of business. Franchisor agrees that jurisdiction and venue for litigation claims brought under the Agreement and the North Dakota Franchise Investment Law may be in the State of North Dakota.

5. Section 20.5 of the Agreement that relates to waiver of jury trial shall not apply to franchises governed by North Dakota law.

6. To the extent any provision of the Agreement requires Developer to consent to a waiver of exemplary or punitive damages, these provisions will be deemed null and void.

7. The Sections in the Agreement that relate to limitations of claims and payment of costs and expenses of enforcement of the Agreement are only applicable to the extent they are not inconsistent with North Dakota law. In the event of any inconsistency, North Dakota law will control. The statute of limitations under North Dakota law applies.

8. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Addendum.

9. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:

GENERAL NUTRITION CORPORATION
Franchisor

By:________________________________

By:________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:

____
Developer

By:________________________________
Print Name:__________________________
Title:______________________ Secretary

By: ________________________________
Print Name: __________________________
Title: ______________________________

WITNESS:

By:________________________________
Print Name:__________________________

By: ________________________________
Print Name: __________________________

Developer Address:

____
____
____

STATE OF RHODE ISLAND
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Section 11.3(iii) of the Agreement contains a provision requiring a general release as a condition of transfer of the Agreement. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.

2. § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." To the extent that the provisions of Section 20.1 or 20.4 conflict with the Rhode Island Franchise Investment Act, such provisions are void under § 19-28.1-14 with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Section 19-28.1-15 of the Rhode Island Franchise Investment Act provides that "a condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by this Act or a rule or order under this Act is void. An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act." If the Developer is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release shall exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments shall be void with respect to claims under the Act.

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.

5. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:

GENERAL NUTRITION CORPORATION
Franchisor

By: ________________________________

By: ________________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:

____
Developer

By: ________________________________
Print Name: ________________________________
Title: ________________________ Secretary

By: ________________________________
Print Name: ________________________________
Title: ________________________________

WITNESS:

By: ________________________________
Print Name: ________________________________

By: ________________________________
Print Name: ________________________________

Developer Address: ________________________________
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STATE OF SOUTH DAKOTA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the South Dakota Franchise Investment law (SDCL 37-5B), the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. Section 29, "DEVELOPER'S ACKNOWLEDGMENTS," of the Agreement shall be supplemented by the following paragraph:

   Pursuant to SDCL 37-5B-21, any condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by the Franchise Investment chapter (SDCL 37-5B) or a rule or order under the Franchise Investment chapter is void.

2. Franchisor agrees to defer payment of the Development Fee and other initial payments by Developer to Franchisor or its Affiliates until Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store. At such time that Franchisor has met all of its pre-opening obligations with respect to Developer's first Store and Developer has opened its first Store, all deferred fees and payments shall be immediately due and payable by Developer to Franchisor. This financial assurance requirement was imposed by the South Dakota Department of Labor & Regulation, Division of Insurance, Securities Regulation, due to Franchisor's financial condition.

1. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchise Investment law are met independently without reference to this Addendum.

2. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:______________________________	By: ______________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

	______________________________
ATTEST:	Developer
By:______________________________	By: ______________________________
Print Name:______________________	Print Name: ______________________
Title:__________________ Secretary	Title: ______________________________

WITNESS:

By:______________________________	By: ______________________________
Print Name:______________________	Print Name: ______________________

Developer Address: ______________________________
____
____

STATE OF VIRGINIA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Virginia Retail Franchising Act, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

1. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires Franchisor to defer payment of the Development Fee owed by Developer to Franchisor until Franchisor has completed its pre-opening obligations with respect to Developer's first Store under the Agreement. At such time that Franchisor has met all of its pre-opening obligations with respect to Developer's first Store, all deferred fees and payments shall be immediately due and payable by Developer to Franchisor.

2. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.

3. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By: ____________________	By: ____________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	____________________ Developer
By: ____________________	By: ____________________
Print Name: ____________________	Print Name: ____________________
Title: ____________ Secretary	Title: ____________________

WITNESS:

By: ____________________	By: ____________________
Print Name: ____________________	Print Name: ____________________

Developer Address: ____________________
____
____

STATE OF WASHINGTON
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached GENERAL NUTRITION CORPORATION AREA DEVELOPMENT AGREEMENT (the "Agreement") agree as follows:

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

2. The state of Washington has a statute, RCW 19.100.180 which may supersede the Agreement in Developer's relationship with Franchisor including the area of termination of the Agreement. There may also be court decisions which may supersede the Agreement in Developer's relationship with the Franchisor including the area of termination of the Agreement.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Agreement, Developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by Developer will not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where Developer is represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act, such as a right to jury trial, may not be enforceable.

5. Transfer fees are collectible to the extent they reflect Franchisor's reasonable estimated or actual costs in effecting the transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of Developer, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of Developer under 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits Franchisor from restricting, restraining, or prohibiting Developer from (i) soliciting or hiring any employee of a franchisee of Franchisor, or (ii) soliciting or hiring any employee of Franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

8. In lieu of an impound of franchise fees, with respect to each Store required to be developed hereunder, Franchisor agrees to defer payment of the Development Fee, the Franchise Fee (and any other fees or payments related to such Store that would be considered franchise fees under the Washington Franchise Investment Protection Act) by Developer to Franchisor or its Affiliates until, with respect to such Store being developed hereunder, Developer has (a) received all initial training that it is entitled to under the applicable Franchise Agreement or Franchisor's Franchise Disclosure Document provided to Franchisee, and (b) opened such Store. At such time that Developer, with respect to the particular Store being developed hereunder, has received all initial training that it is entitled to under the applicable Franchise Agreement or Franchisor's Franchise Disclosure Document, and Developer has opened such Store, all deferred fees and payments related to such Store shall be immediately due and payable by Developer to Franchisor.

9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.

10. Except as otherwise provided in this Addendum, all the other terms, covenants and agreements in the Agreement shall remain the same, and the Agreement, as amended, shall continue in full force and effect. To the extent this Addendum is inconsistent with any terms or conditions of the Agreement or the exhibits thereto, the terms of this Addendum shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, Franchisor and Developer have executed this Addendum as of the date of the Agreement.

ATTEST:	GENERAL NUTRITION CORPORATION Franchisor
By:______________________________	By: ______________________________

Franchisor Address: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
Attention: General Counsel

ATTEST:	______________________________ Developer
By:______________________________	By: ______________________________
Print Name:__________________________	Print Name: __________________________
Title:____________________ Secretary	Title: ______________________________

WITNESS:

By:______________________________	By: ______________________________
Print Name:__________________________	Print Name: __________________________

Developer Address: ______________________________
____
____

EXHIBIT G

Product Sales Agreement

____
____
KK#______

PRODUCT SALES AGREEMENT

This PRODUCT SALES AGREEMENT (this "Agreement") is entered into as of the ____ day of _______, 20__, by and between __________________________ (collectively, "Buyer"), and GENERAL NUTRITION CORPORATION, a Pennsylvania corporation ("Seller").

WHEREAS, Buyer and Seller have entered into a Franchise Agreement dated __________, 20__ for the operation of a franchised retail store specializing in the sale of supplements and nutriceuticals, among other related products.

NOW THEREFORE, for good and valuable consideration rendered by Seller to Buyer, and intending to be legally bound hereby, the parties hereto covenant and agree as follows:

1. Purchase and Sale Transactions. Seller has sold or agrees to sell to Buyer, and Buyer, jointly and severally if more than one Buyer is named herein, agrees to purchase, and pay pursuant to the terms of Seller's invoice, products for resale at the store as well as inventory, fixtures and equipment (collectively, "Products"), all as set forth in and at the prices listed in Seller's then-current order book. Seller shall not be under any obligation to continue the supply of all or any of the Products and shall be entitled to make such additions or alterations to the Products, their packaging and labeling, as applicable, as Seller may think appropriate. Seller has no obligation to accept any order placed by Buyer. Orders will not be deemed accepted by Seller until confirmed by Seller in writing.

2. Security Interest. To secure the due and punctual payment of the purchase price of the Products purchased from Seller hereunder, Buyer hereby agrees that Seller shall have, and hereby grants to and creates in favor of Seller, a security interest under the Pennsylvania Uniform Commercial Code (13 Pa.C.S. Section 1101 et seq.) (the "Code") in and to the Products purchased by Buyer from Seller hereunder and all attachments, accessories and parts used or intended to be used with such Products, as applicable, and all Cash and Non-cash Proceeds thereof and all Supporting Obligations relating thereto (the "Collateral"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Code. Seller reserves the right to change any payment term or require full payment in cash before order entry, manufacture, shipment or delivery if, in Seller's sole judgment, Seller determines that there has been a material adverse change in Buyer's financial condition or creditworthiness or there has been an unsatisfactory payment performance by Buyer. Buyer authorizes the filing of and/or shall join with Seller in executing one or more financing statements and continuation statements in form satisfactory to Seller, and Buyer shall pay the cost of filing the same or filing or recording this Agreement in all public offices and the cost of all searches of records, wherever filing or recording or searching of records is deemed by Seller to be necessary. Buyer authorizes the filing of, and, at the request of Seller, shall, from time to time, execute, additional or supplemental documents and agreements to confirm Seller's security interest in the Collateral. Buyer irrevocably appoints Seller as its agent and attorney in fact to execute any such financing statements or other documents in Buyer's name.

3. Termination. This Agreement may be terminated by either party upon thirty (30) days' prior written notice; however, the security interest in the Collateral shall survive the termination or expiration of this Agreement until payment in full has been made for Products purchased from Seller and a termination statement has been filed in accordance with applicable portions of the Code. If Seller, after termination of its security interest, should have to disgorge payments made

by Buyer for any reason, including bankruptcy, Seller's security interest shall be immediately reinstated. The following shall be "Events of Default" under this Agreement: (a) Buyer shall default under this Agreement or fail to perform or observe any of the agreements or covenants set forth in this Agreement or fail to pay when due any invoice or invoices covering Products purchased under this Agreement; (b) Buyer shall be declared to be in default under any material contract, agreement, or instrument, including the Franchise Agreement, to which Buyer, or either of the Buyers if more than one, is a party with Seller or its affiliates or assigns, and such default shall continue beyond any applicable cure period; (c) Buyer shall sell, remove, or attempt to sell, remove, or assign inventory not in the ordinary course of business; or (d) any judgment creditor of Buyer shall obtain possession of any Collateral by means including, without limitation, levy, distraint, replevin or self-help.

4. Remedies upon Default. Upon the occurrence of any Event of Default and without notice, Seller may immediately terminate this Agreement and accelerate the maturity of any debt hereunder and Seller may proceed to protect and enforce its rights either by suit in equity and/or by action at law or proceed to obtain judgment or any other relief whatsoever appropriate to the action or proceeding. In addition, Seller may immediately, without demand of performance and without other notice to Buyer (all of which are hereby expressly waived): (a) repossess the Collateral at its location; (b) without advertisement, sell at public or private sale or otherwise realize upon the whole or, from time to time, any part of the Collateral, or any interest which Buyer may have therein; or (c) to the full extent permitted by applicable law, enter any premises where the Collateral is located and take possession and control of the same and to keep and store the Collateral on such premises or if the Collateral is located on the premises, operate the business wherein the Collateral is located. If Seller repossesses the Collateral, the Seller will credit the buyer the wholesale value of the saleable inventory, and Seller shall have the right to set-off this credit against any or all amounts owing to Seller by Buyer under this Agreement, the Franchise Agreement, Sublease, Promissory Note, Purchase Money Security Agreement, and any other agreement with Seller, its affiliates, successors or assigns. All rights and remedies given by this Agreement are cumulative and not exclusive of any thereof or of any other rights or remedies available to Seller, and no course of dealing between the parties shall operate as a waiver of such rights or remedies. Buyer shall, on demand, reimburse Seller for all expenses, including the reasonable fees and expenses of legal counsel for Seller, incurred by Seller in connection with the enforcement of this Agreement.

5. DISCLAIMER OF WARRANTY. SELLER MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS, EQUIPMENT OR OTHER ITEMS SOLD HEREUNDER, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER'S EXCLUSIVE REMEDY AND SELLER'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY SUCH PRODUCTS, EQUIPMENT OR ITEMS IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, BUYER PAID; OR, AT SELLER'S OPTION, THE REPLACEMENT THEREOF. SELLER WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM SELLER'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, the law of which shall prevail in the event of any conflict of law.

7. Forum Selection. Buyer agrees that any action brought by Buyer against Seller in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Buyer also agrees that the Seller may, in its sole discretion, bring any action against the Buyer in any court, whether federal or state, within either a) the Commonwealth of Pennsylvania; or b) in any jurisdiction in which the Buyer resides or owns property. If the Seller brings an action against Buyer in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, Buyer accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

8. **Confession of Judgment. Power to confess judgment: If Buyer defaults in the payment of any amounts due hereunder, Buyer hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the Buyer, and, with or without complaint filed, confess judgment against Buyer in favor of Seller, for amounts due hereunder, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, with release of all errors, waiving the right of inquisition on any Products levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said Products may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisement, or right of appeal. In any action of any amount due, Franchisor shall cause to be filed in such action an affidavit made by Franchisor or someone acting for Franchisor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a copy of this Agreement, verified by affidavit by or on behalf of Seller shall have been filed in any such action, it shall not be necessary to file the original Agreement as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Seller shall elect, until such time as Seller shall have received payment in full of the debt, interest, and costs.**

9. **Waiver of Jury Trial. Seller and Buyer agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance of this Agreement, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Seller and Buyer hereby irrevocably waive any right either party may have to a trial by jury. Either Seller or Buyer may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Seller or Buyer to the waiver of their right to trial by jury.**

10. Partial Invalidity. If any terms, covenants, or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.

11. Notice. Any notice required or permitted to be given hereunder shall be in writing and may be given in person, by reputable overnight mail delivery service, or by United States certified mail, return receipt requested, addressed to the other party at the address appearing by such party's

signature below. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.

12. **<u>Compliance with California Franchise Investment Law and California Finance Lender Law §22063</u>. Buyer represents to Seller that the proceeds of this Product Sales Agreement, if advanced by Seller to Buyer, will be used exclusively for the acquisition, construction, operation, development, equipping, expansion, contracting, consolidation, merger, recapitalization, reorganization, or termination of Buyer's franchised business, and not for personal, family or household purposes.**

[Signature page follows]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

<table>
<tr><td><u>WITNESS</u> ____________________________</td><td><u>BUYER – Corporation or Partnership</u>

Type Entity Name Here</td></tr>
<tr><td><u>ATTEST</u>

By:_______________________________________
Title:_____________________________________</td><td>By:_________________________, (SEAL)
Name:______________________
Title:_______________________</td></tr>
<tr><td><u>WITNESS</u></td><td><u>BUYER - Individually</u></td></tr>
<tr><td>Witness</td><td>By:_________________________, (SEAL)
Name:______________________</td></tr>
<tr><td>Witness</td><td>By:_________________________, (SEAL)
Name:______________________</td></tr>
<tr><td></td><td>ADDRESS OF BUYER:

<u>SELLER</u>
GENERAL NUTRITION CORPORATION</td></tr>
<tr><td><u>ATTEST</u></td><td>By:________________________________
Title: <u>Sr. Vice President</u></td></tr>
<tr><td>By:________________________________
Title: <u>Assistant Secretary</u></td><td>ADDRESS OF SELLER PARTY:

300 Sixth Avenue
Pittsburgh, PA 15222</td></tr>
</table>

EXHIBIT H

Asset Purchase and Sale Agreement

KK# ____

ASSET PURCHASE AND SALE AGREEMENT

This Asset Purchase and Sale Agreement (this "Agreement"), entered into this ____ day of ______,______, by and among GENERAL NUTRITION CORPORATION, a Pennsylvania corporation, having offices at 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222 ("Seller"), and _____________ ("Purchaser").

WITNESSETH:

WHEREAS, Seller franchises stores known as General Nutrition Centers under the General Nutrition Center System and Purchaser desires to operate a store in the system (the "Store") in the building known as "____________" located at __________________ (the "Building");

WHEREAS, if Seller occupies premises in the Building (the "Premises"), upon which Seller operates the Store pursuant to a lease between Seller and _____________ (the "Landlord") dated ___________ (the "Lease"), Seller desires to sublease the Premises to Purchaser, and Purchaser desires to assume and undertake Seller's obligations under the Lease pursuant to a sublease;

WHEREAS, Seller desires to sell, and Purchaser desires to purchase, all of Seller's right, title and interest in and to all the assets located within the Store, including without limitation, the inventory, leasehold improvements, furnishings, fixtures and equipment (collectively, the "Assets") used in the business operated on the Premises;

WHEREAS, Purchaser has, prior to or concurrently herewith, executed a General Nutrition Corporation Franchise Agreement (the "Franchise Agreement") for the operation of the Store with Seller;

NOW THEREFORE, in consideration of the premises and mutual promises contained herein and in reliance upon the respective representations and warranties made to them, and intending to be legally bound hereby, the parties agree as follows:

Section 1. **Purchase and Sale of Assets; Sublease of Premises**

1.1 Upon the terms and conditions set forth in this Agreement, and in reliance upon the respective representations and warranties of the parties, Seller agrees to sell, assign, transfer, and deliver to Purchaser, and Purchaser agrees to purchase, acquire, and accept from Seller on the Closing Date (as defined in Section 6.1) the Assets set forth on Exhibit A attached hereto. The term "Assets" shall include as of the Closing Date all of Seller's right, title, and interest in and to the following:

1.1.1 All inventories of Seller placed in or at the Premises ("Inventory");

1.1.2 All leasehold improvements at the Premises ("Improvements");

1.1.3 All furniture, fixtures, equipment, signs and other personal property, of every kind and description located in or at the Premises, which are now, or may hereafter prior to the Closing Date be placed in the Premises (collectively, "Equipment");

1.1.4 To the extent that they may be transferred under applicable law, all licenses (excluding the Franchise Agreement), permits, and authorizations presently issued in connection with the operation of all or any part of the Assets, or necessary to operate the Assets as they are presently being operated; and

1.1.5 To the extent they may be transferred, all warranties, if any, issued to Seller by any manufacturers and contractors in connection with construction or installation of any leasehold improvements and Equipment included as part of the Assets.

1.2 Further, on the Closing Date, and subject to the terms and conditions set forth herein, and in reliance on the representations and warranties of the parties, if Seller occupies the Premises, Seller agrees to sublease the Premises to Purchaser, as evidenced by the sublease between Seller and Purchaser, upon the terms and conditions of and in the form attached hereto as Exhibit B (the "Sublease"), and Purchaser agrees to accept and comply with the covenants, obligations and promises in the Sublease.

Section 2. Purchase Price

2.1 Purchase Price. Purchaser shall pay the sum of _________ Thousand ________ Hundred _________ and 00/100 Dollars ($_______.00) to Seller upon Closing (the "Purchase Price"), as payment for the Assets, of which NONE has been previously paid to Seller by Purchaser and of which __________ Thousand _______ Hundred ________ and 00/100 Dollars ($______) is allocated to the purchase of the Inventory. The Purchase Price is exclusive of the initial franchise fee paid by Purchaser to the Seller pursuant to the Franchise Agreement, and exclusive of any payment due under the Sublease.

2.2 Purchase Price Adjustment. The Purchase Price set forth in Section 2.1 hereof, shall be adjusted as provided herein, at or after the Closing Date to reflect the actual value of the Inventory as determined below. The value of the Inventory shall be determined by a count taken on the Premises that shall be conducted by a representative of Seller and a representative of Purchaser between the close of business on the day preceding the Closing Date and the Closing Date. The value of the Inventory shall be at the Seller's cost.

2.2.1. The amount of the Purchase Price shall be increased or decreased by an amount equal to the difference between (i) Seller's cost for the Inventory at the Premises at the close of business on the day preceding the Closing Date, and (ii) ___________ Thousand _________ Hundred _________ and 00/100 Dollars ($_______). The amount of the Purchase Price as it may be adjusted pursuant to this subsection shall, (i) to the extent it is in excess of $_______, Purchaser shall pay the amount of the excess to Seller upon notice, or (ii) to the extent it is less than $________, Seller will credit to Purchaser the amount of such deficiency.

Section 3. Transactions at Closing

On or prior to the Closing Date referred to in Section 6.1 hereof:

3.1 The Sublease. Purchaser and Seller shall execute the Sublease, pursuant to which Seller subleases all of its right, title, and interest in and to the Lease for the Premises to Purchaser upon terms and conditions not less favorable than those set forth in the Lease. The Sublease shall take effect as of the date stated herein, subject to the written consent of the Landlord thereto. Pursuant to the Sublease, Purchaser shall assume all of Seller's obligations under the Lease, and Purchaser shall use its best efforts and maximum diligence to ensure that each obligation under the Lease is met in compliance with the terms of the Sublease.

3.2 Assets. Seller shall sell, assign, and transfer to Purchaser, free and clear of all liabilities, obligations, security interests, and encumbrances, all of its right, title, and interest to the Assets, including all of the Inventory, Improvements and Equipment. All Improvements, Inventory and Equipment are sold in their condition "AS IS" as of the date of the execution of this Agreement. SELLER MAKES NO EXPRESS WARRANTIES AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL IMPLIED WARRANTIES WITH RESPECT TO ALL IMPROVEMENTS, INVENTORY AND EQUIPMENT SOLD HEREUNDER, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PURCHASER'S EXCLUSIVE REMEDY AND SELLER'S EXCLUSIVE LIABILITY FOR ALL CLAIMS AS TO ANY IMPROVEMENTS, INVENTORY AND EQUIPMENT SOLD HEREUNDER IS LIMITED TO THE PURCHASE PRICE THEREFOR, PLUS SHIPPING COSTS, IF ANY, PURCHASER PAID. SELLER WILL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, MULTIPLIED, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER OR NOT CAUSED BY OR RESULTING FROM SELLER'S NEGLIGENCE, FOR ANY MATTER STATED IN THIS SECTION.

Section 4. General Undertaking

4.1 Consent of Landlord. Seller shall use commercially reasonable efforts to secure the consent of the Landlord to the Sublease as soon as possible after the date of this Agreement, and prior to the Closing. Seller makes no warranty or guarantee that such consent can be obtained, and the failure to obtain said consent shall not result in any liability of Seller to Purchaser. Such landlord consent shall be a condition to the Closing hereunder.

4.2 Renegotiation of Lease. If desired by Purchaser and Seller, Seller agrees to use its commercially reasonable efforts to obtain, at the Lease expiration date, an extension or renewal of the Lease on terms satisfactory to Seller and Purchaser. If the Lease is extended or renewed, Seller may extend or renew the Sublease with Purchaser, in Seller's sole discretion, on terms not less favorable than those in the Lease as so extended or renewed, subject to Purchaser's compliance with the Sublease. Seller makes no warranty or guarantee that extension or renewal can be obtained; and Purchaser agrees and acknowledges that an extension or renewal of such Lease or Sublease may not be desirable for Seller or Purchaser. Failure of Seller to obtain extensions or renewal of the Lease is at Purchaser's own risk and shall not result in any liability of Seller to Purchaser. Seller acknowledges that the existing Lease expiration date for the Store is [ADD DATE].

4.3 Permits or Approvals. Upon Closing, to the extent required by applicable law, Purchaser shall have obtained all necessary permits and approvals including, but not limited to, health permits and business licenses to operate that business which is the subject of this Agreement and the Franchise Agreement.

Section 5. Indemnity Against Claims

5.1 Purchaser agrees to waive compliance with the requirements of any bulk sales law, bulk transfer provision or analogous requirements of the Uniform Commercial Code of the Commonwealth of Pennsylvania and the State of ________ ("Bulk Sales Law") which may apply to this purchase and sale.

5.2 Seller hereby agrees to defend, indemnify and hold Purchaser harmless against and from all claims or causes of action resulting directly from any failure to comply with an applicable provision of the

Bulk Sales Law in connection with this transaction. Seller warrants that it is or shall pay all amounts rightfully due and owing to all trade and business creditors protected by any provision of a Bulk Sale Law which is waived hereunder.

5.3 Purchaser hereby agrees to defend, indemnify and hold Seller and its affiliates harmless against any and all claims, demands, actions, causes of action, suits, liabilities, litigation costs, and expenses, including reasonable attorneys' fees, in connection with its sublease of the Premises which arise from Purchaser's or its employees', agents', contractors' or invitees' presence on, use and occupancy of the Premises on or after the Closing Date.

5.4 Purchaser hereby agrees to indemnify and hold harmless Seller against all claims for any sales, transfer, or related taxes which may be imposed upon the transfer of any asset or the execution or recording of any documents executed pursuant to this Agreement.

Section 6. Closing

6.1 Date. The Closing shall take place at the offices of Seller on the _____ day of _______, _____, (the "Closing Date").

6.2 Amounts Due. At Closing, Purchaser shall pay to Seller the Purchase Price under the terms set forth in Section 2.1 and 2.2 hereof, and all such payments as are then due under the Sublease as specified therein.

6.3 Taxes and Miscellaneous Prorations. Any sales, use, transfer or other tax or recording costs imposed upon the transfer of Assets shall be paid by Purchaser. All amounts paid by Seller for permits, licenses or authorities shall be apportioned as of the Closing Date.

6.4 Adjustments for Rents and Other Leasehold Charges. Rent, common area charges, utility charges, percentage rent, real estate taxes and any other similar items, which are unbilled, but which obligations arise from or are related to the Lease of the Premises, shall be adjusted in accordance with and as provided in the Sublease.

6.5 Additional Documents to be Executed and Delivered at Closing. At Closing, the party to be bound thereby shall execute and deliver the following documents, execution and delivery of which shall be express conditions precedent to the sale contemplated by this Agreement.

6.5.1. The Sublease upon the terms and conditions of and in the form annexed hereto as Exhibit A;

6.5.2. The Product Sales Agreement upon the terms and conditions of and in the form annexed hereto as Exhibit B;

6.5.5. In addition, Seller and Purchaser shall execute such instruments of Assignment, Assumption, Transfer and Bills of Sale as may be necessary to convey the Assets.

Section 7. Representation and Warranties of Seller

Seller warrants and represents the following:

7.1 Authority. Seller is a corporation, duly formed, validly existing, and in good standing under the laws of Pennsylvania. Seller has full and absolute power and authority to enter into this Agreement and all ancillary documents delivered pursuant hereto, and to assume and perform all of its obligations hereunder. The execution and delivery of this Agreement and the performance by the Seller of its obligations hereunder have been duly authorized by all requisite corporate action and no further action or approval is required in order to constitute this Agreement as a binding and enforceable obligation of the Seller.

7.2 Seller's Compliance. Except as otherwise set forth herein, neither the execution and delivery of this Agreement nor the consummation of any material transaction contemplated hereby requires the consent or approval of a third party or will conflict with, or (with or without the giving of notice or the passage of time or both) result in a breach of, any of the terms, conditions, or provisions of any material law, regulation, judicial order, or administrative order, writ, injunction, judgment, or decree of any court or governmental instrumentality, or of the corporate charter or by laws, of Seller, or the provisions of any material (i) note of which Seller is the maker, (ii) indenture, (iii) agreement, or (iv) other instrument by which it is bound. Furthermore, Seller has no knowledge or information that there are any actions, suits, proceedings (whether or not purportedly on behalf of Seller) pending or threatened which would materially adversely affect the aforementioned Assets or the Premises, at law or in equity or by any federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality, domestic or foreign.

7.3 Premises. Seller has no knowledge or information that its use of the Premises is in violation of any applicable material laws, ordinances, or regulations. Seller has not received notice to the contrary from government authorities at any level.

7.4 Lease. If a Lease is indicated on Page 1 herein, Seller is the lessee of the Premises, is in full compliance with the material terms of the Lease, and has not received any notice of default with respect to the Lease.

7.5 Binding on Seller. The execution and delivery of this Agreement, the Product Sales Agreement, and all documents executed in connection herewith by Seller and the consummation of the transaction contemplated hereby and thereby will be valid and binding upon the Seller.

7.6 Cooperation. Seller agrees to make commercially reasonable efforts to facilitate the transfer of the Assets under this Agreement and to that end, agrees to execute any and all such additional documents as are required to carry out the terms and provisions of this Agreement, provided such document(s) are in form and substance reasonably satisfactory to Seller.

Section 8. Representations and Warranties of Purchaser

8.1 Formation, Power and Authority. If Purchaser is a corporation, limited liability company, partnership, or other entity, it is duly formed, validly existing, and in good standing under the law of the State of _______ and authorized to do business in the state in which the Store is located. Purchaser has full and absolute power and authority to enter into this Agreement and all ancillary documents delivered pursuant hereto, and to assume and perform all of their obligations hereunder. The execution and delivery of this Agreement and the performance by Purchaser of its obligations hereunder require no further action, approval or consents by any third persons in order to constitute this Agreement as a binding and enforceable obligation of Purchaser.

8.2 Purchaser's Compliance. Except as otherwise set forth herein, neither the execution and delivery of this Agreement nor the consummation of any material transaction contemplated hereby requires the consent or approval of a third party or will conflict with, or (with or without the giving of notice or the passage of time or both) result in a breach of, any of the terms, conditions, or provisions of any material law, regulation, judicial order, or administrative order, writ, injunction, judgment, or decree of any court or governmental instrumentality, or of the corporate charter of by laws, of Purchaser, or the provisions of any material (i) note of which Purchaser is the maker, (ii) indenture, (iii) agreement, or (iv) other instrument by which it is bound. Furthermore, Purchaser has no knowledge or information that there are any actions, suits, proceedings, pending or threatened, that would materially adversely affect the ability of Purchaser to sublease the Premises or acquire the Assets, at law or in equity, by any federal, state, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign.

8.3 Legal Action Against Purchaser. There are no material judgments, orders, or decrees of any kind against Purchaser unpaid or unsatisfied of record nor any legal action, suit or other legal administrative proceeding pending or, to the best of either of Purchaser's knowledge, threatened before any court or administrative agency.

8.4 Bankruptcy or Debt of Purchaser. Purchaser is not in the hands of a receiver and has not committed an act of bankruptcy and is financially solvent, able to meet its obligations as they become due and has made adequate provision for the payment of its debts and liabilities.

8.5 Binding on Purchaser. The execution and delivery of this Agreement, the Sublease, the Product Sales Agreement, and all documents executed in connection herewith by Purchaser and the consummation of the transaction contemplated hereby and thereby will be valid and binding upon the Purchaser.

Section 9. Joint and Several Liability

Each Purchaser, if more than one Purchaser is named herein, hereby agrees to be jointly and severally liable for the performance of all of the obligations under this Agreement.

Section 10. Survival of Covenants, Representations, Warranties and Guarantees

All covenants, representations, guarantees, and indemnities contained herein, or in any exhibit attached hereto, or in any Closing documents shall survive the Closing.

Section 11. Broker

The parties represent and warrant to each other that they have not dealt with any broker in connection with this transaction, and each party shall indemnify, defend, and hold the other harmless from and against any and all costs, expenses (including reasonable attorneys' fees) and liabilities arising from any claims made for broker's commission or like compensation in connection with this transaction, provided that such claims result from any act of the indemnifying party or its representatives.

Section 12. Assignment

Purchaser shall not have the right to assign its rights and interest in and to this Agreement without the prior written consent of the Seller, which consent shall not be unreasonably withheld. Seller may assign its rights and interest in and to this Agreement at any time for any reason.

Section 13. General

13.1 Notices. All notices under this Agreement shall be in writing and shall be deemed duly given if delivered in person or if mailed by certified mail, return receipt requested or via nationally recognized overnight courier service to the parties at the following address:

If to Seller to: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, PA 15222
ATTN: General Counsel

With a copy to: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, PA 15222
ATTN: General Counsel

If to Purchaser to: ______________________
____
____

With a copy to: ______________________
____
____

13.2 Costs. Except as otherwise provided in this Agreement, each party shall bear its own costs including attorneys' fees in connection with the preparation of this Agreement and the transactions contemplated hereby.

13.3 **Applicable Law and Waiver of Jury Trial. This Agreement shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law. The parties agree that any action brought by Purchaser against Seller in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The parties also agree that the Seller may bring any action against the Purchaser in any court, whether federal or state, within the Commonwealth of Pennsylvania. If Seller brings an action against Purchaser in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Seller has its principal place of business, Purchaser accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens. Seller and Purchaser agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance of this Agreement, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Seller and Purchaser hereby irrevocably waive any right either party may have to a trial by jury. Either Seller or Purchaser may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of Seller or Purchaser of the waiver of their right to trial by jury.**

13.4 Entire Agreement

13.4.1. This instrument contains the entire agreement between the parties with respect to the transactions contemplated herein and supersedes any prior agreements or understandings relating to its subject matter, either written or verbal, between the parties; provided, that nothing in this instrument is intended to disclaim the representations made in Seller's Franchise Disclosure Document.

13.4.2. All captions in this Agreement are intended solely for the convenience of the parties, and shall be deemed not to affect the meaning or construction of any provision hereof.

13.5 Partial Invalidity. If any terms, covenants, or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.

13.6 Binding Effect. Subject to the provisions governing assignment, this Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assigns of the respective parties hereto.

13.7 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall be considered one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed, as of the day and year first above written.

ATTEST:	**SELLER** GENERAL NUTRITION CORPORATION
_________________________________ Assistant Secretary	By:_______________________, (SEAL) Name:___________________________ Title: Vice President
ATTEST:	**PURCHASER – Corporation or Partnership**
	_______________________________________ Type Entity Name Here
By:______________________________, (SEAL) Name:_________________________________ Title:__________________________________	By:_______________________, (SEAL) Name:___________________________ Title:____________________________
WITNESS:	**PURCHASER – Individually**
_________________________________ Witness	By:______________________________ Name:___________________________
_________________________________ Witness	By:______________________________ Name:___________________________
	ESCROW AGENT (If Applicable)

EXHIBIT I

Equipment and Inventory Promissory Note

KK# _____________

EQUIPMENT AND INVENTORY
PROMISSORY NOTE

$______ As of _____________,______
Pittsburgh, Pennsylvania

For value received, the undersigned and if more than one, each of them hereby jointly and severally, promises to pay GENERAL NUTRITION CORPORATION ("GNC"), its successors and assigns ("Holder"), the principal sum of ________ Thousand_______ Hundred _______and __/100 Dollars ($______) with accrued interest thereon from the date hereof until maturity, whether by acceleration or otherwise, in lawful money of the United States of America as hereafter provided.

Payment. The full principal amount of the Note and any accrued interest thereon shall be due and payable on DEMAND, but if not sooner demanded, then this Note shall be repaid in _________ (____) consecutive monthly installments in the minimum amount of _____ Hundred__________ and __/100 Dollars ($________) of principal and interest commencing on the 1st day of ______, and the __ and final installment shall be in an amount sufficient to pay the remaining unpaid principal balance of this Note and any accrued interest and other sums due hereunder.

Interest. Interest on the unpaid balance hereof shall be at the rate of ________ percent (____%) per annum calculated on a monthly basis on the principal amount then outstanding, but in no event to exceed the maximum rate of interest allowed by law. If any payment due under this Note is more than ten (10) days late, the undersigned, jointly and severally, agree to pay Holder a late charge equal to five percent (5%) of the payment to cover the costs incurred by Holder in monitoring and collecting such late payment. If any amount under this Note is not paid when due (whether on demand, at stated maturity, by acceleration, or otherwise), such amount shall bear interest until paid at a rate per annum which is five percent (5%) above the rate of interest applicable to this Note prior to maturity, or such lesser maximum percentage amount permissible under applicable state law. Such sums shall become immediately due and payable.

Anything in this Note to the contrary notwithstanding, if, from any circumstances whatsoever, fulfillment of any provision hereof at the time performance of said provision shall be due shall involve transcending the limit of validity prescribed by the usury laws applicable in the State of Pennsylvania as preempted and prescribed from time to time by the laws of the United States of America or any rule or regulation of any department or agency thereof, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity so that in no event shall exaction be possible under any of the aforesaid documents or agreements in excess of the limit of such validity, but such obligation shall be fulfilled to the limit of such validity, and if under any circumstances whatsoever interest in excess of the limit of such validity will have been paid in connection with the loan evidenced by this Note, such excess shall be applied by Holder, the manner of handling such excess to be at Holder's election, and in case any such excess interest has accrued, Holder shall eliminate such excess interest so that under no circumstances shall interest on the loan evidenced by this Note exceed the maximum rate allowed by applicable law as preempted and prescribed from time to time by the laws of the United States of America or any rule or regulation of any department or agency thereof.

Prepayment. The undersigned shall have the right to pay the balance of this Note in full at any time during the term of the loan evidenced hereby.

Place of Payment. Principal, interest and late charges, if any, shall be payable at General Nutrition Corporation, Post Office Box 371171, Pittsburgh, Pennsylvania 15251-7171, or at such other place as Holder shall designate in writing to the undersigned.

Default. In the event of any event of default hereunder, as hereinafter defined ("Default"), then the entire unpaid principal amount of this Note, all late charges, and all accrued interest hereon shall immediately become due and payable without demand or other notice, time being of the essence of this Note. The occurrence of any one or more of the following shall constitute a Default:

1. The undersigned shall fail to pay when due any installment of principal or interest within five (5) days after the due date.

2. The undersigned shall admit an inability to pay debts as they mature or shall make an assignment for the benefit of any creditors.

3. A proceeding in bankruptcy, or for reorganization of the undersigned, or for the readjustment of any debt, under the federal Bankruptcy Code, as amended, or under any other laws, whether state or federal, for the relief of debtors, now or hereafter existing, shall be commenced by the undersigned, or shall be commenced against the undersigned and shall not be discharged within thirty (30) days of its commencement.

4. A custodian or trustee shall be appointed for the undersigned or for any substantial part of the undersigned's assets, and such custodian or trustee shall not be discharged within thirty (30) days of his appointment, or such proceeding shall not be discharged within thirty (30) days of its commencement.

5. With respect to the undersigned's retail business franchised to the undersigned in accordance with the terms and conditions of the Franchise Agreement dated as of _____________ by and between the undersigned and GNC and located at_______________ (hereinafter, the "Business"), (i) the undersigned sells, conveys, transfers, assigns or otherwise disposes of all or substantially all of the assets of the Business or (ii) without the express written consent of GNC, the undersigned ceases to retain at least ninety-five percent (95%) ownership control of the Business or (iii) the undersigned ceases to continuously operate the Business for any reason.

6. The occurrence of any "default" or "event of default" as defined in any Promissory Note (other than this Note), Purchase Money Security Agreement, Product Sales Agreement, Asset Purchase and Sale Agreement, or Franchise Agreement entered into with GNC, or the breach of any of the terms or conditions of any sublease, loan agreement, document, or instrument or any franchise or other agreement entered into with General Nutrition Corporation or GNC, which default or breach continues beyond any period of grace therein provided.

Setoff. Upon the occurrence of any event of Default, Holder shall have the right, in addition to all other rights under this Note or applicable law, to setoff against sums due under this Note all money owed by Holder in any capacity to the undersigned, whether or not due, and all property of the undersigned now or hereafter in the possession of Holder in any capacity whatsoever, and Holder shall be deemed to have exercised such right of setoff and to have made a charge against any such money or property immediately upon the occurrence of such event of Default, even though such charge is made or entered in the books of Holder subsequent thereto. Upon disposition of any collateral after the occurrence of any event of Default, the undersigned shall be and remain liable for any deficiency and Holder shall account to the undersigned for any surplus, but Holder shall have the right to apply all or any part of such surplus (or to hold the same as a reserve) against any and all other liabilities of the undersigned to Holder.

Unconditional Obligation. Amounts payable under this Note are absolute and unconditional and shall not be subject to any set off or counterclaim or defense arising out of any agreement, contract, understanding, course of dealing or course of conduct with or between the undersigned and GNC or its parent, subsidiary or affiliated corporations or any of their respective officers, directors, shareholders, employees, agents, successors or assigns. Any waiver granted to the undersigned is limited solely to the particular event from which it arose and no waiver by Holder of any of the terms of this Note shall: (1) extend to any other present or future event or Default, or (2) impair any right of Holder consequent thereto. Holder, without notice to any of the undersigned and at any time whether or not this Note is due, may assign, pledge, or transfer this Note and any collateral therefore, whereupon Holder shall be relieved of all duties and responsibilities from any and all liability with respect to the collateral so pledged or transferred, and the rights and privileges of Holder under this Note shall inure to the benefit of its successors, assigns and any pledgee or transferee hereof.

Replacement of Note. Upon receipt by the undersigned of evidence of the loss, theft, destruction or mutilation of this Note, and, if mutilated, upon surrender and cancellation of this Note, the undersigned will make and deliver a new Note of like tenor in lieu of this Note. Any Note made and delivered in accordance with the provisions of this paragraph shall be dated as of the date hereof.

Certain Waivers. Presentment, notice of presentment, demand for payment, notice of demand, notice of dishonor, protest, notice of protest and any other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note and all other requirements necessary to hold the undersigned liable are hereby waived by the undersigned.

Governing Law. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, the law of which shall prevail in the event of any conflict of law.

Forum Selection. The undersigned agrees that any action brought by the undersigned against Holder in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Holder has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The undersigned also agrees that Holder may, in its sole discretion, bring any action against the undersigned in any court, whether federal or state, within either a) the Commonwealth of Pennsylvania; or b) in any jurisdiction in which the undersigned resides or owns property. If Holder brings an action against the undersigned in any state or federal court located within the Commonwealth of Pennsylvania in the judicial district in which Holder has its principal place of business, the undersigned accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

Waiver of Jury Trial. Holder and the undersigned agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Note, any and all transactions contemplated hereunder, the performance of this Note, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Holder and the undersigned hereby irrevocably waive any right either party may have to a trial by jury. Either Holder or the undersigned may file an original counterpart or a copy of this Note with any court as written evidence of the consent of Holder or the undersigned to the waiver of their right to trial by jury.

Partial Invalidity. If any terms, covenants, or conditions of this Note shall be invalid or unenforceable, the remainder of this Note shall nevertheless survive and be binding upon the parties hereto.

Collection Costs. If this Note is not paid when due and is placed with an attorney for collection, and whether or not suit is entered hereon against the undersigned, the undersigned further agrees to pay Holder, in addition to the principal and interest then due, the costs of suit and attorney's fees, provided, however, that in no event shall such attorney's fee exceed the maximum amount permitted by law.

Security. This Note is secured according to the terms and conditions of a security agreement of even date herewith.

Confession of Judgment. Power to confess judgment: The undersigned hereby irrevocably authorizes and empowers the Prothonotary or any attorney of any court of record within the United States or elsewhere to appear for the undersigned, and, with or without complaint filed, confess judgment against each of the undersigned in favor of Holder, as of any term, for the unpaid balance hereof, whether or not due, together with unpaid interest and late charges thereon, costs of suit, and a reasonable attorney's fee for collection, in an amount not less than the greater of fifteen percent (15%) of the past due amount or One Thousand Five Hundred and 00/100 Dollars ($1,500.00), or as permitted by law, with release of all errors, waiving the right of inquisition on any inventory, fixtures, and equipment levied on, voluntarily condemning the same, and authorizing the Prothonotary or clerk to enter upon the Writ of Execution said voluntary condemnation and agreeing that said inventory, fixtures, and equipment may be sold on a Writ of Execution, and waiving all laws relating to the exemption of real or personal property from execution, to the extent that such laws may lawfully be waived by the undersigned, without stay of execution, appraisement, or right of appeal. If a copy of this Note, verified by affidavit by or on behalf of Holder shall have been filed in any such action, it shall not be necessary to file the original Note as a warrant of attorney or otherwise. No single exercise of the foregoing power to confess judgment shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be valid, voidable, or void, but the power shall continue undiminished and it may be exercised from time to time as often as Holder shall elect, until such time as Holder shall have received payment in full of the debt, interest, and costs.

Compliance with California Franchise Investment Law and California Finance Lender Law §22063. The undersigned represents to Holder that the proceeds of this Note, if advanced by Holder to the undersigned, will be used exclusively for the acquisition, construction, operation, development, equipping, expansion, contracting, consolidation, merger, recapitalization, reorganization, or termination of the undersigned's Franchised Business, and not for personal, family or household purposes.

By signing this instrument, the undersigned hereby acknowledges that it has read, understood, and agrees to the provisions contained herein, including the confession of judgment of each of the undersigned without prior notice or hearing and that this Note may be collected from any or all of the undersigned regardless of any claim any of the undersigned may have against Holder.

[SIGNATURE PAGE FOLLOWS]

As used herein, the term the “undersigned” shall refer to each of the undersigned and to all of the undersigned and all of the undersigned are jointly and severally bound hereby.

WITNESS the due execution hereof, with the intent to be legally bound hereby.

ATTEST:	Type Entity Name Here
________________________________ Secretary or Assistant Secretary	__________________________, (SEAL)
SEAL	
WITNESS:	________________________________ Individually
WITNESS:	________________________________ Individually

EXHIBIT J

Purchase Money Security Agreement

KK#______

PURCHASE MONEY
SECURITY AGREEMENT

PURCHASE MONEY SECURITY AGREEMENT (this "Security Agreement") made at Pittsburgh, Pennsylvania on ___________, 20__, by and between _________________, a ___________ ("Debtor"), and GENERAL NUTRITION CORPORATION, a Pennsylvania corporation ("Secured Party").

WITNESSETH THAT:

WHEREAS, Debtor has executed and delivered to Secured Party a certain Equipment and Inventory Promissory Note of even date herewith (the "Note", as more particularly defined in Section 1(g) below) to evidence the indebtedness of Debtor to Secured Party for the balance of the purchase price of certain equipment, fixtures, and inventory which Debtor acquired from Secured Party pursuant to an Asset Purchase and Sale Agreement ("Purchase Agreement") of even date herewith or as detailed in invoices with respect to such purchases; and

WHEREAS, as an inducement to Secured Party to accept the Note as evidence of such indebtedness, Debtor desires to secure the Note and any other Debt (as hereinafter defined), in the manner hereinafter set forth;

NOW, THEREFORE, for and in consideration of the Debt (as hereinafter defined), and of other good and valuable consideration rendered by Secured Party to Debtor, and intending to be legally bound hereby, the parties hereto covenant and agree as follows:

1. Definitions. In addition to the words and terms defined elsewhere in this Security Agreement, the following words and terms shall have the following meanings, respectively, unless otherwise required by the context:

(a) Words and terms used herein which are defined in Article 9 of the Code (as defined below) shall, unless otherwise defined herein or the context otherwise requires, have the meanings therein provided;

(b) "Code" shall mean the Pennsylvania Uniform Commercial Code, 13 Pa.C.S. Section 1101 et seq.;

(c) "Collateral" shall mean all Inventory, Equipment and Fixtures, and all attachments, accessories and parts used or intended to be used with such property, wherever located, whether now owned or hereafter acquired, including all substitutions and replacements thereof, and all Cash and Non-cash Proceeds (as those terms are defined by the Code) thereof and all Supporting Obligations relating to any of the foregoing;

(d) "Debt" shall mean (i) all the indebtedness of Debtor evidenced by the Note, both principal and interest, late charges and any and all replacements, extensions, renewals or refinancings thereof in whole or in part, (ii) all costs and expenses incurred by Secured Party in any collection of such indebtedness, including, without limitation, reasonable attorney's fees, (iii) all future advances made by Secured Party for the protection and preservation of the Collateral or any portion thereof, (iv) all other obligations and liabilities of Debtor to Secured Party from time to time arising under or pursuant to this Security

Agreement, and (v) all other existing and future indebtedness, liabilities and obligations of Debtor to Secured Party, whether now or hereafter existing whether or not related to this Security Agreement or the Note, whether or not contemplated by Secured Party or Debtor at the date hereof, whether absolute or contingent, joint and/or several, including without limitation all indebtedness, obligations and liabilities of Debtor to Secured Party incurred pursuant to the indebtedness and any extension, renewal or substitutions of such indebtedness;

(e) "Event of Default" shall mean any of the Events of Default described in Section 10 hereof;

(f) "Law" shall mean all statutes, rules, regulations, ordinances, orders, injunctions, writs or decrees of any government or political subdivision or agency thereof, or any court or similar entity established by any thereof;

(g) "Note" shall mean the Equipment and Inventory Promissory Note executed and delivered by Debtor in favor of Secured Party of even date herewith, and any replacement, renewal, revision or refinancing thereof, including any Revised Note (as defined in the Purchase Agreement); and

(h) "Security Agreement" shall mean this Security Agreement as it may be amended or supplemented from time to time.

2. Security Interest. Debtor hereby agrees that Secured Party shall have, and hereby grants to and creates in favor of Secured Party, a continuing security interest in and to the Collateral as security for the due and punctual payment of the Debt. Debtor hereby authorizes Secured Party to file a financing statement ("Financing Statement") describing the Collateral evidencing the security interest granted hereunder. Debtor represents and warrants that Secured Party shall at all times have a perfected first lien security interest in the Collateral and that Debtor will cooperate to take all necessary steps to protect and preserve the priority of the security interest in the Collateral.

3. Possession of Collateral. Except as otherwise provided herein, Debtor may retain possession of the Collateral, and at Debtor's sole expense keep and use the same unless and until an Event of Default shall occur hereunder.

4. Sale or Removal of Collateral.

(a) Sale of Collateral. Debtor shall not sell or assign or attempt to sell or assign the Collateral or any interest therein, provided, however, that unless an Event of Default has occurred under this Security Agreement, Debtor may sell the Inventory (as defined in the Purchase Agreement) to customers in the ordinary course of business.

(b) Removal of the Collateral. Except for the sale of inventory in the ordinary course of business, Debtor covenants and agrees that the Collateral will remain at the location stated on the Schedule of Collateral (the "Premises") and that without the written consent of Secured Party, Debtor shall not remove or suffer or permit the removal of the Collateral from the Premises. If, however, the Collateral is removed from the Premises by persons not within the control of Debtor, Debtor will promptly notify Secured Party in accordance with the provisions of Section 14 of this Security Agreement. Notwithstanding that Debtor may sell Inventory in the ordinary course of Debtor's business, Debtor further covenants and agrees that at no time during the time the Debt secured hereby exists, shall the value of Inventory located on the Premises be reduced below fifty percent (50%) of the value of the Inventory as of the date of store opening. Debtor and Secured Party stipulate and agree that the value of the Inventory on the Premises as of the date of store opening is $____________.

5. Taxes. During the term of this Security Agreement, Debtor shall pay or cause to be paid when due all taxes, assessments and charges or levies imposed upon them or on any of the Collateral or any part thereof or with respect to the Note and the Security Agreement, including documentary stamp taxes, except where such tax, assessment, charge or levy is contested in good faith by appropriate proceedings with adequate reserves therefor having been set aside on their books. Debtor shall pay or cause to be paid all such contested taxes, assessments, charges or levies forthwith whenever foreclosure on any lien that attaches (or security therefor) appears imminent. Debtor on demand shall promptly furnish Secured Party with receipts showing any such payment and Debtor shall not permit the Collateral, or any part thereof, to be levied upon or sold for any tax, charge or assessment whatsoever, nor permit to be done to, in, upon or about the Collateral, anything that may impair the value thereof, or the security interest therein created hereby.

6. Other Provisions Applicable to the Collateral. Debtor covenants and agrees that during the term of this Security Agreement:

(a) State of Organization/Location of Principal Place of Business. Debtor is a corporation [individual or other entity], duly formed, validly existing and in good standing under the laws of the State of ____________. The principal place of business of Debtor is located at the Premises as more fully described in the attached Schedule. Debtor shall not move its principal place of business or change its state of organization except in accordance with subparagraph (c) below.

(b) Location of Books and Records. Debtor's original books of account and records relating to the Collateral are, and shall continue to be, kept at its principal place of business. Debtor shall not permit any original books of account or records concerning the Collateral to be located at any other address except such new locations as it may establish in accordance with subparagraph (c) below.

(c) Establishment of New Location, Name or State of Organization. If Debtor desires to establish a new location for its principal place of business where Collateral or original books of account or records relating to the Collateral may be kept, to establish a new name or names in which it maintains records concerning the Collateral or take title to the Collateral, or change its state of organization, then Debtor shall first, with respect to each new location, name or state:

(1) Give Secured Party written notice of its intention to do so and provide Secured Party with such information in connection therewith as Secured Party may reasonably request; and

(2) Take such action, as directed by Secured Party as may be necessary to maintain at all times the perfection and first priority of the security interest in the Collateral granted to Secured Party hereunder.

(d) Inspection. Secured Party shall have the right, during normal business hours and from time to time, to inspect the Collateral and to examine and make copies or extracts from the books and records of Debtor concerning the Collateral. Debtor, if requested by Secured Party, shall from time to time, within ten (10) days of such request, provide Secured Party with schedules describing all Collateral covered by this Security Agreement; provided, however, that Debtor's failure to execute and deliver such schedules shall not affect or limit Secured Party's security interest or other rights in and to the Collateral.

7. Insurance. Debtor shall maintain, or cause to be maintained the following policies of insurance:

(a) Debtor shall procure and maintain in full force and effect during the term of this Security Agreement, at Debtor's sole expense, an insurance policy or policies protecting Debtor and Secured Party, and its officers, directors, shareholders, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with the Collateral.

(b) Such policy or policies shall be written by an insurance company satisfactory to Secured Party, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by Secured Party from time to time), the following:

(1) Comprehensive general liability insurance, including product liability, contractual liability, personal injury and property damage, in the amount of Two Million Dollars ($2,000,000) combined single limit, and naming Secured Party as an additional insured in each such policy or policies;

(2) Fire, vandalism, and extended coverage casualty insurance with primary and excess limits of not less than the full replacement value of the Collateral, and naming Secured Party as loss payee as its interest may appear.

Such policy or policies shall provide that proceeds shall be payable to Debtor or Secured Party as their interests may appear and that the insurer is required to pay Secured Party even if the insurer has a valid defense against paying Debtor.

(c) Upon obtaining the insurance required by this Security Agreement and on each policy renewal date thereafter, Debtor shall promptly submit evidence of satisfactory insurance and proof of payment therefore to Secured Party, together with, upon request, copies of all policies and policy amendments. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least thirty (30) days prior written notice to Secured Party.

(d) Should Debtor, for any reason, fail to procure or maintain the insurance required by this Security Agreement, Secured Party shall have the right and authority (without, however, any obligation to do so), immediately to procure such insurance and to charge the cost of same to Debtor, which charges, together with costs and expenses in so acquiring the policy or policies, shall be payable by Debtor upon demand.

8. Title to Collateral. Debtor warrants and represents that there are no restrictions on the granting by Debtor to Secured Party of the security interest created hereby, that Debtor is the owner of the Collateral free and clear of all liens, claims, charges, security interests and other encumbrances of any kind or nature (except as created hereby) and that Debtor has the authority to execute, deliver and consummate this Security Agreement without the consent of any other person or legal entity.

9. Events of Default. The following shall be "Events of Default" under this Security Agreement and the terms "Events of Default" or "Default" shall mean any one or more of the following events:

(a) Default in Payment of Principal of Note. Debtor shall fail to pay when due any payment of principal or interest due under the Note and such failure shall continue for a period of thirty (30) days.

(b) Default at Maturity. Debtor shall fail to pay any indebtedness for borrowed money upon maturity or when such indebtedness becomes or is declared to be due and payable prior to its express maturity by reason of any default in the performance of or observance of any obligation or condition in connection with such indebtedness, and such failure shall continue beyond any applicable grace period.

(c) Default in Material Agreement. Debtor be declared to be in default under any material contract, agreement or instrument to which Debtor is a party or by which Debtor or its property are bound including, without limitation, the Note, the Purchase Agreement, Product Sales Agreement, Franchise Agreement, Sublease, and/or any other documents or instruments evidencing or securing any obligation of Debtor to Secured Party under or in connection with this Security Agreement or any of the foregoing documents and instruments and such default shall continue beyond any applicable curative period stated therein.

(d) Insolvency. Debtor shall become insolvent or admit an inability to pay debts as they become due, or apply for, consent to, or acquiesce in the appointment of a trustee, custodian or receiver for any property; or in the absence of such application or acquiescence, a trustee, custodian or receiver is appointed for Debtor, under any bankruptcy, reorganization, debt arrangement, insolvency law (whether now or hereafter in effect) and such appointment shall not have been terminated within thirty (30) days thereafter, or any dissolution or liquidation proceeding is instituted against Debtor or is consented to or acquiesced in by Debtor; or Debtor shall make an assignment for the benefit of creditors and such inability or assignment shall continue for a period of thirty (30) days.

(e) Levy or Repossession of Collateral. Any judgment creditor of Debtor shall obtain possession of any Collateral by any means including, without limitation, levy, distraint, replevin or self-help.

(f) Non-Performance or Observance of Covenants. Failure by Debtor to perform or observe any of the agreements and covenants set forth in this Security Agreement or in the Note and not constituting an Event of Default under Subparagraph (a) hereof and such failure or default shall continue for thirty (30) days after receipt of notice of such failure or default from Secured Party or the holder of the Note.

(g) Representations Incorrect. Any representation or warranty made by Debtor herein or in the Note or otherwise, as an inducement to Secured Party to enter into this Security Agreement is untrue in any material respect, or any schedule, statement, report, notice or writing furnished by Debtor to Secured Party is untrue in any material respect as of the date on which the facts set forth therein are stated.

(h) Material Adverse Change. Secured Party shall have determined in good faith and reasonably that a material adverse change has occurred in the business operations or financial condition of Debtor or that the prospect of payment of the Note or performance under this Security Agreement has become impaired.

(i) Judgments. The issuance, filing or levy against Debtor of an attachment, injunction, execution, tax lien or judgment in excess of Ten Thousand Dollars ($10,000) which is not discharged in full or stayed within thirty (30) days after issuance or filing.

10. Remedies on Default. Upon the occurrence of any Event of Default or Default, and without notice, Secured Party may:

(a) Acceleration. Declare the Debt to be immediately due and payable, and the Debt shall thereupon become and be immediately due and payable, without presentment, demand, protest, notice of protest or other notice of dishonor of any kind (all of which are hereby expressly waived by Debtor) and Secured Party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, whether for specific performance of any covenants or agreement contained in this Security Agreement or the Note or in aid of the exercise of any power granted herein or therein or proceed to obtain judgment or any other relief whatsoever appropriate to the action or proceeding, or proceed to enforce any other legal or equitable right of any holder of the Note.

(b) Additional Remedies. After any acceleration as provided for in subparagraph (a) above, Secured Party shall have, in addition to the rights and remedies given it by this Security Agreement and the Note, all those allowed by applicable law, including, without limitation, the Code. Without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as specifically required by this Security Agreement or the Note) or demand whatsoever to Debtor (all of which are hereby expressly waived) (i) repossess the Collateral at its location or (ii) without advertisement, sell at public or private sale or otherwise realize upon the whole or, from time to time, any part of the Collateral, or any interest which Debtor may have therein.

(i) If Secured Party repossesses the Collateral, Secured Party will credit the Debtor the wholesale value of the saleable inventory, and Secured Party shall have the right to set-off this credit against any or all amounts owing to Secured Party by Debtor under this Security Agreement, the Franchise Agreement, Sublease, Note, and any other agreement with Secured Party, its affiliates, successors or assigns.

(ii) If Secured Party sells, in whole or in part, at public or private sale, the Collateral to the extent permissible under applicable law, Secured Party will credit the Debtor the sales price of the goods sold, and Secured Party shall have the right to set-off the sales price against any or all amounts owing to Secured Party by Debtor under this Security Agreement, the Franchise Agreement, Sublease, Note, and any other agreement with Secured Party, its affiliates, successors or assigns. Notice of any public or private sale or other disposition shall be given at least ten (10) days before the time of any intended public sale or before the time after which any intended public or private sale or other disposition of the Collateral is to be made, which Debtor hereby agrees shall be reasonable notice of such sale or other disposition. Debtor agrees to assemble, or to cause to be assembled, at Debtor's own expense, the Collateral at such place or places as Secured Party shall designate. Debtor hereby waives and releases any right of redemption to the Collateral sold.

(c) Without limiting the generality of any of the rights and remedies conferred upon Secured Party under this Section, Secured Party may, to the full extent permitted by applicable law:

(i) Enter any premises where the Collateral is located and take possession and control of the same and keep and store the Collateral on such premises or if the Collateral is located on the Premises, operate the business wherein the Collateral is located. If such premises or Premises are deemed to be the property of Debtor or either of them, Debtor agrees not to charge Secured Party for use, access, storage or otherwise during the period Secured Party is exercising its rights with respect to the Collateral under the Code and this Security Agreement;

(ii) Upon ten (10) days' prior notice, which shall be deemed to be reasonable notice, sell all or any portion of the Collateral at public or private sale at such place or places and at such time or times and in such manner and upon such terms, whether for cash or credit, as Secured Party in its sole discretion may determine; and

(iii) Endorse in the name of Secured Party any instrument, howsoever received by Secured Party, representing the Collateral or proceeds.

(d) Application of Moneys. Secured Party shall apply the proceeds of any sale of, repossession of, or other disposition or realization upon the Collateral in the following manner:

(i) First, to the payment or reimbursement of all reasonable advances, expenses and disbursements of Secured Party (including, without limitation, the fees and disbursements of its counsel and agents) incurred in connection with the administration and enforcement of, or the preservation of any rights under this Security Agreement;

(ii) Second, to the repayment of the Debt, whether for principal, interest or expense in such order as Secured Party shall designate;

(iii) Third, to the payment or reimbursement of all amounts due under the Franchise Agreement, Sublease, Product Sales Agreement or any other agreement between Debtor and Secured Party, its affiliates, successors or assigns; and

(iv) Fourth, to any balance to be distributed as required by Law. If the proceeds of any such sale of or other disposition or realization upon the Collateral are insufficient to pay the Debt to Secured Party, then Debtor shall remain liable for such deficiency thereafter.

(e) Right of Set-Off. Secured Party shall have the right to set-off as against any or all amounts owing to Debtor or either of them by Secured Party, including, without limitation, any and all other property of Debtor at any time in the possession of Secured Party, and for such purpose Secured Party shall have and there is hereby granted to and created in favor of Secured Party, a first lien on all such property.

(f) Remedies Cumulative; No Waiver. All rights and remedies given by this Security Agreement and the Note are cumulative and not exclusive of any thereof or of any other rights or remedies available to Secured Party, and no course of dealing between Debtor (individually and collectively, as applicable) and Secured Party or any delay or omission in exercising any right or remedy shall operate as a waiver of such right or remedy, and every right and remedy may be exercised from time to time and as often as shall be deemed appropriate by Secured Party.

(g) Expense of Secured Party. Debtor shall, on demand, reimburse Secured Party for all expenses, including the reasonable fees and expenses of legal counsel for Secured Party, incurred by Secured Party in connection with the enforcement of this Security Agreement and the Note, and the collection or attempted collection of the Note.

11. Termination. This Security Agreement shall be terminated only by filing of a termination statement in accordance with applicable provisions of the Code. Until terminated, the security interest created under this Security Agreement shall continue in full force and effect and shall secure and be applicable to all advances now or hereafter made by Secured Party to Debtor, whether or not Debtor is indebted to Secured Party immediately prior to the time of such advance. If Secured Party, after termination of this Security Agreement, should have to disgorge payments made by Debtor for any reason, including bankruptcy, Secured Party's lien shall be immediately reinstated.

12. Notice. Any notice of default or other notice required to be given or which Secured Party shall give to Debtor hereunder may be given by Secured Party to Debtor in person, by overnight delivery, or by United States certified mail, return receipt requested, addressed to Debtor at such address as shall have been last designated in writing by Debtor to Secured Party as a place for the giving of notice, or, in the absence of such designation, then at the address appearing by Debtor's signature below.

13. Successors and Assigns. The terms used to designate any of the parties herein shall be deemed to include their respective successors and assigns, and the term "Secured Party" shall also include any lawful owner, holder or pledgee of the Note.

14. Perfection of Security Interest. Debtor shall authorize and/or join with Secured Party in executing one or more financing statements and continuation statements in form satisfactory to Secured Party and Debtor shall pay the cost of filing the same or filing or recording this Security Agreement in all public offices and the cost of all searches of records, wherever filing or recording or searching of records is deemed by Secured Party to be necessary. Debtor irrevocably appoints Secured Party as its agent and attorney in fact to execute any such financing statements in Debtor's name. At the request of Secured Party, Debtor shall, from time to time, authorize and/or execute additional or supplemental agreements to confirm Secured Party's security interest in the Collateral.

15. Subrogation and Marshalling. Debtor hereby waives, surrenders and agrees not to claim or enforce, so long as the Debt or any portion thereof remains outstanding: (a) any right to be subrogated in whole or in part to any right or claim of the holder of any part of the Debt and (b) any right to require the marshalling of any assets of Debtor which right of subrogation or marshalling might otherwise arise from any payment to the holder of any part of the Debt arising out of the enforcement of the security interest granted hereby, or any other mortgage or security interest granted by Debtor or any other person to Secured Party, or the liquidation of or realization upon the Collateral, any other collateral granted by Debtor or any other person to Secured Party, or any part thereof.

16. Execution in Counterparts. This Security Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement.

17. Governing Law. This Security Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania.

18. Forum Selection. The parties agree that any action brought by Debtor against Secured Party in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Secured Party has its principal place of business, provided further that, if there is

subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The parties also agree that the Secured Party may bring any action against the Debtor in any court, whether federal or state, within either (a) the Commonwealth of Pennsylvania; or b) in any jurisdiction wherein Debtor resides or owns property. If Secured Party brings an action against Debtor in any state or federal court located, Debtor accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

19. Waiver of Jury Trial. Secured Party and Debtor agree that in any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of, concerns, or relates to this Security Agreement, any and all transactions contemplated hereunder, the performance of this Security Agreement, or otherwise, trial shall be to a court of competent jurisdiction and not to a jury. Secured Party and Debtor hereby irrevocably waive any right either party may have to a trial by jury. Either Secured Party or Debtor may file an original counterpart or a copy of this Security Agreement with any court as written evidence of the consent of Secured Party or Debtor of the waiver of their right to trial by jury.

20. Partial Invalidity. If any terms, covenants, or conditions of this Security Agreement shall be invalid or unenforceable, the remainder of this Security Agreement shall nevertheless survive and be binding upon the parties hereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have hereunto caused this Security Agreement to be executed, as of the day and year first above written.

WITNESS	**DEBTOR - Corporation or Partnership**
	Type Entity Name Here
ATTEST	
By:____________________________	By:________________________, (SEAL)
Name:_________________________	Name:_____________________
Title:__________________________	Title:______________________
WITNESS	**DEBTOR - Individually**
______________________________	By:________________________, (SEAL)
Witness	Name:_____________________
______________________________	By:________________________, (SEAL)
Witness	Name:_____________________
	ADDRESS OF DEBTOR:
ATTEST	**SECURED PARTY** **GENERAL NUTRITION CORPORATION**
By:____________________________	By:________________________, (SEAL)
Name:_________________________	Name:_____________________
Title: Assistant Secretary_____________	Title: Sr. Vice President_______
	ADDRESS OF SECURED PARTY:
	300 Sixth Avenue Pittsburgh, PA 15222

EXHIBIT K

Sublease

SUBLEASE
KK#

THIS SUBLEASE, dated as of this ___ day of ___________, 2016 is by and between GENERAL NUTRITION CORPORATION, a Pennsylvania corporation, ("Sublessor") and ____________________, a __________________ ("Sublessee").

WITNESSETH

WHEREAS, Sublessor is the Lessee of a certain Lease dated ______________, as may be amended (collectively, the "Overlease") a copy of which is annexed hereto as Exhibit A and expressly made a part hereof, with ________________ ("Overlandlord") having its principal address at ___________________________________.

WHEREAS, Sublessee desires to sublet from Sublessor the certain premises containing _____ square feet in the Shopping Center known as _______________________ situated in _______________, as further described in the Overlease, upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the provisions hereof, Sublessor and Sublessee do hereby covenant and agree as follows:

1. Premises and Term

Sublessor hereby subleases to Sublessee, and Sublessee hereby rents from Sublessor, the premises described in the Overlease (the "Premises") for the remaining term of the Overlease, including any extensions and renewals thereof (the "Term"), and expiring on the expiration date or on such earlier date upon which said term may expire or be canceled or terminated pursuant to any of the provisions of the Overlease or this Sublease upon and subject to the covenants, agreements, terms and conditions herein contained.

2. Charges

A. The Minimum Rent shall commence on the date hereof ("Rent Commencement Date") and shall be payable in accordance with the Overlease.

Sublessee agrees to pay the Minimum Rent in advance on the first day of each and every calendar month during said Term. Minimum Rent for any period less than a calendar month shall be prorated and adjusted as set forth in the Overlease. Sublessee covenants to pay the Minimum Rent and other charges herein reserved or payable to Sublessor at the office of Sublessor or at such other place as Sublessor may designate, by prior written notice, in lawful money of the United States of America, without demand therefor and without any deduction, setoff or abatement whatsoever, except as expressly provided or incorporated by reference in this Sublease.

B. In addition to the Minimum Rent, Sublessee shall pay to Sublessor any and all real estate taxes, insurance, maintenance, repair, dues, trash removal costs, utilities, percentage rent or other costs relating to the Premises as they are due and payable under the Overlease, beginning on and continuing with the dates set forth in the Overlease.

C. Sublessee shall make all payments required to be made by Sublessor under the Overlease, including, without limitation, any charges that the Overlandlord makes as a condition to consenting to this Sublease.

D. In the event that Sublessee fails to pay Minimum Rent or any other charges due hereunder, Sublessee shall pay 1.5% of the amount due calculated on the basis of a 30-day month and prorated over the number of days beyond the due date until such payment is received by Sublessor.

3. Use of Premises

Sublessee expressly covenants, represents, warrants and agrees that the Premises shall be used and occupied only for the purposes set forth in the Overlease. Violation of this covenant shall be deemed a material breach of this Sublease. In the event of a breach by Sublessee, Sublessor shall have the right to invoke any and all remedies under this Sublease and any remedies allowed by law or in equity by reason of such breach by Sublessee.

4. Provisions of Overlease

Sublessee hereby assumes all of the responsibilities and obligations on the part of the Sublessor to be performed under the Overlease with respect to the Premises after the commencement of the Sublease Term, except for payment of rent and except as modified in this Sublease. Except as otherwise expressly provided in this Sublease, all of the terms, provisions, covenants and conditions contained in the Overlease, and such rights and obligations as are contained in the Overlease, are hereby imposed upon the respective parties hereto, with Sublessor being substituted for the Overlandlord in said Overlease, with the Sublessor having all of the rights, remedies and powers of the Overlandlord as set forth in the Overlease, and the Sublessee being substituted for the Lessee in the Overlease, with the Sublessee having all the rights, obligations and duties of the Lessee as set forth in the Overlease, it being distinctly understood and agreed, however, that Sublessee shall not have the right to seek to assign or sublet this Sublease without the consent of Sublessor.

Notwithstanding anything to the contrary set forth herein, it is understood and agreed that any rights to terminate the Overlease because of failure to achieve a specified level of sales in a particular year, or any rights contained in the Overlease to exercise any options or renew or extend the term of the Overlease are personal to Sublessor. Accordingly, the decision as to whether to exercise any such right shall be entirely within the discretion of Sublessor and shall not in any way be made by Sublessee.

Sublessor shall not be bound by any warranties and representations made by the Overlandlord in the Overlease, nor shall Sublessor be obligated to perform any of the terms, covenants, conditions and agreements in the Overlease required to be performed by the Overlandlord, and Sublessee agrees to look solely to the Overlandlord for the performance of the same. However, Sublessor covenants that it will pay Minimum Rent and all additional charges to the Overlandlord as provided in the Overlease.

In the event the Overlease is terminated pursuant to its terms for any reason, this Sublease shall automatically cease and terminate as of the date upon which the Overlease is so terminated. Upon termination of the Overlease, all Minimum Rent and additional charges provided for in this Sublease shall be prorated as of the date of such termination, and all Minimum Rent and additional charges owing to the Sublessor hereunder shall be paid to the Sublessor, prorated as aforesaid, and thereafter, neither party shall have any further obligation to the other thereafter arising under this Sublease, except for those obligations which by their terms and/or nature survive the termination of this Sublease.

Sublessee hereby indemnifies and agrees to hold harmless Sublessor against any and all claims, expenses, loss and damage, including without limitation, attorney's fees and disbursements, which may, at any time be asserted by Overlandlord against Sublessor for failure of Sublessee to perform any of the covenants, agreements, terms provisions, or conditions contained in the Overlease, which by reason of the provisions of this Sublease, Sublessee is obligated to perform

Notwithstanding anything to the contrary in this Sublease, if Sublessee, after ten (10) days' written notice from Sublessor, fails to correct a condition caused by Sublessee which Sublessor in its sole discretion determines would place Sublessor in default under the Overlease, Sublessor shall have the immediate right to correct the condition at the sole cost and expense of Sublessee, which amount, together with interest thereon at a rate of 12% per annum shall be payable by Sublessee to Sublessor on demand.

5. <u>Sublessor Not Liable for Acts of Overlandlord</u>

Notwithstanding anything in this Sublease to the contrary, Sublessor shall not be liable for any of the obligations, duties, responsibilities or liabilities of the Overlandlord under the Overlease or for the failure or any delay by the Overlandlord to perform or discharge the same. Whenever the consent or approval or other action on the part of the Sublessor is required hereunder, Sublessor shall not be obligated or required to give any such consent or approval, or to take any action in the event the consent or approval or other action of the Overlandlord under the Overlease is also required by the provisions of the Overlease, unless and until the Overlandlord under the Overlease shall have given such consent or approval or taken such action. As between Sublessor and Sublessee, Sublessor shall not be obligated to take any action by reason of any matter relating to the construction, operation or maintenance, repair, replacement or restoration of the Premises or of any facilities or services thereof.

6. <u>Brokers</u>

Sublessee and Sublessor represent that they have not dealt with any broker or brokers in connection with this Sublease. Sublessee and Sublessor hereby indemnify and hold each other harmless from all liability to any broker claiming to have acted on behalf of Sublessee or Sublessor or their respective representatives.

7. <u>Condition of Premises</u>

Except as specifically set forth herein, and based upon the fact that Sublessee is accepting the Premises in an "as is" condition, neither Sublessor nor Sublessor's agents have made any representations or promises with respect to the Premises or the equipment and improvements therein situated or the physical condition thereof. Sublessee accepts the Premises in an "as is" condition.

Neither Sublessor nor Sublessor's agents have made any representations or promises with respect to the Premises or the Overlease including, but not limited to, the physical condition of the building or the equipment or improvements therein, the land upon which it is erected, the rents, leases, expenses of operation, or any other matter or thing affecting or related to the Premises, except as herein expressly set forth, and no rights, easements or licenses are acquired by Sublessee by implication or otherwise except as expressly set forth in the provisions of the Sublease. Sublessee acknowledges that the taking of possession of the Premises by Sublessee shall be conclusive evidence that the Premises and the building of which the same form a part are in good and satisfactory condition at the time such possession was so taken, except as otherwise provided herein and except for latent defects, if any. Sublessor shall be under no obligation to make and/or pay for any alterations, additions, installations, substitutions, improvements or decorations to the Premises.

8. Sublessee's Rights Against Overlandlord

Sublessor agrees that in the event Overlandlord fails or refuses to comply with any provision of the Overlease affecting the Premises or any part thereof or the access to or use or occupancy thereof, then Sublessee shall have the right, but shall not be obligated in its own name or as the true and lawful representative of Sublessor in Sublessor's name, but at Sublessee's sole cost and expense, to require and obtain performance by Overlandlord pursuant to the terms of the Overlease. Sublessor covenants and agrees that in the event of such failure or refusal by Overlandlord, provided that the same shall be without cost or expense to it, and is requested by Sublessee, Sublessor shall join in and give its full cooperation and assistance to any action or proceeding in connection with or resulting from Overlandlord's failure or refusal to comply with any of the terms, covenants and conditions of the Overlease affecting the Premises or the access to or the use or occupancy thereof.

9. Overlease Audits

Sublessor may (but is not obligated to) conduct periodic audits of Common Area Maintenance (CAM) charges and other charges under the Overlease. Sublessee shall provide or make available such records and information as may be necessary for Sublessor to conduct and complete such audits. Sublessor agrees to pass on any savings resulting from such audits to Sublessee; provided, that Sublessor shall be entitled to retain, or invoice Sublessee for, as the case may be, an amount equal to Thirty Percent (30%) of any such savings. Sublessee agrees to pay any invoice in accordance with its terms.

10. Sublessor's Services

To the extent and only to the extent that the Overlandlord, pursuant to the provisions of the Overlease, shall furnish services to or for the benefit of the Premises under the Overlease without additional charge or rental, Sublessee shall be entitled to receive such services to and for the benefit of the Premises without additional charge or rental. Sublessee agrees to look solely to the Overlandlord for the rendition of such services or of any other services provided in this Sublease, and Sublessor shall not be liable to Sublessee for any loss, damage or expense resulting from any failure of the Overlandlord to furnish such services, unless due to the acts of misconduct on the part of the Sublessor as Lessee under the Overlease.

11. Consents of Overlandlord

Whenever Sublessee wishes to do something to or affecting the Premises or any part thereof which requires the consent of the Overlandlord, or whenever the consent of the Overlandlord is required under the Overlease with respect to any matter affecting the Premises or any part thereof, upon request from Sublessee, Sublessor will request such consent from the Overlandlord. In the event, however, that Overlandlord shall refuse to grant such consent, Sublessor shall have no liability to the Sublessee hereunder, nor shall the rent abate, nor shall the obligations of the parties hereto to each other be affected by reason thereof.

12. Communications from Overlandlord

Sublessor shall deliver to Sublessee copies of all notices, requests or demands which relate to the Premises promptly after receipt thereof from Overlandlord as provided in paragraph 12 hereinbelow.

13. Sublessor's Rights

Sublessor shall maintain the right during the entire term of the Sublease and subsequent term hereof, to require Sublessee, in Sublessor's sole discretion, at Sublessee's cost to change locations within the Shopping Center, increase or decrease the square footage of the Premises, modify the rent or other charges, add, reduce or eliminate any radius clause, purchase or install fixtures that conform to Sublessor's then current design, install or upgrade equipment, including without limitation a point of sale cash register system or other equipment then currently in use by other of the Sublessor's subtenants, take on additional expenses and otherwise agree to any and all modifications that Sublessor deems appropriate in the best interest of both Sublessor and Sublessee. In addition, it shall be in Sublessor's sole discretion to amend the Overlease, renew and/or extend the Sublease and/or exercise any option period pursuant to the terms stated in the Overlease and Sublessee shall be bound by the terms thereof. Sublessor shall have no duty or obligation to exercise any option to renew or otherwise renew the Overlease. Sublessor or its affiliate shall have the right to enter the Premises to cure a default under the Franchise Agreement between Sublessor and Sublessee or under this Sublease and to take such necessary reasonable actions to protect Sublessor's proprietary marks and franchise system. Sublessee shall not enter into ongoing contractual agreements directly with the Landlord, such as Pylon Sign Agreements, Merchant Association Agreements, and Storage Space Agreements. The right to enter into those agreements is exclusive to Sublessor.

14. Notices

All notices hereunder shall be in writing and shall be deemed given when received or refused by registered or certified mail, return receipt requested or by a recognized overnight courier by the party for which intended, addressed as follows:

To Sublessor: General Nutrition Corporation
300 Sixth Avenue
Pittsburgh, PA 15222
Attention: Real Estate Counsel
KK #

To Sublessee: ________________________
____
____
____

15. Default of Sublessee

In the event of: (i) any failure of Sublessee to pay any rental or other charges within the period set forth both herein and in the Overlease; or (ii) any failure to perform any other of the terms, conditions or covenants of this Sublease or the Overlease to be observed or performed by Sublessee for more than the period set forth in the Overlease; or (iii) if Sublessee or an agent of Sublessee shall willfully falsify any statement or certificate required to be furnished to Sublessor pursuant to the terms of this Sublease; or (iv) if Sublessee shall become bankrupt or insolvent, or file any debtor proceedings, or take or have taken against Sublessee in any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency, or for reorganization or for the appointment of receiver or trustee of all or a portion of Sublessee's property; or (v) if Sublessee makes an assignment for the benefit of creditors; or (vi) if Sublessee shall abandon the Premises, or suffers this Sublease to be taken under any writ of execution; or (vii) if Sublessee's franchise agreement is terminated, then Sublessor, in addition to any other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Premises, and such property may be removed and stored in a public warehouse, or elsewhere at the cost of and for the account of Sublessee, without being guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby unless occasioned by the act, omission or negligence of Sublessor. It is understood that sixty (60) days will be provided for an involuntary bankruptcy proceeding to be discharged.

It is understood and agreed that upon any default by Sublessee or any corporation, limited liability company or limited partnership owned or controlled by Sublessee under any franchise agreement with Sublessor, for the Premises or any default by Sublessee under any of the terms of the Overlease, this Sublease shall be subject to termination immediately upon Sublessor's written notice to Sublessee.

Should Sublessor elect to reenter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, it may either terminate this Sublease, or it may from time to time, without terminating this Sublease, make such alterations and repairs as may be necessary in order to relet the Premises, and relet said Premises or any part thereof for such term or terms (which may not be for a term extending beyond the term of this Sublease) and at a commercially reasonable rental, and upon such other terms and conditions as Sublessor in its sole discretion may deem advisable. The failure of Sublessor to relet the Premises or any part or parts thereof shall not release or affect Sublessee's liability for damages; however, Sublessor covenants it will use its best efforts to relet the Premises at a commercially reasonable rent. Upon each such reletting, all rentals received by the Sublessor from such reletting shall be applied first to the payments of any indebtedness other than rent due hereunder from Sublessee to Sublessor; second, to the payment of any costs and expenses of such reletting, including brokerage fees and reasonable attorneys' fees and of costs of such repairs; third, to the payment of rent due and payable hereunder from the date last paid to the Expiration Date. If such rental received from such reletting during any month is less than that to be paid during that month by Sublessee hereunder, Sublessee shall pay any such deficiency to Sublessor.

Any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Sublessor to collect the deficiency for any subsequent month by a similar proceeding.

In the event of a breach by Sublessee of any of the covenants or provisions hereof, Sublessor shall have the right to invoke any remedy as provided herein or as allowed at law or in equity. Mention in this Sublease of any particular remedy shall not preclude Sublessor from any other remedy in law or in equity.

No such reentry or taking possession of said Premises by Sublessor shall be construed as an election on its part to terminate this Sublease for such previous breach. Should Sublessor at any time terminate this Sublease for any breach, in addition to any other remedies it may have, it may recover from Sublessee all damages it may incur by reason of such breach, including the cost of recovering the Premises, reasonable attorneys' fees, and the amount of rent and charges equivalent to rent reserved in this Sublease for the remainder of the stated term plus interest and costs.

16. Confession of Judgment

I**N ADDITION TO, AND NOT IN LIEU OF ANY OF THE RIGHTS GRANTED HEREIN TO SUBLESSOR, TO THE FULLEST EXTENT ALLOWED BY LAW, SUBLESSOR SHALL HAVE THE FOLLOWING RIGHTS TO CONFESS JUDGMENT AGAINST SUBLESSEE AND ALL PERSONS CLAIMING THROUGH SUBLESSEE, FOR POSSESSION OF THE PREMISES:**

(a) When this Sublease shall be terminated by reason of a default by Sublessee or any other reason whatsoever, either during the Term or any renewal or extension thereof, and also when the Term or any extension thereof shall have expired, it shall be lawful for any attorney as attorney for Sublessee to confess judgment in ejectment in any competent court against Sublessee and all persons claiming under Sublessee for the recovery by Sublessor of possession of the Premises, for which this Sublease shall be Sublessor's sufficient warrant. Upon such confession of judgment for possession, if Sublessor so desires, a writ of execution or of possession may issue forthwith, without any prior writ or proceedings whatsoever. If for any

reason after such action shall have been commenced, the same shall be determined and the possession of the Premises shall remain in or be restored to Sublessee, then Sublessor shall have the right upon any subsequent or continuing default or defaults, or after expiration of the Sublease, or upon the termination of this Sublease as hereinbefore set forth, to confess judgment in ejectment against Sublessee as hereinbefore set forth to recover possession of the Premises.

(b) In any action of ejectment or other amount due under this Sublease, Sublessor shall cause to be filed in such action an affidavit made by Sublessor or someone acting for Sublessor setting forth the facts necessary to authorize the entry of judgment, of which facts such affidavit shall be conclusive evidence. If a true copy of this Sublease shall be filed in such action (and of the truth of the copy such affidavit shall be sufficient evidence), it shall not be necessary to file the original Sublease as a warrant of attorney, any rule of court, custom or practice to the contrary notwithstanding.

(c) The right to enter judgment against Sublessee and to enforce all of the other provisions of this Sublease herein provided for, at the option of any assignee of this Sublease, may be exercised by any assignee of Sublessor's right, title and interest in this Sublease in Sublessee's own name, and all supplements and amendments thereto.

17. Jury Trial Waiver

SUBLESSOR AND SUBLESSEE AGREE THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR OTHER PROCEEDING WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS SUBLEASE, ANY AND ALL TRANSACTIONS CONTEMPLATED HEREUNDER, THE PERFORMANCE OF THIS SUBLEASE, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. SUBLESSOR AND SUBLESSEE HEREBY IRREVOCABLY WAIVE ANY RIGHT EITHER PARTY MAY HAVE TO A TRIAL BY JURY. EITHER SUBLESSOR OR SUBLESSEE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SUBLEASE WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF SUBLESSOR AND SUBLESSEE OF THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

18. Forum Selection

The parties agree that any action brought by Sublessee against Sublessor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Sublessor has its principal place of business; and the parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. The parties also agree that the Sublessor may, in its sole discretion, bring any action against Sublessee in any court, whether federal or state within either (a) the Commonwealth of Pennsylvania; or (b) in any jurisdiction in which the subleased Premises is located. If Sublessor brings an action against Sublessee in any state or federal court so located, Sublessee accepts generally and unconditionally the jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens.

19. Successors and Assigns

The covenants, conditions and agreements contained in this Sublease shall bind and insure to the benefit of Sublessor and Sublessee and their respective successors and legal representatives and, except as otherwise provided in this Sublease, their assigns. Sublessee shall not have the right to assign this Sublease to a corporation controlled by Sublessee without Sublessor's written consent. In the event Sublessor consents to such assignment, Sublessee shall remain liable on this Sublease. All issued shares of such corporation must be pledged to Sublessor.

20. Severability

If any term or provision, or any portion thereof of this Sublease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, or would cause this transaction to be construed as other than a sublease, the remainder of this Sublease, or the other application of such term or provision, shall not be affected thereby, and each term and provision of this Sublease shall be valid and enforced to the fullest extent permitted by law.

21. Overlease

Provided Sublessee duly and punctually performs its obligations set forth in this Sublease, Sublessor expressly agrees to perform and conform to the terms, covenants and conditions of the Overlease. All capitalized terms not defined herein shall have the meanings in the Overlease.

22. Entire Agreement

There are no representations, covenants, warranties, promises, agreements, conditions or undertakings, oral or written, between Sublessor and Sublessee other than herein set forth; provided, that nothing in this Sublease is intended to disclaim the representations made in Sublessor's Franchise Disclosure Document. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Sublease shall be binding upon Sublessor or Sublessee unless in writing and signed by both parties.

23. Modifications

Sublessor hereby reserves the right to periodically prescribe specific restrictions and requirements upon the Sublessee with regard to the day to day operations of the store, including, but not limited to, the hours of operation, delivery of product and security requirements.

IN WITNESS WHEREOF, Sublessor and Sublessee have caused this Sublease to be executed and delivered the day and year first above written.

ATTEST:	GENERAL NUTRITION CORPORATION
By: _______________________________ Amy Nathan Assistant Secretary	By: ___________________________________ Michael C. Smith, Vice President Real Estate & Construction
ATTEST/WITNESS:	[SUBLESSEE]
By: ____________________________ Witness	By: ___________________________________ President

By: ______________________________ Witness

By: ______________________________________ Vice President

EXHIBIT L

P.O.S. License Agreement

P.O.S. PROGRAM LICENSE AGREEMENT

THIS P.O.S PROGRAM LICENSE AGREEMENT (this "Agreement") is by and between General Nutrition Corporation ("Licensor"), whose address is 300 Sixth Avenue, Pittsburgh, PA 15222, and ____________________________________ ("Licensee"), whose address is _____________________________________.

WHEREAS, Licensor and Licensee entered into a Franchise Agreement dated ___________, 20___ ("Franchise Agreement"), pursuant to which Licensor granted to Licensee the right to operate a General Nutrition Center franchise ("Franchise");

WHEREAS, Licensor owns that certain Point of Sale System Software Program ("Program") which is used in connection with the operation of a computerized cash collection and data processing system;

WHEREAS, Licensee desires to receive a license to use the Program in accordance with the terms of this Agreement and the Franchise Agreement;

NOW THEREFORE, in consideration of the mutual benefits of the covenants and restrictions contained herein, the parties agree as follows:

1. DEFINITIONS.

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Franchise Agreement.

2. GRANT OF LICENSE.

Licensor grants Licensee a nontransferable, nonexclusive license during the term of this Agreement to use the Program on the POS System at the Approved Location exclusively for the purposes set forth in the Franchise Agreement, subject to the terms and conditions of this Agreement. Legal title to the Program and its documentation, including, without limitation, all ownership rights to patents, copyrights, trademarks, and trade secrets in connection therewith, shall be and remain in Licensor as its sole property.

3. PERIODIC UPDATES.

From time to time, Licensor may send Licensee updates to the POS System either electronically or by disc. Licensee shall install each update within thirty (30) days after the date that each such update is provided by Licensor. These updates may contain updates to sales tax percentages or categories which may override information input by Licensee. Licensor does not warrant the accuracy of the Program data or these updates, and Licensee hereby agrees that it is solely liable and responsible for the accuracy of any information, including, without limitation, tax information, in the POS System.

4. AUTHORIZED USE.

Licensee may only use the Program on a POS System which includes the hardware and software designated by Licensor, and agrees to such use only in conjunction with the Franchise and for the mutual benefit of Licensee and Licensor. The parties agree that the Program is proprietary, confidential information of Licensor. Licensee agrees that the Program and all related data, whether oral or written, constitutes a valuable asset and trade secret of Licensor and will be held in the strictest confidence.

Licensee Initials _____

Licensee shall prevent unauthorized users from accessing the Program and shall prevent unauthorized access to the Program. Licensee shall ensure that its employees comply with the terms of this Agreement. Licensee shall promptly inform Licensor of any unauthorized access (or suspected unauthorized access) and unauthorized users (or suspected unauthorized users) of which Licensee has knowledge or suspicion. Licensee shall only use the Program on the System at the Approved Location in accordance with the terms and conditions and for the purposes set forth herein and in the Franchise Agreement.

5. PROHIBITED USE.

LICENSEE MAY NOT COPY, MODIFY, OR TRANSFER THE PROGRAM IN WHOLE OR IN PART. LICENSEE MAY NOT INSTALL ANY OTHER SOFTWARE WITH THE POS SYSTEM. LICENSEE MAY NOT TRANSFER POSSESSION OF THE PROGRAM TO ANOTHER PARTY. LICENSEE SHALL NOT DECOMPILE, DISASSEMBLE OR OTHERWISE REVERSE ENGINEER THE PROGRAM AND SHALL NOT ALLOW THE PROGRAM TO BE DECOMPILED, DISASSEMBLED OR OTHERWISE REVERSE ENGINEERED. IN THE EVENT OF A VIOLATION OF THIS SECTION 5, THIS AGREEMENT SHALL AUTOMATICALLY TERMINATE.

6. LICENSOR ACCESS.

Licensee shall enable and provide Licensor with remote network access to the POS System for purposes of accessing the Program on the POS System to assess Licensee’s compliance with this Agreement and the Franchise Agreement. Licensee hereby authorizes Licensor to access the POS System, the Program and such data in accordance with the foregoing sentence and the Franchise Agreement. Licensee acknowledges that the Program may periodically remotely access Licensor’s computer system for purposes of transmitting data pertaining to use of the Program to enable Licensor to assess Licensee’s compliance with this Agreement and for purposes of the Franchise Agreement. Licensor shall permit and enable such access.

7. ADDITIONAL RESPONSIBILITIES.

Licensee shall be responsible for obtaining and maintaining all computers, hardware, connectivity and third party software, including any operating system software, database software and applications software, required for use of the Program by Licensee. Licensee shall also be responsible for taking reasonable backup precautions. Licensor shall not be responsible for loss of data or documentation, whether or not attributable to the Program.

8. TERM AND TERMINATION.

This Agreement shall be effective on the Effective Date as defined in the Franchise Agreement and the term hereof shall be coterminous with that of the Franchise Agreement, unless sooner terminated as set forth herein. If Licensee violates its obligations under this Agreement, Licensor may cancel this Agreement by sending written notice of termination describing the noncompliance to Licensee. At the option of Licensor, in its sole discretion, Licensor may grant Licensee a period of thirty (30) days to cure such default. In such event, if Licensee cures the default to the satisfaction of Licensor within such thirty (30) day period, this Agreement shall not terminate due to such default.

9. RETURN OF PROGRAM AND DOCUMENTATION.

Upon termination or cancellation of this Agreement, the license granted under this Agreement shall terminate, and Licensee shall immediately cease and desist all access to and use of the Program and its

Licensee Initials ______

documentation; if directed by Licensor, promptly erase (at Licensee's expense) the Program from the POS System; return to Licensor all copies of the Program and its documentation; and provide Licensor with a certificate of compliance with this Section 9 signed by an authorized representative of Licensee. Licensee acknowledges that the Program may include authorization code, deletion and disabling routines. Licensee shall release Licensor from any claims Licensee may have or accrue in connection with deauthorization, deletion or disablement.

10. WARRANTY.

THE PROGRAM IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. LICENSOR ALSO DOES NOT WARRANTY WHETHER THE PROGRAMMED INFORMATION COMPLIES WITH THE LAWS OF YOUR STATE OR LOCALITY. THE ENTIRE RISK AS TO THE ACCURACY, QUALITY AND PERFORMANCE OF THE PROGRAM IS WITH LICENSEE. SHOULD THE PROGRAM PROVE DEFECTIVE, LICENSEE ASSUMES THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR OR CORRECTION. LICENSOR SPECIFICALLY DISCLAIMS AND LICENSEE HEREBY WAIVES ANY WARRANTIES THAT THE OPERATION OF THE PROGRAM WILL BE UNINTERRUPTED OR ERROR FREE. LICENSEE HEREBY ACKNOWLEDGES AND AGREES THAT LICENSOR (INCLUDING ITS OFFICERS, EMPLOYEES, AGENTS, DIRECTORS, INDEPENDENT CONTRACTORS AND AFFILIATES) HAS NOT MADE OR GRANTED ANY EXPRESS WARRANTIES CONCERNING THE PROGRAM.

11. LIMITATION OF REMEDIES.

LICENSOR'S ENTIRE LIABILITY AND LICENSEE'S EXCLUSIVE REMEDY SHALL BE TO REPAIR OR REPLACE THE PROGRAM. IN NO EVENT WILL LICENSOR BE LIABLE TO LICENSEE FOR ANY DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE SUCH PROGRAM EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY.

12. SYSTEM UPGRADES; MAINTENANCE.

Licensee assumes the entire cost for any upgrades and maintenance to the Program and/or hardware. Licensor shall determine, in its sole discretion, the cost and timing of all said upgrades and maintenance. If Licensee refuses to implement any upgrade or comply with any of Licensor's maintenance requirements, Licensor may, in its sole discretion, terminate this Agreement on written notice to Licensee.

13. MODIFICATIONS.

Licensee shall not modify, adapt or prepare derivative works based on the Program and shall not allow the Program to be modified or adapted or derivative works to be prepared without the prior written consent of Licensor. Licensee shall not use the Program or any materials incident thereto to develop computer software without the prior written consent of Licensor. If the Program is modified, adapted or derivative works are prepared, such modifications, adaptations and derivative works shall be the sole and exclusive property of Licensor and Licensor shall exclusively own any and all rights, title and interests thereto, and Licensee shall, assign all of its rights, title and interests therein to Licensor.

Licensee Initials ______

14. ASSIGNMENT.

Licensee may not sublicense, assign or transfer this Agreement or the Program. Any attempt to sublicense, assign or transfer any of the rights, duties or obligations hereunder is void.

15. PROPRIETARY NOTICES.

Licensee shall not remove, alter or obscure any patent, copyright or trademark notice or other proprietary legends displayed or used by Licensor in connection with or related to the Program.

16. APPLICABLE LAW, SEVERABILITY AND MODIFICATION.

This Agreement will be governed by the laws of the Commonwealth of Pennsylvania, excluding the conflicts of law principles thereof. Any invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity of any other of its provisions. No provision of this Agreement shall be considered modified by either party unless the modification is made in writing and signed by both parties.

17. FORUM SELECTION.

Licensee and Licensor agree that any action brought by Licensee against Licensor in any court, whether federal or state, shall be brought only within the Commonwealth of Pennsylvania in the judicial district in which Licensor has its principal place of business, provided further that, if there is subject matter jurisdiction, such action shall only be brought in the federal district courts of the Western District of Pennsylvania; and the parties waive all questions of personal jurisdiction or venue for purposes of carrying out this provision.

18. **WAIVER OF JURY TRIAL.**

Licensee and Licensor agree that in any litigation, suit, action, counterclaim or proceeding, whether at law or in equity, which arises from, concerns or is related to this Agreement, trial shall be held in a court of competent jurisdiction but not to a jury. Licensee and Licensor hereby irrevocably waive any right either party may have to a trial by jury.

19. WAIVER OF CONDITIONS.

The waiver, modification, or failure to insist by Licensor on any conditions shall not void, waive, or modify any of the other terms or conditions nor be construed as a waiver or relinquishment of Licensor's right to performance of any such term or terms.

20. NOTICES.

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally, by certified mail, return receipt requested or by a nationally or internationally recognized overnight delivery service (e.g., Federal or Airborne Express), postage prepaid, addressed to the party to be notified at the respective address first above written, or at such other address or addresses as the parties may from time to time designate in writing. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.

Licensee Initials ______

21. RELATIONSHIP OF PARTIES.

It is agreed that the relationship of Licensor and Licensee is primarily that of licensor and licensee. Nothing herein shall be construed as creating a partnership, an employment relationship or an agency relationship between the parties, or as authorizing either party to act as agent for the other.

22. EQUITABLE REMEDIES.

The parties hereby acknowledge that damages at law may be an inadequate remedy to Licensor. Licensor shall have the right to specific performance, an injunction or other equitable remedy in the event of a breach or threatened breach of this Agreement by Licensee.

23. ACKNOWLEDGMENT.

LICENSEE ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. LICENSEE FURTHER AGREES THAT IT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN LICENSOR AND LICENSEE WHICH SUPERSEDES ANY PROPOSAL OR PRIOR AGREEMENT, ORAL OR WRITTEN, AND ANY OTHER COMMUNICATIONS BETWEEN LICENSOR AND LICENSEE RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT. Notwithstanding the foregoing, nothing herein shall affect the validity of or act to modify the terms of the Franchise Agreement, which agreement shall govern in the event of any inconsistency or conflict between terms.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have hereunto set their hands as of the Effective Date.

LICENSEE	GENERAL NUTRITION CORPORATION
By: ______________________________	By:________________________________
Print Name:________________________	Print Name:_________________________
Title:_____________________________	Title:______________________________

EXHIBIT M

Confidentiality Statement

The information in this binder is confidential and proprietary information of General Nutrition Corporation ("GNC") that, if disclosed, would cause irreparable competitive injury and incalculable harm to GNC. We expect that you and your attorney and accountant will regard and treat this information as confidential and proprietary and will not disclose it to third parties.

As you proceed with your research and evaluation of the General Nutrition Center Franchise Opportunity, we request that you refrain from discussions with GNC store personnel. We value our relationship with our 12,000 employees and do not want an environment of distrust or uncertainty created. Information about store operations or procedures can be obtained from the Regional Sales Directors, Division Franchise Managers, GNC Franchisees or GNC Franchising personnel.

Discussions regarding a Franchise Agreement will end if confidentiality is breached.

EXHIBIT N

List of Franchisees

EXHIBIT N-1

List of Franchisees as of 12/31/2019

The following table contains the names, addresses and telephone numbers of every franchisee whose outlet was open as of the end of our most recently completed fiscal year.

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1271	Sarah D. Coxwell, Cary D. Coxwell, and Andrew W. Davis	Trussville Shopping Center	5950 Chalkville Mountain Rd., Ste 106	Birmingham	AL	35235	(205) 655-4804
2742	Sarah D. Coxwell and Cary D. Coxwell	Brook Highland Plaza	5287 Hwy 280 East Suite 257	Birmingham	AL	35242	(205) 995-5121
344	Sarah D. and Cary D. Coxwell	South Cullman Shopping Center	1618 2nd Ave. S.W.	Cullman	AL	35055	(256) 734-4331
6154	Sarah D. Coxwell and Cary D. Coxwell	Jubilee Point	28600 US Hwy 98 Suite F1	Daphne	AL	36526	(251) 626-3360
292	Justina Ralston	Pelican Place at Craft Farms	3800 Gulf Shores Parkway	Gulf Shores	AL	36542	(251) 948-3850
1565	Sarah D. Coxwell and Cary D. Coxwell	Medical Park Station	107 Brookridge Drive, Suite D	Madison	AL	35758	(256) 890-4083
3715	Sarah D. Coxwell and Cary D. Coxwell	Hillcrest Plaza	807 Hillcrest Rd.	Mobile	AL	36695	(251) 414-5678
8056	Sarah D. Coxwell and Cary D. Coxwell	Sturbridge Shopping Center	7966 Vaughn Road	Montgomery	AL	36116	(334) 213-2462
18	Sarah D. Coxwell and Cary D. Coxwell	Northport Corners	1802 MacFarland Blvd	Northport	AL	35476	(205) 333-3277
6543	Marsha A. Gladfelder and Terri L. Meeks	Tiger Town East	2199 Tiger Town Parkway, Space 19	Opelika	AL	36801	(334) 701-0042
1125	Sarah D. Coxwell and Cary D. Coxwell	Oxford Exchange	650 Oxford Exchange Blvd.	Oxford	AL	36203	(256) 831-7021
3987	Sarah D. Coxwell and Cary D. Coxwell	Premier Place	1941-A Cobbs Ford Road	Prattville	AL	36066	(334) 358-2363

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6540	Sarah D. Coxwell and Cary D. Coxwell	Eastern Shore Plaza	10200 Eastern Shore Avenue	Spanish Fort	AL	36527	(251) 621-6633
6140	Sarah D. Coxwell and Cary D. Coxwell	Patchwork Farms	3036 Healthy Way	Vestavia Hills	AL	35243	(205) 969-7984
7582	Deidrea R. Sederberg	Eagle Mountain	33 Eagle Mountain Blvd	Batesville	AR	72501	(870) 698-0011
3701	James White and Kathryn White	Dixieland Mall	100 N. Dixieland Rd., Suite C-8	Rogers	AR	72756	(479) 631-3053
3653	Carl A. Hughes and Christopher D. McKay	Creekside Center	2012 S. Promenade Blvd., #6	Rogers	AR	72758	(479) 631-0012
6813	Deidrea R. Sederberg	Town & Country Plaza	217 North Poplar St	Searcy	AR	72143-6005	(501) 279-2999
1926	Cesar Arriola and Guadalupe P. Villarreal	Mariposa West Plaza	276 Mariposa Road	Nogales	AZ	85621	(520) 761-4454
6115	Shannon L. Flynn	Warner Ranch Plaza	9880 South Rural Road #107	Tempe	AZ	85284	(480) 705-6176
6267	Sonal S. Patel and Sanat D. Patel	Fountain Valley Promenade	18291 Brookhurst Road #2		CA	92708	(714) 378-9975
1931	John L. Watt and Alice D. Watt	Anaheim Hills Festival	8160 E Santa Ana Canyon #183	Anaheim	CA	92808	(714) 998-8823
1511	Ghayasuddin Bhatti,Qamar Jehan,Javeed G. Bhatti andMahreen Skoukat	East Anaheim Center	2050 E Lincoln Blvd	Anaheim	CA	92806	(714) 491-9228
3973	Jingwen Nie and Jianhua Ma	Anaheim Plaza	580 Euclid Avenue	Anaheim	CA	92801	(714) 991-0296
1723	James Wang, Ellen Hsu-Wang, and Peter Wu	Arcadia Hub	815 W. Naomi Avenue #I	Arcadia	CA	91007	(818) 248-8400

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3164	Amir S. Malik	Citrus Crossing	868 E. Alosta Avenue	Azusa	CA	91708	(626) 812-4392
6186	Maricela Chairez and Rafaela Camacho	Park Plaza on Main Shopping Center	14519 Ramona Avenue - F-6	Baldwin Park	CA	91706	(626) 338-1556
2267	Javad Billoo, Naeem M. Billoo, and Zubeda Billoo	Media City Center	201 E. Magnolia Blvd, Suite 200	Burbank	CA	91501	(818) 845-0903
8384	Mian Mohammad Haroon and Attique U. Rehman	Burbank Empire Shopping Center	1735 N. Victory Place	Burbank	CA	91504	(818) 558-3951
1313	David L. Gutierrez and Edwardo P. Gutierrez	El Paseo	2451 Rockwood Ave., Suite 122 #B	Calexico	CA	92231	(760) 357-4901
2460	Bhavinkumr Patel and Bhavini Patel	Golderado Plaza	3450 Palmer Drive	Camerson Park	CA	95682	(530) 676-7100
8569	Samina Inayat	Carson Depot	226 Sepulveda Blvd #226	Carson	CA	90745	(310) 835-8813
9169	Samina Inayat	Los Cerritos Center	105 Los Cerritos Center	Cerritos	CA	90703	(562) 865-1985
9576	Samina Inayat	Cerritos Town Center	12751 L Town Center Drive	Cerritos	CA	90703	(502) 809-6300
8801	Muhammad Shakeel	The Crossroads Marketplace @ Chino Hills	13065 Peyton Dr., Suite B	Chino Hills	CA	91709	(909) 548-3377
8195	Susan Reynolds-Means	Clovis Commons	755 West Herndon #200	Clovis	CA	93612	(559) 297-1757
2052	Samina Inayat	Gateway Towne Center	200 Towne Center Drive, #106	Compton	CA	90220	(310) 764-1182
8059	Syed R. Hussain	Costa Mesa Square	1460 Baker Street, Suite A	Costa Mesa	CA	92626	(714) 434-9090
3361	Mian Irfan and Aisha Chaudhry	Covina Town Square	1404 N. Azusa Ave.	Covina	CA	91722	(626) 331-6965

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7436	Min Jae Lee	Marina	13439 Washington Blvd	Culver City	CA	90292	310-823-0430
7784	Samina Inayat	Cypress Center	6871 Katella Avenue	Cypress	CA	90603	(714) 527-9303
42	Peggy Yang	Diamond Hills Plaza	21347 Cold Springs Lane	Diamond Bar	CA	91765	(626) 287-5505
6647	Ruben Mojica and Catalina Mojica	Promenade at Downey	12214 Lakewood Boulevard	Downey	CA	90242	(562) 803-3838
7610	Bhavinkumr Patel and Bhavini Patel	Broadstone Plaza	2791 E. Bidwell Street, Suite 300	Folsom	CA	95630	(916) 983-6625
8050	Salvador Mojica, and Sam Ansari and Maria D. Mojica	Fontana Plaza	9810-C Sierra Ave	Fontana	CA	92335-6779	(909) 355-5152
9156	Jingwen Nie and Jianhua Ma	Falcon Ridge Town Center	15270 Summit Ave., Suite 200	Fontana	CA	92336	(909) 803-2402
383	Shahid Abbas	Foothill Ranch Town Center	26746 Portola Parkway, Suite 4-A	Foothill Ranch	CA	92610	(949) 587-0025
1408	Susan Reynolds-Means	Arbor Faire	3396 W. Shaw Ave.	Fresno	CA	93711	(559) 276-0353
1377	Susan Reynolds-Means	Fig Green Village	5134 North Palm Avenue, #12	Fresno	CA	93704	(559) 225-1600
1728	Robert T. Kim and Yoonhee Kim	Garden Promenade	9875 Chapman Avenue	Garden Grove	CA	92841	(714) 530-4081
8070	Samina Inayat	Gardena Marketplace	1723 Artesia Blvd.	Gardena	CA	90248	(310) 324-7825
3571	Yakoob Billoo and Zarina Billoo	Balboa Mission Shopping Center	16860 San Fernando Mission Blvd	Granada Hills	CA	91344	(818) 363-0786

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
9137	Kirtibala Shulesh Kumar Patel and Shulesh Kumar Harishbhai Patel	Highland Avenue Plaza	4130 Highland Avenue, Suite B	Highland	CA	92346	(909) 864-0677
8017	Kevin Ip	Hollywood Promenade	5419 Hollywood Blvd., Suite B.	Hollywood	CA	90027	(323) 871-8802
5616	Syed R. Hussain	Meadowlark Plaza	5255 Warner Avenue	Huntington Beach	CA	92649	(714) 377-0054
2860	Maricela Chairez and Rafaela Camacho	Pacific Center	5920 Pacific Blvd.	Huntington Pk.	CA	90255	(323) 588-7744
1805	Tavga Zangana and Ahmad Zangana	The Crossroads	3800 Barranca Parkway #M	Irvine	CA	92606	(949) 559-5988
2210	Muhammad Shakeel	Woodbury Town Center	6230 Irvine Blvd	Irvine	CA	92620	(949) 726-1605
2857	Madiha Haider	Von Karmen Plaza	16525 Von Karmen Avenue, Suite J	Irvine	CA	92606	(949) 863-1490
3946	Ji Won Han Song and Seung Hoon Song	La Habra Marketplace	1641 W. Imperial Highway #5-H	La Habra	CA	90631	(562) 690-3755
7958	Jingwen Nie and Jianhua Ma	Gateway Pointe	1245 Foothill Road	La Verne	CA	91750	(909) 392-8080
764	Sirous Sahrai and Mojgan K. Fard	Marketplace at Laguna Niguel	27270-B Alicia Parkway	Laguna Niguel	CA	92677	(949) 448-0026
5842	Ahmad Shah	Lake Elsinore	31500 Grape Street #5A	Lake Elsinore	CA	92532	(909) 245-5264
771	Vijaykumar J. Parikh and Harinaben V. Parikh	Lincoln Crossing	129 Ferrari Ranch Road, Suite 140	Lincoln	CA	95648	(916) 409-0374
506	Jagjeet S. Dosanjh	Sunwest Plaza	2314 W. Kettleman Lane, Suite 105	Lodi	CA	95242	(209) 333-9356
8800	Samina Inayat	City Place	245 East 5th Street	Long Beach	CA	90802	(562) 436-7576

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
9195	Samina Inayat	Long Beach Town Center	7675 Carson Blvd	Long Beach	CA	90822	(562) 496-1316
1709	Madiha Haider	Long Beach Town Square	2298 East Carson Street	Long Beach	CA	90807	(562) 426-3535
2379	Tahira Hussain Shah	City National Plaza	505 S. Flower Street	Los Angeles	CA	90071	(213) 489-7732
2607	Sonia E. Robinson	Baldwin Hills Crenshaw Plaza	3650 West Martin Luther King Blvd.	Los Angeles	CA	90008	(323) 291-2731
5761	Abraham Y. Kim, Ji Hyun Kim, and Myung H. Kim	Koreatown	165 S. Western Avenue	Los Angeles	CA	90004	(213) 385-9826
6617	Qamar Ul Hassan	Central Plaza	3452 Wilshire Boulevard	Los Angeles	CA	90010	(213) 368-9230
6825	Qamar Ul Hassan	Highland Plaza	5001 Wilshire Boulevard, Suite 110	Los Angeles	CA	90036	(323) 938-2081
1158	Tahira Hussain Shah	Heron Building	510 W 6th Street, Suite 104	Los Angeles	CA	90014	(213) 622-2078
717	Tahira Hussain Shah	Plaza La Cienga	1833 S. La Cienga Blvd	Los Angeles	CA	90035	(310) 733-4144
2542	Min Jae Lee and Jeewon Song	Midtown Crossing	4550 West Pico Blvd., Suite C304	Los Angeles	CA	90019	(323) 549-9415
7533	Min Jae Lee and Jeewon Song	Westchester Village	8907 S. Sepulveda Blvd	Los Angeles	CA	90045	(310) 641-1722
7508	Tahira Hussain Shah	The Bloc	700 S. Flower Street	Los Angeles	CA	90017	(213) 622-6931
2773	Qamar Ul Hassan	Westwood Village	10938 Weyburn Ave	Los Angeles	CA	90024	310-824-0123
3284	Manjinder Sangha and Kulwinder Singha	Stonecreek Plaza Shopping Center	1451 West Pacheco Blvd.	Los Banos	CA	93635	(209) 827-2770

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1047	Jagjeet S. Dosanjh	Mission Ridge Shopping Center	1165 South Main Street	Manteca	CA	95336	(209) 825-1556
9426	John L. Watt, Alice D. Watt, and Jerome Watt	Eastvale Gateway	12523 Limonite Ave., Suite 450	Mira Loma	CA	91752	(951) 681-8575
2440	Maricela Chairez and Rafaela Camacho	Atlantic Square	2216 South Atlantic Blvd.	Monterey Park	CA	91754	(323) 887-8778
6596	John L. Watt and Alice D. Watt	Gateway Town Center	1160 Hamner Avenue #F	Norco	CA	92860-3152	(951) 371-7888
5960	Mian Mohammad Haroon and Attique U. Rehman	North Hollywood Plaza	5160 Vineland Avenue, Suite 108	North Hollywood	CA	91601	(818) 766-7462
6637	Syed H.M. Jafri and Samina K. Zaidi	Norwalk Town Square	13931 S. Pioneer Blvd.	Norwalk	CA	90650	(562) 452-9221
5094	Jagjeet S. Dosanjh	4058 Piedmont Avenue	4058 Piedmont Avenue	Oakland	CA	94611	(510) 594-1052
9130	Samina Inayat	Pico Rivera Towne Center	8732 Washington Blvd	Pico Rivera	CA	90660	(562) 496-1316
6334	Jennifer M. Cho & Soon H. Cho	Village Center @ Rose	634 N. Rose Drive	Placentia	CA	92870	(714) 577-8525
7247	Shahid H. Bhatti and Fateeha M. Shariff	Crescent Drive Retail	55 Crescent Drive, Space C	Pleasant Hill	CA	94523	(925) 363-5968
2176	Joe M. Lai and Ann S. Lai	Terra Vista Town Center	10768 Foot Hill Blvd., Suite 120	Rancho Cucomonga	CA	91730	(909) 980-0409
5293	Maria D. Mojica and Salvador Mojica	Rialto Marketplace	1420 S. Riverside Avenue, Suite 8F	Rialto	CA	92376	(909) 258-2738
3485	Ghayasuddin Bhatti,Qamar Jehan, Javeed G. Bhatti and Mahreen Skoukat	Mission Grove Plaza	321 East Alessandro Blvd., Suite 2BB	Riverside	CA	92508	(951) 789-6765

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3157	Shahid Abbas	Riverside Plaza	3540 Riverside Plaza Drive, Suite 302	Riverside	CA	92506	(951) 680-0595
6298	Maria D. Mojica and Salvador Mojica	Rosemead Square	3578 Rosemead Blvd	Rosemead	CA	91770	(626) 288-9201
811	Penny P. Ching and Chunqin Huang	Bayhill Shopping Center	851 Cherry Avenue	San Bruno	CA	94066	(650) 588-6001
6394	Mohammad I. Bhatti	Gateway Plaza	806 Avenida Pico, Suite C	San Clemente	CA	92672	(949) 369-6333
1635	Erik E. Taake	Carmel Mountain S/C	11950 Carmel Mountian Road	San Diego	CA	92128	(858) 674-1293
8825	Igor G. Stysis, Irina A. Stysis, Dennis D. Stysis, and Anna R. Stysis	Mira Mesa S/C	9460 Mira Mesa Blvd.	San Diego	CA	92126	(858) 549-3774
9035	Erik E. Taake	Campus Plaza	6165 El Cajon Blvd., Suite D	San Diego	CA	92115	(619) 286-1567
9117	Igor G. Stysis, Irina A. Stysis and Yuliya Ohay	Hillcrest Center	658 University Avenue	San Diego	CA	92103	(619) 692-3071
774	Igor G. Stysis and Irina A. Stysis	Genese Plaza	4223 Genesee Avenue	San Diego	CA	92117	(619) 665-8414
6621	Igor G. Stysis and Irina A. Stysis	Fenton Marketplace	2169 Fenton Parkway, Suite A-106	San Diego	CA	92108	(619) 284-2408
7148	Erik E. Taake	Tierrasanta Town Center	10645-G Tierrasanta Blvd	San Diego	CA	92124	858-277-3397
6641	Trent E. Fields and Molly C. Fields	Mira Mesa Mall	8250 Mira Mesa Blvd, Suite D	San Diego	CA	92126	858-578-7833
5737	Saeed Fathali and Amit Dow	Storefront	2172 Chestnut Street	San Francisco	CA	94123	(415) 921-1400
7965	Jagjeet S. Dosanjh	North Point Center	350 Bay Street	San Francisco	CA	94133	(415) 986-4707

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3384	Humaira Munir	Capitol Square Mall	430 N. Capital Avenue	San Jose	CA	95133	(408) 729-0558
7053	Jagruti J. Patel	Plaza Del Obispo Shopping Center	31878 Del Obispo St., Suite #121	San Juan Capistrano	CA	92675	(949) 443-0489
6676	Igor G. Stysis, Irina A. Stysis, Dennis D. Stysis, and Anna R. Stysis	Creekside Marketplace	595 Grand Avenue, Suite F-102	San Marcos	CA	92078	(760) 510-1568
6381	Tahira Hussain Shah	Bristol Center	3729 South Bristol Street	Santa Ana	CA	92704	(714) 966-6619
2330	Javad Billoo, Naeem M. Billoo, and Zubeda Billoo	Plaza at Golden Valley	19193 Golden Valley Road	Santa Clarita	CA	91387	(661) 621-0222
3807	Samina Inayat	Town Center East Plaza	2524 Cherry Avenue	Signal Hill	CA	90755-2032	(562) 427-6848
5622	Pervaiz Butt and Samina Ahmed	Centre Court Shopping Center	1230 Madera Road #9	Simi Valley	CA	93065	(805) 520-4658
2055	Javad Billoo, Naeem M. Billoo, and Zubeda Billoo	Sycamore Plaza	2880 D-2 Cochran Street	Simi Valley	CA	93605	(805) 522-4425
6595	Igor G. Stysis, Irina A. Stysis, Dennis D. Stysis and Anna R. Stysis	Solana Beach Town Center IV	663 San Rodolfo Drive #101	Solana Beach	CA	92075	(858) 481-3877
117	Mohammad Zahid Baloch	El Paseo	8616 Garfield Drive	South Gate	CA	90280	(562) 776-1780
3494	Patrick P. Leung	Studio City Plaza	12042 Ventura Blvd.	Studio City	CA	91604	(818) 763-2878
5786	Peggy Yang	Temple City Square	5785 Rosemead Blvd.	Temple City	CA	91780	(626) 287-5505
3582	Amrinder Kamboj	Corral Hollow Shopping Center	1841 W. 11th Street, #C06	Tracy	CA	95376	(209) 834-5105

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
9493	Jagjeet S. Dosanjh and Rupeet K. Dosanjh	Blossom Valley Shopping Center	2888 Geer Road	Turlock	CA	95336	(209) 634-4030
3019	Jagjeet S. Dosanjh	Union Square M/P	1748 Decoto Road	Union City	CA	94587	510-441-1145
405	Rakesh S. Patel and Aarti Patel	Coffee Tree Plaza	140 Nut Tree Parkway, Space 100A	Vacaville	CA	95687	(707) 451-8660
7568	Attiq Rehman	River Oaks Shopping Center	24319 Magic Mountain Parkway	Valencia	CA	91355	(661) 253-1014
374	Syed Azeem Ahmed and Mohammed Arbab Arshad	Saticoy Plaza	17234 Saticoy Avenue	Van Nuys	CA	91406	(818) 708-7543
580	Syed Azeem Ahmed and Mohammed Arbab Arshad	GM Power Center	7954 Van Nuys Blvd.	Van Nuys	CA	91402	(818) 988-0512
5783	Joe M. Lai and Ann S. Lai	Walnut Hills Village	20687-1 Armar Road	Walnut	CA	91789	(909) 869-7272
6457	Vince Solbes and Refugio Moran	The Overlook	1425 Main Street	Watsonville	CA	95076	(831) 761-1766
6891	Daniel K. K. Leung and Ying Wu	Eastland Center	2648 E Workman Avenue, #3005	West Covina	CA	91791	(626) 967-9800
7007	Hasan M. Jafri	West Hollywood Gateway	7100 Santa Monica Blvd #125	West Hollywood	CA	90046	(323) 882-8436
7205	Hasan M. Jafri and Fatima H. Jafri	The Quad @ Whittier	13502 - I Whittier Blvd.	Whittier	CA	90605	(562) 693-2723
8086	JiWon Song Han and Seung Hoon Song	Santa Fe Springs Marketplace	7918 Norwalk Boulevard	Whittier	CA	90606	(562) 908-6948
6784	Yakoob Billoo and Zarina Billoo	Gateway Plaza	21927 Ventura Blvd.	Woodland Hills	CA	91364	(818) 992-7798
7173	Anthony R. Kimbrough and Jamie A. Kimbrough	Ralston Square	12326 West 64th Avenue	Arvada	CO	80004	(303) 432-8767

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
9039	Jon L. Stock	Quebec Square	7305 E. 35th Ave., #140	Denver	CO	80238	(303) 388-0383
2659	Traci A. Griffin	Parker Market Place	11011 S. Parker Rd.	Parker	CO	80134	(303) 841-1514
6183	Michael Saluzzi and Rachel Saluzzi	Riverside Commons	1237 East Putnam Avenue	Riverside	CT	06878	(203) 637-4262
6131	Yunfei Ding	1754 Pennsylvania Avenue	1754 Pennsylvania Avenue	Washington	DC	20006	(202) 783-7058
3315	Brian P. Teti	Fox Run S/C	18 Fox Hunt Drive	Bear	DE	19701	(302) 832-8484
9299	Wageeh S. Mohamed	Pen Mart Shopping Center	12 Pen Mart Center	New Castle	DE	19720	(302) 328-7392
6396	Wenxie Xheng and Wenkui Zheng	Suburban Plaza	414 Suburban Drive	Newark	DE	19711	(302) 292-3977
1765	Yanira L. Barry and Michael J. Barry	West Town Center	150 SR 434, Suite 1086	Altamonte Springs	FL	32714	(407) 682-2226
2265	Bernardo A. Yibirin and Maria R. Yibirin	Westwinds of Boca	9774 W. Glades Road	Boca Raton	FL	33434	(561) 487-5910
2554	Randall J. Wagner, Marife D. Wagner, James S. Chapman, and Amy L. Chapman	River Club Plaza	5770 Ranch Lake Blvd., Unit 124	Bradenton	FL	34202	(941) 756-4564
2150	Darryl V. Green	Carrot Country	616 Oakfield Drive	Brandon	FL	33511	(813) 689-2195
671	Darryl V. Green	Bloomingdale Square	967 E Bloomingdale Ave., Space 106	Brandon	FL	33511	(813) 643-1500
7008	Shamir Lalani, Ishie Lalani, Karim Lalani, and Anisha Lalani	Casselberry Commons	1455 Semoran Blvd. #133	Casselberry	FL	32707	(407) 673-3330

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3728	Valerie J. Perez	Water Tower Shoppes	41 Blake Blvd., Suite F-4	Celebration	FL	34747	(407) 566-2900
6044	Michael J. Neugebauer, Jr. and Eric A. Himschoot	Summer Bay Plaza	17445 US 192, Suite 9	Clermont	FL	34714	(325) 432-2050
447	Michael J. Neugebauer, Jr. and Eric A. Himschoot	Clermont Regional Center	1082 East SR 50	Clermont	FL	34711	(352) 394-1234
8751	Sam Moses	Shoppes @ Coral Ridge	6059 Coral Ridge Dr.	Coral Springs	FL	33076	(954) 344-8141
1412	Danny A. Morales	Pine Ridge Square	4687 North University Drive	Coral Springs	FL	33067	(954) 757-7060
5434	Hugo Edgardo Nisenbom, Ana Maria Mercade and Maria Cecilia Nisenbom	Turtle Crossing	4336 N. State Road 7	Coral Springs	FL	33073	(954) 752-2803
2772	Leonard J. Fassler and Annette M. Fassler	Shoppes @ Dania Pointe	1710 Stirling Road	Dania Beach	FL	33004	(954) 921-5158
2444	Bernardo A. Yibirin	Towers Plaza	2034 S. University Dr.	Davie	FL	33324	(954) 476-9007
8968	Nathaniel D. Moro and Marilyn A. Moro	The Shoppes @ Beville Road	1500 Beville Road	Daytona Beach	FL	32114	(386) 255-5599
5708	William Schwemlein and John Schwemlein	Northgate Shopping Center	101 East International Speedway	Deland	FL	32724	(386) 873-6249
5089	Victor R. Alvarez	Doral Commons	7520 NW 104th Avenue, Unit 7	Doral	FL	33178	(786) 725-5730
6915	Uma R. Vootkur	Caladesi Shopping Center	918 Curlew Road	Dunedin	FL	34698	(727) 733-4621
3735	Sergio E. Yibirin	Cypress Creek Station	6305 North Andrews Ave.	Ft. Lauderdale	FL	33309	(954) 776-6444
2887	Leonard J. Fassler and Annette M. Fassler	Victoria Park Shoppes	642 No. Federal Highway	Ft. Lauderdale	FL	33304	(954) 467-0651

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6608	Juan F. Audisio, Magdalena N. Audisio, Ariana P. Audisio, and Guido G. Audisio	South Harbor Plaza	1420 SE 17th Street	Ft. Lauderdale	FL	33316	(954) 765-1917
2716	Jon Allyn Simmons, Jr.	Butler Plaza	3914 SW Archer Rd	Gainesville	FL	32608	(352) 377-6020
6262	Danny A. Morales	Gardens Square	8625 NW 186th Street	Hialeah	FL	33015	(305) 829-1856
7741	Leonard J. Fassler and Annette M. Fassler	Sheridan Plaza	5431 Sheridan Street	Hollywood	FL	33021	(954) 965-7077
7381	Jon Allyn Simmons, Jr.	Deerwood Village Mall	9970 Baymeadows Road	Jacksonville	FL	32256	(904) 997-6999
2461	Kirk A. Irvin	Shoppes at Bartram Park	13820 Old St. Augustine Road, Suite 213	Jacksonville	FL	32258	(904) 292-1335
2904	Kirk A. Irvin	South Beach Parkway Plaza	578 Marsh Landing Pkwy	Jacksonville	FL	32250	(904) 280-1918
6332	Jon Allyn Simmons, Jr.	Pablo Creek Plaza	13470 Beach Blvd., Suite 403	Jacksonville	FL	32224	(904) 223-3997
1354	Joseph W. Tripp, Jung In Kim, Hong Ik Kim, and Jin Kyong Kim	Chasewood Shopping Center	6390 Indian Town Rd., Suite 27B	Jupiter	FL	33458	(561) 744-2775
5003	Joseph W. Tripp and Jung In Kim	Abacoa Plaza	5500 Military Trail	Jupiter	FL	33458	(561) 779-1526
1876	Hemant K. Mangal and Esther Mangal	Pleasant Hill Commons	3323 S Orange Blossom Trail	Kissammee	FL	34746	(407) 944-0515
1663	Jessica Otero	Ventura Downs Shopping Center	1974 Osceola Parkway, SP-3V	Kissimmee	FL	34743	(407) 344-8040
7151	Valerie J. Perez	The Loop West	2687 W. Osceola Parkway	Kissimmee	FL	34743	(407) 932-5217

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
5949	Valerie J. Perez	Crosslands Center	750 Centerview Boulevard	Kissimmee	FL	34741	(407) 201-6062
1642	Sam Moses	Lees Square	5800 Jog Road	Lake Worth	FL	33467	(561) 433-2870
5743	Irma Cole and Christopher Cole	Plantation Square	5361 N. Socrum Loop Road	Lakeland	FL	33809	(863) 859-0586
8425	Ashraf W. Bailey and Mona D. Bailey	Lakeside Village	1322 Town Center Drive, Space S106	Lakeland	FL	33803	(863) 686-6762
1906	Ashraf W. Bailey and Mona D. Bailey	Highland City Town Center	5179 US Hwy 98 South	Lakeland	FL	33812	(863) 644-9500
8049	Bernardo A. Yibirin	Universal Plaza	5403 N. Universal Drive	Lauderhill	FL	33351	(954) 741-6698
6634	Charles J. Brown, Carole A. Brown, and Craig C. Brown	Van Dyke Commons	17681 Dale Mabry Highway North	Lutz	FL	33548	(813) 961-4516
2135	Jose Alejandro Pineda and Martha Pineda	Airpark Plaza	5777 NW 7th St.	Miami	FL	33126	(305) 262-0000
2428	Jose Alejandro Pineda and Martha Pineda	Tamiami Trail Shoppes	13820 SW 8th Street	Miami	FL	33184	(305) 552-0444
1892	Marcio R. G. Andreazzi, Maria Thereza Andreazzi and Alessandro G. Andreazzi	Miller Square Shopping Center	13710-E SW 56th Street	Miami	FL	33175	(305) 388-7414
1162	Jose Alejandro Pineda and Martha Pineda	Miller Road Plaza	9338 S. W. 56th Street	Miami	FL	33165	(305) 596-0626
3524	Marcio R. G. Andreazzi, Maria Thereza Andreazzi, and Alessandro G. Andreazzi	Shoppes of Coral Way	2520 Coral Way #6	Miami	FL	33145	(305) 860-9676

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
5944	Vitctor R. Alvarez	Doral Isle Plaza	10775 NW 58th Street	Miami	FL	33178	(305) 709-8275
9053	Marcio R. G. Andreazzi, Maria Thereza Andreazzi, Alessandro G. Andreazzi, and Felipe G. Andreazzi	Village Portico	231 SW 8th Street	Miami	FL	33130	(305) 285-9445
2028	Ali Hashemi	Plaza Del Parasio	12100 SW 127th Avenue	Miami	FL	33186	(305) 232-4432
1259	Leonard J. Fassler and Annette M. Fassler	Publix Biscayne	1786 Biscayne Blvd	Miami	FL	33132	(305) 371-1822
5013	Leonard J. Fassler and Annette M. Fassler	GNC	Terminal G, 2nd Floor, Space #6G-2150, Miami International Airport	Miami	FL	33122	(305) 874-3888
5491	Juan F. Audisio	Storefront	268 East Flagler Street	Miami	FL	33131	(305) 358-3430
5475	Victor R. Alvarez	Kendall Town and Country	8312 Mills Drive	Miami	FL	33183	(305) 270-8090
6630	Victor R. Alvarez	Doral Plaza	9763 N.W. 41st Street, Suite 104	Miami	FL	33178	(305) 597-9330
6372	Victor M. Gonzalez and Stefanie M. del Campo	Shoppes @ Paradise Lakes	16832 SW88th Street	Miami	FL	33196	(786) 577-0114
6550	Jose Mones	Fountain Square	9971 W. Flagler Street, Suite 140	Miami	FL	33174	(305) 226-9684
8939	Leonard J. Fassler and Annette M. Fassler	Shops at Midtown Mall	3401 North Miami Avenue, Suite 114	Miami	FL	33127	(305) 576-6377
885	Victor M. Gonzalez and Stefanie M. Del Campo	Concorde Shopping Center	11377 S.W. 40th Street	Miami	FL	33165	305-221-2900
5784	Ashraf W. Bailey and Mona D. Bailey	Publix @ Imperial Lakes	2050 Shepard Road	Mulberry	FL	33860	(863) 701-2779

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
2185	Melissa S. Taylor	Marketplace at Pelican Bay	8851Tamiami Trail North	Naples	FL	34108	(239) 431-8917
6710	Marcio R. G. Andreazzi, Maria Theresa Andreazzi and Alessandro G. Andreazzi	Ives Dairy Crossing	19975 NW Second Ave. #6	North Miami	FL	33169	(305) 770-3381
1973	Leonard J. Fassler and Annette M. Fassler	127th Street Shopping Ctr.	12880 Biscayne Blvd.	North Miami	FL	33181	(305) 893-6806
6847	Ali Hashemi	Country Health Store	1851 NE 185th Street	North Miami Beach	FL	33179	(305) 932-5140
59	Darryl V. Green	Cocoplum Village Shops	17281 S. Tamiami Trail	North Port	FL	34287	(941) 429-8888
7987	Valerie J. Perez	Metro West Village S/C	2439 S. Hiawasee Rd.	Orlando	FL	32835	(407) 291-6088
6142	Valerie J. Perez	Premium Shoppes at Lake Buena Vista	8600 Vineland Avenue, Suite 102	Orlando	FL	32821-6506	(407) 560-0065
7560	Marlon Shamsudeen and Bibi S. Shamsudeen	Highland Lakes Drive	7361 West Colonial Drive	Orlando	FL	32818	(407) 296-4307
5597	Valerie J. Perez	Lake Nona Landing	12242 Narcossee Road	Orlando	FL	32827	(407) 378-5557
6933	Albert M. Paetzig	Martin Downs Town Center	2870 SW Town Center Way, Space #350	Palm City	FL	34990	(772) 221-9233
2324	Jon Allyn Simmons, Jr.	Palm Coast Corners	1234 Palm Coast Parkway	Palm Coast	FL	32137	(386) 446-0914
2783	Brett T. Newby	Pasadena S.C.	6886 Gulfport Blvd South	Pasadena	FL	33707	727-347-6020
2365	Myra V. Sofer, Angelita A. Sofer and Richard Sofer	Pembroke Lakes Mall	11401 Pines Boulevard, Suite 878	Pembroke Pines	FL	33026	(954) 432-7474

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1637	Ashraf Bailey and Mona Bailey	Waldon Woods S/C	2206 James L Redman Parkway	Plant City	FL	33566	(813) 759-8551
6406	Ashraf W. Bailey and Mona D. Bailey	Plant City Crossing	2513-1 Thonotosassa Road	Plant City	FL	33563	(813) 752-1087
2888	Leonard J. Fassler and Annette M. Fassler	Park Plaza Shopping Center	1180 N. Federal Highway	Pompano Beach	FL	33062	(954) 785-6334
5582	Kirk A. Irvin	Nocatee Town Center	152 Capital Green Drive, Suite 30	Ponte Vedra	FL	32081	(904) 834-1165
2103	Albert M. Paetzig	Town Center @ St. Lucie West	1707 St. Lucie West Blvd., Suite 106	Port St. Lucie	FL	34986	(772) 340-4070
604	Albert M. Paetzig	The Landing @ Tradition	10640 SW Village Parkway	Port St. Lucie	FL	34987	(772) 345-3622
9162	Uma R. Vootkur	Pavilion Crossing	3879 S US Highway 301	Riverview	FL	33578	(813) 252-6255
2638	Michael J. Neugebauer, Jr. and Eric A. Himschoot	St. Cloud Square Shopping Center	4061 13th Street	Saint Cloud	FL	34769	(407) 892-4300
3281	Brett T. Newby	Northeast Plaza	210 37th Avenue North	Saint Petersburg	FL	33704	727-826-1616
980	Darryl V. Green	Sarasota Village	3660 Bee Ridge Road	Sarasota	FL	34233	(941) 924-6293
288	Charles J. Brown, Carole A. Brown, Craig C. Brown and Chandler C. Brown	Nature Coast Commons	1421 Commercial Way	Springhill	FL	34607	(352) 683-0222
5020	Jon Allyn Simmons, Jr.	Cobblestone Shopping Center	200 CBL Dr. 102	St. Augustine	FL	32086	(904) 797-5244
7234	Albert M. Paetzig	Stuart Centre	2295 SE Federal Highway	Stuart	FL	34994	(772) 286-8453

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3982	Hugo Edgardo Nisenbom, Ana Maria Mercade and Maria Cecilia Nisenbom	R. K. Centre South	16850 Collins Avenue, Suite 109	Sunny Isles Beach	FL	33160	(305) 957-8998
2871	Lee Peglow and Joseph Baronzzi	Village Commons Shopping Center	1400 Village Square Blvd	Tallahassee	FL	32312	(850) 893-6966
2390	Darryl V. Green	Britton Plaza	3918-A South Dale Mabry Highway	Tampa	FL	33611	(813) 839-0188
1893	Michael S. Kennedy	Westgate Plaza	12028 Anderson Road	Tampa	FL	33625	(813) 968-2141
8054	Lloyd Newton and Elousie Newton	City Plaza	16065 Tampa Palms Blvd	Tampa	FL	33647	813-979-9697
8000	Eric S. Miller and Dianne Miller	Buffalo Ridge Plaza	3600 Wedgewood Lane	The Villages	FL	32162	(352) 259-6097
6405	Eric S. Miller and Dianne Miller	La Plaza Grande South	922 Bichara Blvd.	The Villages	FL	32162	(352) 750-0715
5648	Joseph W. Tripp, Jung In Kim, Hong Ik Kim, and Jin Kyong Kim	Treasure Coast Plaza	2044 Treasure Coast Plaza	Vero Beach	FL	32960	(772) 562-2450
1338	James E. Hansler	Westward Plaza	2491-C Okeechobee Blvd	W. Palm Beach	FL	33409	(561) 684-8561
5441	Yanira L. Barry and Michael J. Barry	Lakeside Village	7790 Winter Garden Vineland Road	Winderemere	FL	34786	(407) 554-2652
3784	Yanira L. Barry	The Grove @ Four Corners	4750 The Grove Drive	Windermere	FL	34786	(407) 252-0687
6167	Rebecca S. Russell	Winter Haven Citi Centre	412 Citi Centre Street	Winter Haven	FL	33880	(863) 292-8700
3518	Mario Mele and Jeanine Mele	Stilesboro Oaks Shopping Center	1720 Mars Hill Road	Acworth	GA	30101	(770) 590-0555

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7085	Seyed Hashemi and Mitra Mortezazadeh	Windward Commons	12850 Highway 9, Space #1300	Alpharetta	GA	30004	(770) 777-7780
2081	Beau A. Holden and Catherine Holden, Jeffrey B. Holden and Cathy Holden	Peachtree Battle Shopping Center	2365-C Peachtree Rd.	Atlanta	GA	30305	(404) 239-0440
5046	Michele Tedesco	Brighten Park	2484 Briarcliff Rd., Suite 37	Atlanta	GA	30329	(404) 325-8580
3569	Nelson S. Fleming	Cascade Crossing	3695 Cascade Road	Atlanta	GA	30331	(404) 691-9890
7496	Michele Tedesco	Midtown Place	650 Ponce De Leon Ave, Suite 640-A	Atlanta	GA	30308	(404) 876-6296
6537	Fadi F. Alame, Jamal M. Fakih, Ahmad M. Fakih, and Feryial M. Fakih	Publix @ Perimeter	1100 Hammond Drive. Suite 440A	Atlanta	GA	30328	(770) 730-0530
7149	Nelson S. Fleming	Camp Creek Marketplace	3755 Carnia Drive, STE 690	Atlanta	GA	30331	(404) 344-4692
5040	Surinder P. Singh	Village Square Shopping Center	1605P Buford Highway	Buford	GA	30518	(770) 614-9461
3629	Michael T. O'Brien and Babette T. O'Brien	River Point Plaza	1552 Riverstone Parkway, Suite 100	Canton	GA	30114	(770) 720-1708
3988	Gregory M. Cottrell and Kenneth R. Bragg	McIntosh Plaza	1109 S. Park Street #503	Carrollton	GA	30117	(770) 834-5954
7885	Paul Olivares and Mavel Pineros	The Avenue at Forsyth	410 Peachtree Parkway, Bldg. #378	Cumming	GA	30041	(770) 889-0345
1697	Surinder P. Singh	Lakeland Plaza Shopping Center	552 Lakeland Plaza	Cummings	GA	30040	(770) 844-8930
332	Nelson S. Fleming	Dallas Commons	457 Dean Blvd., Suite 110	Dallas	GA	30132	(770) 505-8430

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6850	Nelson S. Fleming	Chapel Hill Commons Shopping Center	4919 Flat Shoals Parkway, Suite 102	Decatur	GA	30034	(678) 418-5263
6867	Surinder P. Singh	Peachtree Hill	3455 Peachtree Industrial Blvd., Suite 885	Duluth	GA	30096	(770) 813-0540
7192	Surinder P. Singh	Stonebridge Shopping Center	5855 Sprout Springs Road, Building A, Space 405	Flowery Branch	GA	30542	(770) 965-1020
1672	Nelson S. Fleming	Village Shoppes of Gainesville	891 Dawsonville Hwy, Suite 180	Gainesville	GA	30501	(770) 718-9638
3060	Ronak P. Patel and Jinalben Patel	Grayson Commons	1911 Grayson Highway #12	Grayson	GA	30017	(770) 237-8999
926	Arshad N. Mirza	Paulding Commons Shopping Center	4215 Jimmy Lee Smith Pkwy.	Hiram	GA	30141	(770) 439-0077
3672	Abbas Maleknia	Midway Shopping Center	910 US Athens Highway	Loganville	GA	30052	(770) 554-9666
5965	Nelson S. Fleming	Mableton Crossing	4875 Floyd Road, Suite 302	Mableton	GA	30126	(770) 745-1123
3059	Nelson S. Fleming	West Cobb Market	2500 Dallas Hwy, # 510	Marietta	GA	30064	(678) 581-0334
9370	Emilio Alea, Jr. and James C. Stanton, III	Milledgeville GNC	2600 North Columbia Street, Suite B-5	Milledgeville	GA	31061	(478) 452-4577
2833	Sharon Rogers	Newnan Crossing	963 Bullsboro Drive, Suite A	Newnan	GA	30265	(770) 304-4355
2648	Myoung S. Rhim and Hannong Rhim	Peachtree Corners S/C	3200 Holcomb Bridge Rd Ste. 650	Norcross	GA	30092	(770) 729-8822
8607	Steven M. Larson	The Village on Pooler Parkway	246 Pooler Parkway, Space D	Pooler	GA	31322	(912) 748-4921
3828	Steven M. Larson	Market at Rice Hope	7936 GA Highway 21	Port Wentworth	GA	31407	(912) 620-0077

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7245	Nelson S. Fleming	Powder Springs Publix S/C	3749 New Macland Rd., Suite 550	Powder Springs	GA	30127	(770) 222-1234
8114	Nelson S. Fleming	Providence Square	4101 Roswell Road, Space # 307	Roswell	GA	30062	(770) 971-4920
951	Nelson S. Fleming	Highland Station	4480 South Cobb Drive Suite E	Smyrna	GA	30080	(770) 436-0705
7928	Surinder P. Singh	John's Creek Town Center	3630 Peachtree Pkwy, Unit #1	Suwanee	GA	30024	(770) 622-4166
5032	Michael T. O'Brien and Babette T. O'Brien	Town Lake Square	2295 Town Lake Parkway, Suite 104	Woodstock	GA	30189	(770) 516-2223
189	Michael T. O'Brien and Babette T. O'Brien	The Outlet Shoppes at Atlanta	915 Ridgewalk Pkwy, Suite 502	Woodstock	GA	30188	(678) 275-2373
8709	Rebecca L. Brennecke, Barry J. Brennecke, and Austin J. Brennecke	Shops on Delaware	2005 SE Delaware Avenue	Ankeny	IA	50021	(515) 965-1276
2014	Carl A. Hughes and Christopher D. McKay	Walmart Grimes	250 SE Destination Avenue #500	Grimes	IA	50111	(515) 598-6695
949	Robert A. Erickson and Brenda L. Erickson	Ironwood Square	226 Ironwood Drive	Coeur Dalene	ID	83814	(208) 666-4005
8077	William J. Scharnhorst	Lewiston Center	1804 19th Avenue	Lewiston	ID	83501	(208) 743-4462
2896	William J. Scharnhorst	Palouse Mall	2004 W. Pullman Road, Suite G22	Moscow	ID	83843	(208) 822-8472
8714	Gregory P. Schonhoff and Jeffrey R. Schonhoff	Ashton Pointe	1137 North Eola Road Suite 104	Aurora	IL	60502	(630) 585-8200
6607	Robert J. Wiet, Patricia A. Wiet, and George M. Wiet	Shoppes @ Windmill Place	145 South Randall Road	Batavia	IL	60510	(630) 553-5537
2705	Christ T. Dangles and Sharon A. Dangles	Springbrook Center	156 East Lake Street, Suite J	Bloomingdale	IL	60108	(630) 582-0959

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6653	Matthew A. Jones and Barbara E. Jones	Parkway Shopping Center	2109 N. Veterans Parkway, Suite 8	Bloomington	IL	61704	(217) 529-2460
7056	Martin J. Duggan and Elizabeth A. Duggan	Geneva Crossing	349 Geneva Road	Carol Stream	IL	60188	(630) 690-6823
725	Martin J. Duggan and Elizabeth A. Duggan	Heritage Plaza	726 W. Army Trail	Carol Stream	IL	60188	(630) 483-9430
5852	Shams U. Rehman and Atiq Rehman	South Loop Marketplace	1228 S. Canal Street	Chicago	IL	60607	(312) 226-3637
1390	Rajesh K. Aneja and Shashi Mehra	Street Location	42 East Chicago Avenue	Chicago	IL	60611	(312) 335-1608
7853	Jagdish Patel and Ginny Narsula	Washington Square	1524 N. Cicero Avenue	Chicago	IL	60651-1618	(773) 862-5027
3940	Rajesh K. Aneja and Shashi Mehra	Illinois Center Building	111 East Wacker Drive	Chicago	IL	60601	(312) 938-9000
7854	Shams U. Rehman and Atiq Rehman	Roosevelt/Ashland Jewel Center	1651 W. Roosevelt Road	Chicago	IL	60608	(312) 666-9111
8251	Mushtaq A. Attar and Bibi K. Attar	Atrium Mall	100 West Randolph Ave.	Chicago	IL	60601	(312) 443-1662
1141	Atiq Rehman	Storefront	22 E. Madison Street	Chicago	IL	60602	(312) 984-0100
5275	Daniel K. K. Leung and Ying Wu	Marshfield Plaza	11630 S. Marshfield Avenue	Chicago	IL	60643	(773) 468-6111
6442	Joshua Witt, Alana Witt, and Colette Harper	The Oaks Shopping Center	1535 Lee Street Suite A	Des Plaines	IL	60018	(847) 795-1005
5054	Ginny Jolly	Market Plaza	585 Roosevelt Road	Glen Ellyn	IL	60137	(630) 469-3438
3563	Rajesh K. Aneja and Shashi Mehra	Shoppes at Highland Park	67 Skokie Valley Road	Highland Park	IL	60035	(847) 831-0022

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7359	Ghanshyam K. Patel and Daksha Patel	Hoffman Village Center	2577 West Golf Road, Space A-8	Hoffman Estates	IL	60169	(847) 490-3525
5868	Robert J. Wiet, Patricia A. Wiet, and George M. Wiet	Walmart Super Plaza	209 E US Rt 6	Morris	IL	60450	(815) 416-1048
3564	Alpesh Jayswal and Avni Jayswal	Randhurst Village	1069 Elmhurts Road, Space M-2	Mt. Prospect	IL	60056	(847) 398-3650
6738	Josh Brackmann, Martin Kloska, Carol Kloska, Eric Brackmann, and Mary Lou Brackmann	Riverbrook Shopping Center	1539 North Aurora Road, Suite 115	Naperville	IL	60563	(630) 357-3539
3015	Alpesh Jayswal and Avni Jayswal	Norridge Commons	4159 N. Harlem Avenue	Norridge	IL	60706	(708) 457-8450
8570	Rick Greenberg	Lind North Plaza	75 W. North Ave.	North Lake	IL	60164	(708) 409-0901
5096	John W. Stein	Central Park Plaza	1222 Central Park Drive	O'Fallon	IL	62269	(618) 589-9500
3871	Uma R. Vootkur	Townes Crossing	2458 Route 30	Oswego	IL	60543	(630) 844-2576
6857	Mahendra Yogina and Ila Yogina	Deer Grove Crossing	1590 N. Rand Road, Suite #D	Palatine	IL	60067	(847) 202-1896
7064	Gregory P. Schonhoff and Jeffrey R. Schonhoff	Caton Crossings	2312 Illinois Route 59, Suite 8	Plainfield	IL	60586	(815) 439-7720
9592	Uma R. Vootkur	Kensington Center North	12640 S Route 59 Suite 300	Plainfield	IL	60585-5406	(815) 436-5101
2382	Rajesh K. Aneja and Shashi Mehra	Forest Plaza	6373 East State Street #C02	Rockford	IL	61108	(815) 229-3100
7524	Randy Greenberg	Marketplace @ Rolling Meadows	1667 Algonquin Road	Rolling Meadows	IL	60008	(847) 545-1470

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2465	Matthew A. Jones	Savoy Plaza	1217 Savoy Plaza Lane	Savoy	IL	61874	(217) 352-9548
8036	Martin J. Duggan and Elizabeth A. Duggan	Silver Glen Crossing	624 Randall Road	South Elgin	IL	60177	(847) 214-8781
2036	Matthew A. Jones and Barbara E. Jones	Springfield Commons	2711 North Dirksen Parkway	Springfield	IL	62702	(217) 528-1992
1639	Robert J. Wiet, Patricia A. Wiet, and George M. Wiet	Tinley Park Plaza	15927 S. Harlem Ave	Tinley Park	IL	60477	(708) 633-0733
3135	Tareq M. Akkawi	Brookside Marketplace	7380 West 191st Street	Tinley Park	IL	60487	(815) 464-5347
443	Martin J. Duggan and Elizabeth A. Duggan	Danada Square West	120 Danada Square West	Wheaton	IL	60187	(630) 690-2049
1144	Rajesh K. Aneja and Shashi Mehra	Willowbrook Town Center	7143 Route 83	Willowbrook	IL	60527	(630) 789-6600
7879	Randy Greenberg	Wood Dale Center	357 W. Irving Park Road	Wood Dale	IL	60191	(630) 775-9544
8662	Uma R. Vootksur	Yorkville Jewel Shopping Center	306 E Veterans Pkwy	Yorkville	IL	60560	(630) 553-2226
1579	David Cravens and Diane M. Cravens	Southtown Center	2309 Charles Street, Suite A	Anderson	IN	46013	(765) 622-1482
6408	Ralph E. Anderson, Mary L. Anderson and Ann M. Garrison	Crowders Shopping Center	625 16th Street	Bedford	IN	47421	(812) 278-9414
3163	Daniel S. Dennie and Sharon M. Dennie	Town Center of Giest Plaza	11760 Olio Road	Fishers	IN	46037	(317) 578-4000
2715	Daniel S. Dennie and Sharon M. Dennie	Covington Plaza	6334 W. Jefferson Boulevard	Fort Wayne	IN	46804	(260) 432-5905
3267	Daniel S. Dennie and Sharon M. Dennie	Northwood Plaza	6055 Stellhorn Road	Ft. Wayne	IN	46815	(219) 485-3320

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6520	Daniel S. Dennie and Sharon M. Dennie	Dupont Village West Shopping Center	505 E. Dupont Road	Ft. Wayne	IN	46825	(260) 637-7222
7106	Phillip Paige Lucas, Becky Jo Lucas and Makenna Paige Lucas	Brandywine Plaza	1539 N. State Street	Greenfield	IN	46140	(317) 462-5402
7374	Tonjia J. Johnson	Greensburg Commons	508 Greensburg Commons	Greensburg	IN	47240	(812) 662-8617
7017	Phillip Paige Lucas, Becky Jo Lucas and Makenna Paige Lucas	Meridian Parke Center	3100 Meridian Parke Drive	Greenwood	IN	46142	(317) 883-3676
329	Adam M. Turner, Deen O. Poe, and Susan J. Poe	Glendale Town Center	6101 Keystone Avenue	Indianapolis	IN	46220	(317) 259-4895
6293	Adam M. Turner	Keystone Crossing Shoppes	3329 E 86th Street, Space 3329	Indianapolis	IN	46240	317-252-5447
3159	Paul Nonte	Jasper Southgate Center	357 Jasper US 231	Jasper	IN	47546	(812) 482-3648
6220	Tonjia J. Johnson	Dearborn Plaza	401 W. Eads Parkway, Suite 280	Lawrenceburg	IN	47025	(812) 539-2544
6266	Mohan T. Makwana and Gita M. Makwana	Ridgewood Plaza	322 Ridge Road	Munster	IN	46321	(219) 836-0615
6481	Adam M. Turner	Plainfield Commons II	405 Plainfield Commons Drive	Plainfield	IN	46168	(317) 838-0317
8927	Joseph J. Despoy, III, Joseph J. Despoy, Jr., and Terry W. Despoy	Meadows Shopping Center	6008 Central Avenue	Portage	IN	46368	(219) 763-9944
7856	Mohan T. Makwana and Gita Makwana	Main Street Center	739 Main Street	Schereville	IN	46375	(219) 322-8960
6666	Joseph J. Despoy, III, Joseph J. Despoy, Jr., and Terry W. Despoy	Coolwood Plaza	2268 West 30	Valparaiso	IN	46385	(219) 462-9944

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5643	Stephen W. Coomer, Deborah J. Coomer and Deborah A. Dunn	Kimmell Crossing Shopping Center	642 Kimmell Rd	Vincennes	IN	47591	(812) 886-1112
3465	Gregory W. Draper	Derby Marketplace	1942 North Rock Rd	Derby	KS	67037	316-788-1710
3417	Gregory W. Draper	E 17th Ave Retail	1508 3 17th Avenue	Hutchinson	KS	67501	620-728-0290
6492	Huned A. Gangriwala and Amy E. Bryant	Antioch Shops	8716 W 135th Street	Overland Park	KS	66221	(913) 681-0349
9517	Huned A. Gangriwala and Amy E. Bryant	Shawnee Station S/C	15810-E Shawnee Mission Parkway, Space E	Shawnee	KS	66217	(913) 962-8500
7726	Gregory W. Draper	New Market Square	2441 North Maize Street	Wichita	KS	67205	(316) 773-3982
3287	Gregory W. Draper	Towne East Square	7700 East Kellogg	Wichita	KS	67207	(316) 683-0749
362	Gregory W. Draper	Greenwich Place	2688 N Greenwich Court, Suite 200	Wichita	KS	67226	(316) 651-5886
7468	Gregory B. Hilycord and Jane M. Hilycord	Shoppes @ Burlington	1773 Patrick Drive	Burlington	KY	41005	(859) 689-4900
6954	Bruce R. Seidel, III and Sarah H. Seidel	Expressway Plaza	2176 Dixie Hwy	Ft. Mitchell	KY	41017	(859) 344-1111
849	Michael P. Schimmack and Lori A. Brown	Hopkinsville Towne Center	4871 Fort Campbell Blvd	Hopkinsville	KY	42240	(270) 962-7444
6851	Cedric C. Jenkins and James Etta Jenkins	Hamburg Pavillion	2160 Sir Barton Way Unit #120	Lexington	KY	40509	(859) 543-1670
6841	Scott C. Marks	Cedar Springs Shopping Center	6762 Bardstown Road	Louisville	KY	40291	(502) 231-0462
7217	Bruce R. Seidel, III and Sarah H. Seidel	Newport Shopping Center	1785 Monmouth	Newport	KY	41071	(859) 431-1638

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8110	Gregory B. Hilycord and Jane M. Hilycord	Union Village Center	8761 U.S. 42	Union	KY	41091	(859) 384-0496
2759	Christopher W. Pixley and Cynthia D. Pixley	Siegen Plaza	6725 Siegen Lane, Suite V	Baton Rouge	LA	70809	(225) 368-4841
2378	Scott A. Johnson and Cecil M. Shilstone, Jr.	Juban Crossing	27306 Crossing Circle, Suite 260	Denham Springs	LA	70726	(225) 380-1888
7638	Christopher W. Pixley and Cynthia D. Pixley	Cornerview Center	1203 E. Cornerview Street Suite E	Gonzales	LA	70737-3038	(225) 644-7716
429	Scott M. Robichaux and Teresa B. Robichaux	Hammond Square	514 Palace Drive	Hammond	LA	70403	(985) 543-3581
7971	Scott A. Johnson and Cecil M. Shilstone, Jr.	St. Ann Place Shopping Center	2 St. Ann Street, Suite 2	Mandeville	LA	70471	(985) 674-2535
9386	Austin J. Webb	Belle Promenade Mall	1700 Promenade Blvd., Suite 601	Marrero	LA	70072	(504) 347-3585
2889	Scott A. Johnson and Cecil M. Shilstone, Jr.	Old Metairie Village	701 Metairie Road	Metairie	LA	70005	(504) 834-2811
3821	Scott A. Johnson and Cecil M. Shilstone, Jr.	Westgate Shopping Center	8847 Veterans Blvd.	Metairie	LA	70003	(504) 463-0080
9583	Scott A. Johnson and Cecil M. Shilstone, Jr.	Elmwood Village Plaza	1130 S. Clearview Parkway	New Orleans	LA	70123	(504) 731-2921
2086	Joseph J. Mangino and Jennifer F. Mangino	Eagle Plaza @ Ruston	1405 Eagle Drive, Box # 11	Ruston	LA	71270	(318) 513-1156
3873	Shad L. Erkintalo and Katherine T. Erkintalo	Fremaux Town Center	156 Town Center Parkway	Slidell	LA	70458	(985) 643-9810
5904	Abbas Qutab	Church Park	225-B Massachusetts Avenue	Boston	MA	02115	(617) 375-1002
3264	Joan E. Gorman	RK North Reading Plaza	72 Main Street	North Reading	MA	01864	(978) 276-1900

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440	Joseph Discordia and Thomas J. Discordia	East Village Square	2 Worchester Road	Webster	MA	01570	(508) 943-4825
2368	Jason N. Salafia and Scott J. Salafia	Westview Mall	5810 Baltimore National Pike	Baltimore	MD	21228	(410) 788-7004
3304	Jason N. Salafia and Scott J. Salafia	York Road Plaza	6360 York Road	Baltimore	MD	21212	(410) 377-8292
8737	David J. Picarello	The Porter Brewers Hill	3700 Toone Street, Suite E	Baltimore	MD	21224	(410) 558-0064
739	Darryl V. Green	Wildwood Shopping Center	23415 Three Notch Road	California	MD	20619	(301) 737-2821
8992	Jason N. Salafia and Scott J. Salafia	North Plaza	8950 Waltham Woods Road	Carney	MD	21234	(410) 661-7509
3194	Jason N. Salafia and Scott J. Salafia	Clinton Crossing	8793 Branch Avenue	Clinton	MD	20735	(301) 856-9034
3561	Jason N. Salafia and Scott J. Salafia	Yorktowne Plaza	60 Cranbrook Road	Cockeyville	MD	21030	(410) 683-3414
3085	Tahira Hussain and Yasin Hussain	Clemson Corner	7820 Wormans Mill Road, Suite P	Frederick	MD	21701	(301) 662-6667
8353	Tahira Hussain and Yasin Hussain	Milestone Village	21040 E. Frederick Road	Germantown	MD	20874	(301) 916-8100
7831	Eqab Ahmad	Centre at Laurel	13600 Baltimore Avenue, Space 102	Laurel	MD	20707	(301) 604-0040
7405	Mian Azhar Ahsan and Muhammad Omer Azhar	Maryland City Plaza	3467 Laurel Fort Mead Road	Laurel	MD	20707	(301) 497-1100
2105	Jason N. Salafia and Scott J. Salafia	Federal Plaza	12274-C Rockville Pike	Rockville	MD	20852	(301) 255-0089
6361	Kenneth Scott Purcell	Festival @ Waldorf	3038 Festival Way	Waldorf	MD	20601	(301) 645-5205

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
777	Mohammad Abdrabboh and Nancy Marini	Fairlane Green	3124 Fairlane Drive	Allen Park	MI	48101	(313) 271-3150
2686	Dennis C. Moushmoulian	Bloomfield Town Square	2207-A S. Telegraph Rd	Bloomfield Hills	MI	48302	248-745-3333
2608	Rajeev Gupta and Ramzi El-Achkar	Grand Crossing S. C.	9864 East Grand River Ave, Suite 190	Brighton	MI	48116	(810) 220-0125
3422	David W. Ruble and Marci E. Ruble	New Towne Plaza	44576 Ford Road	Canton	MI	48187	(734) 453-8747
2084	David W. Ruble and Marci E. Ruble	Crossroads Village	47284 Michigan Avenue	Canton	MI	48188	(734) 495-0018
6120	Rajeev Gupta and Ramzi El-Achkar	Holiday Center	36680 Garfield Rd.	Clinton Township	MI	48035	(586) 792-6666
6065	Nawal Bittar and Hussein Bittar	Fairlane Meadows	16201 Ford Road	Dearborn	MI	48126	(313) 271-5295
5847	Rajeev Gupta and Ramzi El-Achkar	Ferndale Plaza	22831 Woodward Ave.	Ferndale	MI	48220	(248) 542-4573
3165	Rajeev Gupta and Ramzi El-Achkar	Pointe Plaza	22337 Moross Rd.	Grosse Pointe Woods	MI	48236	(313) 881-4462
6041	Rajeev Gupta and Ramzi El-Achkar	Grand River Plaza	3641 E. Grand River Avenue	Howell	MI	48843	(517) 548-0826
6689	Muhammad S. Hanif and Rizwana Hanif	Wonderland Village	29635 Plymouth Road	Livonia	MI	48150	(734) 422-1899
5412	Muhammad S. Hanif and Rizwana Hanif	Newburgh Plaza	37281 West Six Mile Road	Livonia	MI	48152	(734) 779-0095
2261	Albert V. Balch and Robert J. Balch and Martin T. Whalen	Midland Mall	6800 Eastman Road Suite #524	Midland	MI	48642	(989) 631-2490
2362	Albert V. Balch	Mt. Pleasant Shopping Center	2155 South Mission	Mt. Pleasant	MI	48858	(989) 773-2150

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7645	David W. Ruble and Marci E. Ruble	Westmarket Square	47780 Grand River Ave	Novi	MI	48374	(248) 305-8208
491	Rajeev Gupta and Ramzi El-Achkar	Bear Creek Crossing	2180 Anderson Road, Suite 120	Petoskey	MI	49770	(231) 487-1995
7686	Elaine M. Miller and Marc W. Miller	Sheldon Place	44685 Five Mile Road	Plymouth	MI	48170	734-453-2320
7586	Nawal Bittar and Hussein Bittar	Redford Plaza	9367Telegraph Road	Redford	MI	48239	(313) 592-1017
8279	Rajeev Gupta and Ramzi El-Achkar	WalMart Supercenter	2536 S. Adams Road	Rochester Hills	MI	48309	(248) 844-0102
6325	Albert V. Balch and Robert J. Balch and Martin T. Whalen	Westwood Plaza	1802 Lawndale Drive	Saginaw	MI	48603	(989) 791-5115
7577	Patricia Palombit and Raymond Palombit	Commons @ Sauk Trail	1321 Michigan Ave.	Saline	MI	48176	(734) 944-5688
6859	Rajeev Gupta and Ramzi El-Achkar	Tel-Twelve Shopping Center	28300 Telegraph Road	Southfield	MI	48034	(248) 352-2518
6215	Mohammad Abdrabboh and Nancy Marini	Southgate Shopping Center	13725 Eureka Rd	Southgate	MI	48195-1352	(734) 285-5305
2464	Mohammad Abdrabboh and Nancy Marini	Forum at Gateway	44625 Mound Road	Sterling Heights	MI	48314	(586) 323-1943
5017	Rajeev Gupta and Ramzi El-Achkar	Midtown Square	1361 Coolidge Hwy	Troy	MI	48084-7017	(248) 614-9277
107	Rajeev Gupta and Ramzi El-Achkar	Somerset Collection North	2800 W. Big Beaver Road, Suite 130	Troy	MI	48084-3209	(248) 614-6200
6135	Rajeev Gupta and Ramzi El-Achkar	Heritage Valley	29239 Mound Road	Warren	MI	48092	(248) 558-1060
6241	Carol Pardo and Ami E. Kekel	Park Place Center	7781-26 Mile Road	Washington	MI	48094	(586) 677-0800

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8812	Zohreh Zimmerman	West Bloomfield Plaza	6738 Orchard Lake Road	West Bloomfield	MI	48322	(248) 851-4740
7349	Rajeev Gupta and Ramzi El-Achkar	Super Kroger Center	31288 Michigan Avenue	Westland	MI	48185	(734) 727-4621
5881	Patrick W. Mercier and Peter J. Mercier	Woodhaven Commons	19077 West Road	Woodhaven	MI	48183	(734) 692-6545
2280	Christopher J. DuBois and Shelley L. DuBois	Victory Village	1510 109th Avenue, NE	Blaine	MN	55449	(763) 785-6430
5318	Christopher J. DuBois and Chad W. Raymond	Valley West Shopping Center	10604A France Avenue South	Bloomington	MN	55431	(952) 888-6850
6972	Matthew L. Burnham and Maria L. Jondahl	Park Place Promenade	9686 Colorado Lane North	Brooklyn Park	MN	55445	(763) 242-0595
3700	Christopher J. DuBois	West Village S/C	848 W. 78th St.- P.O. Box 443	Chanhassen	MN	55317	(952) 474-8284
5284	Christopher J. DuBois and Chad W. Raymond	Chaska Commons	228 Pioneer Trail	Chaska	MN	55318	(952) 368-3389
7273	Carl A. Hughes and Christopher D. McKay	Cottage Grove	8711 S. East Point Douglas Road, Suite 10	Cottage Grove	MN	55016	(651) 458-0182
8854	Christopher J. DuBois, Shelley L. DuBois, Jason P. Bachman, and Christina M. Bachman	Forest Lake Marketplace	2009 W. Broadway	Forest Lake	MN	55025	(651) 982-0926
5015	Christopher J. DuBois and Jason P. Bachman	Southfork Shopping Center	17721 Kenwood Trail	Lakeville	MN	55044	(952) 435-2198
916	Carl A. Hughes and Christopher D. McKay	River Hills Mall	1850 Adams Street	Mankato	MN	56001	(507) 720-6219
3769	Christopher J. DuBois and Shelley L. DuBois	The Grove Village	15525 Circle North	Maple Grove	MN	55369	(763) 416-3872

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5341	Kazim Abbas Khan	Quarry Retail	1720 New Brighton Blvd., Suite 103	Minneapolis	MN	55413	(612) 781-5722
2458	Ryan A. Yager and Richelle M. Yager	Union Crossing	1571 7th Street	Monticello	MN	55362	(763) 295-4194
1948	Christopher J. DuBois and Jason P. Bachman	Plymouth Marketplace	3505 Vicksburgh Lane North	Plymouth	MN	55447	(763) 557-5195
6989	Christopher J. DuBois and Shelley L. DuBois	Hub Shopping Center	94 West 66th Street	Richfield	MN	55423	(612) 869-9295
7837	Christopher J. DuBois and Shelley L. DuBois	Park Place Plaza	1650 Park Place Boulevard	St. Louis Park	MN	55416	(952) 544-0232
8799	Carl A. Huighes and Christopher D. McKay	Stillwater Marketplace	2030 Market Drive	Stillwater	MN	55082	(651) 430-9716
2496	Ryan A. Yager and Richelle M. Yager	Kandi Mall	1605 First St. South	Willmar	MN	56201	(320) 235-1861
8427	Matthew C. Rogers and Sarah N. Carnes	Grindstone Plaza	1205 Grindstone Pkwy, Ste 103	Columbia	MO	65201	(573) 874-0940
8031	Shamim Rabbani	Heritage Place Shopping Center	12591 Olive Boulevard	Creve Coeur	MO	63141	(314) 453-9599
5009	Brian S. Caldwell and Kristina M. Caldwell	Dierbergs Lakeview Pointe Shopping Center	4645 Osage Beach Parkway	Osage Beach	MO	65065	(573) 302-7415
3025	Carl A. Hughes and Christopher D. McKay	Parkville Commons	6325 Lewis Street	Parkville	MO	64152	(816) 382-3408
7019	Brian S. Caldwell and Kristina M. Caldwell	Thompson Hills S/C	3141 A West Broadway	Sedalia	MO	65301	(660) 826-7003
6020	Janet S. Dowden	James River Town Center	1839 East Independence Street	Springfield	MO	65804	(417) 882-3500
7600	Christopher L. Gregory and Dorothy A. Gregory	Santa Fe Trail	609 A-3 East Young Street, Suite 609 A-3	Warrensburg	MO	64093	(660) 429-5567

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6377	Joseph J. Mangino	Crossgate Corners	315 Crossgate Boulevard	Brandon	MS	39042	(601) 824-1155
5331	Joseph J. Mangino and Jennifer F. Mangino	Clinton Crossing	111 Hwy 80 East, Suite B	Clinton	MS	39056	(601) 925-5001
2476	Sarah D. Coxwell and Cary D. Coxwell	Leigh Mall	1404 Old Aberdeen Road	Columbus	MS	39705	(662) 328-4450
7783	Shad L. Erkintalo and Katherine T. Erkintalo	The Promenade D'Iberville	3821 Promenade Parkway Suite O-3	D'Iberville	MS	39540	(228) 396-1536
9532	Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons and Russell D. Sammons	Dogwood Promenade	122 Promenade Ave, Space 2-B	Flowood	MS	39232	(601) 992-6938
8833	Scott M. Robichaux and Teresa B. Robichaux	Unnamed Center	3317 Hardy Street, Suite 60	Hattiesburg	MS	39401	(601) 336-8103
2829	Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons	The Forum at Grandview	175 Grandview Blvd., #420	Madison	MS	39110	(601) 605-2200
6925	Franklin K. Carmical	The Shops of Crumpler Place	7447 Goodman Road	Olive Branch	MS	38654	(662) 893-3871
3289	Franklin K. Carmical	Wedgewood Commons	5142 Goodman Road, Suite 105	Olive Branch	MS	38654	(662) 890-8730
9404	Franklin K. Carmical	Goose Creek Mall	2214 West Jackson Ave.	Oxford	MS	38655	(662) 234-5687
6420	Shad Erkintalo	Shipyard Plaza	4115 Denny Avenue	Pascagoula	MS	39581	(228) 769-8751
6526	Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons	The Outlet at Bloomfield	200 Bass Pro Drive	Pearl	MS	39208	(601) 939-0003
8113	Scott M. Robichaux and Teresa B. Robichaux	Walmart Center	231 Frontage Road	Picayune	MS	39466	(601) 799-3775

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266	Wallace H. Kirk, Linda P. Kirk, and Liza K. Sammons and Russell D. Sammons	Renaissance at Colony Park	1000 Highland Colony Parkway, # 6007	Ridgeland	MS	39157	(601) 853-9945
9168	Sarah D. Coxwell and Cary D. Coxwell	911 Highway West	911 Hwy 12 West, Suite 206B	Starkville	MS	39759	(662) 323-4919
733	Joseph J. Mangino and Jennifer F. Mangino	Pemberton Square Mall	Pemberton Square Blvd. #31	Vicksburg	MS	39180	(601) 638-9168
5132	Erik E. Taake	Skyway Regional Sc	2030 Cromwell Dixon Lane, Suite J	Helena	MT	59602	406-449-0696
587	Erik E. Taake	Mountain View Plaza	2415-2 US Highway 93 N, # 7	Kalispell	MT	59901	(406) 257-7876
2651	Kevin F. Graham and Edwin P. Graham	Skyland Plaza	1863 Hendersonville Road, Suite 120	Asheville	NC	28803	(828) 277-0313
315	Carter F. Dalton and Laura E. Dalton	Parkside Town Commons	1119 Parkside Main Street	Cary	NC	27519	(919) 466-7117
3739	Van E. Morris and Sherman McKinney, III	Carmel Commons	7631 Pineville Road	Charlotte	NC	28226	(704) 543-2796
6836	Margaret J. Corrigan	Gateway @ Northpointe	1804-B North Pointe Drive	Durham	NC	27705	(919) 620-7882
1030	Carter F. Dalton and Laura E. Dalton	Fuquay Crossing	1353 East Broad Street	Fuquay Varina	NC	27526	(919) 557-5848
8817	Van E. Morris and Sherman McKinney, III	Franklin Square S/C	3044 East Franklin Blvd	Gastonia	NC	28052	(704) 867-6141
6789	Bernadette A. Shepherd and David N. Hudak	Lawndale Shopping Center	2629 Lawndale Avenue	Greensboro	NC	27408	(336) 540-0265
8610	Carter F. Dalton and Laura E. Dalton	Holly Springs Town Center	163 Grand Hills Place	Holly Springs	NC	27540	(919) 552-2171

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7420	Barbara Goodwin Lupton	Cross Pointe Center	1250-L Western Boulevard	Jacksonville	NC	28540	(910) 478-0500
1832	Carter F. Dalton and Laura E. Dalton	Southside Square	1022-H South Main Street	Kernersville	NC	27284	(336) 904-6006
6554	Barbara Goodwin Lupton	Cypress Bay Plaza	5167 Highway 70 Site 15	Morehead City	NC	28557	(252) 808-3900
1029	Carter F. Dalton and Laura E. Dalton	Park West	1604 Village Market Place	Morrisville	NC	27560	(919) 467-4073
3788	John R. Johnson and Janice R. Johnson and Bobby Allen	Granite Town Center	692 S Andy Griffith Parkway	Mt. Airy	NC	27030	(336) 789-8697
7516	Christopher B. McCoy	Outer Banks Mall	5000 South Croatan Highway, Unit N-8	Nags Head	NC	27959	(252) 449-8083
8750	Carter F. Dalton and Laura E. Dalton	The Lassiter at North Hills	4421 Six Forks Road, Suite 117	Raleigh	NC	27609	(919) 787-0462
5274	Carter F. Dalton and Laura E. Dalton	Stonehenge Market	7550 Creedmoore Road, Suite 103	Raleigh	NC	27613	(919) 848-0980
6116	James M. Eaker and Debra K. Eaker	Innes Street Market	243 Faith Road	Salisbury	NC	28146	(704) 630-9393
8991	Bruce R. Seidel, Jr. and Janice L. Seidel	Shallotte Crossing	150 Shallotte Parkway Crossing, Suite 3	Shallotte	NC	28470	(910) 755-5825
8677	Paul W. Czesak, Florence B. Czesak, and Mark D. Czesak	Mayfaire Towne Center	6870 Main Street	V	NC	28405	(910) 256-1107
9200	Paul W. Czesak, Florence B. Czesak, and Mark D. Czesak	University Center	412 S. College Road, Suite 59	Wilmington	NC	28403	(910) 452-1828
3625	John R. Johnson and Janice R. Johnson and Bobby Allen	Thruway Shopping Center	276 S. Stratford Road	Winston-Salem	NC	27103	(336) 724-6855

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
5109	Nathan D. Hanson and Ralph P. Hanson	Twin Creek Plaza	3906 Twin Creek Drive, Suite #101	Bellevue	NE	68123	(402) 291-4228
9019	Erik E. Taake	Village Shopping Center	2455 1st Ave, Ste 107	Columbus	NE	68601	(402) 562-7546
2282	Beau J. Huffman and Brook A. Huffman	Conestoga Mall	3404 W. 13th Street	Grand Island	NE	68803	(308) 381-1097
9841	Beau J. Huffman	One Osborne Place	4103 Osborne Drive West #7	Hastings	NE	68901	(402) 462-2450
1959	Beau J. Huffman	Hilltop Mall	5003 N. Second Avenue, Suite 6	Kearney	NE	68847	(308) 234-6695
5252	Nathan D. Hanson and Megan J. Hanson	Parkhaus Retail Shops	1317 Q Street, Suite 120	Lincoln	NE	68508	(402) 261-4783
5133	Carl A. Hughes and Christopher D. McKay	Lincoln Crossing	5100 North 27th Street	Lincoln	NE	68521	(402) 438-1188
3373	Erik E. Taake	Sunset Plaza	1700 Market Lane, Suite 20D	Norfolk	NE	68701	(402) 379-4629
993	Carl A. Hughes and Christopher D. McKay	Eagle Run	13362 W. Maple Road	Omaha	NE	68164	(402) 493-4484
589	Carl A. Hughes and Christopher D. McKay	Lakeside Plaza	17406 Lakeside Hills Plaza	Omaha	NE	68130	(402) 330-3220
8681	Marcus A. Self and Danielle R. Self	Monument Mall	2302 Frontage Rd. Suite 9	Scottsbluff	NE	69361	(308) 632-3117
2579	Gary M. Woodward and Timothy C. Woodward	Fort Eddy Plaza	40 Fort Eddy Road	Concord	NH	03301	(603) 224-4308
2473	Gary M. Woodward and Timothy C. Woodward	Brickyard Square	1 Brickyard Square	Epping	NH	03042	(603) 679-3434
3299	Gary M. Woodward and Timothy C. Woodward	Market Basket Plaza	1500 Lafayette Road, Suite 4	Portsmouth	NH	03801	(603) 427-1613

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3667	Rajnikant Patel	Belleville Shopping Center	370 Main Street	Belleville	NJ	07109	(973) 751-6262
3022	Tara R. Rosenblum and Anilkumar P. Jethnani	GNC (Storefront)	549 Bloomfield Avenue	Bloomfield	NJ	07003	(973) 259-0100
2354	Tara R. Rosenblum and Anilkumar P. Jethnani	Corrado's Family Center	1578 Main Avenue	Clifton	NJ	07011	(862) 247-8347
8980	Anna J.S. Huh, Young H. Huh, and Angela K.S. Huh	Heidenberg Plaza	266 Closter Dock Road	Closter	NJ	07624	(201) 768-9094
5702	Eric S. Miller	Town Center Plaza	319 Route 130 North	East Windsor	NJ	08520	(609) 448-3257
6175	Vincent P. Cacace and Denise M. Cacace	Edgewater Marketplace	725 River Road	Edgewater	NJ	07020	(201) 941-5430
997	Ketan Patel and Krishna Patel	Franklin Town Center	3391 Route 27, Space 119	Franklin Park	NJ	08823	(732) 940-9370
1757	SatishK. Shoor, Suman Shoor and Rohit K. Shoor	Garwood Mall	300 South Avenue #12	Garwood	NJ	07027	(908) 654-1600
5995	Amedeo L. DiSarro	Valley Mall Shopping Center	977 Valley Road	Gillette	NJ	07933	(908) 626-1000
3530	Kumar Aditya	Summit Plaza	370 W. Pleasantview Ave.	Hackensack	NJ	07601	(201) 343-4033
3684	Pankaj Kapoor and Sheetal Kapoor	Riverfront Plaza S/C	500 South River Street	Hackensack	NJ	07601	(201) 296-0250
9193	Eric S. Miller	Hamilton Marketplace	140 Market Place Blvd	Hamilton	NJ	08691	(609) 581-6608
3934	Eric S. Miller and Dianne Miller	Aldrich Shopping Center, Space 18	4069 Route 9 North	Howell	NJ	07731	(732) 367-7778
3799	Satish K. Shoor, Suman Shoor, and Rohit K. Shoor	Walmart Center	220 Harrison Avenue, Suite A7	Kearny	NJ	07032	(201) 628-2054

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8555	Eric S. Miller and Dianne Miller	The Marketplace	1230 Chews Landing Road	Laurel Springs	NJ	08021	(856) 309-5700
3021	Satish K. Shoor and Suman Shoor	Aviation Plaza	685 W. Edgar Drive	Linden	NJ	07036	(908) 525-0303
7673	Amal K. Aditya	Veterans Square	548 New York Avenue	Lyndhurst	NJ	07071	(201) 842-9797
6648	Melba E. Novillo	Market Place @ Manville	148 N. Main St.	Manville	NJ	08835	(908) 253-9515
1825	Eric S. Miller and Dianne Miller	Marlton Crossing	209 South Route 73	Marlton	NJ	08053	(856) 988-0086
5060	Satish K. Shoor and Suman Shoor	Morris Plains Shopping Center	1711 State Route 10, Space F	Morris Plains	NJ	07950	(973) 539-0179
3598	Satish K. Shoor and Suman Shoor	Brunswick Shopping Center	504 Milltown Road	New Brunswick	NJ	08902	(732) 545-5669
2329	Pankaj K. Patel and Vibha P. Patel	Commerce Center	2431 US Highway 1	North Brunswick	NJ	08902	(732) 640-1010
8819	Eric S. Miller and Dianne Miller	Middlebrook Shopping Center	1586 Route 35 South	Ocean Township	NJ	07712	(732) 695-0009
2019	Amal K. Aditya and Teresa Aditya	Plaza 23	500 Route 23, Suite 1-A	Pompton Plains	NJ	07444	(973) 831-9400
3475	Pankaj K. Patel, Vibha P. Patel, and Balwinder Singh	Princeton Market Fiar	3535 US 1, Suite 170	Princeton	NJ	08540	(609) 951-0908
2109	Idrees Kalu and Tasleem Siddiqi	Harmon Plaza	700 Plaza Drive	Secaucus	NJ	07094	(201) 348-9549
2475	Satish K. Shoor, Suman Shoor, and Amit K. Shoor	Oak Park Commons Shopping Center	907 A Oak Tree Road	South Plainfield	NJ	07080	(908) 791-4462
6780	Shanti S. Mehta	General Green Shopping Center	225 Morris Avenue	Springfield	NJ	07081	(973) 921-1770

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6063	Kumar Aditya and Jeanette Aditya	Teterboro Landing	6 Teterboro Landing Drive	Teterboro	NJ	07608	(201) 288-1960
6308	Rakhshinda J. Hasan and Rakshanda J. Hussaini	Capital Plaza	1558 North Olden Avenue	Trenton	NJ	08628	(609) 695-0500
5795	Pankaj Kapoor	Union Plaza Shopping Center	2401 Highway 22 West	Union	NJ	07083	(908) 964-4300
3550	Virinderpal Singh and Suchet Kandhari	Pilgrim Shopping Center	343 Pompton Avenue	Verona	NJ	07044	(973) 857-8557
6591	Pankaj Kapoor	Wallington Plaza	375 Paterson Avenue	Wallington	NJ	07057	(201) 635-9666
3483	Ramon Santos, Josefa Santos, and Griselda Betancourt	52-10 Bergenline Ave.	52-10 Bergenline Ave.	West New York	NJ	07093	(201) 392-9555
3481	Nafisa M. Khalid and Syed I. Khalid	Essex Green Shopping Center	1280 Prospect Avenue	West Orange	NJ	07052	(973) 731-8620
1296	Noorzahan Aditya, Amal K. Aditya, and Teresa Aditya	Plaza 46	1550 US Highway 46	West Paterson	NJ	07424	(973) 812-5000
3755	Eric S. Miller	Westmont Plaza	690 Cuthbert Blvd.	Westmont	NJ	08108	(856) 869-4484
6225	Anna J.S. Huh, Young H. Huh, and Angela K.S. Huh	Westwood Plaza	700-84 Broadway	Westwood	NJ	07675	(201) 594-0110
1148	Kenneth J. Powell and Lori J.S. Powell	Health Haven	1619 San Mateo NE	Albuquerque	NM	87110	(505) 265-4830
6223	Vance Parrott and Janice Parrott	Carlsbad Mall	2302 West Pierce Street, Space C-8	Carlsbad	NM	88220	(575) 234-1230
7180	Shawn C. Jensen	Elko Junction	2503 Mountain City Hwy., Space 110	Elko	NV	89801	(775) 753-8282

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6897	Suzette M. Demery and Christopher D. Demery	Eastwind Center	2381 E. Windmill Lane, Suite 3	Las Vegas	NV	89123	(702) 837-5945
6598	Suzette M. Demery and Christopher D. Demery	Silverado Ranch Plaza	9875 S. Eastern Avenue, Suite E-3	Las Vegas	NV	89129	(702) 614-1081
5815	Daniel K. K. Leung and Ying Wu	Maryland Crossing Shopping Center	4055 S. Maryland Parkway, #4010	Las Vegas	NV	89119	(702) 866-0682
1034	Jingwen Nie and Jianhua Ma	Spring Valley Town Center	4130 South Rainbow Blvd	Las Vegas	NV	89103	(702) 362-3977
5004	Manuel A. Oviedo and Feliza Garcia	Camino El Norte Gateway Plaza	1306 West Craig Road, Suite D	North Las Vegas	NV	89032	(702) 642-9334
9135	Veeran C. and Raziya P. Kutty	Baldwin Plaza	682 Sunrise Highway	Baldwin	NY	11510	(516) 868-1300
7530	Mahvash Naseem	Storefront	61-06 Springfield Boulevard	Bayside	NY	11364	(718) 224-2711
1626	Faraz Naseem	42-09 Bell Blvd	42-09 Bell Boulevard	Bayside	NY	11361	(718) 352-0034
1139	Jin Woo Yi and Ho Jin Yoo	Bridgehampton Commons	2044 Montauk Highway #72	Bridgehampton	NY	11976	(631) 537-5218
8713	Sajid Mehmood and Rashida Sajid	Storefront	2958 Third Avenue	Bronx	NY	10455	(718) 292-4304
722	Nadeem A. Choudhry	Storefront	52 East Fordham Road	Bronx	NY	10468	(718) 220-8143
5742	Mohammed Shakil Kazi	Metro Center Atrium	1776 Eastchester Road	Bronx	NY	10461	(347) 657-0475
8102	Veeran C. Kutty and Raziya P. Kutty	Town Center at Central Islip	100 S Research Pl.	Central Islip	NY	11722	(631) 582-2591
6096	Hua Shan Chen and Hong Xin Luo	Commack Shopping Center	14 Veterans Highway	Commack	NY	11725	(631) 462-9761

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
2734	Mohammed Shakil Kazi	Chauncey Square	50 Livingstone Avenue	Dobbs Ferry	NY	10522	(914) 478-1136
111	Parmeet Singh	Huntington Square	400 E Jericho Turnpike	East Northport	NY	11731	(631) 499-2300
8540	Hua Shan Chen and Hong Xin Luo	Expressway Plaza	2322 North Ocean Avenue	Farmingville	NY	11738	(631) 736-7340
7963	Sajid Mehmood and Rashida Sajid	Flushing Stop n Shop Center	30-11 Stratton Street	Flushing	NY	11354	(718) 539-5704
2892	Nadeem A. Choudhry	The Gallery at Westbury Plaza	932 Old Country Road	Garden City	NY	11530	(516) 794-8463
9239	Mahvash Naseem	CVS Plaza Shopping Center	214E Glen Cove Avenue	Glen Cove	NY	11542	(516) 674-8029
1996	Rajendra Panda	Forest Hills Retail	73-25 Woodhaven Boulevard	Glendale	NY	11385	(718) 897-7484
3072	Faraz Naseem	Motor Parkway Plaza	694 Motor Parkway, Suite 6	Hauppauge	NY	11788	(631) 231-7475
6074	Rajendra (Rajan) Panda and Surama Panda	157-02 Cross Bay Blvd.	157-02 Cross Bay Blvd.	Howard Beach	NY	11414	(718) 487-4052
3262	Neha Mehta and Prashant Mehta	Lake Shore Plaza	601-10 Portion Road	Lake Ronkonoma	NY	11779	(631) 981-9074
1922	Parmeet Singh	Nassau Mall	3601 Hempstead Turnpike, Space 18	Levittown	NY	11756	(516) 579-0866
1899	Yi Michael Shen	The Plaza at Little Neck Hills	252-20 Northern Boulevard	Little Neck	NY	11362	(718) 224-2685
1675	Veeran C. Kutty and Raziya P. Kutty	Merrick Commons	1634 E Merrick Road	Merrick	NY	11566	(516) 208-9700
1136	Kumar Aditya and Jeanette Aditya	HARRIMAN COMMONS	128 BAILY FARM ROAD, RTE 17 & RTE 32	MONROE	NY	10950	(845) 782-1106

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7272	Altaf Hussain	Lake Success Shopping Center	1474 Union Turnpike	New Hyde Park	NY	11040	(516) 352-8853
2360	Idrees Kalu and Tasleem Siddiqi	Newburgh Mall	1401 Route 300	Newburgh	NY	12550	(845) 566-7425
8424	Muhammad S. Hanif and Zahid Rashid	Niagara Consumer Square	7314 Niagara Falls Blvd	Niagara Falls	NY	14304	716-236-0028
952	Shuang X. Wong	Plainview Shopping Center	349 South Oyster Bay Road, #12	Plainview	NY	11803	(516) 433-4824
2580	Parmeet Singh	Independence Plaza	335 Independence Plaza	Seldon	NY	11784	(631) 736-1137
557	Parmeet Singh	Village Commons/Smithtown Shopping Center	48 East Main Street	Smithtown	NY	11787	(631) 979-4070
8539	Nadeem A. Choudhry	Forest Plaza	2040 Forest Avenue	Staten Island	NY	10303	(718) 761-1304
1698	Frank J. Chiaino, Justin L. Chiaino, and Lisa Chiaino	Town Center at Webster	1028 Ridge Road, Suite 10	Webster	NY	14580	(585) 872-1750
6510	Sajid Mehmood and Rashida Sajid	Whitestone Shopping Center	153-29 Cross Island Parkway	Whitestone	NY	11357	(718) 747-2674
5001	Yi Michael Shen	46-16 Queens Blvd	46-16 Queens Blvd	Woodside	NY	11104	(718) 706-8058
6213	Mohammed Shakil Kazi and Tara R. Kazi	Central Plaza	2562 Central Park Avenue	Yonkers	NY	10710	(914) 337-1519
1071	Jean Case	South Plaza	380 East Waterloo Road	Akron	OH	44319	(330) 785-1462
1843	Jean Case	Arlington Ridge Marketplace	790 Arlington Road, Space 231	Akron	OH	44312	(330) 644-1462
5250	Matthew S. Madow	Marketplace At Four Corners	7719 Market Place Drive	Aurora	OH	44202	(330) 562-3308

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8541	Steven M. Mitchell and Cynthia A. Mitchell	Avon Commons	35900 Detroit Rd	Avon	OH	44011	(440) 937-2124
3252	Daniel C. Gerome, Jill S, Gerome and Nick J. Gerome	Pavillion Shopping Center	24223 Chagrin Boulevard	Beechwood	OH	44122	(216) 896-9462
6418	Jean Case	Ridge Park Square	4756 Ridge Road	Brooklyn Heights	OH	44144	(216) 661-4462
9045	Jean Case	Brunswick Town Center	1439 Town Center Blvd, Ste D-10	Brunswick	OH	44212	(330) 225-4757
5826	Dan W. Mosedale and Jeanette G. Mosedale	Winchester Square	6438 Winchester Blvd.	Canal Winchester	OH	43110	(614) 834-8789
588	Jean Case	Country Fair Plaza	4203 Tuscarawas Street West	Canton	OH	44708	(330) 477-9462
981	Matthew D. West and Michelle A. West	Sam's Club Center	1290 N. Bridge Street	Chillicothe	OH	45601	(740) 773-7002
6383	Gregory B. Hilycord and Jane M. Hilycord	Blue Ash Commons	4118 Hunt Road	Cincinnati	OH	45236	(513) 984-9522
6515	Bruce R. Seidel, III and Sarah H. Seidel	Western Hills Plaza	6180 Glenway Avenue, Suite #G	Cincinnati	OH	45211	(513) 389-9863
1680	Bruce R. Seidel, III and Sarah H. Seidel	Kings Auto Mall	4760 Fields Ertel Road	Cincinnati	OH	45249	(513) 583-1800
992	Anna Maria Schuck	Sugar Creek Plaza	6020 Wilmington Pike	Dayton	OH	45459	(937) 848-2610
7226	Bruce R. Seidel, III and Sarah H. Seidel	Cloud Park Plaza	4642 Brandt Pike Road	Dayton	OH	45424	(937) 273-1842
3822	Thomas O. Colvin	Avery Square	7030 Perimeter Loop Road	Dublin	OH	43016	(614) 761-2005
6739	Gregory B. Hilycord and Jane M. Hilycord	Village Green	675 Deis Drive	Fairfield	OH	45014	(513) 939-0270

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5615	Bruce R. Seidel, III and Sarah H. Seidel	North Towne Plaza	1375 Wagner Avenue	Greenville	OH	45331	(937) 548-1252
6445	Thomas O. Colvin	Parkway Center North	1724 Stringtown Road, Space 16	Grove City	OH	43123	(614) 801-2250
2640	Tonjia J. Johnson	Harrison Square	10548 Harrison Road	Harrison	OH	45030	(513) 367-7002
1043	Bruce R. Seidel, III and Sarah H. Seidel	Northpark Plaza	8233 Old Troy Pike	Huber Heights	OH	45424	(937) 237-9099
1374	Bruce R. Seidel, III and Sarah H. Seidel	Rookwood Pavilion Shopping Center	2692 Madison Road, Suite H-3	Hyde Park	OH	45208	(513) 631-2604
2106	Jean Case	Storefront	15002 Detroit Avebye	Lakewood	OH	44718	(216) 226-1462
3176	Dan W. Mosedale and Jeanette G. Mosedale	Northpointe Plaza	80 Meadowpark Road	Lewis Center	OH	43035	(740) 657-8492
3890	Gregory B. Hilycord and Jane M. Hilycord	The Shoppes of Mason	5220 Kings Mills Road	Mason	OH	45040	(513) 336-7575
3560	Jean Case	Super K-Mart Plaza	1049 N. Court St.	Medina	OH	44256	(330) 725-3116
3260	Steven M. Mitchell and Cynthia A. Mitchell	Creekside Commons	9591 Mentor Ave.	Mentor	OH	44060	(440) 639-7923
6873	Bruce R. Seidel, Jr., Bruce R. Seidel, III, and Sarah H. Seidel	Austin Landing	10645 Innovation Drive	Miamiburg	OH	45342	(973) 979-6400
5768	Gregory B. Hilycord and Jane M. Hilycord	Mulberry Square	1081-C SR 28	Milford	OH	45150	(513) 831-3332
6110	Raymond W. Newton	Shoppes at Parma	7691 W. Ridgewood Drive	Parma	OH	44129	(440) 842-2552
6297	Alexandr A. Arsh	Market @ Liberty Crossing	3982 Powell Road, Space #E-2	Powell	OH	43065	(614) 336-9908

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3446	Jean Case	South Park Mall	500 South Park Center #DU 1020	Strongsville	OH	44136	(440) 238-4700
3486	Bruce R. Seidel, III and Sarah H. Seidel	Troy Towne Center	1839 West Main Street	Troy	OH	45373	(937) 335-3971
6769	Susan J. Allen	Voice of America Centre	7688 Voice of America Centre Drive	West Chester	OH	45069	(513) 779-3737
6317	Thomas O. Colvin	Northgate Plaza	7381 State Route 3	Westerville	OH	43082	(614) 891-2502
3726	Thomas O. Colvin	Westerville Square	544 South State Street	Westerville	OH	43081	(614) 392-2385
9055	Steven M. Mitchell and Cynthia A. Mitchell	Wayne Town Center	3985 Burbank Road	Wooster	OH	44691	(330) 345-1208
2234	Gregory W. Draper	The Shops at Broken Arrow	1332 East Hillside Drive	Broken Arrow	OK	74012	(918) 355-0245
3722	Gregory W. Draper	Catoosa Hills Shopping Plaza	19360 Robson Road #B	Catoosa	OK	74015	(918) 379-0760
3830	Gregory W. Draper	Bryant Square Shopping Center	308 South Bryant Avenue	Edmond	OK	73034	(405) 359-7835
94	Gregory W. Draper	Sooner Town Center	7201 SE 29th Street, Suite 205	Midwest City	OK	73110	(405) 741-0443
9891	Gregory W. Draper	Shops at Moore	2590 Service Road	Moore	OK	73160	(405) 794-2224
2498	Gregory W. Draper	University Town Center	1615 24th NW	Norman	OK	73069	(405) 307-0290
9068	Gregory W. Draper	Quail Plaza S/C	10962 N. May Avenue	Oklahoma City	OK	73120	(405) 842-2770
9620	Gregory W. Draper	Westgate Market Place	5924 SW 4th Street Terrace	Oklahoma City	OK	73128	(405) 721-0844

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9819	Gregory W. Draper	Penn Plaza	1413 W I 240 Service Rd #B	Oklahoma City	OK	73159-4144	(405) 692-0900
2124	Gregory W. Draper	Market Plaza Shopping Center	6957 NW Expressway	Oklahoma City	OK	73132	(405) 721-0844
199	Gregory W. Draper	Center at Owasso	9046 N 121st East Avenue	Owasso	OK	74055	(918) 274-4345
7030	Allen C. Blankenship and Alda V. Blankenship	Pioneer Square	609 N. Perkins Rd	Stillwater	OK	74075-5411	(405) 377-6248
8959	Gregory W. Draper	Tulsa Hill Shopping Center	7335 S. Olympia Ave. W	Tulsa	OK	74132	(918) 447-1555
1695	Gregory W. Draper	Woodland Corner S/C	8115 East 71st Street	Tulsa	OK	74133	(918) 728-8381
2935	Gregory W. Draper	Yale Mall	1677 S Yale Avenue	Tulsa	OK	74112	(918) 742-1037
5719	Stuart Wilde	Gresham Town Fair	510 NW Eastern Parkway	Gresham	OR	97030	(503) 667-5063
8680	Shawn C. Jensen	Albertson's Shopping Center	5522 South 6th Street	Klamath Falls	OR	97603	(541) 850-4462
6729	Tsen-Yen Chen and Debbie Chen	West Hills Plaza	7545 SW Barnes Rd.	Portland	OR	97225	(503) 296-9905
7015	Eric S. Miller	Village West	3100 Tilghman St.	Allentown	PA	18104	(610) 434-0477
3254	Eric S. Miller and Dianne Miller	Airport Center	932 Airport Center Drive, Space 12	Allentown	PA	18109	(610) 266-1269
3796	Lee Peglow and Cynthia Rethage	Rostraver Square	150 Sara Way	Belle Vernon	PA	15012	(724) 930-9008
3324	Anand Gunvant Patel and Mitalben Anand Patel	Brookwood Shopping Center	1879 Street Road	Bensalem	PA	19020	(215) 638-7188

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
901	Richard A. Heinsberg	Moraine Point Plaza	260 Moraine Point Plaza	Butler	PA	16001	(724) 283-0979
2031	Eric S. Miller and Dianne Miller	Providence Town Center	250 Plaza Drive	Collegeville	PA	19426	(610) 409-9500
7498	James D. Sullivan and Annette E. Sullivan	Cranberry Commons	1713 Route #228	Cranberry Township	PA	16066	(724) 772-5533
2511	James D. Sullivan and Annette E. Sullivan	North Towne Square	5600 William Flynn Highway	Gibsonia	PA	15044	(724) 444-0940
9492	Darryl V. Green	Greengate Centre	2050 Greengate Centre Circle, Space #2	Greensburg	PA	15601	(724) 832-6350
6488	Eric S. Miller and Dianne Miller	Marketplace at Huntingdon Valley	2034 County Line Road	Huntingdon Valley	PA	19006	(215) 364-7550
7724	Robert J. Waters and Robert D. Rosen	Shoppes at Longwood Village	849 E. Baltimore Pike, Space L	Kenneth Square	PA	19348	(610) 444-4203
8116	Rakhshinda J. Hasan	Levittown Town Center	145 Levittown Parkway, Space # 29	Levittown	PA	19054	(215) 945-8100
7594	Bo T. Podvasnik and Sally D. Podvasnik	Summit Ridge Plaza	Route 819 South	Mt. Pleasant	PA	15666	(724) 547-4160
3459	James D. Sullivan and Annette E. Sullivan	Village of Murrysville	4550 William Penn Hwy. Rt. 22	Murrysville	PA	15668	(724) 733-1070
2873	Richard A. Heinsberg	Union Square Shopping Center	2527 W. State Street	New Castle	PA	16101	(724) 652-6415
5083	Jeffrey S. Lane and Karen Lane	Village @ Newtown West	2812 South Eagle Road, Space 1-28	Newtown	PA	18940	(215) 579-2100
3451	Eric S. Miller and Dianne Miller	Castor-Cottman S/C	2047 Cottman Ave.	Philadelphia	PA	19149	(215) 722-4297
6401	Eric S. Miller	Riverview Plaza	1100 S. Columbus Boulevard	Philadelphia	PA	19147	(215) 334-2022

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7175	Eric S. Miller	Northeast Tower Center	4640 East Roosevelt Blvd, Suite F2	Philadelphia	PA	19124	(215) 288-9130
2195	Raymond C. Dunn and Derrick J. Dunn	West View Plaza Shopping Center	1023 West View Park Dr	Pittsburgh	PA	15229	(412) 931-9998
2340	Scott A. Hood	McIntyre Square	7900 McKnight Road	Pittsburgh	PA	15237	(412) 369-5855
8136	Amer H. Barakat	The Southside Works	2747 E. Carson Street	Pittsburgh	PA	15203	(412) 431-1200
1050	Amer H. Barakat	The Village of East Side	6401 Penn Avenue	Pittsburgh	PA	15206	(412) 361-1920
2727	Dane R. Morris	Brentwood Towne Square	507 Towne Way, #507	Pittsburgh	PA	15227	(412) 884-1130
3226	James D. Sullivan and Annette E. Sullivan	McCandless Crossing	8876 Covenant Road	Pittsburgh	PA	15237	(412) 366-0444
6111	Eric S. Miller and Dianne Miller	Richland Crossing	231 N. West End Boulevard	Quakertown	PA	18951-2315	(215) 529-0590
2728	Eric S. Miller and Dianne Miller	Berkshire Square	1173 Berkshire Boulevard	Reading	PA	19610	(610) 655-9722
3899	Eric S. Miller	Royersford Center	70 Buckwalter Rd., Suite 404	Royersford	PA	19468	(610) 792-3113
2079	Eric S. Miller	Center Point Place	824 West Street Road	Warminster	PA	18974	(215) 674-1577
3731	Eric S. Miller and Dianne Miller	Valley Gate	231 Easton Road	Warrington	PA	18976	(267) 483-5941
7314	Darryl V. Green	Strabane Square	323 Washington Road	Washington	PA	15301	(724) 229-8411
89	Eric S. Miller and Dianne Miller	Upland Square Center	327 Upland Square Drive	West Pottsgrove	PA	19464	(610) 323-2822

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3838	Valerie C. Williams and John P. Williams	Village at Pine	1500 Village Run Drive, #311	Wexford	PA	15090	(724) 934-5678
3652	James R. Wilson	Cross Creek Plaza #6	330 Robert Smalls Parkway	Beaufort	SC	29906	(843) 522-3330
1868	James R. Wilson, Antonia M. Wilson, Bobby Allen and Dwrena K. Allen	278 Commercial Center, Suite C-106	1011 Fording Island Road	Bluffton	SC	29910	(843) 757-4414
2293	Guido J. Raso, Jr.	Columbiana Center	100 Columbiana Circle #1134	Columbia	SC	29212	(803) 781-7684
8003	Sarah D. Coxwell and Cary D. Coxwell	Northpointe Commons	10050 Two Notch Road, Suite 6	Columbia	SC	29223	(803) 788-2177
5462	Mohammad Farhan and Rabia B. Farhan	Shoppes at Woodhill	6070 C Gardner's Ferry Road	Columbia	SC	29209	(803) 695-7002
5934	Sarah D. Coxwell and Cary D. Coxwell	Super Wal-Mart Center	2709 J Church Street	Conway	SC	29526	(843) 365-2503
1766	Daniel A. McCollum and Bonnie M. McCollum	Easley Town Center	125 Rolling Hills Circle	Easley	SC	29640	(864) 306-0065
379	Todd P. Graham	Cherry Dale Point	1512 Poinsett Highway	Greenville	SC	29617	(864) 242-2262
5655	Todd P. Graham	Woodruff Square Shopping Center	1618 Woodruff Road, Suite A	Greenville	SC	29607	(864) 281-7844
6594	Todd P. Graham	Verdae Village	101 Verdae Blvd., Suite 500	Greenville	SC	29615	(864) 284-1010
9154	Todd P. Graham	Plaza on Pelham	3935 Pelham Road, Space H	Greenville	SC	29615	(864) 329-8166
6615	Todd P. Graham	Dill Creek Commons	1363 West Wade Hampton Blvd & Hwy 14	Greer	SC	29650	(864) 877-6631
5093	Khadeejah Farooq and Rabia B. Farhan	East Towne Center	5570-C Sunset Blvd	Lexington	SC	29072	(803) 356-9644

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1747	Jonathan W. King, Patricia C. Crigler, and William H. Crigler	Shoppes at White Knoll	1788 South Lake Drive, Suite 160	Lexington	SC	29073	(803) 359-7462
1321259	Guido J. Raso, Jr.	Prince of Orange Mall	2390 Chestnut NE, Suite D-3	Orangeburg	SC	29115	(803) 536-6257
5092	Van E. Morris and Sherman McKinney, III	The Commons	725 Cherry Road	Rock Hill	SC	29732	(803) 327-5355
1261	Todd P. Graham	Fairview Commons #2	335-C Harrison Bridge Road	Simpsonville	SC	29680	(864) 967-2999
3435	Sarah D. Coxwell and Cary D. Coxwell	Surfside Commons Shopping Center	2703 Beaver Run Blvd	Surfside Beach	SC	29575	(843) 215-0196
5033	Jonathan W. King, Patricia C. Crigler, and William H. Crigler	Westside Plaza	2331 Augusta Road	West Columbia	SC	29169	(803) 791-4888
5224	David M. Hultgren and Casey L.C. Nickell	Plaza of the University Mall	1050 22nd Avenue South	Brookings	SD	57006	(605) 692-1221
5014	Christopher R. Little, Stephanie M. Little, Robby J. Vergil, Jeffrey J. Little and Lisa N. Little	Black Hills Center	36 Ease Stumer Road, Space #102	Rapid City	SD	57701	(605) 343-1414
7575	David M. Hultgren, Casey L.S. Nickell, and Jacob J. Nair	Dawley Farms Village	1029 S. Highline Place	Sioux Falls	SD	57110	(605) 338-3696
5383	David M. Hultgren, Casey L.S. Nickell, and Jacob J. Nair	Empire Plaza	1370 Empire Mall	Sioux Falls	SD	57106	(605) 361-2446
8048	Travis C. Hibbert and Kirsten B. Hibbert	Hunter's Crossing	1076 Hunters Crossing Drive	Alcoa	TN	37701	(865) 983-5141
1701	George S. Viar and Pamela M. Viar	Bartlett Towne Center	5985 Stage Road, Suite 28	Bartlett	TN	38134	(901) 382-8999

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
2268	Thomas H. Goewey and Alice T. Goewey	Bradley Square Mall	200 Paul Huff Parkway, Suite 28	Cleveland	TN	37312	(423) 472-2746
3597	Franklin K. Carmical	Market on Poplar	890 West Poplar Avenue	Collierville	TN	38017	(901) 854-9505
6801	George S. Viar and Pamela M. Viar	The Commons @ Dexter Lake	1605 Germantown Parkway #104	Cordova	TN	38018	(901) 737-3100
6672	Joy Aniello	The Crossing Shopping Center	US Hwy 127	Crossville	TN	38555	(931) 707-9828
2741	Rex A. McKinney and Barbara A. McKinney	Thoroughbred Shopping Center	545 Cool Springs Blvd., Suite 130	Franklin	TN	37067	(615) 771-6080
6673	Rex A. McKinney and Barbara A. McKinney	The Shops of Village Green	150 Belvedere Road	Gallatin	TN	37066	(615) 230-9006
2169	Rex A. McKinney and Barbara A. McKinney	Gallery at Indian Lake	206-A North Anderson Lane, Suite 300	Hendersonville	TN	37075	(615) 348-0140
8835	Connie N. Hill	The Pointe	308 Main Street	Jacksboro	TN	37757	(423) 566-0967
2515	Connie N. Hill	Northwest Crossing	6729 Clinton Highway	Knoxville	TN	37912	(865) 947-3774
7615	Travis C, Hibbert and Kirsten B. Hibbert	Landing @ Cedar Bluff	9273 Kingston Pike	Knoxville	TN	37922	(865) 560-1545
5879	Travis C. Hibbert and Kirsten B. Hibbert	Westview Plaza	1416 West Main St.	Lebanon	TN	37087	(615) 444-9996
7033	George S. Viar and Pamela M. Viar	Poplar Plaza	3452 Poplar Avenue	Memphis	TN	38111	(901) 324-7700
6570	Rex A. McKinney and Barbara A. McKinney	Providence Marketplace	401 S. Mt Juliet Rd Ste 330	Mt. Juliet	TN	37122	(615) 758-5199
5945	Rex A. McKinney and Barbara A. McKinney	Crossgate Village	2369 Murfreesboro Road	Nashville	TN	37217	(615) 367-0444

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1810	Rex A. McKinney and Barbara A. McKinney	Park Place Shopping Center	2817 West End Avenue	Nashville	TN	37203	(615) 320-0107
962	Rex A. McKinney and Barbara A. McKinney	Nashvillle West	6716 Charlotte Pike, Suite 106	Nashville	TN	37209	(615) 732-0111
6432	Ted D. Calton	Governor's Square Crossing Outlet Center	218 Collier Drive	Sevierville	TN	37863	(865) 908-2822
1671	Rex A. McKinney and Barbara A. McKinney	Colonial Town Park	801 Industrial Boulevard	Smyrna	TN	37167	(615) 355-8502
6103	Rex A. McKinney and Barbara A. McKinney	Crossing of Spring Hill	1012B Crossing Blvd.	Spring Hill	TN	37174	(931) 486-1449
3865	Ronnie J. Anderson and Merry C. Anderson	Commerce Central S/C	2111 N. Jackson Street, Suite 108	Tullahoma	TN	37388	(931) 455-2575
3864	Ronnie J. Anderson and Merry C. Anderson	Merchant Central S/C	2637 Dechard Blvd	Winchester	TN	37398	(931) 962-4462
3450	Guillermo Perales	Mall of Abilene	4310 Buffalo Gap Road	Abilene	TX	79606	(325) 691-1742
2601	Guillermo Perales	Addison Town Square	3806 Beltline Road	Addison	TX	75001	(972) 488-8337
3750	Patricio Cadena and Jenna Cadena	Alice Shopping Center	1900 NW Atkinson Blvd.	Alice	TX	78332	(361) 668-8222
3962	Muhammad Wazir and Noshaba Wazir	Albertson's Center	315 N. Central Expressway South	Allen	TX	75013	(972) 396-5550
3162	Fernando J. Carvallo and Maria Lofton	Village at Allen	170 East Stacy Road, Floor: STE, Suite 2318	Allen	TX	75002	(972) 678-3036
3346	Guillermo Perales	Wolfin Village Shopping Center	2603 Wolfin Village	Amarillo	TX	79109	(806) 354-2603
3409	Guillermo Perales	Westgate Mall	7701 I 40 West	Amarillo	TX	79111	(806) 355-5740

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3227	Guillermo Perales	Bell Plaza	5807 W. 45th Ave. #353	Amarillo	TX	79109	(806) 353-1623
6544	Behnood Farzad and Behzad Farzad	Arlington Highlands	4001 Arlington Highlands Blvd. #157	Arlington	TX	76018	(817) 472-9705
1641	Guillermo Perales	Green Oaks Plaza	5801 W I-20	Arlington	TX	76016	(817) 478-7230
2369	Guillermo Perales	Lincoln Square	654 Lincoln Square	Arlington	TX	76011	(817) 461-4670
2367	Guillermo Perales	Seville Commons	2141 North Collins Street	Arlington	TX	76011	(817) 299-0140
1764	Guillermo Perales	Creekside Plaza	2356 S.E. Green Oaks Blvd.	Arlington	TX	76018	(817) 465-2333
2192	Guillermo Perales	Athens Plaza	1395 East Tyler Street	Athens	TX	75751	(903) 677-8885
6462	David E. Brawner	Sunset Valley Village	5601 Brodie Lane, Suite 920	Austin	TX	78745	(512) 892-0938
1254	Harold R. Brawner and Ann L. Wenglein-Brawner	Southpark Meadows	9300 S IH 35, Suite C-300	Austin	TX	78748	(512) 292-9404
8661	Peter G. Buccieri	Muller Regional Retail	1200 Barbara Jordan Blvd., Suite 360	Austin	TX	78723	(512) 474-2949
712	Guillermo Perales	Plaza Volente	11521 F 620 North Street	Austin	TX	78726	(512) 506-8536
813	Guillermo Perales	Old Quarry Village	3563 Far West Road	Austin	TX	78731	(512) 342-9730
815	Guillermo Perales	Stassney Heights	5510 South Highway 35	Austin	TX	78745	(512) 326-9309
1068	Guillermo Perales	The Village @ Westlake	701 Capital of Texas Highway	Austin	TX	78746	(512) 306-9979

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1205	Guillermo Perales	Hancock Center	1000 East 41 Street	Austin	TX	78751	(512) 467-1935
1018	Guillermo Perales	Anderson Arbor Shopping Center	13435 US Highway 183 North	Austin	TX	78750	(512) 506-9041
1113	Guillermo Perales	Parke Green Shopping Center	1717 Pleasant Valley Drive	Austin	TX	78741	(512) 385-3816
1085	Guillermo Perales	Market at Parmer LA	2501 Parmer Lane #150	Austin	TX	78727	(512) 832-5056
924	Guillermo Perales	Northcross Mall	2525 W. Anderson Lane	Austin	TX	78757	(512) 323-6845
1026	Timothy E. Bannecker, Sr., Timothy E. Bannecker, Jr., Scott M. Bannecker, Matthew P. Bannecker	Belterra Village	165 Hargraved Street, Sp. P400	Austin	TX	78737	(512) 373-3021
1120	Guillermo Perales	Lost Pine Village	494 Highway 71 West	Bastrop	TX	78602	(512) 321-3388
5037	Mubarik A. Kahlon	Baytown Central Shopping Center	4506 Garth Road, Suite I	Baytown	TX	77521	(281) 427-8450
6199	Mubarik A. Kahlon	Baytown Marketplace	6331 Garth Road, Suite 110	Baytown	TX	77521	(281) 421-2719
5438	Wilson Ray Prudhomme	Chambers Town Center	8804 N. SH 146, Suite 120	Baytown	TX	77523	(281) 964-7709
5697	Amir Morshed, Haleh Morshed, and Armin Morshed	Cimarron Plaza	1424 Airport Freeway, Suite E	Bedford	TX	76022	(817) 267-8308
1693	Harold R. Brawner and Ann L. Wenglein-Brawner	HEB	12400 St Hwy 71	Bee's Cave	TX	78736	(512) 263-7248
2918	Guillermo Perales	Belton Center	201 Sparta Road	Belton	TX	76513	(254) 933-2947

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3908	Harold R. Brawner and Ann L. Wenglein-Brawner	707 Plaza	4237 North Expressway 77, Suite 7	Brownsville	TX	78520	(956) 621-0752
3860	Mubarik A. Kahlon	Tejas Center	725 E. Villa Maria Road, Space 1900	Bryan	TX	77802	(979) 361-0640
744	Guillermo Perales	Buda Crossing	640 Old San Antonio Road	Buda	TX	78610	(512) 295-1950
2165	Guillermo Perales	Trinity Valley Shopping Center	2630 N. Josey Lane #107	Carrollton	TX	75007	(972) 466-2920
2391	Guillermo Perales	Market at Cedar Hill	223 East FM 1382	Cedar Hill	TX	75104	(972) 291-0278
738	Guillermo Perales	Cedar Park Plaza	850 N. Bell Blvd	Cedar Park	TX	78613	(512) 257-0462
180	Patricio Cadena and Jenna Cadena	Shops At Cibolo Bend	513 Cibolo Valley Drive, Suite #131	Cibolo	TX	78108	210-659-9185
7559	Firooz A. Poshtkoohi	Oakwood Shopping Center	16913 El Camino Real	Clear Lake	TX	77058	(281) 990-8744
1460	Mubarik A. Kahlon	Tower Point Shopping Center	943 William D Fitch Parkway, Suite 701	College Station	TX	77845	(979) 690-7286
3170	Mubarik A. Kahlon	Post Oak Mall	1500 Harvey Station, Suite #6004	College Station	TX	77840	(979) 696-6159
1011	Wilson Ray Prudhomme, Jr.	Towne Center South Shopping Center	507 I-45, Space C	Conroe	TX	77304	(936) 427-1861
2239	Guillermo Perales	Corsicana Marketplace	3811 W. Highway 31	Corsicana	TX	75110	(903) 641-0622
1933	Timothy E. Bannecker, Sr., Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker	Village at Cross Roads	11750 Highway 380, Suite 220	Cross Roads	TX	76227	(940) 365-9096

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1915	Guillermo Perales	Stone Gate Plaza	910 South Crowley Road	Crowley	TX	76036	(817) 297-3272
9705	Wilson Ray Prudhomme, Jr.	Cypress Mill Plaza S/C	26084 US Hwy 290 North	Cypress	TX	77429	(281) 256-9080
6712	George M. Foteh	Fairfield Town Center	28920 Highway 290, Space #H09	Cypress	TX	77433	(281) 758-4006
1815	Behnood Farzad and Behzad Farzad	Frankford Crossing	4727 Frankford Road, Suite 345	Dallas	TX	75287	(972) 733-3261
1306	Behnood Farzad, and Behzad Farzad	Prestonwood Town Center	5225 Belt Line Road #210	Dallas	TX	75254	(972) 661-9700
2839	Behnood Farzad, and Behzad Farzad	Timber Creek Crossing	6243 Retail Road	Dallas	TX	75201	(214) 368-4600
6517	Luis F. Ibarguengoytia, and Maria L. Gathings	Dallas Fort Worth Airport, Terminal A	3200 East Airfield Drive	Dallas	TX	75261	(972) 973-7356
3833	Behnood Farzad and Behzad Farzad	Village at Bachman Lake	3701 West Northwest Highway	Dallas	TX	75220	(214) 358-6880
2295	Guillermo Perales	Park Forest Northeast	3767 Forest Lane	Dallas	TX	75244	(972) 243-3255
2388	Guillermo Perales	Wheatland Town Crossing	2525 W. Wheatland Road	Dallas	TX	75237	(972) 780-5656
2259	Guillermo Perales	Buckner Commons	9208 E RL Thornton	Dallas	TX	75228	(214) 324-3105
2543	Guillermo Perales	University Park Plaza	3205 North University Drive	Dallas	TX	75220	(936) 560-0918
1418	Guillermo Perales	White Rock Marketplace	11255 Garland Road	Dallas	TX	75218	(214) 327-4077
1665	Timothy E. Bannecker, Mary Alice Bannecker, Timothy E. Bannecker, Jr.,	Rayzor Ranch	2520 W University Drive, #1166	Denton	TX	76201	(940) 323-8333

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	Scott M. Bannecker, and Matthew P. Bannecker						
2029	Guillermo Perales	Townsend Square	901 Pol Street, Suite 350	DeSoto	TX	75115	(972) 228-8180
1726	Sobhan Davaryhadikiasary and Maryam Davari	League City Towne Center	3010 Gulf Freeway South, Suite J	Dickinson	TX	77539	(281) 337-4462
3364	Guillermo Perales	Heartland Mall	300 Early Boulevard	Early	TX	76802	(325) 643-4346
2614	Armin Morshed, Abdolamir Morshed and Haleh Morshed	Flower Mound Town Center	2701 Cross Timbers Rd, Ste 286	Flower Mound	TX	75028	(972) 539-9665
9140	Amir Morshed, Haleh Morshed, and Armin Morshed	Highlands of Flower Mound	6101 Long Prairie Road	Flower Mound	TX	75028	(972) 355-8474
6797	Wilson Ray Prudhomme, Jr.	Stableside at Falcon Landing	9722 Gaston Road, Space #125	Fort Bend	TX	77494	(832) 995-9045
1361	Behnood Farzad and Behzad Farzad	Trinity Commons	3000 S Hulen St #125	Fort Worth	TX	76109-1928	(817) 731-0550
2838	Behnood Farzad, and Behzad Farzad	Heritage Marketplace at Alliance Town Center	9530 Feather Grass Lane, Suite 170	Fort Worth	TX	76177	(817) 750-0777
7474	Behnood Farzad and Behzad Farzad	The Shoppes at Camp Bowie	6370 Camp Bowie Blvd., Suite 132	Fort Worth	TX	76116	(817) 615-9204
2750	Guillermo Perales	Montgomery Plaza	501 Carrol Street	Fort Worth	TX	76107	(817) 810-9240
2160	Guillermo Perales	Sycamore Village Shopping Center	3515 Sycamore School Road	Fort Worth	TX	76133	(817) 361-7159
5086	Guillermo Perales	Tanger Outlet Center Fort Worth - Lot 4	15829 North Freeway	Fort Worth	TX	76177	(512) 696-2783

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1869	Timothy E. Bannecker, Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker	Parkway Town Crossing	5105 Eldorado Parkway	Frisco	TX	75034	(972) 335-3400
5386	Timothy E. Bannecker, Sr., Mary Alice Bannecker, Timothy E. Bannecker, Jr, Scott M. Bannecker, and Matthew P. Bannecker	Custer Star	15962 El Dorado Parkway, Suite 100	Frisco	TX	75035	(469) 952-3333
5808	Timothy E. Bannecker, Sr., Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker	Hickory Center at Preston	8745 Gary Burns Drive, Suite 150	Frisco	TX	75034	(214) 705-9400
2400	Guillermo Perales	Fossil Creek Shopping Center	6515 N. Beach Street	Ft. Worth	TX	76137	(817) 232-9790
9514	Sobhan Davaryhadikiasary and Maryam Davari	Galvez Shopping Center	6228 Broadway Street	Galveston	TX	77553	(409) 740-4010
6310	Kanwal J. Dhillon and Sunita Dhillon	Shiloh Springs	6850 North Shiloh Road, Suite Q	Garland	TX	75044	(972) 414-8113
2599	Guillermo Perales	Broadway Center	5949 Broadway Blvd.	Garland	TX	75043	(972) 303-4519
1094	Guillermo Perales	Wolf Ranch	1013 West University Avenue, Ste 190	Georgetown	TX	78628	(254) 616-6764
2621	Guillermo Perales	Vinson Place	407 East Highway 377 East	Granbury	TX	76048	(817) 573-2440
2637	Guillermo Perales	Westchester Market	4116 S. Carrier Parkway	Grand Prairie	TX	75052	(972) 263-6933

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
1927	Guillermo Perales	Park West Plaza	312 South Park Boulevard	Grapevine	TX	76051	(817) 481-9433
1814	Naveed K. Sherwani	Shops at Houston Center	1200 McKinney #421	Houston	TX	77010	(713) 651-1408
1274	Firooz A. Poshtkoohi	Fondrenwood Shopping Center	9760 Fondren Road	Houston	TX	77096	(713) 270-5115
139	Mubarik A. Kahlon and Shams Hadi	Northwest Crossing	5770 Hollister Street, Bldg. F, Ste. E, Sp.162	Houston	TX	77040	(713) 462-8628
3611	George M. Foteh	Northchase Shopping Center	4445 FM 1960 W. Street	Houston	TX	77068	(281) 537-5210
6090	Mubarik A. Kahlon	Kroger Center-Woodforest	12620 Woodforest Blvd. Ste #180	Houston	TX	77015	(713) 455-1141
6296	Sikandar Choudhary and Tahira Choudhary	11850 Bissonnet Street	11850 Bissonnet, Suite A	Houston	TX	77099	(281) 933-1900
6286	Vinodchandra Patel and Vandanaben Patel	Spring Shadow Shopping Center	2755 Gessner Drive, Suite 11-E	Houston	TX	77080	(713) 690-9300
7165	Wilson Ray Prudhomme, Jr.	Meyer Park	9941 South Post Oak Rd., Meyer Park	Houston	TX	77096	(713) 728-8088
6937	George M. Foteh	Oak Forest Center	1354 A West 43rd	Houston	TX	77018	(713) 812-9988
7054	Wilson Ray Prudhomme, Jr.	Plaza in the Park	5168 Buffalo Speedway	Houston	TX	77005	(713) 664-6125
6265	Sikandar Choudhary and Tahira Choudhary	Parkway Village	1510 Eldridge Parkway	Houston	TX	77077	(281) 597-9605
7650	Firooz A. Poshtkoohi	Gulfgate Shopping Center	2903 Woodridge Drive Suite 192	Houston	TX	77087	(713) 242-0553
7341	George M. Foteh	Albertson's Shopping Center	12412 SM 1960 West	Houston	TX	77065	(832) 237-5204

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7644	Daniel Alemayehu and Tsion Elias	New Forest Crossing	5805 E. Sam Houston Pkwy, Suite G	Houston	TX	77049	(281) 459-1580
8760	George M. Foteh	Royal Oaks Plaza	11805 Westheimer Rd, Suite 310	Houston	TX	77077	(281) 921-4462
9160	Mubarik A. Kahlon	Randall's Cypress Station	96 FM & 1960 W	Houston	TX	77090	(281) 440-3896
9192	Sikandar Choudhary and Tahira Choudhary	Mission Bend	6822 Hwy 6 South	Houston	TX	77083	(281) 568-5487
6480	Firooz A. Poshtkoohi	Meyerland Shopping Center	370 Meyerland Plaza	Houston	TX	77096	(713) 349-8800
8278	Mubarik A. Kahlon	Northline Commons	4400 North Freeway, Suite F250	Houston	TX	77022	(713) 692-1863
200	George M. Foteh	Village Plaza @ Bunker Hill	9778 Katy Freeway, Suite 550	Houston	TX	77055	(713) 468-4188
2180	George M. Foteh	Woodlake Square Shopping Center	9650 Westheimer Road, Suite 400	Houston	TX	77063-3249	(713) 784-8484
2377	George M. Foteh	Washington Heights	103 Yale Street, Suite 400	Houston	TX	77077	(713) 861-6110
2909	George M. Foteh	Vintage Park	126 Vintage Park Blvd., Suite E	Houston	TX	77070	(281) 251-8404
6350	Guillermo Perales	Hudson Oaks - Lot 4	Fort Worth Highway	Hudson Oaks	TX	76087	(817) 599-6821
1724	Mubarik A. Kahlon	Park Lakes Landing	4801 Wilson Road, Space 900	Humble	TX	77396	(281) 441-1820
727	Firooz A. Poshtkoohi	Kingswood Glen Shopping Center	7551 FM 1960 East	Humble	TX	77346	(281) 852-7099
7870	Mubarik A. Kahlon	Westlake Marketplace	Beltway & East @ West Lake Parkway	Humble	TX	77044	(281) 459-3088

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7110	Wilson Ray Prudhomme, Jr.	Ravenwood Village Shopping Center	229 IH 45 South	Huntsville	TX	77340	(936) 295-3646
411	Patricia Stone	Los Colinas Plaza	4020 N. MacArthur Blvd.	Irving	TX	75038	(972) 650-0828
3362	Patricia Stone	MacArthur Crossing	7750 N. MacArthur Blvd, Suite #190	Irving	TX	75063	(972) 402-8777
2417	Firooz A. Poshtkoohi	Mason Park Shopping Center	571 Mason Road	Katy	TX	77450	(281) 579-2683
3172	Sikandar Choudhary and Tahira Choudhary	Greentree Retail Center	515-K South Fry Road	Katy	TX	77450	(281) 829-6305
7632	George M. Foteh	Grand Motion Town Center	22903 Morton Ranch Road Space 120	Katy	TX	77449	(346) 307-7622
2415	George M. Foteh	The Crossings at Katy-Fulshear	6445 FM 1463, Suite 170	Katy	TX	77494	(281) 346-8447
6606	Kanwal J. Dhillon and Sunita Dhillon	Keller Towne Center	940 Keller Parkway Suite #160	Keller	TX	76248	(817) 337-4620
519	Sobhan Davaryhadikiasary and Maryam Davari	The Shoppes of Kemah	401 FM 518	Kemah	TX	77565	(281) 549-7078
3183	Guillermo Perales	Killeen Mall	21000 South W.S. Young Drive	Killeen	TX	76543	(254) 699-4099
3221	Guillermo Perales	Expressway Plaza	1200 Lowe's Boulevard	Killeen	TX	76542	(254) 449-0042
3208	Guillermo Perales	Killeen Central Shopping Center	902-G Central W. Texas Expressway	Killeen	TX	76541	(254) 616-6764
3916	Mubarik A. Kahlon	Village at North Park	25639 U.S. Highway 59 North, Suite 103	Kingwood	TX	77339	(281) 354-2159
2082	Patricio Cadena and Jenna Cadena	Kyle Crossing	5132 Kyle Center Dr., #105	Kyle	TX	78640	(512) 268-0404

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
5012	Jafar Tafarroji and Mitra T. Tafarroji	Kroger Fairmont Shopping Center	1418 West Fairmont Parkway	La Porte	TX	77571	(281) 867-0770
6146	Patricio Cadena and Jenna Cadena	Plantation Square	7815 McPherson, #1K	Laredo	TX	78045	(956) 722-2633
1123	Patricio Cadena and Jenna Cadena	Marketplace at Bob Bullock	4311 Clark Boulevard	Laredo	TX	78043	(956) 725-1255
1484	Patricio Cadena and Jenna Cadena	Panda Laredo Shopping Center	2603 NE Bob Bullock Loop #120	Laredo	TX	78040	(956) 796-0601
1305	Guillermo Perales	Lewisville Towne Center	1093 W. Main Street	Lewisville	TX	75067	(972) 956-9499
961	Brian Taake	Longview Town Center	3080 N Eastmand Road, #113	Longview	TX	75605	(903) 663-1410
3302	Guillermo Perales	Texas Shopping Center	1803 7th Street - 901	Lubbock	TX	79401	(806) 747-1923
3396	Guillermo Perales	Canyon West	5017 Milwaukee Avenue	Lubbock	TX	79407	(806) 796-5881
3370	Guillermo Perales	Northpark Village Shopping Center	405 Slide Road	Lubbock	TX	79416	(806) 785-9884
3407	Guillermo Perales	South Plains Mall	6002 Slide Road	Lubbock	TX	79414	(806) 793-9354
2427	Guillermo Perales	Lubbock Retail Center	11435 Quaker Ave., Suite 200	Lubbock	TX	79424	(806) 783-0989
9127	Brian Taake	Lufkin Mall	4600 S Medford Dr. Suite 1250	Lufkin	TX	75901	(936) 639-4992
9388	Wilson Ray Prudhomme, Jr.	Market at 1488	6606 FM 1488 Road	Magnolia	TX	77354	(936) 271-1076
9424	Michael G. Snow and Linda S. Snow	Mansfield Towne Crossing	1811 US Hwy 287 N., Suite 126	Mansfield	TX	76063	(817) 453-2300

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
938	Guillermo Perales	The Marketplace	1101 FM 1431 West	Marble Falls	TX	78654	(830) 798-2285
5827	Harold R. Brawner and Ann L. Wenglein-Brawner	Ridge View Centre	1424 E Ridge Road, Space 5	McAllen	TX	78501	(956) 627-6602
8156	Timothy E. Bannecker, Sr., Mary Alice Bannecker, Timothy E. Bannecker, Jr., Scott M. Bannecker, and Matthew P. Bannecker	380 Towne Crossing	2050 West University Drive	McKinney	TX	75071	(469) 952-3460
2343	Zahid Naqvi and Ambreen Naqvi and Syed Ali Naqvi and Abida Naqvi	McKinney Town Center	8930 State Hwy 121, Space #500	McKinney	TX	75070	(972) 649-6600
5487	Zahid Naqvi and Ambreen Naqvi and Syed Ali Naqvi and Abida Naqvi	Lake Forest Crossing	5101 McKinney Ranch Parkway	McKinney	TX	75070	(214) 856-3515
643	Jonathan M. Loveless	Missouri City Shopping Center	5842 Highway 6	Missouri City	TX	77459	(281) 403-0404
6924	Jonathan M. Loveless	Sienna Plantation	9340 Highway 6, Suite 200	Missouri City	TX	77459	(281) 778-0410
2277	Guillermo Perales	Jefferson Park Shopping Center	634 South Jefferson	Mount Pleasant	TX	75455	(903) 577-8112
9612	Karathozhuvu V. Baskaran and Rowenia Baskaran	Greater Richland Shopping Center	7227 Grapevine Highway	N. Richland Hills	TX	76180	(817) 514-7500
3319	Patricio Cadena and Jenna Cedena	New Braunfels Town Center	2830 Town Center Drive	New Branfels	TX	78130	(830) 643-1231
9098	Mubarik A. Kahlon	Valley Ranch Town Center	21928 Market Place Drive, Suite 500	New Caney	TX	77365	(281) 577-4046
6734	Amir Morshed, Haleh Morshed, and Armin Morshed	North Tarrant Marketplace	9160 North Tarrant Parkway, # 120	North Richland Hills	TX	76182	(817) 770-4886

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
2241	Guillermo Perales	Palestine Plaza	2020 Crocket Road	Palestine	TX	75801	(903) 729-9677
3305	Guillermo Perales	Pampa Shopping Center	301-317 W. 30th Street	Pampa	TX	79065	(806) 665-2255
2809	Guillermo Perales	Paris Towne Center	3532 Lamar Avenue	Paris	TX	75460	(903) 739-8151
6287	Jafar Tafarroji and Mitra T. Tafarroji	Spencer Square	3540 Spencer Highway	Pasadena	TX	77504	(713) 946-8080
2462	Jafar Tafarroji and Mitra T. Tafarroji	Crossroads Shopping Center	6785 Spencer Highway	Pasadena	TX	77505	(281) 991-9193
6603	Mubarik A. Kahlon	Fairmont Shopping Center	5830 Fairmont Parkway	Pasadena	TX	77505	(281) 487-2368
6123	George M. Foteh	Pearland Plaza	7117 Broadway	Pearland	TX	77581	(281) 412-9484
7122	George M. Foteh	Pearland Town Center	11200 Broadway	Pearland	TX	77584	(713) 340-1040
883	Guillermo Perales	Countryside Place Shopping Center	1420 Wells Branch Parkway	Pflugerville	TX	78660	(512) 989-3633
1216	Guillermo Perales	Stone Hill Town Center	1512 Town Center Drive	Pflugerville	TX	78660	(512) 252-7994
3584	Guillermo Perales	Plainview Commons	1601 N I-27	Plainview	TX	79072	(806) 293-5325
5843	Zahid Naqvi and Ambreen Naqvi and Syed Ali Naqvi and Abida Naqvi	Lakeside Market	5809 Preston Road, Suite 585	Plano	TX	75093	(972) 378-4888
1740	Guillermo Perales	Hunter's Glen Crossing	3949 Legacy Road	Plano	TX	75023	(972) 491-7077
1370	Guillermo Perales	14th Street Market	2100 14th Street	Plano	TX	75074	(972) 424-8985

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6853	Patricio Cadena and Jenna Cadena	Gorman Plaza	2048 W Oaklawn, Suite 210	Pleasanton	TX	78064	(830) 569-8252
1756	Guillermo Perales	Gates of Prosper	750 Richland Drive, Suite 30	Prosper	TX	75078	(972) 747-8038
1439	Guillermo Perales	Ovilla Corners	109 East Ovilla Road	Red Oak	TX	75154	(972) 576-2679
6903	Ahmed S. Siddiqui and Ambreen Ashfaque	Lennox Center	2160 N. Coit Road #136	Richardson	TX	75080	(972) 437-2288
2429	Guillermo Perales	Richland Meadows	904 Audelia Road	Richardson	TX	75081	(972) 234-2386
8422	Wilson Ray Prudhomme, Jr.	The Shoppes of Bella Terra	22720 Bellaire Blvd., Suite 400	Richmond	TX	77469	(832) 595-6186
1659	Wilson Ray Prudhomme	The Market Center at Aliana	10223 W. Grand Parkway S., Suite 102	Richmond	TX	77407	(281) 647-9993
6879	Ahmed S. Siddiqui and Ambreen Ashfaque	Steiger Towne Center	890 Steiger Towne Crossing	Rockwall	TX	75032	(972) 772-0020
7112	Jonathan M. Loveless	Brazos Town Center	24200 Southwest Freeway	Rosenberg	TX	77471	(281) 239-7887
894	Guillermo Perales	Greenlawn Crossing Shopping Center	603 Louis Henna Blvd	Round Rock	TX	78664	(512) 246-9962
935	Guillermo Perales	University Oaks Shopping Center	201 University Oaks Blvd	Round Rock	TX	78665	(512) 716-1001
1082	Guillermo Perales	Sky Ridge Plaza	2000 S. Interstate 35	Round Rock	TX	78681	(512) 244-2870
8899	Guillermo Perales	Shops at Palm Valley	2178-2304 US 79	Round Rock	TX	78664	(512) 971-5682
146	Ahmed S. Siddiqui and Ambreen Ashfaque	Dalrock Crossing	6310 Dalrock Road #400	Rowlett	TX	75088	(972) 412-5088

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6749	Guillermo Perales	Woodbridge Commons	8040 Woodbridge Parkway #300	Sachse	TX	75048	(214) 537-4658
400	Behnood Farzad and Behzad Farzad	Cross Pointe Center	1453 North Saginaw Blvd.	Saginaw	TX	76179	(817) 232-8250
3602	Harold R. Brawner and Ann L. Wenglein-Brawner	Northwoods Shopping Center	18160 US Hwy. 281 N., Suite 218	San Antonio	TX	78232	(210) 496-6360
6519	Harold R. Brawner, Ann L. Wenglein-Brawner, and Mary R. Lacy	Huebner Oaks Shopping Center	11075 IH-10 West, Suite 307	San Antonio	TX	78230	(210) 690-2162
6793	Mehdi and Fatima Dhukka	The Market @ Boerne Stage	24165 IH-10 West, Suite 121	San Antonio	TX	78257	(210) 698-6359
7962	Harold R. Brawner, Ann L. Wenglein-Brawner, and Mary R. Lacy	HEB Shopping Center	11600 Bandara Road	San Antonio	TX	78023	(210) 684-5922
9766	Harold R. Brawner and Ann L. Wenglein-Brawner	Culebra Market	10670 Culebra Road	San Antonio	TX	78251	(210) 520-0998
1881	Harold R. Brawner and Ann L. Wenglein-Brawner	Stone Ridge Shopping Center	21019 US Hwy 218, Suite 816	San Antonio	TX	78258	(210) 491-0707
112	Harold R. Brawner and Ann L. Wenglein-Brawner	Village at Blanco	1160 N 1604 W #106	San Antonio	TX	78248	(210) 404-1100
23	Harold R. Brawner and Ann L. Wenglein-Brawner	San Pedro Square	724 East Bitters Road	San Antonio	TX	78216	(210) 404-1100
1499	Harold R. Brawner and Ann L. Wenglein-Brawner	Quarry Village	260 E. Basse Road, Building #1, Space 105	San Antonio	TX	78209	(210) 832-9211
136	Harold R. Brawner and Ann L. Wenglein-Brawner	The Rim	6028 Worth Parkway, #104	San Antonio	TX	78257	(210) 696-6368
6077	Harold R. Brawner and Ann L. Wenglein-Brawner	Potranco Village	430 W. Loop 1604 North, #105	San Antonio	TX	78251	(210) 468-2623

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6522	Patricio and Jenna Cadena	Seguin Corners Shopping Center	582 Hwy, 123	Seguin	TX	78155	(830) 379-9499
541	Behnood Farzad and Behzad Farzad	Park Village	1161 Southlake Blvd., Suite 280B	Southlake	TX	76092	(817) 329-0080
1403	Naveed K. Sherwani	Klein Crossing Shopping Center	6088 FM 2920 Road	Spring	TX	77379	(281) 251-8849
9393	Wilson Ray Prudhomme, Jr.	Birnham Woods Marketplace	4057 Riley Fuzzel Road	Spring	TX	77386	(281) 964-9395
7844	Sikandar Choudhary and Tahira Choudhary	The Fountains on the Lake	12698 Fountain Lake Circle	Stafford	TX	77477	(281) 494-3900
5896	Jonathan M. Loveless	New Territory Randalls Center	5810 New Territory Blvd.	Sugar Land	TX	77479	(281) 565-0404
7961	Sikandar Choudhary and Tahira Choudhary	Woodbridge Shopping Center	11557 South Highway 6	Sugar Land	TX	77478	(281) 240-9197
7725	Wilson Ray Prudhomme, Jr.	First Colony	16535 Southwest Freeway	Sugar Land	TX	77479	(281) 494-2100
2983	Guillermo Perales	Bird Creek Crossing	3550 S. General Bruce Drive	Temple	TX	76504	(254) 774-9891
7410	Firooz A. Poshtkoohi	Texas City Bay S/C	3563 A/B Palmer Highway	Texas City	TX	77590	(409) 965-9004
9235	Wilson Ray Prudhomme, Jr.	Tomball Town Center	14320 FM 2920	Tomball	TX	77375	(281) 516-7717
8633	Wilson Ray Prudhomme	Augusta Woods Village	25750 Kuykendahl Road	Tomball	TX	77375	(832) 412-0860
2769	Guillermo Perales	Broadway Square Shopping Center	4601 S. Broadway	Tyler	TX	75703	(903) 534-0894
2116	Guillermo Perales	Southpark Shopping Center	1926 East Southeast	Tyler	TX	75701	(903) 592-0100

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6951	Patricio Cadena and Jenna Cadena	Brazos Place Center	4306 West Waco Drive	Waco	TX	76710	(254) 772-9530
7503	Patricio Cadena and Jenna Cadena	Bell Mead Square S/C	1517 Interstate 35 North - Suite 120	Waco	TX	76705	(254) 799-5334
1564	Guillermo Perales	Watauga Center	8420 Denton Highway	Watauga	TX	76148	(817) 788-0080
2870	Guillermo Perales	Waxahachie Town Center	1316 Highway 77 North	Waxahachie	TX	75165	(972) 923-3370
2824	Guillermo Perales	Weatherford Commons	126 E. I.H. 20, Suite #140	Weatherford	TX	76087	(817) 599-6190
3437	Guillermo Perales	Sikes Center	3111 Midwestern Parkway	Wichita Falls	TX	76308	(940) 696-5888
3296	Kanwal J. Dhillon	Woodbridge Crossing Shopping Center	3460 W FM 544	Wylie	TX	75098	(972) 429-5300
7213	Robert F. Stokes and Sharlene D. Stokes and Chantel Paskett and Aaron Paskett.	Brigham	24 West 100 South	Brigham City	UT	84302	(435) 723-6222
2501	Robert Stokes and Sharlene D. Stokes, Chantel Paskett and Aaron Paskett	Store Front	1395 North 200 East	Logan	UT	84341	(435) 752-5320
1730	Robert F. Stokes and Sharlene D. Stokes and Chantel Paskett and Aaron Paskett.	Logan Gateway Center	981 South Main Street, Space #270	Logan	UT	84321	(435) 753-7674
6024	Shawn C. Jensen	Crossroads at North Ogden	2564 North 400 East	North Ogden	UT	84414	(801) 782-4287
5152	Shawn C. Jensen	Cross Pointe Shopping Center	5741 Harrison Blvd.	Ogden	UT	84403	(801) 479-4142

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
6179	William M. Thomson, III, Sharyn C. Thomson, Gregroy J. Fowler, Melissa A. Fowler, Scott Betts, Lisa Betts, Ryan Rees, and Andrew H. Cross	Legacy Plaza at 54th	1770 West 5400 South	Taylorsville	UT	84118	(801) 955-9442
7404	Joseph P. Vagaggini	Hilltop Shopping Center	6455 Beulah Road	Alexandria	VA	22315	(703) 372-2294
9251	Christopher B. McCoy	Chesapeake Square Plaza	2400 Square Ring Road #101	Chesapeake	VA	23321	(757) 967-8226
9285	Christopher B. McCoy	Promenade at Cedar	1501 Cedar Road	Chesapeake	VA	23322	(757) 609-3792
6650	Christopher B. McCoy	Iron Bridge Plaza	11994 Ironbridge Plaza	Chester	VA	23831	(804) 717-9046
7838	Joseph P. Vagaggini	Hancock Village Shopping Center	7316 Hancock Village Drive	Chesterfield	VA	23832-2771	(804) 639-2200
8659	Joseph P. Vagaggini	New River Valley Mall	782 New River Road	Christiansburg	VA	24073	(540) 382-0628
8074	Joseph P. Vagaggini	Cheshire Station Shopping Center	4143 Minnieville Road	Dale City	VA	22193	(703) 590-9840
2558	Joseph P. Vagaggini	Shops at Stonewall	8049 Stonewall Shops Square, #305	Gainesville	VA	20155	(703) 754-2808
5361	Christopher B. McCoy	Fox Mill Centre	6734 Fox Centre Parkway	Gloucester	VA	23061	(804) 792-5150
1297	Joseph P. Vagaggini	Bull Run Plaza	10778 Sudley Manor Drive	Manassas	VA	20109	(703) 331-5559
3823	Christopher B. McCoy	Hanover Square	7354 Bell Creek Road South	Mechanicsville	VA	23111	(804) 730-8517

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
7899	Matthew T. Schettig, Thomas R. Schettig and Anne D. Schettig	Westchester Commons	15607 WC Commons Way	Midlothian	VA	23113	(804) 378-6730
8622	Christopher B. McCoy	K&K Square Shopping Center	7550 Granby Street	Norfolk	VA	23504	(757) 588-4187
9077	Christopher B. McCoy	Broad Creek Crossing	1209 North Military Highway	Norfolk	VA	23502	(757) 461-2149
6616	Christopher B. McCoy	Short Pump Village	11426 West Broad Street	Richmond	VA	23060	(804) 364-4879
9480	Christopher B. McCoy	Chesterfield Plaza	12288 Chattanooga Way	Richmond	VA	23112	(804) 763-6353
1285	Christopher B. McCoy	Staples Mill Marketplace	9066 Staples Mill Road	Richmond	VA	23228	(804) 716-8817
8091	Joseph P. Vagaggini	Towers Shopping Center	610 Brandon Ave.	Roanoke	VA	24015	(540) 342-4500
6441	Joseph P. Vagaggini	Springfield Plaza	6408 Springfield Plaza, Space #7	Springfield	VA	22150	(703) 992-9160
1336	Christopher B. McCoy	Harbor View East	6253 College Drive	Suffolk	VA	23435	(757) 638-1234
220	Christopher B. McCoy	Hilltop North S/C	720 Hilltop North	Virginia Beach	VA	23451	(757) 437-8431
6770	Christopher B. McCoy	Parkway Marketplace	5020 Ferrell Parkway	Virginia Beach	VA	23464	(757) 467-7592
9448	Christopher B. McCoy	Landstown Commons	3380 Princess Anne Road, Suite 105	Virginia Beach	VA	23456	(757) 468-1330
6299	Joseph P. Vagaggini	Haygood Shopping Center	1087 Independence Blvd.	Virginia Beach	VA	23455	(757) 648-8607
6153	William Reed Atkins, Jr. and Nancy Taylor Atkins	Monticello Marketplace	4680-18 B Monticello Avenue	Williamsburg	VA	23188	(757) 565-5100

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
3480	Shanta R. Iyer and Nathan M. Iyer	Factoria Mall	3921 Factoria Mall Blvd SE	Bellevue	WA	98006	(425) 401-9066
8958	John W. Kerner and Tania M. Kerner	Twin City Town Center	1535 NW Louisiana Ave #111	Chehalis	WA	98532	(360) 748-6160
9121	Jose N. de la Cruz and Robert D. Small	Federal Way Crossing	1413 S 348th Street, #102	Federal Way	WA	98003	(253) 874-0483
6539	Inbeum Kim and Sunhee Kim	Totem Lake West	11420 NE 124th Street, Suite B	Kirkland	WA	98034	(425) 825-8552
5685	William J. Scharnhorst	Wheatland Shopping Center	1656 S. Grand Avenue	Pullman	WA	99163	(509) 332-0301
6468	John W. Kerner, Jose N. de la Cruz, Bobbie Jo de la Cruz, Tania M. Kerner	The Landing	955 Park Avenue North	Renton	WA	98057	(425) 970-4577
2702	Joshua R. Syria	Mission Village	212 5th Street, Suite 11	Wenatchee	WA	98801	(509) 884-3911
5884	Kenneth C. Cole and Shannon Coppola Cole	Woodinville Retail Project	13620 NE 175th Street, #106	Woodinville	WA	98072	(425) 482-9323
8011	Carl A. Hughes and Christopher D. McKay	Hudson Marketplace	2115 Coulee Road	Hudson	WI	54016-9180	(715) 386-7726
6993	Sarah D. Coxwell and Cary D. Coxwell	Dudley Farms Plaza	110 RHL Blvd.	Charleston	WV	25309	(304) 746-0792
6866	Sarah D. Coxwell and Cary D. Coxwell	Nitro Marketplace	250 Nitro Marketplace	Cross Lanes	WV	25313	(304) 776-5125
7444	Dane R. Morris and Craig J. Morris	University Town Centre	216 Jim Street	Morgantown	WV	26501	(304) 292-4475
9095	Dane R. Morris and Craig J. Morris	Research Park	51 Donahue Drive	Morgantown	WV	26505	(304) 292-6333
9163	Matthew D. West and Michelle A. West	Martin Plaza	2826 Pike Street	Parkersburg	WV	26101	(304) 489-3966

Center No.	Franchisee	Center Name	Address	City	State	Zip	Phone
703	Matthew D. West, Michelle A. West, and Kelly L. Coulson	Grand Central Mall	202 Grand Central Mall	Parkersburg	WV	26101	(304) 428-7342

The following table contains the name of every franchisee who has signed a franchise agreement but whose outlet was not yet open as of the end of our most recently completed fiscal year. It also includes the city and state where each franchise will be located and the business telephone number and email address (if available) of each franchisee.

Franchisee	Center Name	City	State	Phone
Sarah Coxwell and Cary Coxwell	Calera Crossing	Calera	AL	(251) 463-7844
Hicks, Bill	Eastchase Shopping Center	Montgomery	AL	(334) 264-4616
Mojica, Maria & Salvador	Sierra Del Oro T/C	Corona	CA	(909) 948-9779
Sangha, Manjinder and Kulwinder	Stonecreek Plaza S/C	Los Banos	CA	(209) 531-1292
Miller, Eric	Fox Run S/C	Bear	DE	(215) 896-7575
Simmons, Jon Allyn	Mandarin Corners	Jacksonville	FL	(904) 519-8405
Rehman, Shams U.	Grand Pier Center	Chicago	IL	(847) 363-9992
Hockenbury, Thomas	Murphy's Landing	Indianapolis	IN	(317) 525-7645
Tang, Amy and Seto, Shetwai	Clawson S/C	Clawson	MI	(810) 268-6936
DuBois, Christopher and Shelley	Rockford Plaza	Shorewood	MN	(612) 747-6951
Mosedale, Dan and Jeanette	Northgate Plaza	Reynoldsburg	OH	(740) 503-5889
Bannecker, Timothy, Timothy, Matthew and Scott	Kensington Square	Corinth	TX	(214) 226-7772
Prudhomme, Wilson Ray	Miramesa Town Center	Cypress	TX	(832) 818-5434
Prudhomme, Wilson Ray	Augusta Woods Village	Humble	TX	(832) 818-5434
Perales, Guillermo	WM Neighborhood Market Outparcel	Mansfiled	TX	(972) 620-2287
Farzard, Behnood and Behzad		Park Village	TX	(817) 718-0849
Perales, Guillermo	San angelo Plaza	San Angelo	TX	(972) 620-2287

EXHIBIT N-2

List of Former Franchisees

The following table contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year. The table includes franchisees who transferred beneficial ownership of their franchises to third parties (separately under the heading "Transfers"). We do not have any franchisees who have 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**.

Franchisee	Center Number	City	State	Phone
David A. Hunt and Merica L. Hunt	6817	Sierra Vista	AZ	(440) 897-8681
Jingwen Nie and Jianhua Ma	6799	Burbank	CA	(323) 215-9886
Syed A. Gauhar and Syeda S. Gauhar	9966	Chino Hills	CA	(714) 222-7012
Syed A. Gauhar and Syeda S. Gauhar	6870	Corona	CA	(909) 393-5051
Amrinder Kamboj	5816	Dublin	CA	(209) 471-8047
Min Jae Lee	7436	Marina Del Ray	CA	(310) 379-2493
Amjad Aziz	3960	Mission Viejo	CA	(714) 993-2963
Jingwen Nie and Jianhua Ma	2102	Monrovia	CA	(323) 215-9886
John L. Watt and Alice D. Watt	2126	Tustin	CA	(714) 998-2755
Amir S. Malik	8483	Whittier	CA	(626) 384-1162
Bim P. Gupta and Rajni Gupta	6559	Arvada	CO	(303) 278-2182
Narinder Kumar Mohan and Kusum Mohan	3116	Aurora	CO	(303) 353-9893
Hui Hui Zheng and Jian Zheng	3076	New Milford	CT	(619) 665-8417
Luis Gladstone, Ana Caroline Nunes Gladstone, and Alessandro M. Beneduce	7232	Boca Raton	FL	(786) 797-8972
William Schwemlein and John Schwemlein	274	Deltona	FL	(386) 631-5750
Marcio R. G. Andreazzi, Maria Thereza Andreazzi, and Alessandro G. Andreazzi	5172	Miami	FL	(786) 288-0877
Shawn and Cheryl Soboleski	1649	Odessa	FL	(813) 298-3179
Sohila Alavi and Michael Wall	7836	Orlando	FL	(407) 491-6122
Charles J. Brown and Chandler C. Brown	1920	Tampa	FL	(813) 528-8482
Donald S. Lee and Haekyoung K. Lee	1394	Snellville	GA	(770) 698-8976
Gregory M. Cottrell and Kenneth R. Bragg	7481	Villa Rica	GA	(304) 816-1576
Carl A. Hughes and Christopher D. McKay	9255	Spencer	IA	(816) 698-6343
Uma R. Vootkur	2467	Aurora	IL	(630) 554-3138
Barclay Sheegog and Robert Rubenstein	7953	Chicago	IL	(773) 761-0045
Daksha Patel and Ravi Patel	5766	Downers Grove	IL	(630) 307-9662
Gregory P. Schonhoff and Jeffrey R. Schonhoff	6207	Homer Glen	IL	(630) 985-9508
Steve D. Stulgo and Jennifer Stulgo	6507	Merrionette Park	IL	(630) 910-4136
Gregory W. Draper	8087	Andover	KS	(405) 844-0003
Carl A. Hughes and Christoper D. McKay	2171	Overland Park	KS	(816) 698-6343

Franchisee	Center Number	City	State	Phone
Cedric C. Jenkins and James Etta Jenkins	3349	Louisville	KY	(859) 489-8109
Scott A. Johnson and Cecil M. Shilstone, Jr.	8154	Covington	LA	(740) 927-2255
Charles R. Berryhill and Mary M. Berryhill	7002	Sulphur	LA	(337) 478-2543
Wayne C. Pollock and Marisa J.E. Pollock	5736	Greenbelt	MD	(410) 919-9528
Mirza Saleem Baig and Atiya Saleem	1315	Rockville	MD	(203) 305-4067
Jason N. Salafia and Scott J. Salafia	5117	Severna Park	MD	(301) 464-7376
Tahira Hussain and Yasin Hussain	6781	Silver Spring	MD	(240) 535-4556
Rajeev Gupta and Ramzi El-Achkar	3236	Clarkston	MI	(248) 396-6318
Muhammad S. Hanif and Rizwana Hanif	8105	Livonia	MI	(734) 495-0673
Christopher J. DuBois and Chad W. Raymond	5334	Bloomington	MN	(952) 474-0985
Ryan A. Yager and Richelle M. Yager	582	Champlin	MN	(612) 803-2731
Matthew L. Burnham and Maria L. Jondahl	5194	St. Anthony	MN	(612) 868-9009
Huned A. Gangriwala and Amy E. Bryant	9516	Kansas City	MO	(816) 425-4326
Carl A. Hughes and Christopher D. McKay	3975	Omaha	NE	(816) 698-6343
Christopher A. Corliss	5998	Keene	NH	(603) 313-9152
Abbas S. Qutab and Mozam Qutab	3476	Milford	NH	(508) 886-6337
Daxa P. Bhatt, Parthiv M. Bhatt, Bhavesh P. Desai, and Rina Desai	973	Old Bridge	NJ	(732) 288-9248
Pankaj Kapoor and Sheetal Kapoor	6234	Union	NJ	(973) 857-5467
Jingwen Nie and Jianhua Ma	3876	Henderson	NV	(323) 215-9886
Suzette M. Demery and Christopher D. Demery	6390	Las Vegas	NV	(702) 635-0817
Jingwen Nie and Jianhua Ma	3874	Las Vegas	NV	(323) 215-9886
Robert D. DiMaggio and Gena M. DiMaggio	1595	Las Vegas	NV	(303) 931-2408
Zahid Rashid	2331	Amherst	NY	(905) 502-8488
Nadeem A. Choudhry	3566	Bronx	NY	(718) 727-2797
Sajid Mehmood and Rashida Sajid	752	Brooklyn	NY	(832) 452-1364
Choudhry S. Javaid, Gulmeena Javaid, Kelly Wong, and Hong Bin Guan	3624	Centereach	NY	(516) 998-6291
Choudhry S. Javaid and Gulmeena Javaid	6152	Deer Park	NY	(516) 998-6291
Choudhry S. Javaid and Gulmeena Javaid	2032	Deer Park	NY	(516) 998-6291
Daxa P. Bhatt and Parthiv M. Bhatt	5887	Manahawkin	NY	(732) 288-9248
Ricardo Jaisingh, Yasmin Jaisingh, Ryan Jaisingh, and Margaret Jaisingh	350	Mohegan Lake	NY	(845) 750-9183
Parmeet Singh	7832	Port Jefferson	NY	(631) 920-0711
Frank J. Chiaino, Justin L. Chiaino, and Lisa Chiaino	2846	Rochester	NY	(585) 202-4370

Franchisee	Center Number	City	State	Phone
Frank J. Chiaino, Justin L. Chiaino, and Lisa Chiaino	3626	Victor	NY	(585) 202-4370
Altaf Hussain and Musharaf Razzaque	2237	West Babylon	NY	(718) 507-0603
Jean Case	2739	Parma	OH	(330) 966-3100
Scott B. West and Susan M. West	7311	Durant	OK	(580) 421-5426
Darren K. Hartman and Patricia E. Hartman	1380	Bridgeville	PA	(412) 278-1512
Darren K. Hartman and Patricia E. Hartman	5031	Pittsburgh	PA	(412) 278-1512
Todd P. Graham	8567	Greenville	SC	(828) 274-4273
David M. Hultgren and Casey L.. S. Nickell	6136	Sioux Falls	SD	(712) 260-5922
Franklin K. Carmical	6260	Memphis	TN	(901) 574-7252
Guillermo Perales	1353	Arlington	TX	(972) 620-2287
Guillermo Perales	1388	Arlington	TX	(972) 620-2287
Abbas Saeidi Tanha and Mahdyeh Balalina	5793	Cedar Park	TX	(512) 998-7304
Michael G. Snow and Linda S. Snow	5914	Fort Worth	TX	(817) 453-2300
Behnood Farzad and Behzad Farzad	6942	Fort Worth	TX	(817) 718-0849
Mubarik A. Kahlon	2175	Humble	TX	(281) 701-5512
Jonathan M. Loveless	3669	Missouri City	TX	(281) 242-8433
Guillermo Perales	3044	Waco	TX	(972) 620-2287
Guillermo Perales	1476	Watauga	TX	(972) 620-2287
Jaisakthi Balasundaran and Vallaban Sabapathy	2690	Alexandria	VA	(703) 753-7532
Sang Il Pak	7214	Manassas	VA	(571) 248-2446
Do In Choi and Eun Sook Sul	7393	McLean	VA	(703) 437-7691
Jaisakthi Balasundaran and Vallaban Sabapathy	3447	Reston	VA	(703) 753-7532
Ivan E. Ribic and Erin M. Ribic	1878	Airway Heights	WA	(509) 990-3771
Jose N. de la Cruz and Robert D. Small	2600	Gig Harbor	WA	(206) 304-0589
Tim Y. Tian and Jie Gao	2714	Issaquah	WA	(630) 428-9976
Ivan E. Ribic and Erin M. Ribic	5164	Spokane	WA	(509) 990-3771
Ivan E. Ribic and Erin M. Ribic	6439	Spokane	WA	(509) 990-3771
Ivan E. Ribic and Erin M. Ribic	3663	Spokane Valley	WA	(509) 990-3771
Alpesh Jayswal and Avni Jayswal	3834	Madison	WI	(847) 359-9556

TRANSFERS:

Franchisee (Transferred From)	Center Number	City	State	Phone
Perry H. Trout and Daniel S. Trout	3653	Rogers	AR	(913) 681-8560
Krishna Bhalla and Baldev Bhalla	1805	Irvine	CA	(949) 786-4926
Sergio E. Yibirin	8751	Coral Springs	FL	(954) 261-7011
DVG Nutrition, Store 1637, LLC - Darryl V. Green	1637	Plant City	FL	(814) 730-8347
Nelson S. Fleming	2081	Atlanta	GA	(308) 765-2846
Christopher Little and Jeffrey J. Little	2014	Grimes	IA	(765) 977-2610
Peytonville Enterprises, LLC -Adam M. Turner	3163	Fishers	IN	(508) 314-1179
Antero Mauricio and Michael Mauricio and David J. Maurico	5904	Boston	MA	(612) 803-2731
Ryan A. Yager and Richelle M. Yager	3769	Maple Grove	MN	(573) 348-3033
Christopher J. DuBois and Jason P. Bachman	8799	Stillwater	MN	(541) 882-1733
Janet S. Dowden	8427	Columbia	MO	(972) 731-0338
Dennis D. Young and Wanda R. Young	8680	Klamath Falls	OR	(952) 474-0985
Patricia Stone	2614	Flower Mound	TX	(913) 681-8560
Christopher J. DuBois, Shelley L. DuBois, and Jason P. Bachman	8011	Hudson	WI	(949) 786-4926

EXHIBIT O

Guarantee of Performance
and
Financial Statements

EXHIBIT O-1

Guarantee of Performance by GNC Holdings, Inc.

Form F – Guarantee of Performance
3/01/13

GUARANTEE OF PERFORMANCE

For value received, GNC Holdings, Inc., a Delaware corporation (the "Guarantor"), located at 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222, absolutely and unconditionally guarantees to assume the duties and obligations of General Nutrition Corporation, located at 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2020 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Pittsburgh, Pennsylvania on the 13th day of May, 2020.

Guarantor:

GNC Holdings, Inc.

By: ______________________
David J. Sullivan
Assistant Secretary

EXHIBIT O-2

Audited Financial Statements

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of GNC Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of GNC Holdings, Inc. and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations, comprehensive (loss) income, stockholders' (deficit) equity and cash flows for each of the three years in the period ended December 31, 2019, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt About the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has significant debt (specifically the Convertible Notes and the Tranche B-2 Term Loan) maturing at the latest in March 2021. The Company has insufficient cash flows from operations to repay these debt obligations as they come due, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania
March 25, 2020

We have served as the Company's auditor since 2003.

PricewaterhouseCoopers LLP, 600 Grant Street Pittsburgh, PA 15219
T: (412) 355-6000, F: (412) 355-8089, www.pwc.com

GNC HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

	December 31, 2019	December 31, 2018
	(in thousands)	
Current assets:		
Cash and cash equivalents	$ 117,046	$ 67,224
Receivables, net	101,234	127,317
Receivables due from related parties (Note 9)	8,946	—
Inventory (Note 4)	387,655	465,572
Forward contracts for the issuance of convertible preferred stock (Note 14)	—	88,942
Prepaid and other current assets	24,880	55,109
Total current assets	639,761	804,164
Long-term assets:		
Goodwill (Note 6)	79,109	140,764
Brand name (Note 6)	300,720	300,720
Other intangible assets, net (Note 6)	71,298	92,727
Property, plant and equipment, net (Note 7)	86,916	155,095
Right-of-use assets (Note 12)	350,579	—
Equity method investments (Note 9)	97,930	—
Deferred income taxes (Note 5)	—	8,776
Other long-term assets	24,274	25,604
Total long-term assets	1,010,826	723,686
Total assets	$ 1,650,587	$ 1,527,850
Current liabilities:		
Accounts payable	$ 150,742	$ 148,782
Accounts payable due to related parties (Note 9)	11,720	—
Current portion of long-term debt (Note 8)	180,566	158,756
Current lease liabilities (Note 12)	112,005	—
Deferred revenue and other current liabilities (Note 10)	105,792	120,169
Total current liabilities	560,825	427,707
Long-term liabilities:		
Long-term debt (Note 8)	681,999	993,566
Deferred income taxes (Note 5)	31,586	39,834
Lease liabilities (Note 12)	330,510	—
Other long-term liabilities	41,535	82,249
Total long-term liabilities	1,085,630	1,115,649
Total liabilities	1,646,455	1,543,356
Commitments and contingencies (Note 13)		
Mezzanine equity:		
Preferred stock, $0.001 par value, 60,000 shares authorized:		
Series A convertible preferred stock - 300 shares issued and outstanding at December 31, 2019 and 100 shares issued and outstanding at December 31, 2018. (Note 14)	211,395	98,804
Stockholders' deficit:		
Common stock, $0.001 par value, 300,000 shares authorized:		
Class A, 130,555 shares issued, 84,564 shares outstanding and 45,991 shares held in treasury at December 31, 2019 and 129,925 shares issued, 83,886 shares outstanding and 45,991 shares held in treasury at December 31, 2018	131	130
Additional paid-in capital	1,012,076	1,007,827
Retained earnings	518,605	613,637
Treasury stock, at cost (Note 15)	(1,725,349)	(1,725,349)
Accumulated other comprehensive loss	(12,726)	(10,555)
Total stockholders' deficit	(207,263)	(114,310)
Total liabilities, mezzanine equity and stockholders' deficit	$ 1,650,587	$ 1,527,850

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

	Year ended December 31,		
	2019	2018	2017
	(in thousands, except per share amounts)		
Revenue (Note 3)	$ 2,068,188	$ 2,353,523	$ 2,480,962
Cost of sales, including warehousing, distribution and occupancy	1,353,806	1,581,778	1,656,540
Gross profit	714,382	771,745	824,422
Selling, general, and administrative	566,457	620,885	624,269
Long-lived asset impairments (Note 6)	—	38,236	457,794
Loss on net asset exchange for the formation of the joint ventures	21,293	—	—
Other loss (income), net	1,889	271	(825)
Operating income (loss)	124,743	112,353	(256,816)
Interest expense, net (Note 8)	106,709	127,080	64,221
Gain on convertible debt and debt refinancing costs (Note 8)	(3,214)	—	(10,996)
Loss on debt refinancing	—	16,740	—
Loss (gain) on forward contracts for the issuance of convertible preferred stock (Note 14)	16,787	(88,942)	—
Income (loss) before income taxes and income from equity method investments	4,461	57,475	(310,041)
Income tax expense (benefit) (Note 5)	44,869	(12,305)	(159,779)
Net (loss) income before income from equity method investments	$ (40,408)	$ 69,780	$ (150,262)
Income from equity method investments	5,296	—	—
Net (loss) income	$ (35,112)	$ 69,780	$ (150,262)
(Loss) earnings per share (Note 16)**:**			
Basic	$ (0.64)	$ 0.83	$ (2.18)
Diluted	$ (0.64)	$ 0.81	$ (2.18)
Weighted average common shares outstanding (Note 16)**:**			
Basic	83,720	83,364	68,789
Diluted	83,720	86,171	68,789

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive (Loss) Income

	Year ended December 31,		
	2019	**2018**	**2017**
		(in thousands)	
Net (loss) income	$ (35,112)	$ 69,780	$ (150,262)
Other comprehensive (loss) income:			
Net change in interest rate swaps:			
Periodic revaluation of interest rate swap, net of tax benefit of $2.0 million and $1.5 million, respectively	(4,251)	(3,259)	—
Reclassification adjustment for interest recognized in the Consolidated Statement of Operations, net of tax expense of $0.8 million and $0.5 million, respectively	1,677	1,045	—
Net change in unrecognized loss on interest rate swaps, net of tax	(2,574)	(2,214)	—
Foreign currency translation gain (loss)	403	(2,510)	2,866
Other comprehensive (loss) income	(2,171)	(4,724)	2,866
Comprehensive (loss) income	$ (37,283)	$ 65,056	$ (147,396)

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Stockholders' (Deficit) Equity
(in thousands, except per share amounts)

	Common Stock Class A						
	Shares	**Dollars**	**Treasury Stock**	**Additional Paid-In Capital**	**Retained Earnings**	**Accumulated Other Comprehensive (Loss) Income**	**Total Stockholders' (Deficit) Equity**
Balance at December 31, 2016	**68,399**	**$ 114**	**$ (1,725,349)**	**$ 922,687**	**$ 693,682**	**$ (8,697)**	**$ (117,563)**
Comprehensive (loss) income	—	—	—	—	(150,262)	2,866	(147,396)
Dividends forfeitures on restricted stock	—	—	—	—	394	—	394
Restricted stock awards	574	1	—	—	—	—	1
Minimum tax withholding requirements	(32)	—	—	(253)	—	—	(253)
Stock-based compensation	—	—	—	8,359	—	—	8,359
Exchange of convertible senior notes (Note 8)	14,626	15	—	70,522	—	—	70,537
Balance at December 31, 2017	**83,567**	**130**	**$ (1,725,349)**	**$ 1,001,315**	**$ 543,814**	**$ (5,831)**	**$ (185,921)**
Comprehensive income (loss)	—	—	—	—	69,780	(4,724)	65,056
Dividends forfeitures on restricted stock	—	—	—	—	43	—	43
Restricted stock awards	398	—	—	—	—	—	—
Minimum tax withholding requirements	(79)	—	—	(296)	—	—	(296)
Stock-based compensation	—	—	—	6,808	—	—	6,808
Balance at December 31, 2018	**83,886**	**130**	**$ (1,725,349)**	**$ 1,007,827**	**$ 613,637**	**$ (10,555)**	**$ (114,310)**
Impact of the adoption of ASC 842	—	—	—	—	(59,936)	—	(59,936)
Comprehensive (loss) income	—	—	—	—	(35,112)	(2,171)	(37,283)
Dividend forfeitures on restricted stock	—	—	—	—	16	—	16
Restricted stock awards	768	1	—	(1)	—	—	—
Minimum tax withholding requirements	(90)	—	—	(233)	—	—	(233)
Stock-based compensation	—	—	—	4,563	—	—	4,563
Repurchase of convertible senior notes	—	—	—	(80)	—	—	(80)
Balance at December 31, 2019	**84,564**	**131**	**$ (1,725,349)**	**$ 1,012,076**	**$ 518,605**	**$ (12,726)**	**$ (207,263)**

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	Year Ended December 31,		
	2019	**2018**	**2017**
Cash flows from operating activities:		(in thousands)	
Net (loss) income	(35,112)	$ 69,780	$ (150,262)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization expense	35,422	47,105	56,809
Income from equity method investments	(5,296)	—	—
Amortization of debt costs	20,751	23,199	13,160
Stock-based compensation	4,563	6,808	8,359
Long-lived asset impairments	—	38,236	457,794
Gain on convertible debt and debt refinancing costs	(3,214)	—	(10,996)
Loss on debt refinancing	—	16,740	—
Loss on net asset exchange for the formation of the joint ventures	21,293	—	—
Loss (gain) on forward contracts for the issuance of convertible preferred stock	16,787	(88,942)	—
Third-party fees associated with refinancing	—	(16,322)	—
Distributions received from equity method investments	3,856	—	—
Deferred income tax expense (benefit)	20,596	(23,265)	(191,578)
Other	2,467	(513)	(314)
Changes in assets and liabilities:			
Increase in receivables	(4,411)	(1,358)	(448)
Decrease in inventory	18,018	16,757	72,903
(Increase) decrease in prepaid and other current assets	(11,148)	14,687	(5,529)
Increase (decrease) in accounts payable	44,497	(3,351)	(23,960)
(Decrease) increase in deferred revenue and accrued liabilities	1,006	1,252	(10,181)
Decrease in net lease liabilities	(31,880)	—	—
Other changes in assets and liabilities	(1,675)	(4,945)	4,751
Net cash provided by operating activities	96,520	95,868	220,508
Cash flows from investing activities:			
Capital expenditures	(15,151)	(18,981)	(32,123)
Refranchising proceeds, net of store acquisition costs	2,395	2,514	1,994
Capital contribution to the joint ventures	(13,079)	—	—
Proceeds from the assets exchange for the formation of the joint ventures	99,221	—	—
Proceeds from the sale of Lucky Vitamin	—	—	6,367
Net cash provided by (used in) investing activities	73,386	(16,467)	(23,762)
Cash flows from financing activities:			
Borrowings under Revolving Credit Facility	22,000	410,000	317,500
Payments on Revolving Credit Facility	(22,000)	(410,000)	(444,500)
Proceeds from the issuance of convertible preferred stock	199,950	100,000	—
Payments on Tranche B-1 Term Loan	(147,312)	(4,550)	(40,853)
Payments on Tranche B-2 Term Loan	(123,774)	(132,100)	—
Convertible notes repurchase	(24,708)	—	—
Original issuance discount and revolving credit facility fees	(10,365)	(35,235)	—
Fees associated with the issuance of convertible preferred stock	(12,814)	(3,587)	—
Minimum tax withholding requirements	(233)	(296)	(253)
Net cash used in financing activities	(119,256)	(75,768)	(168,106)
Effect of exchange rate changes on cash and cash equivalents	(828)	(410)	897
Net increase in cash and cash equivalents	49,822	3,223	29,537
Beginning balance, cash and cash equivalents	67,224	64,001	34,464
Ending balance, cash and cash equivalents	$ 117,046	$ 67,224	$ 64,001

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Supplemental Cash Flow Information
(in thousands)

	Year Ended December 31,		
	2019	2018	2017
Cash (received) paid during the period for:		(in thousands)	
Income taxes *	$ 13,808	$ (3,841)	$ 35,476
Interest	83,284	104,342	51,205

* Includes a $12.4 million tax refund received in the fourth quarter of 2018.

	As of December 31,		
	2019	2018	2017
Non-cash investing activities:		(in thousands)	
Capital expenditures in current liabilities	$ 1,373	$ 1,238	$ 1,683
Net assets contributed to the joint ventures (Note 9)	202,487	—	—
Non-cash financing activities:			
Issuance of shares associated with exchange of convertible senior notes	—	—	71,670
Original issuance discount (Note 8)	—	11,445	—

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. NATURE OF BUSINESS

GNC Holdings, Inc., a Delaware corporation ("Holdings," and collectively with its subsidiaries and, unless the context requires otherwise, its and their respective predecessors, the "Company"), is a global health and wellness brand with a diversified, omni-channel business. The Company's assortment of performance and nutritional supplements, vitamins, herbs and greens, health and beauty, food and drink and other general merchandise features innovative private-label products as well as nationally recognized third-party brands, many of which are exclusive to GNC.

The Company's operations consist of purchasing raw materials, formulating and manufacturing products prior to the formation of the manufacturing joint venture with IVC (the "Manufacturing JV") in March 2019, and selling the finished products through its three reportable segments, U.S. and Canada, International, and Manufacturing / Wholesale (refer to Note 19, "Segments" for more information). Corporate retail store operations are located in the United States, Canada, Puerto Rico, Ireland and prior to the joint venture transaction with Harbin Pharmaceutical Group Co., Ltd ("Harbin") in February 2019, China. In addition, the Company offers products on the internet through GNC.com and third-party websites. Franchise locations exist in the United States and approximately 50 other countries. Additionally, the Company licenses the use of its trademarks and trade names.

In February 2019, the Company entered into two joint ventures with Harbin to operate its e-commerce business (the "HK JV") and retail business in China (the "China JV"), which will accelerate its presence and maximize the Company's opportunities for growth in the Chinese supplement market. Under the terms of the agreement, the Company contributed its China business and retained 35% equity interest in the HK JV and China JV.

In March 2019, the Company entered into a strategic joint venture with International Vitamin Corporation ("IVC") regarding the Company's manufacturing business, which enables the Company to increase its focus on product innovation while IVC manages manufacturing and integrates with the Company's supply chain thereby driving more efficient usage of capital. Under the terms of the agreement, the Company received $99.2 million, net of a working capital adjustment, and contributed its Nutra manufacturing and Anderson facility net assets in exchange for an initial 43% equity interest in the Manufacturing JV. IVC is expected to pay an additional $75.0 million over a four year period from the effective date of the transaction as IVC's ownership of the joint venture increases to 100%. The subsequent purchase price for each year is $18.8 million, adjusted up or down based on the Manufacturing JV's future performance.

Going Concern

The Company has continued to experience negative same store sales and declining gross profit. The Company has closed underperforming stores under its store optimization strategy and implemented cost reduction measures to help mitigate the effect of these declines and improve its financial position and liquidity. At December 31, 2019, the Company has substantial indebtedness including $154.7 million of outstanding indebtedness under the Notes issued under that certain Indenture dated as of August 10, 2015, among the Company, certain of its subsidiaries, and The Bank of New York Mellon Trust Company, N.A, maturing on August 15, 2020 (the "Notes") and $441.5 million of outstanding indebtedness under the Amended and Restated Term Loan Credit Agreement, dated as of February 28, 2018, among GNC Corporation, GNC Nutrition Centers, Inc., as Borrower, the lenders and agents parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the " Tranche B-2 Term Loan Credit Agreement" and the term loan thereunder, the "Tranche B-2 Term Loan"). The Company also has an excess cash flow payment of $25.9 million due in April 2020 (which will reduce the outstanding amount of the Tranche B-2 Term Loan). The Tranche B-2 Term Loan becomes due on the earlier to occur of (i) the maturity date of March 4, 2021 or (ii) May 16, 2020 if more than $50 million of the Notes are outstanding on such date. Each of the revolving credit facility (the "Revolving Credit Facility") under the Credit Agreement, dated as of February 28, 2018, among GNC Corporation, GNC Nutritional Centers, Inc., as Administrative Borrower, certain of its subsidiaries, as subsidiary borrowers, the lenders and agents parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the "ABL Credit Agreement") and the FILO term loan facility under the

ABL Credit Agreement, which otherwise mature in August 2022 and December 2022 respectively, also include an accelerated maturity date of May 16, 2020 if more than $50 million of the Notes are outstanding on such date.

Prior to the outbreak of the COVID-19 pandemic in the United States, management believed that the Company had the ability to pay the excess cash flow payment of $25.9 million and reduce the outstanding balance on the Notes from $154.7 million to below $50 million with projected cash on hand and new borrowings under the Revolving Credit Facility, assuming such borrowings remain available subject to the covenant and reporting requirements discussed below. Given current circumstances around the COVID-19 pandemic as discussed further in Note 21, "Subsequent Events", there can be no assurances as to our ability to do so. As a precautionary measure, given the current macro environment, we recently drew $30 million under our Revolving Credit Facility in March 2020. However, management does not expect to have sufficient cash flows from operations to repay the indebtedness under the Notes or the Tranche B-2 Term Loan when they become due. Since the Company has not refinanced the Tranche B-2 Term Loan and it will mature less than twelve months after the issuance date of these consolidated financial statements, management has concluded there is substantial doubt regarding the Company's ability to continue as a going concern within one year from the issuance date of the Company’s consolidated financial statements.

The Company was in compliance with the debt covenant reporting and compliance obligations under the Credit Facilities as of December 31, 2019. Prior to the outbreak of the COVID-19 pandemic in the United States, management believed that the Company had the ability to comply with the financial covenants under the Senior Credit Facility Agreements over the next twelve months; however, given the current circumstances around the COVID-19 pandemic as discussed further in Note 21, "Subsequent Events", there can be no assurances as to our ability to do so.

The Company is in the process of reviewing a range of refinancing options to refinance all of the Company’s outstanding indebtedness. The Company has been working with an independent committee of the Board supported by independent financial and legal advisors to conduct its review and has had a series of discussions with financing sources in the United States and Asia. We became aware on March 24, 2020, by the potential financing sources in Asia, that they are no longer pursuing a refinancing with us. We will continue to explore all options to refinance and restructure our indebtedness. While we continue to work through a number of refinancing alternatives to address our upcoming debt maturities, we cannot make any assurances regarding the likelihood, certainty or exact timing of any alternatives.

Reporting requirements under both the Tranche B-2 Term Loan and the Credit Agreement, dated as of February 28, 2018, among GNC Corporation, GNC Nutrition Centers, Inc., as Administrative Borrower, certain of its subsidiaries, as subsidiary borrowers, the lenders and agents parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the “ABL Credit Agreement,” together with the Tranche B-2 Term Loan, the “Senior Credit Agreements”) require the Company to provide annual audited financial statements accompanied by an opinion of an independent public accountant without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit (other than a “going concern” statement, explanatory note or like qualification or exception resulting solely from an upcoming maturity date under the Tranche B-2 Term Loan or the Notes). Management believes the Company will satisfy this requirement. If the lenders take a contrary position, (a) they could decide to instruct the administrative agent under the Senior Credit Agreements to deliver a written notice thereof to the borrower, and if the alleged default continued uncured for 30 days thereafter it would become an alleged event of default (unless waived by the lenders) and (b) the Company intends to contest such position and any action the lenders may attempt to take as a result thereof. If the lenders were to prevail in any such dispute, the required lenders could instruct the administrative agent to exercise remedies under the Senior Credit Agreements (the "Revolving Credit Facility"), including accelerating the maturity of the loans, terminating commitments under the revolving credit facility under the ABL Credit Agreement and requiring the posting of cash collateral in respect of outstanding letters of credit issued under the Revolving Credit Facility ($4.9 million at December 31, 2019). If this were to occur, management would enter into discussions with the lenders to waive the default or forebear from the exercise of remedies. Failure to obtain such a waiver, complete the refinancing or other restructuring prior to August 2020 or to reach an agreement with the Company's stakeholders on the terms of a restructuring would have a material adverse effect on the liquidity, financial condition and results of operations and may result in filing a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in order to implement a restructuring plan.

The Company's Consolidated Financial Statements as of December 31, 2019 are being prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

NOTE 2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying Consolidated Financial Statements and Footnotes have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America ("GAAP") and Regulation S-X. The Company's annual reporting period is based on a calendar year.

Summary of Significant Accounting Policies

Principles of Consolidation. The Consolidated Financial Statements include the accounts of Holdings and all of its subsidiaries. All intercompany transactions have been eliminated in consolidation.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates 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. Management bases these estimates on assumptions that it believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

Cash and Cash Equivalents. The Company considers cash and cash equivalents to include all cash and liquid deposits and investments with an original maturity of three months or less. Payments due from banks for third-party credit and debit cards generally process within 24 to 72 hours, and are classified as cash equivalents.

Receivables, net. The Company extends credit terms for sales of product to its franchisees and wholesale partners. Receivables consist principally of unpaid invoices for product sales, franchisee royalties and sublease payments. Franchisees secure financing from lending institutions, which include but are not limited to the small business administration and national banks with franchise programs. These loans generally require the Company to subordinate its first lien position on inventory and furniture and fixtures at predetermined amounts.

The Company monitors the financial condition of its customers and establishes an allowance for doubtful accounts for balances estimated to be uncollectible. In addition to considering the aging of receivable balances and assessing the financial condition, the Company considers collateral including inventory and fixed assets for domestic franchisees and letters of credit for international franchisees. The allowance for doubtful accounts was $8.6 million and $6.6 million at December 31, 2019 and 2018, respectively.

Inventory. Prior to the formation of the Manufacturing JV, inventory components consisted of raw materials, work-in-process, packaging supplies and finished product. Inventory included costs associated with distribution and transportation, as well as manufacturing overhead, which were capitalized and expensed as merchandise is sold. After the transfer of the manufacturing facility to the Manufacturing JV, inventory only consists of finished product. Inventories are stated at the lower of cost or net realizable value on a first in/first out basis ("FIFO"). Inventory is recorded net of obsolescence, shrinkage and vendor allowances for product costs. The Company regularly reviews its inventory levels in order to identify slow moving and short dated products, using factors such as amount of inventory on hand, remaining shelf life, current and expected market conditions, historical trends and the likelihood of recovering the inventory costs based on anticipated demand.

Property, Plant and Equipment. Property, plant and equipment expenditures are recorded at cost. Depreciation and amortization are recognized using the straight-line method over the estimated useful life of the assets. The estimated useful lives are as follows:

Building	30 yrs
Machinery and equipment	3-7 yrs
Building and leasehold improvements	3-15 yrs
Furniture and fixtures	5-8 yrs
Software	3-5 yrs

Building improvements are depreciated over their estimated useful life or the remaining useful life of the related building, whichever period is shorter. Improvements to leased premises are depreciated over the estimated useful life of the improvements or the related leases including renewals that are reasonably assured, whichever period is shorter. Expenditures that materially increase the value or clearly extend the useful life of property, plant and equipment are capitalized while repair and maintenance costs incurred in the normal course of operations are expensed as incurred.

Goodwill and Indefinite-Lived Intangible Asset. The Company was acquired by Ares Corporate Opportunities Fund II L.P. and Ontario Teachers' Pension Plan Board in March 2007 and subsequently completed an initial public offering in 2011 of its common stock. In connection with this acquisition, the Company recorded approximately $600 million of goodwill and a $720 million indefinite-lived intangible asset related to its brand name.

Goodwill is allocated to the Company's reporting units, which are at or below the level of an operating segment as defined by Accounting Standards Codification ("ASC") 280 "Segment Reporting." The Company evaluates the carrying amount of goodwill for each of its reporting units annually in the fourth quarter. In addition, the Company performs an evaluation on an interim basis if it determines that recent events or prevailing conditions indicate a potential impairment of goodwill. A significant amount of judgment is involved in determining whether an indicator of impairment has occurred between annual impairment tests. These indicators include, but are not limited to, overall financial performance such as adverse changes in recent forecasts of operating results, industry and market considerations, a sustained decrease in the share price of the Company's common stock, updated business plans and regulatory and legal developments.

When the carrying value of a reporting unit exceeds its fair value, an impairment charge is recorded for the difference as an operating expense in the period incurred. For the year ended December 31, 2019 and 2018, no goodwill impairment was recorded. For the year ended December 31, 2017, the Company recorded a goodwill impairment charge of $24.3 million related to the Wholesale reporting unit as a result of a triggering event based on a decline in the Company's share price and previous challenges associated with the Company's efforts to refinance its long-term debt.

The Company's indefinite-lived intangible brand asset is also evaluated annually in the fourth quarter for impairment and on an interim basis if events or changes in circumstances between annual tests indicate that the asset might be impaired. If the carrying value of the intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to the difference. During the year ended December 31, 2019, no impairment was recorded for the indefinite-lived intangible brand asset. During the year ended December 31, 2018, the Company recognized an impairment charge of $23.7 million, which was allocated to the U.S. and Canada and International segments for $21.6 million and $2.1 million, respectively. During the year ended December 31, 2017, the Company recognized a $395.6 million impairment charge, which was allocated to the U.S. and Canada and International segments for $394.0 million and $1.6 million, respectively.

Impairment of Definite-Long-lived Assets. The Company evaluates whether the carrying values of property, plant and equipment and definite-lived intangible assets have been impaired whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable based on estimated undiscounted future cash flows. Factors that may trigger an impairment review include significant changes in the intended use of assets, significant negative industry or economic trends, underperforming stores and anticipated store closings. If it is determined that the carrying value of the applicable asset group is not recoverable, an impairment loss is recognized for the amount the carrying value of the long-lived asset exceeds its estimated fair value. No impairment of definite-long-lived assets was recorded during the year ended December 31, 2019. Refer to Note 7, "Property, Plant and Equipment, Net" for a description of impairment charges recorded in 2018 and 2017.

Revenue Recognition. Within the U.S. and Canada segment, retail sales in company-owned stores are recognized at the point of sale, net of sales tax. Revenue related to e-commerce sales is recognized upon shipment based on meeting the transfer of control criteria. The Company has made a policy election to treat shipping and handling as costs to fulfill the contract, and as a result, any fees from customers are included in the transaction price allocated to the performance obligation of providing goods with a corresponding amount accrued within cost of sales for amounts paid to applicable carriers. Taxes collected from customers relating to product sales and remitted to governmental authorities are excluded from revenue. A provision for anticipated returns is recorded through a reduction of sales and cost of sales (for product that can be resold or returned to vendors) in the period that the related sales are recorded.

Revenue was deferred on sales of the Company's Gold Cards and subsequently recognized over the one year membership period. The Gold Card Member Pricing program, which provided members product discounts, was discontinued in all domestic company-owned and franchise stores on December 28, 2016 in connection with the introduction of the One New GNC program. As a part of this launch, the Company provided former Gold Card customers that were within the membership period of generally one year with a coupon equivalent to a reimbursement of the unexpired portion of their Gold Card membership fee. As of December 31, 2016, the Company had $24.4 million of deferred Gold Card revenue which was recognized in the first quarter of 2017 over the coupon redemption period which expired in March 2017, net of $1.4 million of applicable redemptions.

Effective with the launch of the One New GNC program on December 29, 2016, the Company introduced myGNC Rewards, a free points-based loyalty program system-wide in the U.S. The program enables customers to earn points based on their purchases. Points earned by members are valid for one year and may be redeemed for cash discounts on any product the Company sells at both company-owned or franchise locations. The Company defers the estimated standalone selling price of points related to this program as a reduction to revenue as points are earned by allocating a portion of the transaction price the customer pays to a loyalty program liability within deferred revenue and other current liabilities on the Consolidated Balance Sheet. The estimated selling price of each point is based on the estimated value of product for which the point is expected to be redeemed, net of points not expected to be redeemed, based on historical redemption. When a customer redeems earned points, revenue is recognized with a corresponding reduction to the program liability.

Also effective with the launch of the One New GNC program, the Company introduced a paid membership program, PRO Access, which provides members with the delivery of sample boxes throughout the membership year, as well as the offering of certain other benefits including the opportunity to earn triple points on a periodic basis. The boxes include sample merchandise and other materials. The Company allocates the transaction price of the membership to the sample boxes and other benefits based on the estimated stand-alone prices. The membership price paid is recorded within deferred revenue and other current liabilities on the Consolidated Balance Sheet and subsequently recognized revenue as the underlying performance obligations are satisfied.

Revenue from gift cards is recognized when the gift card is redeemed. Gift cards do not have expiration dates and are not required to be escheated to government authorities. Utilizing historical redemption rates, the Company recognizes revenue for amounts not expected to be redeemed proportionately as other gift card balances are redeemed.

Revenues from domestic and international franchisees include wholesale product sales, franchise fees and royalties, as well as cooperative advertising and other franchise support fees specific to domestic franchisees. Revenues are recorded within the U.S. and Canada segment for domestic franchisees and the International segment for international franchisees. The Company's franchisees purchase a significant amount of the products they sell in their retail stores from the Company at wholesale prices. Revenue on product sales to franchisees and other franchise support fees (including construction, equipment and other administrative fees) are recognized upon transfer of control to the franchisee, net of estimated returns and allowances. Franchise license fees, royalties and continuing services, such as cooperative advertising, are not separate and distinct performance obligations as they are highly dependent on each other in supporting the overall brand. Franchise fees for the license are paid in advance, and are deferred and recognized over the applicable license term as the Company satisfies the performance obligation of granting the customer access to the rights of its intellectual property. Franchise royalties and cooperative advertising contributions are variable consideration based on a percentage of the franchisees' retail sales, which are recognized in the period the franchisees' underlying sales occur, and are not included in the upfront transaction price for the overall performance obligation relating to providing access to the Company's intellectual property.

The Manufacturing / Wholesale segment sells product to the Company's other segments, which is eliminated in consolidation, and third-party customers. Revenue is recognized over time, net of estimated returns and allowances, as manufacturing occurs if the customized goods have no alternative use (specially made for the end customer) and the Company has an enforceable right to payment for performance completed to date. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services to be provided. The Company uses the cost-to-cost measure of progress for its contracts because it best depicts the transfer of control to the customer which occurs as the Company incurs costs on its contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Costs to fulfill include labor, materials, other direct costs and an allocation of indirect costs, which are recognized as cost of sales as revenue is recognized. Services for specialty manufacturing contracts typically have an expected duration of less than one year. In March 2019, the Company entered into a strategic joint venture with IVC regarding the Company's manufacturing business. The Company received $99.2 million and contributed its Nutra manufacturing and Anderson facility net assets in exchange for an initial 43% equity interest in the Manufacturing JV. GNC expects to receive an additional $75 million from IVC, adjusted up or down based on the Manufacturing JV's future performance, over a four year period from the effective date of the transaction as IVC's ownership of the joint venture increases to 100%. The Company's interest in the joint venture is accounted for as an equity method investment. Refer to Note 9, "Equity Method Investments" for more information. We generate revenue from sales to our wholesale business partners on products at wholesale prices, retail sales of certain consigned inventory (prior to the termination of the consignment agreement with Rite Aid in December 2018) and license fees for the store-within-a-store alliance with Rite Aid. Wholesale sales are recognized upon transfer of control, net of estimated returns and allowances. License fees are paid in advance and are deferred and recognized over the applicable license term as the Company satisfies the performance obligation of granting the customer access to the rights of its intellectual property.

Cost of Sales. The Company purchases products directly from third-party vendors, the Manufacturing JV, and prior to the Manufacturing JV transaction, manufactured its own products. Cost of sales includes product costs, vendor allowances, inventory obsolescence, shrinkage, manufacturing overhead, warehousing, distribution, shipping and store occupancy costs. Store occupancy costs include rent, common area maintenance charges, real estate and other asset-based taxes, general maintenance, utilities, depreciation, lease incentives and certain insurance expenses.

Vendor Allowances. The Company receives allowances/credits from various vendors based on either sales or purchase volumes, right of return for expired product and non-saleable customer returns, and cooperative advertising. As the right of offset exists under these arrangements, credit earned under these arrangements are recorded as a reduction in the vendors' accounts payable balances on the Consolidated Balance Sheet and represent the estimated amounts due to the Company under the provisions of such contracts. Amounts expected to be received from vendors relating to the purchase of merchandise inventories are recognized as a reduction to cost of sales as the merchandise is sold. Amounts that represent a reimbursement of costs incurred, such as advertising, are recorded as a reduction to the related expense in the period that the expense is incurred. The Company recorded a reduction to cost of sales of $66.7 million, $74.0 million and $86.7 million for the years ended December 31, 2019, 2018 and 2017, respectively, for vendor allowances associated with the purchase and sale of merchandise.

Research and Development. Research and development costs arising from internally generated projects are expensed as incurred. The Company recognized approximately $4 million , $15 million and $9 million in each of the years ended December 31, 2019, 2018 and 2017, respectively, relating to research and development.

Advertising Expenditures. The Company recognizes the costs of advertising, promotion and marketing programs the first time the communication takes place. The Company recognized advertising expense of $86.0 million, $95.6 million and $104.5 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Leases. The Company leases substantially all of its retail stores in the U.S. and Canada segment, including most of the domestic franchise stores that are leased and subleased to franchisees, its distribution centers in the United States and retail stores in Ireland. In addition, the Company has leased office locations and vehicle and equipment leases to support our store and supply chain operations. All of the Company's leases are classified as operating leases.

The Company determines if a contract contains a lease at inception. The lease liabilities are recognized based on the present value of the future minimum lease payments over the term at the commencement date for leases exceeding 12 months. The lease agreements generally contain lease and non-lease components. Non-lease components primarily include payments for maintenance and utilities. The minimum lease payments include only fixed lease components, as well as any variable rate payments that depend on an index, initially measured using the index at the lease commencement date. Lease terms may include options to renew when it is reasonably certain that the Company will exercise an option. The Company estimates its incremental borrowing rate, which was estimated to approximate the interest rate on a collateralized basis with similar terms and payments for each lease, using a portfolio approach. The right-of-use assets recognized are initially equal to the lease liability, adjusted for any lease payments made on or before the commencement dates and lease incentives.

The lease liabilities for the operating leases are amortized using the effective interest method. The right-of-use asset is amortized by taking the difference between total rent expense recorded on straight-line basis and the lease liability amortization. When the right-of-use asset for an operating lease is impaired, lease expense is no longer recognized on a straight-line basis. For impaired leases, the Company continues to amortize the lease liability using the same effective interest method as before the impairment charge and the right-of-use asset is amortized on a straight-line basis.

Contingencies. The Company records accruals for outstanding legal matters when it believes it is probable that a loss will be incurred and the amount of such loss can be reasonably estimated. The Company evaluates, on a quarterly basis, developments in legal matters that could affect the amount of any accrual and developments that would make a loss contingency both probable and reasonably estimable. If both of the conditions above are not met, disclosure is made when there is at least a reasonable possibility that a loss contingency has been incurred. As facts concerning contingencies evolve and become known, management reassesses the likelihood of a probable loss and makes appropriate adjustments to its financial statements.

Pre-Opening Expenditures. The Company recognizes the cost associated with the opening of new stores, which consist primarily of rent, marketing, payroll and recruiting costs, as incurred.

Income Taxes. The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities result from (i) the future tax impact of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and (ii) differences between the recorded value of assets acquired in business combinations accounted for as purchases for financial reporting purposes and their corresponding tax bases. The company regularly reviews the components of the deferred tax assets. This review is to ascertain that, based upon all the information available at the time of the preparation of the financial statements, it is more likely than not that the Company expects to utilize these deferred tax assets in the future. If the Company determines that it is more likely than not that these deferred tax assets will not be utilized, a valuation allowance is recorded, reducing the deferred tax asset to the amount expected to be realized. Many factors are considered in the determination that the deferred tax assets are more likely than not to be realized, including recent cumulative earnings, the Company's ability to continue as a going concern, expectations regarding future taxable income, length of carryforward periods, and other relevant quantitative and qualitative factors. The recoverability of the deferred tax assets is determined by assessing the adequacy of future expected taxable income from all sources, including the reversal of taxable temporary differences, forecasted operating earnings, and tax planning strategies. The Company classifies interest and penalties accrued in connection with unrecognized tax benefits as income tax expense in its Consolidated Statements of Operations.

Refer to Note 5, "Income Taxes," for more information.

Self-Insurance. The Company is self-insured for certain losses related to workers' compensation and general liability insurance and maintains stop-loss coverage with third-party insurers to limit its liability exposure. Liabilities associated with these losses are estimated by considering historical claims experience, estimated lag time to report and pay claims, average cost per claim and other actuarial factors.

Stock-Based Compensation. The Company utilizes the Black-Scholes model to calculate the fair value of time-based stock option awards. The Company utilizes a Monte Carlo simulation for its performance awards with a market condition, which requires various inputs and assumptions, including the Company's own stock price. The grant-date fair value of all other stock-based compensation, including time-based and performance-based restricted stock awards, is based on the closing price for a share of the Company's common stock on the New York Stock Exchange (the "NYSE") on the grant date.

Compensation expense for time-based stock options and restricted stock awards is recognized over the applicable vesting period, net of expected forfeitures. Compensation expense for performance-based shares with a market condition is recognized over the applicable vesting period, net of expected forfeitures, regardless of whether the market condition is achieved. Compensation expense related to the performance-based units is recognized over the applicable vesting period, net of expected forfeitures, and adjusted as necessary to reflect changes in the probability that the vesting criteria will be achieved. The Company regularly reviews the probability of achieving the performance condition on these awards.

Refer to Note 17, "Stock-Based Compensation" for more information.

Earnings Per Share. Basic earnings per share ("EPS") is computed by dividing net income, net of cumulative undeclared dividends, by the weighted average number of shares of common stock outstanding for the period. The Company uses the treasury stock method to compute diluted EPS for its stock-based compensation to the extent that awards with performance and market conditions are probable of being achieved and stock options are in-the-money, which assumes that outstanding stock awards were converted into common stock, and the resulting proceeds (which includes unrecognized compensation expense for all awards and the exercise price associated with stock options) were used to acquire shares of common stock at the average market price during the reporting period. The Company applies the if-converted method to calculate dilution impact of the convertible debt and the convertible preferred stock.

Refer to Note 16, "Earnings Per Share" for information on the Company's underlying shares of its convertible debt and convertible preferred stock in the computation of EPS.

Foreign Currency. For all active foreign operations, the functional currency is generally the local currency. Assets and liabilities of foreign operations are translated into the Company's reporting currency, the U.S. dollar, using period-end exchange rates, while income and expenses are translated using the average exchange rates for the reporting period. Translation gains and losses are recorded as part of accumulated other comprehensive loss on the Consolidated Balance Sheet. The Company has intercompany balances with its foreign entities that are routinely settled primarily relating to product sales and management fees. Gains or losses resulting from these foreign currency transactions, included in the Consolidated Statements of Operations, were not material in the fiscal years ended December 31, 2019, 2018 and 2017.

Recently Adopted Accounting Pronouncements

Adoption of New Lease Standard

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, which requires lessees to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments for all leases with a term greater than 12 months. This standard is effective for annual reporting periods, and interim periods therein, beginning after December 15, 2018 and is required to be applied using a modified retrospective approach. In July 2018, the FASB issued ASU 2018-11, which provides companies with the option to apply the new lease standard either at the beginning of the earliest comparative period presented or in the period of adoption. The Company adopted ASU 2016-02 and its related amendments (collectively known as "ASC 842") during the first quarter of fiscal 2019 electing the optional transition relief amendment that allows for a cumulative-effect adjustment in the period of adoption and did not restate prior periods. In transitioning to ASC 842, the Company elected to use the practical expedient package available under the guidance for leases that commenced before the effective date and did not elect to use hindsight. The Company has implemented a new lease management and accounting system and updated its processes and internal controls to comply with the new standard.

The Company leases substantially all of its retail stores in the U.S. and Canada segment, including most of the domestic franchise stores that are leased and subleased to franchisees, its distribution centers in the United States and retail stores in Ireland. In addition, the Company has leased office locations and vehicle and equipment leases to support our store and supply chain operations. All of the Company's leases are classified as operating leases.

The Company determines if a contract contains a lease at inception. The lease liabilities are recognized based on the present value of the future minimum lease payments over the term at the commencement date for leases exceeding 12 months. The lease agreements generally contain lease and non-lease components. Non-lease components primarily include payments for maintenance and utilities. The minimum lease payments include only fixed lease components, as well as any variable rate payments that depend on an index, initially measured using the index at the lease commencement date. Lease terms may include options to renew when it is reasonably certain that the Company will exercise an option. The Company estimates its incremental borrowing rate, which was estimated to approximate the interest rate on a collateralized basis with similar terms and payments for each lease, using a portfolio approach. The right-of-use assets recognized are initially equal to the lease liability, adjusted for any lease payments made on or before the commencement dates and lease incentives.

The Company recognized lease liabilities of $550.2 million on January 1, 2019. A right-of-use asset of $504.2 million was recognized based on the lease liability, adjusted for the reclassification of deferred rent of $53.3 million and prepaid rent of $7.3 million. Additionally, the Company recognized $79.8 million of right-of-use asset impairment charges related to certain of the Company's stores for which it was previously determined that the carrying value of the stores' assets were not recoverable. The right-of-use asset impairment charges were recorded as a reduction to January 1, 2019 (opening day) retained earnings, net of tax of $19.8 million. The new lease standard has no impact on the timing or classification of the Company's cash flows as reported in the Consolidated Statement of Cash Flows.

The lease liabilities for the operating leases are amortized using the effective interest method. The right-of-use asset is amortized by taking the difference between total rent expense recorded on straight-line basis and the lease liability amortization. When the right-of-use asset for an operating lease is impaired, lease expense is no longer recognized on a straight-line basis. For impaired leases, the Company continues to amortize the lease liability using the same effective interest method as before the impairment charge and the right-of-use asset is amortized on a straight-line basis.

Refer to Note 12 "Leases" for additional information.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, *Income Taxes: Simplifying the Accounting for Income Taxes.* This ASU simplifies accounting for income taxes by eliminating certain exceptions to ASC 740 related to the general approach for intraperiod tax allocation, methodology for calculating income taxes in an interim period and recognition of deferred taxes when there are investment ownership changes. The new guidance also simplifies aspects of accounting for franchise taxes and interim period effects of enacted changes in tax laws or rates. The new guidance provides clarification on accounting for transactions that result in a step-up in the tax basis of goodwill and allocation of consolidated income tax expense to separate financial statements of entities not subject to income tax. This ASU is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years, and early adoption is permitted. The Company is evaluating the impact this standard will have on its Consolidated Financial Statements and related disclosures.

In August 2018, the FASB issued ASU 2018-15, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-used software. This standard is effective for public business entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect the adoption of the new standard to have a material impact on its Consolidated Financial Statements.

NOTE 3. REVENUE

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally, this occurs with the transfer of control of products or services. The Company satisfies performance obligations either over time or at a point in time as discussed in further detail below. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. Applicable sales tax collected concurrent with revenue-producing activities are excluded from revenue.

U.S. and Canada Revenue

The following is a summary of revenue disaggregated by major source in the U.S. and Canada segment:

	Year ended December 31,		
	2019	2018	2017
U.S. company-owned product sales: (1)		(in thousands)	
Protein	$ 295,135	$ 320,751	$ 338,773
Performance supplements	283,473	280,835	281,532
Weight management	100,356	128,723	140,148
Vitamins	180,742	195,853	203,569
Herbs / Greens	59,578	66,025	66,324
Wellness	179,059	191,995	196,942
Health / Beauty	179,015	181,185	190,977
Food / Drink	98,134	109,094	94,390
General merchandise	22,290	24,019	28,931
Total U.S. company-owned product sales	$ 1,397,782	$ 1,498,480	$ 1,541,586
Wholesale sales to franchisees	219,644	225,106	242,521
Royalties and franchise fees	31,527	32,733	35,212
Sublease income	42,282	45,506	48,972
Cooperative advertising and other franchise support fees	18,530	20,815	23,424
Gold Card revenue recognized in U.S.(2)	—	—	24,399
Other (3)	112,562	128,580	102,817
Total U.S. and Canada revenue	$ 1,822,327	$ 1,951,220	$ 2,018,931

(1) Includes GNC.com sales.

(2) The Gold Card Member Pricing program in the U.S. was discontinued in December 2016 in connection with the launch of the One New GNC program which resulted in $24.4 million of deferred Gold Card revenue being recognized in the first quarter of 2017, net of $1.4 million in applicable coupon redemptions.

(3) Includes revenue primarily related to Canada operations and loyalty programs, myGNC Rewards and PRO Access.

International Revenue

The following is a summary of the revenue disaggregated by major source in the International reportable segment:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Wholesale sales to franchisees	$ 101,609	$ 107,627	$ 104,384
Royalties and franchise fees	25,902	26,503	26,609
Other (1)	30,656	57,279	46,785
Total International revenue	$ 158,167	$ 191,409	$ 177,778

(1) Includes revenue related to China operations prior to the transfer of the China business to the HK JV and China JV, which was effective February 13, 2019, wholesale sales to the HK JV and China JV, and revenue from company-owned locations in Ireland.

Manufacturing / Wholesale Revenue

The following is a summary of the revenue disaggregated by major source in the Manufacturing / Wholesale reportable segment:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Third-party contract manufacturing (1)	$ 15,783	$ 123,322	$ 128,914
Intersegment sales (1)	35,505	264,211	231,495
Wholesale partner sales	71,911	87,572	89,157
Total Manufacturing / Wholesale revenue	$ 123,199	$ 475,105	$ 449,566

(1) The decrease in third-party contract manufacturing and intersegment sales for the year ended December 31, 2019 compared to the prior year period is due to the transfer of the Nutra manufacturing business to the Manufacturing JV effective March 1, 2019.

Revenue by Geography

The following is a summary of the revenue by geography:

	Year ended December 31,		
	2019	2018	2017
Total revenues by geographic areas(1):		(in thousands)	
United States	$ 1,962,650	$ 2,205,669	$ 2,332,880
Foreign	105,538	147,854	148,082
Total revenues	$ 2,068,188	$ 2,353,523	$ 2,480,962

(1) Geographic areas are defined based on legal entity jurisdiction.

Balances from Contracts with Customers

Contract assets represent amounts related to the Company's contractual right to consideration for completed performance obligations not yet invoiced. As of December 31, 2018, the Company had contract assets of $25.5 million for specialty manufacturing recorded within prepaid and other current assets on the Consolidated Balance Sheet (with a corresponding reduction to inventory at cost). Due to the transfer of the Nutra manufacturing net assets to the Manufacturing JV on March 1, 2019, the Company had no contract assets on the Consolidated Balance Sheet as of December 31, 2019.

Contract liabilities include payments received in advance of performance under the contract. The Company's PRO Access and loyalty program points are recorded within deferred revenue and other current liabilities on the Consolidated Balance Sheets. Deferred franchise and license fees are recorded within deferred revenue and other current liabilities and other long-term liabilities on the Consolidated Balance Sheets.

The following table presents changes in the Company's contract liabilities:

	Year ended December 31, 2019			
	Balance at beginning of period	Recognition of revenue included in beginning balance	Contract liability, net of revenue, recognized during the period	Balance at end of period
	(in thousands)			
Deferred franchise and license fees	$ 33,464	$ (10,423)	$ 5,252	$ 28,293
PRO Access and loyalty program points (*)	24,836	(24,836)	22,896	22,896
Gift card liability (*)	3,416	(2,049)	1,743	3,110

	Year ended December 31, 2018			
	Balance at beginning of period	Recognition of revenue included in beginning balance	Contract liability, net of revenue, recognized during the period	Balance at end of period
	(in thousands)			
Deferred franchise and license fees	$ 38,011	$ (7,745)	$ 3,198	$ 33,464
PRO Access and loyalty program points (*)	24,464	(24,464)	24,836	24,836
Gift card liability (*)	4,172	(2,562)	1,806	3,416

(*) Net of estimated breakage

As of December 31, 2019, the Company had deferred franchise and license fees with unsatisfied performance obligations extending throughout 2029 of $28.3 million, of which $6.3 million is expected to be recognized over the next 12 months. As of December 31, 2018, the Company had deferred franchise and license fees with unsatisfied performance obligations extending throughout 2028 of $33.5 million. The Company has elected to use the practical expedient allowed under the rules of adoption to not disclose the duration of the remaining unsatisfied performance obligations for contracts with an original expected length of one year or less.

NOTE 4. INVENTORY

The net realizable value of inventory consisted of the following:

	December 31,	
	2019	2018
	(in thousands)	
Finished product ready for sale	$ 387,655	$ 416,113
Work-in-process, bulk product and raw materials (1)	—	46,520
Packaging supplies (1)	—	2,939
Inventory	$ 387,655	$ 465,572

(1) The decrease in work-in-process, bulk product and raw materials and packaging supplies as of December 31, 2019 compared with December 31, 2018 is due to the transfer of the Nutra manufacturing net assets to the Manufacturing JV effective March 1, 2019.

NOTE 5. INCOME TAXES

Income (loss) before income taxes, including income from equity method investments, consisted of the following components:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Domestic	$ 9,781	$ 38,918	$ (298,351)
Foreign	(24)	18,557	(11,690)
Income (loss) before income taxes (*)	$ 9,757	$ 57,475	$ (310,041)

(*) Includes income from equity method investments

Income tax expense (benefit) consisted of the following components:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Current:			
Federal	$ 17,130	$ 277	$ 23,965
State	3,379	4,646	4,458
Foreign	3,764	6,037	3,376
Total current income tax expense	24,273	10,960	31,799
Deferred:			
Federal	3,393	(11,069)	(177,272)
State	18,188	(11,284)	(13,710)
Foreign	(985)	(912)	(596)
Total deferred income tax expense (benefit)	20,596	(23,265)	(191,578)
Total income tax expense (benefit)	$ 44,869	$ (12,305)	$ (159,779)

Income tax expense (benefit) reflected in the accompanying Consolidated Statements of Operations varies from the amounts that would have been provided by applying the United States federal statutory income tax rate of 21% to income (loss) before income taxes as shown below:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
U.S. federal statutory income tax	$ 2,049	$ 12,070	$ (108,532)
Increase (reduction) resulting from:			
State income tax, net of federal tax benefit	3,014	(5,600)	(3,224)
International operations	2,085	856	(2,431)
Foreign derived intangible income	(484)	(2,003)	—
Global intangible low taxed income	305	4,005	—
Premiums paid to wholly owned subsidiary company	(221)	(221)	(368)
Nondeductible goodwill	—	—	6,219
Brand impairment	—	—	50,957
Exchange of convertible senior notes	40	—	(9,529)
Loss (gain) on forward contracts for the issuance of the convertible preferred stock	3,525	(18,678)	—
Formation of the joint ventures	8,067	—	—
Change in valuation allowance	27,117	2,547	(3,294)
Stock based compensation	971	1,859	1,651
Federal tax credits and income deductions	(3,642)	(5,305)	(2,448)
Tax impact of uncertain tax positions	4,831	1,028	295
Return to provision adjustment	(3,093)	(1,073)	(3,852)
Impact of 2017 Tax Act	—	(3,583)	(86,786)
Other permanent differences	305	1,793	1,563
Income tax expense (benefit)	$ 44,869	$ (12,305)	$ (159,779)

During the year ended December 31, 2019, we recognized an income tax expense of $44.9 million. The current year effective tax rate was significantly impacted by an increase to income tax expense of $27.1 million relating to an increase in valuation allowance against certain deferred tax assets that may not be realizable and an increase to tax expense of $7.6 million resulting from the transfer of the Nutra manufacturing net assets to the Manufacturing JV. The current year tax expense was also impacted by a $4.8 million increase in the Company’s liability for uncertain tax positions and a $3.5 million increase related to a loss on forward contracts for the issuance of convertible preferred stock that was not recognizable for tax purposes.

During the year ended December 31, 2018, the Company finalized estimates of income tax impacts of the 2017 Tax Act based upon the regulations and other relevant guidance issued through December 31, 2018. The Company's 2018 income tax provision includes a discrete tax benefit of $3.6 million relating to the finalization of the remeasurement of its deferred tax assets and liabilities upon filing of the Company's 2017 federal income tax return.

On December 22, 2017, tax reform legislation known as The Tax Cuts and Jobs Act of 2017 (“2017 Tax Act”) was enacted. The 2017 Tax Act made significant changes to the Internal Revenue Code. During the year ended December 31, 2017, the Company recorded a non-cash income tax benefit of $86.8 million, related to the remeasurement of its deferred tax assets and liabilities to reflect the effects of these temporary differences at enacted tax rates expected to be in effect when taxes are actually paid or recovered.

Deferred tax assets and liabilities consisted of the following at December 31:

	Year ended December 31,	
	2019	2018
	(in thousands)	
Deferred tax assets:		
Operating reserves	$ 4,642	$ 5,787
Deferred revenue	7,402	9,118
Net operating loss and credit carryforwards	30,395	35,243
Lease liabilities	89,975	6,842
Fixed assets	8,941	12,632
Stock-based compensation	3,599	3,479
Interest limitation	29,205	20,073
Other	2,456	3,938
Valuation allowance	(42,348)	(20,025)
Total deferred tax assets	134,267	77,087
Deferred tax liabilities:		
Prepaid expenses	(4,850)	(3,820)
Right-of-use assets	(68,116)	—
Intangible assets	(91,673)	(100,709)
Convertible senior notes	(1,214)	(3,616)
Total deferred tax liabilities	(165,853)	(108,145)
Net deferred tax liability	$ (31,586)	$ (31,058)

As of December 31, 2019, the Company had gross state NOL carryforwards of $344.4 million expiring between 2026 and 2039 and $5.0 million of state tax credit carryforwards that will expire between 2023 and 2034. The Company also had $1.1 million of US foreign tax credit carryforwards expiring in 2028 and 2029. The company had immaterial foreign NOL carryforwards and no US Federal NOL carryforwards as of December 31, 2019. Under the Internal Revenue Code, the amount of and the benefits from NOL and tax credit carryforwards may be limited or permanently impaired in certain circumstances.

The Company regularly reviews deferred tax assets. The review is to ascertain that, based upon all the information available at the time of the preparation of the financial statements, it is more likely than not that the Company expects to utilize these deferred tax assets in the future. If the Company determines that it is more likely than not that these deferred tax assets will not be utilized, a valuation allowance is recorded, reducing the deferred tax asset to the amount expected to be realized. In assessing the need for a valuation allowance, the Company considers all available positive and negative evidence, including the Company’s operating results, reversals of deferred tax liabilities, and forecasts of future taxable income on a jurisdiction-by-jurisdiction basis.

During the fourth quarter of the year ended December 31, 2019, as further discussed in Note 1, "Nature of Business," management concluded that there is substantial doubt regarding the Company’s ability to continue as a going concern. Management considered this in concluding that certain deferred tax assets were no longer more likely than not realizable. As a result, an increase in valuation allowance of $27.1 million on the Company’s deferred tax assets was recorded as of December 31, 2019 which related principally to deferred tax assets for state NOL carryforwards and other state tax attributes and deferred tax assets related to the Company’s interest expense deductions as determined under Section 163(j) of the Internal Revenue Code. This increase was partially offset by a valuation allowance decrease of $4.8 million.

As of December 31, 2019 and 2018, a valuation allowance was provided for certain NOLs, as the Company currently believes that these NOLs may not be realizable prior to their expiration. As of December 31, 2019, the Company recorded an additional $18.6 million valuation allowance related to state net operating losses and other state attributes no longer determined to be realizable. In the current year, the Company also recorded a $7.4 million partial valuation allowance related to the deferred tax asset resulting from the limitation of the Company’s interest expense deduction as determined by Section 163(j) of the Internal Revenue Code and a $1.1 million valuation allowance related to federal foreign tax credit carryforwards. The Company reduced its foreign deferred tax assets and related valuation allowance by $4.8 million respectively, because it determined that $3.7 million of China NOLs would not be available to the Company as a result of the China joint venture transaction and $1.1 million of Puerto Rico NOLs were realized at the filing of the 2018 Puerto Rico statutory income tax returns.

As of December 31, 2019 and 2018, the Company has valuation allowances for deferred tax assets in the amount of $42.3 million and $20.0 million, respectively. Management will continue to assess the valuation allowance in forthcoming periods. This may result in a different conclusion as to the realizability of the Company's deferred tax assets in the future.

The Company’s foreign subsidiaries generate earnings that are not subject to U.S. income taxes so long as they are permanently reinvested in its operations outside of the U.S. Pursuant to ASC Topic No 740-30, undistributed earnings of foreign subsidiaries that are no longer permanently reinvested would become subject to deferred income taxes. The Company does not have any material undistributed earnings of international subsidiaries at December 31, 2019 as these subsidiaries are considered to be branches for United States tax purposes, to have incurred cumulative NOLs, or to have only minimal undistributed earnings.

GNC Holdings, Inc. files a consolidated federal tax return and various consolidated and separate tax returns as prescribed by the tax laws of the state, local and international jurisdictions in which it and its subsidiaries operate. The statutes of limitation for the Company’s U.S. federal income tax returns are closed for years through 2013. The Company has various state and local jurisdiction tax years open to possible examination (the earliest open period is generally 2011), and the Company also has certain state and local tax filings currently under audit.

A reconciliation of the beginning and ending amount of unrecognized tax benefits, excluding penalties and interest, is as follows:

	December 31,		
	2019	2018	2017
		(in thousands)	
Balance of unrecognized tax benefits at beginning of period	$ 6,950	$ 5,774	$ 6,456
Additions for tax positions taken during current period	180	882	748
Additions for tax positions taken during prior periods	4,774	715	192
Reductions for tax positions taken during prior periods	(800)	(421)	(675)
Settlements	(385)	—	(947)
Balance of unrecognized tax benefits at end of period	$ 10,719	$ 6,950	$ 5,774

The Company's liability for uncertain tax positions, excluding penalties and interest, increased by a net $3.8 million during the current year.

As of December 31, 2019, the Company is not aware of any positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months. Accrued interest and penalties were $2.4 million and $2.0 million at December 31, 2019 and 2018, respectively. At December 31, 2019, the amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was $13.1 million, including the impact of accrued interest and penalties. While it is often difficult to predict the final outcome or the timing of resolution of any particular uncertain tax position, the Company believes that its unrecognized tax benefits reflect the most likely outcome. The Company adjusts these unrecognized tax benefits, as well as the related interest, in light of changing facts and circumstances. Settlement of any particular position could require the use of cash. Favorable resolution would be recognized as a reduction to the effective income tax rate in the period of resolution.

NOTE 6. GOODWILL AND INTANGIBLE ASSETS

Impairment Charges

The Company recorded the following impairment charges:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Brand name	$ —	$ 23,680	$ 395,600
Goodwill	—	—	24,283
Property and equipment[1]	—	9,521	18,555
Lucky Vitamin [2]	—	—	19,356
Other store closing costs	—	5,035	—
Total long-lived asset impairment charges	$ —	$ 38,236	$ 457,794

(1) Refer to Note 7, "Property, Plant and Equipment, Net" for more information on the property and equipment charges.
(2) Includes goodwill, intangible assets and property and equipment as explained below.

Brand Name

During the fourth quarter of 2019, management performed its annual impairment test of the indefinite-lived brand intangible asset. The brand name impairment test was performed in totality as it represents a single unit of account and the Company concluded that the estimated fair value under the relief from royalty method (income approach) exceeded its carrying value. The methodology utilized for the impairment test of the indefinite-lived brand intangible asset has not changed materially from the prior year. Key assumptions included in the estimation of the fair value include the following:

- Future cash flow assumptions - Future cash flow assumptions include retail sales from the Company's corporate retail store operations, GNC.com retail sales, wholesale partner sales, China JV and HK JV retail sales, and domestic and international franchise retail sales. Sales were based on organic growth and were derived from historical experience and assumptions regarding future growth. The Company's analysis incorporated an assumed period of cash flows of 10 years with a terminal value.

- Royalty rate - The royalty rates utilized consider external market evidence and internal financial metrics including a review of available returns after the consideration of property, plant and equipment, working capital and other intangible assets.

- Discount rate - The discount rate was based on an estimated weighted average cost of capital ("WACC") for each business supported by the GNC brand name. The components of WACC are the cost of equity and the cost of debt, each of which requires judgment by management to estimate. The Company developed its cost of equity estimate based on perceived risks and predictability of future cash flows. The WACC used to estimate the fair values of the Company's reporting units was within a range of 16% to 19%. Any difference between the WACC among reporting units is primarily due to the precision with which management expects to be able to predict the future cash flows of each reporting unit.

During the year ended December 31, 2018, the Company recognized an impairment charge of $23.7 million, which was allocated to the U.S. and Canada and International segments for $21.6 million and $2.1 million, respectively. During the year ended December 31, 2017, the Company recognized a $395.6 million impairment charge on its $720.0 million indefinite-lived brand intangible asset, which was allocated to the U.S. and Canada and International segments for $394.0 million and $1.6 million, respectively.

Goodwill

Management performed its annual impairment test of goodwill during the fourth quarter of 2019. Results of the impairment test indicated that all of the reporting units had fair values which were in excess of their respective carrying values and therefore there was no impairment for the year ended December 31, 2019.

The Company estimated the fair values of its reporting units in the fourth quarter of 2019 using a discounted cash flow method (income approach) weighted 50% and a guideline company method (market approach) weighted 50%. The methodology utilized for the goodwill impairment test has not changed materially from the prior year. The key assumptions used under the income approach include the following:

- <u>Future cash flow assumptions</u> - The Company's projections for its reporting units were based on organic growth and were derived from historical experience and assumptions regarding future growth and profitability trends. The Company's analysis incorporated an assumed period of cash flows of 10 years with a terminal value.

- <u>Discount rate</u> - The discount rate was based on an estimated weighted average cost of capital ("WACC") for each reporting unit. The components of WACC are the cost of equity and the cost of debt, each of which requires judgment by management to estimate. The Company developed its cost of equity estimate based on perceived risks and predictability of future cash flows. The WACC used to estimate the fair values of the Company's reporting units was within a range of 16% to 19%. Any difference between the WACC among reporting units is primarily due to the precision with which management expects to be able to predict the future cash flows of each reporting unit.

The guideline company method involves analyzing transaction and financial data of publicly-traded companies to develop multiples, which are adjusted to account for differences in growth prospects and risk profiles of the reporting unit and the comparable.

For the year ended December 31, 2018, no impairment was indicated as a result of the annual impairment test during the fourth quarter. For the year ended December 31, 2017, the Company recorded a goodwill impairment charge of $24.3 million related to the Wholesale reporting unit in the fourth quarter as a result of a triggering event based on a decline in the Company's share price and previous challenges associated with the Company's efforts to refinance its long-term debt.

Lucky Vitamin

During the second quarter of 2017, in order for the Company to focus on strategic changes around the One New GNC program, the Company considered strategic alternatives for the Lucky Vitamin e-commerce business, which was considered a triggering event requiring an interim goodwill impairment review of the Lucky Vitamin reporting unit as of June 30, 2017. The Company estimated the fair value of the Lucky Vitamin reporting unit using a discounted cash flow method (income approach) and a guideline company method (market approach), each of which took into account the expectations regarding the potential strategic alternatives for the Lucky Vitamin business being explored in the second quarter of 2017. As a result of the review, the Company concluded that the carrying value of the Lucky Vitamin reporting unit exceeded its fair value, which resulted in a goodwill impairment charge of $11.5 million being recorded in the second quarter of 2017. There was no remaining goodwill balance on the Lucky Vitamin reporting unit after the impact of this charge.

As a result of the impairment indicator described above, the Company also performed an impairment analysis with respect to its definite-lived intangible assets and other long-lived assets on the Lucky Vitamin reporting unit, consisting of a trade name and property and equipment. The fair value of the trade name was determined using a relief from royalty method (income approach) and the fair value of the property and equipment was determined using an income approach. Based on the results of the analyses, the Company concluded that the carrying value of the Lucky Vitamin trade name and property and equipment exceeded their fair values resulting in an impairment charge of $4.2 million and $3.7 million, respectively. All of the aforementioned non-cash charges totaling $19.4 million were recorded in long-lived asset impairments in the Consolidated Statement of Operations within the U.S. and Canada segment during the year ended December 31, 2017.

The Company completed an asset sale of Lucky Vitamin on September 30, 2017, resulting in a loss of $1.7 million recorded within other (income) loss, net on the Consolidated Statement of Operations consisting of the net assets sold subtracted from the purchase price of $6.4 million, which includes fees paid to a third-party. The proceeds were received in October 2017.

Goodwill Roll-Forward

The following table summarizes the Company's goodwill activity by reportable segment:

	U.S. and Canada	International	Manufacturing / Wholesale	Total
		(in thousands)		
Goodwill at December 31, 2017	$ 9,251	$ 43,708	$ 88,070	$ 141,029
2018 Activity:				
Translation effect of exchange rates	—	(265)	—	(265)
Total 2018 activity	—	(265)	—	(265)
Balance at December 31, 2018:				
Gross	389,895	43,443	202,841	636,179
Accumulated impairments	(380,644)	—	(114,771)	(495,415)
Goodwill	$ 9,251	$ 43,443	$ 88,070	$ 140,764
2019 Activity:				
Translation effect of exchange rates	—	(113)	—	(113)
Nutra manufacturing net assets exchange	—	—	(61,542)	(61,542)
Total 2019 activity	—	(113)	(61,542)	(61,655)
Balance at December 31, 2019:				
Gross	389,895	43,330	141,299	574,524
Accumulated impairments	(380,644)	—	(114,771)	(495,415)
Goodwill	$ 9,251	$ 43,330	$ 26,528	$ 79,109

Intangible Assets

The following table reflects the gross carrying amount and accumulated amortization for each major intangible asset:

		December 31, 2019			December 31, 2018		
	Weighted-Average Life	Gross	Accumulated Amortization / Impairment	Carrying Amount	Gross	Accumulated Amortization / Impairment	Carrying Amount
				(in thousands)			
Brand name	Indefinite	$ 720,000	$ (419,280)	$ 300,720	$ 720,000	$ (419,280)	$ 300,720
Retail agreements	30.3	31,000	(13,619)	17,381	31,000	(12,566)	18,434
Franchise agreements	25.0	70,000	(35,817)	34,183	70,000	(33,017)	36,983
Manufacturing agreements (1)	25.0	40,000	(20,467)	19,533	70,000	(33,017)	36,983
Other intangibles	6.8	639	(529)	110	652	(449)	203
Franchise rights	3.0	7,566	(7,475)	91	7,486	(7,362)	124
Total		$ 869,205	$ (497,187)	$ 372,018	$ 899,138	$ (505,691)	$ 393,447

(1) In the first quarter of 2019, the Company transferred the Nutra manufacturing business net assets to the Manufacturing JV

Amortization expense during the years ended December 31, 2019, 2018 and 2017 was $5.9 million, $7.0 million and $7.4 million, respectively.

The following table represents future amortization expense of definite-lived intangible assets at December 31, 2019:

Years ending December 31,	Amortization expense
	(in thousands)
2020	$ 5,579
2021	5,488
2022	5,469
2023	5,469
2024	5,459
Thereafter	43,834
Total future amortization expense	$ 71,298

NOTE 7. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net, consisted of the following:

	December 31, 2019	December 31, 2018
	(in thousands)	
Land, buildings and improvements	$ 21,971	$ 74,062
Machinery and equipment	72,250	159,563
Leasehold improvements	106,954	107,089
Furniture and fixtures	101,738	108,196
Software	54,211	52,970
Construction in progress	855	2,896
Total property, plant and equipment	357,979	504,776
Less: accumulated depreciation	(261,542)	(340,160)
Less: accumulated impairment	(9,521)	(9,521)
Net property, plant and equipment (1)	$ 86,916	$ 155,095

(1) In the first quarter of 2019, the Company transferred the Nutra manufacturing business net assets to the Manufacturing JV and transferred the China net assets to the HK JV and China JV.

The Company recognized depreciation expense on property, plant and equipment of $29.6 million, $40.1 million, and $49.4 million for the years ended December 31, 2019, 2018 and 2017, respectively, which is included in manufacturing overhead expense as part of cost of sales and SG&A expense on the Consolidated Statements of Operations.

Impairments and Other Store Closing Costs

No impairment of property, plant and equipment was recognized during the year ended December 31, 2019.

During the third quarter of 2018, the Company performed a detailed review of its store portfolio and identified stores in the U.S. and Canada that will be closed within the next three years at the end of their lease terms. This review also identified other stores in which the Company is considering alternatives such as seeking lower rent or a shorter term. In connection with the review of the store portfolio, the Company recorded $14.6 million of impairment charges within the U.S. and Canada segment, of which $9.5 million related to its property, plant and equipment for certain underperforming stores and $5.1 million related to other store closing costs, presented as long-lived asset impairments in the accompanying Consolidated Statement of Operations.

During the year ended December 31, 2017, the Company recorded $18.6 million of impairment charges within the U.S. and Canada segment primarily related to certain of the Company's underperforming stores and the impact of Hurricane Maria on the Company's stores located in Puerto Rico. Refer to Note 6, "Goodwill and Intangible Assets" for fixed asset impairments related to Lucky Vitamin in 2017.

The impairment tests were performed at the individual store level as this is the lowest level which identifiable cash flows are largely independent of other groups of assets and liabilities. Underperforming stores were generally comprised of stores with historical and expected future losses or stores that management intends on closing in the near term. If the undiscounted estimated future cash flows were less than the carrying value of the individual store, an impairment charge was calculated by subtracting the estimated fair value of property and equipment from its carrying value. Fair value was estimated using a discounted cash flow method (income approach) utilizing the undiscounted cash flows estimated in the first step of the test.

NOTE 8. LONG-TERM DEBT / INTEREST EXPENSE

Long-term debt consisted of the following:

	December 31, 2019	December 31, 2018
	(in thousands)	
Tranche B-1 Term Loan (net of $0.0 million discount)	$ —	$ 147,289
Tranche B-2 Term Loan (net of $7.0 million and $17.5 million discount)	441,500	554,760
FILO Term Loan (net of $8.2 million and $10.9 million discount)	266,814	264,086
Unpaid original issuance discount	—	11,445
Notes (net of $3.9 million and $11.5 million conversion feature and $0.5 million and $1.6 million discount)	154,675	175,504
Debt issuance costs	(424)	(762)
Total debt	$ 862,565	$ 1,152,322
Less: current maturities	(180,566)	(158,756)
Long-term debt	$ 681,999	$ 993,566

At December 31, 2019, the Company's future annual contractual obligations on long-term debt are detailed below:

Year Ending December 31,	Tranche B-2 Term Loan (1)	FILO Term Loan (2)	Convertible Notes (3)	Total
2020	$ 25,909	$ —	$ 159,097	$ 185,006
2021	422,553	—	—	422,553
2022	—	275,000	—	275,000
Total	$ 448,462	$ 275,000	$ 159,097	$ 882,559

(1) Includes the unamortized original issuance discount of $7.0 million

(2) Includes the unamortized original issuance discount of $8.2 million

(3) Includes unamortized conversion feature of $3.9 million and original issuance discount of $0.5 million.

Senior Credit Facility

Issuance

In March 2011, General Nutrition Centers, Inc. ("Centers"), a wholly owned subsidiary of Holdings, entered into the Senior Credit Facility, consisting of the Term Loan Facility and the Revolving Credit Facility. The Senior Credit Facility permits the Company to prepay a portion or all of the outstanding balance without incurring penalties (except London Interbank Offering Rate ("LIBOR") breakage costs). GNC Corporation, the Company's indirect wholly owned subsidiary, and Centers' existing and future domestic subsidiaries have guaranteed Centers' obligations under the Senior Credit Facility. In addition, the Senior Credit Facility is collateralized by first priority pledges (subject to permitted liens) of substantially all of Centers' assets, including its equity interests and the equity interests of its domestic subsidiaries.

The Company amended the Revolving Credit Facility on March 4, 2016, to extend its maturity from March 2017 to September 2018 and increase total availability from $130.0 million to $300.0 million. In December 2017, the Company reduced the amount available under the Revolving Credit Facility from $300.0 million to $225.0 million.

2018 Refinancing

On February 28, 2018, the Company amended and restated its Senior Credit Facility which at the time consisted of a $1,131.2 million term loan facility due in March 2019 and a $225.0 million revolving credit facility that was scheduled to mature in September 2018 (the “Amendment”, and the Senior Credit Facility as so amended, the "Term Loan Agreement"). The Amendment extended the maturity date for $704.3 million of the $1,131.2 million term loan facility from March 2019 to March 2021 (the “Tranche B-2 Term Loan"). In the event that all outstanding amounts under the convertible senior notes in excess of $50.0 million have not been repaid, refinanced, converted or effectively discharged prior to May 2020 ("Springing Maturity Date"), the maturity date for the Tranche B-2 Term Loan becomes the Springing Maturity Date, subject to certain adjustments. The Amendment also terminated the $225.0 million revolving credit facility.

After the effectiveness of the Amendment, the remaining term loan of $151.9 million as of February 28, 2018 continued to have a maturity date of March 2019 (the "Tranche B-1 Term Loan"). The Tranche B-2 Term Loan requires annual aggregate principal payments of at least $43 million and bears interest at a rate of, at the Company's option, LIBOR plus a margin of 8.75% per annum subject to change under certain circumstances (with a minimum and maximum margin of 8.25% and 9.25%, respectively, per annum), or prime plus a margin of 7.75% per annum subject to change under certain circumstances (with a minimum and maximum of 7.25% and 8.25%, respectively, per annum). Any mandatory repayments as defined in the credit agreement shall be applied to the remaining annual aggregate principle payments in direct order of maturity. As discussed in further detail below, in November 2018, the Company paid $100 million on the Tranche B-2 Term Loan and elected to use the payment to satisfy the scheduled amortization payments on the Term Loan Facility through December 2020. The interest rate under the Tranche B-1 Term Loan is at a rate of, at the Company's option, LIBOR plus a margin of 2.5% or prime plus a margin of 1.5%. The Term Loan Agreement is secured by a (i) first lien on certain assets of the Company primarily consisting of capital stock issued by General Nutrition Centers, Inc. ("Centers") and its subsidiaries, intellectual property and equipment (“Term Priority Collateral”) and (ii) second lien on certain assets of the Company primarily consisting of inventory and accounts receivable (“ABL Priority Collateral”). The Term Loan Agreement is guaranteed by all material, wholly-owned domestic subsidiaries of the Company (the “U.S. Guarantors”) and by General Nutrition Centres Company, an unlimited liability company organized under the laws of Nova Scotia (together with the U.S. Guarantors, the “Guarantors”).

On February 28 2018, the Company also entered into a new asset-based credit agreement (the "ABL Credit Agreement"), consisting of:

- a new $100 million asset-based Revolving Credit Facility (the "Revolving Credit Facility") with a maturity date of August 2022 (which maturity date will become May 2020, subject to certain adjustments, should the Springing Maturity Date be triggered); In connection with the transfer of the Nutra manufacturing and Anderson facility net assets to the manufacturing JV with IVC, the Revolving Credit Facility commitment was reduced from $100 million to $81 million effective March 2019; and

- a $275.0 million asset-based Term Loan Facility advanced on a “first-in, last-out” basis (the "FILO Term Loan") with a maturity date of December 2022 (which maturity date will become May 2020, subject to certain adjustments, should the Springing Maturity Date be triggered).

There are no scheduled amortization payments associated with the FILO Term Loan, which bears interest at a rate of LIBOR plus a margin of 7.00% per annum subject to decrease under certain circumstances (with a minimum possible interest rate of LIBOR plus a margin of 6.50% per annum). Outstanding borrowings under the Revolving Credit Facility bear interest at a rate of LIBOR plus 1.50% or prime plus 0.50% (both subject to an increase or decrease of 0.25% to 0.50% based on the amount available to be drawn under the Revolving Credit Facility). The Company is also required to pay an annual fee of 0.125% to the applicable Issuing Bank and a fee to revolving lenders equal to a maximum of 2.0% (subject to adjustment based on the amount available to be drawn under the Revolving Credit Facility with a minimum of 1.5%) on outstanding letters of credit and an annual commitment fee of 0.375% on the undrawn portion of the Revolving Credit Facility subject to an increase to 0.5% based on the amount available to draw under the Revolving Credit Facility. The FILO Term Loan and Revolving Credit Facility are secured by a (i) first lien on ABL Priority Collateral and (ii) second lien on Term Priority Collateral. The FILO Term Loan and Revolving Credit Facility are guaranteed by the Guarantors.

In connection with the debt refinancing, the Company recognized a loss of $16.7 million in the first quarter of 2018, which primarily includes third-party fees relating to the Tranche B-2 Term Loan and the FILO Term Loan, and is presented as an operating outflow on the accompanying Consolidated Statement of Cash Flows. The refinancing of our term debt was accounted for as a debt modification and therefore the fees paid to third parties associated with the term debt restructuring were expensed. In addition, the Company paid $30.2 million consisting of an original issuance discount (“OID”) to the Tranche B-2 Term Loan and the FILO Term Loan lenders. The remaining unpaid OID of $10.4 million, which was subject to change based on the timing and amount of the outstanding balance, was paid to the Tranche B-2 Term Loan lenders at 2% of the outstanding balance during the first quarter of 2019. The OID together with $5.1 million in fees incurred relating to the Revolving Credit Facility (included within other long-term assets on the Consolidated Balance Sheet) are amortized through the applicable maturity dates as an increase to interest expense.

Under the Company’s Term Loan Agreement and ABL Credit Agreement (collectively, the "Credit Facilities"), the Company is required to make certain mandatory prepayments, including a requirement to prepay first the Tranche B-2 Term Loan (until repaid in full), second the FILO Term Loan (until repaid in full, but only if such prepayment is permitted under the ABL Credit Agreement), and third the Tranche B-1 Term Loan, in each case annually with amounts based on excess cash flow, as defined in the Company’s Credit Facilities, based on the results of the Company for the prior fiscal year. The payment will be 75% of excess cash flow for each such fiscal year, subject to a reduction to 50% based on the attainment of a certain Consolidated Net First Lien Leverage Ratio, and will be reduced by certain scheduled debt payment amounts. Based on the Company's results for the year ended December 31, 2018, the Company's required excess cash flow payment was $49.8 million, which was reduced to $9.8 million by the scheduled debt payments made in the first quarter of 2019 defined in the Company's Credit Facilities. The Company made the excess cash flow payment in April 2019. Based on the Company's results for the year ended December 31, 2019, the Company will be required to make an excess cash flow payment of $25.9 million in April 2020.

At December 31, 2019, the Company's contractual interest rates under the Tranche B-2 Term Loan and the FILO Term Loan were 10.6% and 8.8%, respectively, which consist of LIBOR plus the applicable margin rate. At December 31, 2018, the Company's contractual interest rates under the Tranche B-1 Term Loan, Tranche B-2 Term Loan, and the FILO Term Loan were 5.7%, 11.8% and 9.5%, respectively. At December 31, 2019, the Company had $66.2 million available under the Revolving Credit Facility, after giving effect to $4.9 million utilized to secure letters of credit and a $9.9 million reduction to borrowing ability as a result of decrease in net collateral.

The Company’s Credit Facilities contain customary covenants, including limitations on the ability of GNC Corporation, Centers, and Centers' subsidiaries to, among other things, incur debt, grant liens on their assets, enter into mergers or liquidations, sell assets, make investments or acquisitions, make optional payments in respect of, or modify, certain other debt instruments, pay dividends or other payments on capital stock, or enter into arrangements that restrict their ability to pay dividends or grant liens. In addition, the Term Loan Agreement requires compliance, as of the end of each fiscal quarter of the Company, with a maximum Consolidated Net First Lien Leverage Ratio initially set at 5.50 to 1.00 through December 31, 2018 and decreasing to 5.00 to 1.00 from March 31, 2019 to December 31, 2019 and 4.25 to 1.00 thereafter. Depending on the amount available to be drawn under the Revolving Credit Facility, the ABL Credit Agreement requires compliance as of the end of each fiscal quarter of the Company with a minimum Fixed Charge Coverage Ratio of 1.00 to 1.00. The Company was in compliance with the terms of its Credit Facilities as of December 31, 2019.

Investment from Harbin and IVC

On November 7, 2018, The Company entered into an Amendment to the Securities Purchase Agreement with Harbin Pharmaceutical Group Holdings Co., Ltd. (the "Investor") for the purchase of 299,950 shares of convertible preferred stock. Pursuant to the terms of the Securities Purchase Agreement, the Investor assigned its interest in the Securities Purchase Agreement to Harbin Pharmaceutical Group Co., Ltd. ("Harbin"). Harbin's $300 million investment was funded in three separate tranches.

On November 8, 2018, the Company received the initial $100 million investment for the purchase of 100,000 shares of convertible preferred stock. The Company utilized the $100 million to pay a portion of the Tranche B-2 Term Loan due in March 2021 pursuant to the Amendment to its Senior Credit Facility and elected to use the payment to satisfy the scheduled amortization payments on the Term Loan Facility through December 2020. On January 2, 2019, the Company received $50 million investment for the second purchase of 50,000 shares of convertible preferred stock, and on February 13, 2019, the Company received the remaining $150 million for the final purchase of 149,950 shares of convertible preferred stock.

In March 2019, the Company announced the formation of a strategic partnership with IVC. Under the terms of the agreement, GNC received $101 million from IVC in the first quarter of 2019 and contributed its Nutra manufacturing and Anderson facility net assets in exchange for an initial 43% ownership in the joint venture.

In connection with the receipt of the investments in 2019 as mentioned above, the Company paid down the remaining balance of the Tranche B-1 Term Loan of $147.3 million. The remaining proceeds together with cash generated from operating activities were utilized to pay a portion of the Tranche B-2 of $114.0 million and the original issuance discount due to the Tranche B-2 Term Loan lenders at 2% of the outstanding balance.

Convertible Debt

Issuance and Terms

On August 10, 2015, the Company issued $287.5 million principal amount of 1.5% convertible senior notes due 2020 in a private offering (the "Notes"). The Notes are governed by the terms of an indenture between the Company and BNY Mellon Trust Company, N.A., as the Trustee (the "Indenture"). The Notes mature on August 15, 2020, unless earlier repaid, discharged, refinanced or converted by the holders subject to restrictions through May 15, 2020. The Notes bear interest at a rate of 1.5% per annum, and additionally are subject to special interest in connection with any failure of the Company to perform certain of its obligations under the Indenture.

The Notes are unsecured obligations and do not contain any financial covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by the Company or any of its subsidiaries. Certain events are considered “events of default” under the Notes, which may result in the acceleration of the maturity of the Notes, as described in the indenture governing the Notes. The Notes are fully and unconditionally guaranteed by certain operating subsidiaries of the Company (“Subsidiary Guarantors”) and are subordinated to the Subsidiary Guarantors obligations from time to time with respect to the Senior Credit Facility and ranks equal in right of payment with respect to the Subsidiary Guarantor’s other obligations.

The initial conversion rate applicable to the Notes is 15.1156 shares of common stock per $1,000 principal amount of Notes, which is equivalent to an initial conversion price of $66.16 per share. The conversion rate is subject to adjustment upon the occurrence of certain specified events, but will not be adjusted for any accrued and unpaid special interest. In addition, upon the occurrence of a “make-whole fundamental change" as defined in the Indenture, the Company will, in certain circumstances, increase the conversion rate by a number of additional shares for a holder that elects to convert its Notes in connection with such make-whole fundamental change.

Prior to May 15, 2020, the Notes are convertible only under the following circumstances: (1) during any calendar quarter commencing after September 30, 2015, if, for at least 20 trading days (whether or not consecutive) during the 30 consecutive trading day period ending on the last trading day of the immediately preceding calendar quarter, the last reported sale price of the Company’s common stock on such trading day is greater than or equal to 130% of the applicable conversion price on such trading day; (2) during the 5 consecutive business day period after any ten consecutive trading day period in which, for each day of that period, the trading price per $1,000 principal amount of Notes for such trading day was less than 98% of the product of the last reported sale price of the Company’s common stock and the applicable conversion rate on such trading day; or (3) upon the occurrence of specified corporate transactions. On and after May 15, 2020, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or a portion of their Notes at any time, regardless of the foregoing circumstances. Upon conversion, the Notes will be settled, at the Company's election, in cash, shares of the Company's common stock, or a combination of cash and shares of the Company's common stock. If the Company has not delivered a notice of its election of settlement method prior to the final conversion period, it will be deemed to have elected combination settlement with a dollar amount per note to be received upon conversion of $1,000. None of these circumstances was met during the year ended December 31, 2019 and 2018.

Exchange

On December 20, 2017, the Company exchanged in privately negotiated transactions $98.9 million in aggregate principal amount of the Notes for an aggregate of 14.6 million newly issued shares of the Company's Class A common stock, which had a value of $71.7 million at the time of the exchange. The Company accounted for the transaction as a troubled debt restructuring as a result of satisfying the below criteria.

- Previous challenges associated with the Company's refinancing efforts of its long term debt at the time of the convertible debt exchange.

- The holders of the convertible debt completed the exchange for a value lower than the face amount of the notes. As a result, management concluded a concession was granted to the Company.

The convertible debt exchange resulted in a gain of $15.0 million, which includes the unamortized conversion feature of $9.6 million, unamortized discount of $1.4 million and other third party fees of $1.2 million and together with legal, investment banking and rating agency fees associated with the Company's refinancing efforts, the Company recorded a net gain of $11.0 million in the fourth quarter of 2017.

Repurchase

During the second quarter of 2019, the Company repurchased $29.5 million in aggregate principal amount of the Notes for $24.7 million in cash. The convertible debt repurchase resulted in a gain of $3.2 million, which included the unamortized conversion feature of $1.3 million and unamortized discount of $0.2 million.

Notes by Component

The Notes consist of the following components:

	As of December 31,	
	2019	2018
	(in thousands)	
Liability component		
Principal	$ 159,097	$ 188,565
Conversion feature	(3,898)	(11,489)
Discount related to debt issuance costs	(524)	(1,572)
Net carrying amount	$ 154,675	$ 175,504
Equity component		
Conversion feature	$ 49,680	$ 49,680
Debt issuance costs	(1,421)	(1,421)
Deferred taxes (*)	(16,540)	(16,620)
Net amount recorded in additional paid-in capital	$ 31,719	$ 31,639

(*) The balance at December 31, 2019 includes $0.1 million related to the tax provision that was allocated to additional paid in capital associated with the convertible debt repurchase.

Interest Rate Swaps

On June 13, 2018, the Company entered into two interest rate swaps with notional amounts of $275 million and $225 million to limit the exposure to its variable interest rate debt by effectively converting it to a fixed interest rate. The Company receives payments based on the one-month LIBOR and makes payments based on a fixed rate. The Company receives payments with a floor of 0.00% and 0.75%, respectively, on the $275 million and $225 million interest rate swaps, which aligns with the related debt instruments, and makes payments on a fixed rate of 2.82% and 2.74%, respectively. The interest rate swap agreements had an effective date of June 29, 2018. The $225 million interest rate swap expires on February 28, 2021, and the $275 million interest rate swap expires on June 30, 2021. The notional amount of the $225 million interest rate swap has scheduled decreases to $175 million on June 30, 2019, $125 million on June 30, 2020 and $75 million on December 31, 2020. The Company designated these instruments as cash flow hedges and deemed effective upon initiation. The interest rate swaps are recognized on the balance sheet at fair value. Changes in fair value are recorded within other comprehensive income (loss) on the Consolidated Balance Sheet and reclassified into the Consolidated Statement of Operations as interest expense in the period in which the underlying transaction affects earnings.

The fair values of the derivative financial instruments included in the Consolidated Balance Sheets consisted of the following:

	Fair Value at	
Balance Sheet Classification	**December 31, 2019**	**December 31, 2018**
	(in thousands)	
Other current liabilities	$ 5,013	$ —
Other long-term liabilities	1,927	3,210
Total liabilities	$ 6,940	$ 3,210

At December 31, 2019, there was a cumulative unrealized loss of $4.8 million, net of tax, related to these interest rate swaps included in accumulated other comprehensive income (loss). This loss would be immediately recognized in the Consolidated Statement of Operations if these instruments fail to meet certain cash flow hedge requirements. As of December 31, 2019, the amount included in accumulated other comprehensive loss related to the interest rate swaps to be reclassified into earnings during the next 12 months is approximately $4 million. Refer to Note 11, "Fair Value Measurements of Financial Instruments" for more information on how the interest rate swaps are valued.

At December 31, 2018, there was a cumulative unrealized loss of $2.2 million, net of tax, related to these interest rate swaps included in accumulated other comprehensive income (loss). This loss would be immediately recognized in the Consolidated Statement of Operations if these instruments fail to meet certain cash flow hedge requirements. As of December 31, 2018, the amount included in accumulated other comprehensive loss related to the interest rate swaps to be reclassified into earnings during the next 12 months is not material.

Interest Expense

Interest expense consisted of the following:

	For the year ended December 31, 2019	2018	2017
		(in thousands)	
Senior Credit Facility:			
Tranche B-1 Term Loan coupon	$ 928	$ 13,322	$ 41,477
Tranche B-2 Term Loan coupon	54,873	64,417	—
FILO Term Loan coupon	27,380	22,143	—
Revolving Credit Facility	409	1,022	—
Terminated revolving credit facility	—	316	4,685
Amortization of discount and debt issuance costs	13,609	15,648	2,413
Total Senior Credit Facility	97,199	116,868	48,575
Notes:			
Coupon	2,576	2,828	4,272
Amortization of conversion feature	6,246	6,576	9,496
Amortization of discount and debt issuance costs	895	974	1,251
Total Notes	9,717	10,378	15,019
Interest income and other	(207)	(166)	627
Interest expense, net	$ 106,709	$ 127,080	$ 64,221

NOTE 9. EQUITY METHOD INVESTMENTS

In February 2019, the Company contributed its China business in exchange for 35% ownership of each of the joint ventures with Harbin, the HK JV and China JV. The HK JV includes the operation of the cross-border China e-commerce business, and has an exclusive right to use the Company’s trademarks to manufacture and distribute the Company’s products in China (excluding Hong Kong, Taiwan and Macau) via e-commerce channels. The China JV is a retail-focused joint venture to operate GNC's brick-and-mortar retail business in China and it will have an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via retail stores and pharmacies. The HK JV closed in February 2019 and the China JV agreement is expected to be completed in the second quarter of 2020, following the satisfaction of certain routine regulatory and legal requirements.

In March 2019, the Company entered into a strategic joint venture with IVC regarding the Company's manufacturing business. The Manufacturing JV is responsible for the manufacturing of the products previously produced by the Company at the Nutra manufacturing facility. The Company received $99.2 million from IVC and contributed the net assets of the Nutra manufacturing and Anderson facilities in exchange for an initial 43% equity interest in the Manufacturing JV. In addition, the Company made a capital contribution of $10.7 million to the Manufacturing JV to fund its share of short-term working capital needs. IVC is expected to pay an additional $75.0 million over a four year period from the effective date of the transaction as IVC’s ownership of the joint venture increases to 100%. The subsequent purchase price for each year is $18.8 million, adjusted up or down based on the Manufacturing JV's future performance. IVC's subsequent purchase price in the first quarter of 2020 is expected to be between approximately $16 million and $17 million based on the Manufacturing JV's performance in 2019.

Gain (loss) from the net asset exchange

In connection with the formation of the joint ventures effective in the first quarter of 2019, the Company deconsolidated its China business and its Nutra manufacturing business which resulted in a pre-tax gain of $5.8 million and loss of $27.1 million, respectively, recorded within loss on net asset exchange for the formation of the joint ventures on the Consolidated Statements of Operations. The $5.8 million gain from the Harbin transaction was calculated based on the difference between the fair value of the 35% equity interest in the HK JV and China JV, less the carrying value of the contributed China business, including $2.4 million of cash, and third-party closing fees. The $27.1 million loss from the Manufacturing JV transaction was calculated based on the fair value of the 43% equity interest retained in the Manufacturing JV and the $101 million in cash received, net of a $1.8 million working capital purchase price adjustment in the second quarter of 2019, less the carrying value of the contributed Nutra and Anderson facilities and third-party closing fees.

The Company's interests in the joint ventures are accounted for as equity method investments due to the Company's ability to exercise significant influence over management decisions of the joint ventures. Under the equity method, the Company's share of profits and losses from the joint ventures is recorded within income from equity method investments on the Consolidated Statement of Operations. The following table provides a reconciliation of equity method investments on the Company's Consolidated Balance Sheets:

	December 31, 2019 (in thousands)
Manufacturing JV	$ 75,434
Manufacturing JV capital contribution	10,714
HK JV and China JV	10,342
Income from equity method investments	5,296
Distributions received from equity method investments	(3,856)
Total Equity method investments	$ 97,930

In connection with the transaction with IVC, the Company entered into a lease for warehouse space within the Anderson facility. Refer to Note 12, "Leases" for more information. Additionally, the Company purchased approximately $156 million of product from the Manufacturing JV during the year ended December 31, 2019 and had $11.7 million accounts payable outstanding as of December 31, 2019. In connection with the HK JV, the Company recognized revenue, primarily from wholesale sales and royalties, of $13.2 million for the year ended December 31, 2019 and had $8.9 million accounts receivable outstanding as of December 31, 2019.

NOTE 10. DEFERRED REVENUE AND OTHER CURRENT LIABILITIES

Deferred revenue and other current liabilities consisted of the following:

	December 31,	
	2019	2018
	(in thousands)	
Deferred revenue	$ 34,253	$ 37,629
Accrued compensation and related benefits	35,850	38,866
Accrued occupancy (*)	1,929	9,106
Accrued sales tax	1,914	2,571
Accrued interest	3,776	1,828
Interest rate swap	5,013	—
Other current liabilities	23,057	30,169
Total deferred revenue and other current liabilities	$ 105,792	$ 120,169

(*) In connection with the the adoption of ASC 842, as further described in Note 2, "Basis of Presentation and Summary of Significant accounting policies", minimum lease payments are included in lease liabilities on the Consolidated Balance Sheet as of December 31, 2019.

NOTE 11. FAIR VALUE MEASUREMENTS AND FINANCIAL INSTRUMENTS

ASC 820, "Fair Value Measurements and Disclosures" defines fair value as a market-based measurement that should be determined based on the assumptions that marketplace participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1 — observable inputs such as quoted prices in active markets for identical assets and liabilities;

Level 2 — observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other inputs that are observable, or can be corroborated by observable market data; and

Level 3 — unobservable inputs for which there are little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts of cash and cash equivalents, receivables, accounts payable, accrued liabilities and the Revolving Credit Facility approximate their respective fair values. Based on the interest rates currently available and their underlying risk, the carrying value of franchise notes receivable recorded primarily in Other long-term assets approximates its fair value.

The carrying value and estimated fair value of the forward contracts for the issuance of convertible preferred stock, the Term Loan Facility, net of discount, Notes (net of the equity component classified in stockholders' equity and discount) and the interest rate swaps were as follows:

	December 31, 2019		December 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
Assets:				
Forward contracts for the issuance of convertible preferred stock	$ —	$ —	$ 88,942	$ 88,942
Liabilities:				
Tranche B-1 Term Loan	$ —	$ —	$ 147,289	$ 145,080
Tranche B-2 Term Loan	441,500	414,321	554,760	511,766
FILO Term Loan	266,814	265,851	264,086	260,125
Notes	154,675	148,488	175,504	131,628
Interest rate swaps	6,940	6,940	3,210	3,210

The forward contracts for the issuance of convertible preferred stock were measured at fair value, as of the valuation date, using a single factor binomial lattice model ("Lattice Model") which incorporates the terms and conditions of the convertible preferred stock and is based on changes in the prices of the underlying common share price over successive periods of time. Key assumptions of the Lattice Model include the current price of the underlying stock and its historical and expected volatility, risk-neutral interest rates and the instruments remaining term. These assumptions require significant management judgment and are considered Level 3 inputs. The forward contract was revalued at each reporting period and changes in fair value are recognized in the Consolidated Statements of Operations. The forward contracts settled upon issuance on January 2, 2019 and February 13, 2019. Refer to Note 14, "Mezzanine Equity" for discussion of the Securities Purchase Agreement.

The fair values of the term loans were determined using the instrument’s trading value in markets that are not active, which are considered Level 2 inputs. The fair value of the Notes was determined based on quoted market prices and bond terms and conditions, which are considered Level 2 inputs. The Company's interest rate swaps are carried at fair value, which is based primarily on Level 2 inputs utilizing readily observable market data, such as LIBOR forward rates, for all substantial terms of the interest rate swap contracts and the assessment of nonperformance risk.

As described in Note 6, "Goodwill and Intangible Assets, Net," and Note 7, "Property, Plant and Equipment, Net," the Company recorded long-lived asset impairments in the years ended December 31, 2018 and 2017. This resulted in the following assets being measured at fair value on a non-recurring basis using Level 3 inputs:

- the indefinite-lived brand name intangible asset at December 31, 2018 and 2017;
- goodwill at December 31, 2017 for the Wholesale reporting unit;
- property and equipment at certain of the Company's stores at December 31, 2018 and 2017.

NOTE 12. LEASES

The Company has operating leases for retail stores, distribution centers, other leased office locations, vehicles and certain equipment with remaining lease terms of one to 15 years, some of which include options to extend the leases for up to 10 years. As of December 31, 2019, the weighted average remaining lease term was 5.1 years and the weighted average discount rate was 10%. On the Company's Consolidated Balance Sheets as of December 31, 2019, the Company had lease liabilities of $442.5 million, of which $112 million are classified as current, and right-of-use assets of $350.6 million.

The components of the Company's lease costs, which are recorded within cost of sales on the Consolidated Statements of Operations, were as follows:

	Year ended December 31, 2019 (in thousands)	
Operating lease costs	$	150,255
Variable lease costs		14,855
Total lease costs		165,110
Sublease income [(1)]		(32,232)
Lease costs, net	$	132,878

(1) Sublease income, related to sublease with its franchisee, includes only the portion of income directly related to lease components and is recorded within revenue on the Consolidated Statements of Operations. Total sublease income, which includes rental income as well as other occupancy related items was $42.3 million in the year ended December 31, 2019.

The Company has elected to apply the short-term lease exemption for all asset classes and excluded them from the balance sheet. Lease payments for short-term leases are recognized on a straight-line basis over the lease term. The short-term lease expense recognized during the year ended December 31, 2019 is immaterial.

Supplemental cash flow information related to leases was as follows:

	Year ended December 31, 2019 (in thousands)	
Operating cash flow information:		
Cash paid for amounts included in the measurement of operating lease liabilities	$	182,808
Right-of-use assets obtained in exchange for operating lease liabilities	$	24,610

Maturities of the lease liabilities (undiscounted lease payments, as defined in Note 2 "Basis of Presentation") as of December 31, 2019 were as follows:

	Operating Leases for Company-Owned and	Operating Leases for Other [1]	Total Operating Leases	Sublease Income from Franchisees	Rent on Operating Leases, net of Sublease
			(in thousands)		
2020	$ 144,635	$ 4,797	$ 149,432	$ (27,625)	$ 121,807
2021	114,021	3,549	117,570	(22,242)	95,328
2022	84,786	2,015	86,801	(16,962)	69,839
2023	62,683	1,354	64,037	(12,501)	51,536
2024	46,289	1,204	47,493	(8,657)	38,836
Thereafter	94,657	5,498	100,157	(21,038)	79,119
Total future obligations	$ 547,071	$ 18,417	$ 565,490	$ (109,025)	$ 456,465
Less amounts representing interest			(122,975)		
Present value of lease obligations			$ 442,515		

(1) Includes various leases for warehouses, vehicles, and various equipment at the Company's facilities.

As of December 31, 2019, leases that the Company has entered into but have not yet commenced are immaterial.

In connection with the Manufacturing JV transaction effective March 1, 2019, the Company leased warehouse space within the Anderson facility from the Manufacturing JV for a term of one year. The lease was accounted for as a sale leaseback transaction and classified as an operating lease included in the current lease liabilities on the Consolidated Balance Sheet.

Disclosures related to periods prior to adoption of ASU 2016-02

The Company adopted ASU 2016-02 using a modified retrospective adoption method at January 1, 2019 as noted in Note 2. "Basis of Presentation." As required, the following disclosure is provided for periods prior to the adoption. The Company's rent expense, which is recorded within cost of sales on the Consolidated Statements of Operations, was as follows:

	Year ended December 31,	
	2018	2017
	(in thousands)	
Company-owned and franchise stores:		
Rent on operating leases	$ 184,875	$ 193,398
Landlord related taxes	27,191	27,872
Common operating expenses	44,120	45,866
Percent and contingent rent	17,177	17,870
Total company-owned and franchise stores	273,363	285,006
Other	20,932	22,446
Total rent expense	$ 294,295	$ 307,452

The Company recorded total sublease revenue relating to subleases with its franchisees, which includes rental income and other occupancy related items, within revenue on the Consolidated Statements of Operations, of $45.5 million and $49.0 million, respectively, in the year ended December 31, 2018 and 2017.

Minimum future rent obligations for non-cancelable operating leases, excluding optional renewal periods, were as follows for the period ended December 31, 2018 and exclude landlord related taxes, common operating expenses, and percent and contingent rent.

	Operating Leases for Company-Owned and	Operating Leases for Other (1)	Total Operating Leases	Sublease Income from Franchisees	Rent on Operating Leases, net of Sublease
			(in thousands)		
2019	$ 162,910	$ 6,071	$ 168,981	$ (29,867)	$ 139,114
2020	126,312	5,574	131,886	(23,631)	108,255
2021	95,000	4,185	99,185	(16,782)	82,403
2022	64,735	2,479	67,214	(10,285)	56,929
2023	39,798	1,290	41,088	(4,717)	36,371
Thereafter	56,200	6,703	62,903	(4,238)	58,665
Total future obligations	$ 544,955	$ 26,302	$ 571,257	$ (89,520)	$ 481,737

(1) Includes various leases for warehouses, vehicles, and various equipment at the Company's facilities.

NOTE 13. COMMITMENTS AND CONTINGENCIES

The Company is engaged in various legal actions, claims and proceedings arising in the normal course of business, including claims related to breach of contracts, products liabilities, intellectual property matters and employment-related matters resulting from the Company's business activities.

The Company's contingencies are subject to substantial uncertainties, including for each such contingency the following, among other factors: (i) the procedural status of the case; (ii) whether the case has or may be certified as a class action suit; (iii) the outcome of preliminary motions; (iv) the impact of discovery; (v) whether there are significant factual issues to be determined or resolved; (vi) whether the proceedings involve a large number of parties and/or parties and claims in multiple jurisdictions or jurisdictions in which the relevant laws are complex or unclear; (vii) the extent of potential damages, which are often unspecified or indeterminate; and (viii) the status of settlement discussions, if any, and the settlement posture of the parties. Consequently, except as otherwise noted below with regard to a particular matter, the Company cannot predict with any reasonable certainty the timing or outcome of the legal matters described below, and the Company is unable to estimate a possible loss or range of loss. If the Company ultimately is required to make a payment in connection with an adverse outcome in any of the matters discussed below, it is possible that it could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

As a retailer of nutritional supplements and other consumer products that are ingested by consumers or applied to their bodies, the Company has been and is currently subjected to various product liability claims. Although the effects of these claims to date have not been material to the Company, it is possible that current and future product liability claims could have a material adverse effect on its business or financial condition, results of operations or cash flows. The Company currently maintains product liability insurance with a deductible/retention of $4.0 million per claim with an aggregate cap on retained loss of $10.0 million per policy year. The Company typically seeks and has obtained contractual indemnification from most parties that supply raw materials for its products or that manufacture or market products it sells. The Company also typically seeks to be added, and has been added, as an additional insured under most of such parties' insurance policies. However, any such indemnification or insurance is limited by its terms and any such indemnification, as a practical matter, is limited to the creditworthiness of the indemnifying party and its insurer, and the absence of significant defenses by the insurers. Consequently, the Company may incur material product liability claims, which could increase its costs and adversely affect its reputation, revenue and operating income.

Litigation

DMAA / Aegeline Claims. Prior to December 2013, the Company sold products manufactured by third parties that contained derivatives from geranium known as 1.3-dimethylpentylamine/ dimethylamylamine/ 13-dimethylamylamine, or "DMAA," which were recalled from the Company's stores in November 2013, and/or Aegeline, a compound extracted from bael trees. As of December 31, 2019, the Company was named in 27 personal injury lawsuits involving products containing DMAA and/or Aegeline.

These matters are currently stayed pending final resolution.

The Company is contractually entitled to indemnification by its third-party vendors with regard to these matters, although the Company’s ability to obtain full recovery in respect of any such claims against it is dependent upon the creditworthiness of the vendors and/or their insurance coverage and the absence of any significant defenses available to their insurers.

California Wage and Break Claims. On February 29, 2012, former Senior Store Manager, Elizabeth Naranjo, individually and on behalf of all others similarly situated, sued General Nutrition Corporation in the Superior Court of the State of California for the County of Alameda. The complaint contains eight causes of action, alleging, among other matters, meal, rest break and overtime violations for which indeterminate money damages for wages, penalties, interest, and legal fees are sought. In June 2018, the Court granted in part and denied in part the Company's Motion for Decertification. In August 2018, the plaintiff voluntarily dismissed the class action claims alleging overtime violations. In November 2019, GNC filed a renewed Motion for

Decertification, which was denied by the Court in January 2020. Trial is currently scheduled for July 2020. As of December 31, 2019, an immaterial liability has been accrued in the accompanying financial statements. The Company intends to vigorously defend against the remaining class action claims asserted in this action.

Pennsylvania Fluctuating Workweek. On September 18, 2013, Tawny Chevalier and Andrew Hiller commenced a class action in the Court of Common Pleas of Allegheny County, Pennsylvania. Plaintiff asserted a claim against the Company for a purported violation of the Pennsylvania Minimum Wage Act ("PMWA"), challenging the Company's utilization of the "fluctuating workweek" method to calculate overtime compensation, on behalf of all employees who worked for the Company in Pennsylvania and who were paid according to the fluctuating workweek method. In October 2014, the Court entered an order holding that the use of the fluctuating workweek method violated the PMWA. In September 2016, the Court entered judgment in favor of Plaintiffs and the class in an immaterial amount, which has been recorded as a charge in the accompanying Consolidated Financial Statements. Plaintiffs subsequently filed a petition for an award of attorney's fees, costs and incentive payment. The court awarded an immaterial amount in legal fees. The Company appealed the adverse judgment and the award of attorney's fees. On December 22, 2017, the Pennsylvania Superior Court held that the Company correctly determined the "regular rate" by dividing weekly compensation by all hours worked (rather than 40), but held that the regular rate must be multiplied by 1.5 (rather than 0.5) to determine the amount of overtime owed. Taking accumulated interest into account, the net result of the Superior Court's decision was to reduce the Company's liability by an immaterial amount, which has been reflected in the accompanying Consolidated Financial Statements. The Company filed a petition for appeal to the Pennsylvania Supreme Court on January 22, 2018. The Pennsylvania Supreme Court accepted the Company's petition for appeal and the Company filed its appellant’s brief on August 27, 2018. The Pennsylvania Supreme Court ruled in favor of Plaintiffs.

Jason Olive v. General Nutrition Corp. In April 2012, Jason Olive filed a complaint in the Superior Court of California, County of Los Angeles, for misappropriation of likeness in which he alleges that the Company continued to use his image in stores after the expiration of the license to do so in violation of common law and California statutes. Mr. Olive is seeking compensatory, punitive and statutory damages and attorneys’ fees and costs. The trial in this matter began on July 20, 2016 and concluded on August 8, 2016. The jury awarded plaintiff immaterial amounts for actual damages and emotional distress damages, which are accrued in the accompanying Consolidated Financial Statements. The jury refused to award plaintiff any of the profits he sought to disgorge, or punitive damages. The court entered judgment in the case on October 14, 2016. In addition to the verdict, the Company and Mr. Olive sought attorneys' fees and other costs from the Court. The Court refused to award attorney's fees to either side but awarded plaintiff an immaterial amount for costs. Plaintiff has appealed the judgment, and separately, the order denying attorney's fees. The Company has cross-appealed the judgment and the Court's denial of attorney fees. Argument occurred in October 2018. On November 2, 2018, the Court affirmed the trial court's decision in part and reversed in part, reversing the denial of Mr. Olive's motion for attorneys' fees and remanding the matter to the trial court for further proceedings regarding his attorneys' fees and costs. On November 16, 2018, the Company filed a motion for reconsideration of the Court’s decision. On December 27, 2018, the Court reversed, in part, its November 2, 2018 ruling and held that there was no prevailing party for the purposes of the attorneys’ fee award. Olive has filed a petition for review with the Supreme Court of the State of California and the Company has opposed that petition. On April 17, 2019, the California Supreme Court denied Olive’s petition for review.

Oregon Attorney General. On October 22, 2015, the Attorney General for the State of Oregon sued the Company in Multnomah County Circuit Court for alleged violations of Oregon’s Unlawful Trade Practices Act, in connection with its sale in Oregon of certain third-party products. The Company is vigorously defending itself against these allegations. Along with its Amended Answer and Affirmative Defenses, the Company filed a counterclaim for declaratory relief, asking the court to make certain rulings in favor of the Company, and adding USPlabs, LLC and SK Laboratories as counterclaim defendants. In March 2018, the Oregon Attorney General filed a motion for summary judgment relating to its first claim for relief, which the Company contested. The Company filed a cross motion for summary judgment on the first claim for relief, which the Oregon Attorney General contested. Following oral argument in August 2018, the Court denied the State’s motion for summary judgment and granted in part and denied in part the Company’s motion for summary judgment. The parties are in the process of exchanging discovery. Trial is currently scheduled to begin in September 2020.

As any losses that may arise from this matter are not probable or reasonably estimable at this time, no liability has been accrued in the accompanying Consolidated Financial Statements. Moreover, the Company does not anticipate that any such losses are likely to have a material impact on the Company, its business or results of operations. The Company is contractually entitled to indemnification and defense by its third-party vendors. Ultimately, however, the Company's ability to obtain full recovery in respect of any such claims against it is dependent upon the creditworthiness of its vendors and/or their insurance coverage and the absence of any significant defenses available to their insurers.

E-Commerce Pricing Matters. In April 2016, Jenna Kaskorkis, et al. filed a complaint against General Nutrition Centers, Inc. followed by similar cases brought forth by Ashley Gennock in May 2016 and Kenneth Harrison in December 2016. Plaintiffs allege that the Company's promotional pricing on its website was misleading and did not fairly represent promotions based on average retail prices over a trended period of time being consistent with prices advertised as promotional. A tentative agreement was reached in the third quarter of 2017 on many of the key terms of a settlement. In December 2019, the Court approved the settlement agreement. The Company currently expects any settlement to be in a form that does not require the recording of a contingent liability.

Government Regulation

In November 2013, the Company received a subpoena from the U.S. Department of Justice ("DOJ") for information related to its investigation of a third party product vendor, USPlabs, LLC. The Company fully cooperated with the investigation of the vendor and the related products, all of which were discontinued in 2013. In December 2016, the Company reached agreement with the DOJ in connection with the Company's cooperation, which agreement acknowledges the Company relied on the representations and written guarantees of USPlabs and the Company's representation that it did not knowingly sell products not in compliance with the Federal Food, Drug and Cosmetic Act (the "FDCA"). Under the agreement, which included an immaterial payment to the federal government, the Company will take a number of actions to broaden industry-wide knowledge of prohibited ingredients and improve compliance by vendors of third party products. These actions are in keeping with the leadership role the Company has taken in setting industry quality and compliance standards, and the Company's commitment over the course of the agreement (60 months) to support a combination of its own and the industry's initiatives. Some of these actions include maintaining and continuously updating a list of restricted ingredients that will be prohibited from inclusion in any products that are sold by the Company. Vendors selling products to the Company for the sale of such products by the Company will be required to warrant that the products sold do not contain any of these restricted ingredients. In addition, the Company will develop and maintain a list of ingredients that the Company believes comply with the applicable provisions of the FDCA.

Environmental Compliance

As part of soil and groundwater remediation conducted at the Nutra manufacturing facility pursuant to an investigation conducted in partnership with the South Carolina Department of Health and Environmental Control (the "DHEC"), the Company completed additional investigations with the DHEC's approval, including the installation and operation of a pilot vapor extraction system under a portion of the facility in the second half of 2016, which was an immaterial cost to the Company. After an initial monitoring period, in October of 2017 the DHEC approved a work plan for extended monitoring of such system and the contamination into 2021. While the Company contributed the net assets of the Nutra manufacturing and Anderson facilities to the Manufacturing JV in March of 2019 (refer to Note 9 “Equity Method Investments” for additional information), we retained certain liabilities, including historical environmental liabilities, related to the facilities. As such, the Company and the Manufacturing Joint Venture will continue to consult with the DHEC on the next steps in the work after their review of the results of the extended monitoring is complete. At this stage of the investigation, however, it is not possible to estimate the timing and extent of any additional remedial action that may be required, the ultimate cost of remediation, or the amount of our potential liability. Therefore, no liability has been recorded in the Company's Consolidated Financial Statements.

In addition to the foregoing, the Company is subject to numerous federal, state, local and foreign environmental and health and safety laws and regulations governing its operations, including the handling, transportation and disposal of non-hazardous and hazardous substances and wastes, as well as emissions and discharges from its operations into the environment, including discharges to air, surface water and groundwater. Failure to comply with such laws and regulations could result in costs for remedial actions, penalties or the imposition of other liabilities, including certain historic liabilities retained by the Company pursuant to the terms of the Manufacturing JV. New laws, changes in existing laws or the interpretation thereof, or the development of new facts or changes in their processes could also cause the Company to incur additional capital and operating expenditures to maintain compliance with environmental laws and regulations and environmental permits. The Company is also subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment without regard to fault or knowledge about the condition or action causing the liability. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of previously owned or operated properties, or for properties to which substances or wastes that were sent in connection with current or former operations at its facilities.

From time to time, the Company has incurred costs and obligations for correcting environmental and health and safety noncompliance matters and for remediation at or relating to certain of the Company's current or former properties or properties at which the Company's waste has been disposed. However, compliance with the provisions of national, state and local environmental laws and regulations has not had a material effect upon the Company's capital expenditures, earnings, financial position, liquidity or competitive position. The Company believes it has complied with, and is currently complying with, its environmental obligations pursuant to environmental and health and safety laws and regulations and that any liabilities for noncompliance will not have a material adverse effect on its business, financial performance or cash flows. However, it is difficult to predict future liabilities and obligations, which could be material.

Commitments

In addition to operating leases obtained in the normal course of business, the Company maintains certain purchase commitments with various vendors to ensure its operational needs are fulfilled. As of December 31, 2019, such future purchase commitments were $31.4 million. Other commitments related to the Company's business operations cover varying periods of time and are not significant. All of these commitments are expected to be fulfilled with no adverse consequences to the Company's operations or financial condition.

NOTE 14. MEZZANINE EQUITY

Holdings is authorized to issue up to 60.0 million shares of preferred stock, par value $0.001 per share. On February 13, 2018, the Company entered into a Securities Purchase Agreement (as amended from time to time, the “Securities Purchase Agreement”) by and between the Company and Harbin Pharmaceutical Group Holdings Co., Ltd. (the “Investor”), pursuant to which the Company agreed to issue and sell to the Investor, and the Investor agreed to purchase from the Company, 299,950 shares of a newly created series of convertible preferred stock of the Company, designed the “Series A Convertible Preferred Stock” (the “Convertible Preferred Stock”), for a purchase price of $1,000 per share, or an aggregate of approximately $300 million (the “Securities Purchase”). The Convertible Preferred Stock is convertible into 56.1 million shares of the Company's Common Stock at an initial conversion price of $5.35 per share, subject to customary anti-dilution adjustments. Pursuant to the terms of the Securities Purchase Agreement, Investor assigned its interest in the Securities Purchase Agreement to Harbin Pharmaceutical Group Co., Ltd. ("Harbin").

On November 7, 2018, the Company and the Investor entered into an Amendment to the Securities Purchase Agreement (the “SPA Amendment”) for the funding of the Convertible Preferred Stock purchase and entered into definitive documentation (the "JV Framework Agreement") with respect to joint ventures in Hong Kong and China.

Pursuant to the SPA Amendment, the Company and the Investor agreed to complete the securities purchase as follows: (i) 100,000 shares of Convertible Preferred Stock issued on November 8, 2018 for a total purchase price of $100 million (the "Initial Issuance"), (ii) 50,000 shares of Convertible Preferred Stock issued on January 2, 2019 for a total purchase price of $50 million (the "Second Issuance") and (iii) 149,950 shares of Convertible Preferred Stock issued on February 13, 2019 for a total purchase price of approximately $150 million (the “Third Issuance”). Holders of shares of Convertible Preferred Stock are entitled to receive cumulative preferential dividends, payable quarterly in arrears, at an annual rate of 6.5% of the stated value of $1,000 per share, subject to increase in connection with the payment of dividends in kind. Dividends are payable, at the Company's option, in cash from legally available funds or in kind by issuing additional shares of Convertible Preferred Stock with such stated value equal to the amount of payment being made or by increasing the stated value of the outstanding Convertible Preferred Stock by the amount per share of the dividend or in a combination thereof.

As of December 31, 2019 and 2018, the Company had issued a total of 299,950 shares and 100,000 shares, respectively, of Convertible Preferred Stock. The Convertible Preferred Stock was recorded as Mezzanine Equity, net of issuance cost, on the Consolidated Balance Sheets because the shares are redeemable at the option of the holder if a fundamental change occurs, which includes change in control or delisting. The guaranteed Second Issuance and Third Issuance were considered forward contracts that represented an obligation to both parties until the shares were issued. The forward contracts were recorded at fair value on the Consolidated Balance Sheets as of December 31, 2018, with any changes in fair value recorded in earnings in the Consolidated Statements of Operations. The Company recorded a $16.8 million loss on forward contracts for the issuance of Convertible Preferred Stock during the year ended December 31, 2019 and a $88.9 million gain for the year ended December 31, 2018. Upon issuance of the shares associated with the forward contracts, the carrying value of the forward contracts were recorded to Mezzanine Equity. Refer to Note 11, "Fair Value Measurement and Financial Instruments" for more information. The following table presents changes in the Company’s Mezzanine Equity:

	Mezzanine Equity (in thousands)
Balance at December 31, 2017	$ —
Convertible Preferred Stock, net of issuance cost	98,804
Balance at December 31, 2018	$ 98,804
Convertible Preferred Stock, net of issuance cost	184,746
Change in fair value of the forward contracts	(72,155)
Balance at December 31, 2019	$ 211,395

The Convertible Preferred Stock is not currently redeemable and is only redeemable upon a Fundamental Change at the Stated Value plus any accumulated and unpaid dividends on such shares on the Fundamental Change date. The Company does not believe a fundamental change is considered probable until it occurs. Subsequent adjustment of the amount presented in temporary equity is unnecessary if it is not probable that the instrument will become redeemable. As the Convertible Preferred Stock is only redeemable upon a fundamental change, the occurrence of which is not probable, we will not accrete the Convertible Preferred Stock until a fundamental change becomes probable to occur. As such, the Company will recognize changes in the redemption value to the Convertible Preferred Stock as they occur and adjust the carrying value to the redemption value at the end of each reporting period as if the end of the reporting period were also the redemption date for the Convertible Preferred Stock. As of December 31, 2019, the Stated Value of the Convertible Preferred Stock is $300.0 million (299,950 shares at $1,000 per share) and there are accumulated and unpaid dividends on such shares of $19.8 million. As of December 31, 2018, the Stated Value of the Convertible Preferred Stock is $100.0 million (100,000 shares at $1,000 per share) and there are accumulated and unpaid dividends on such shares of $1.0 million.

NOTE 15. TREASURY STOCK

In August 2015, the Board approved a $500.0 million multi-year repurchase program in addition to the $500.0 million multi-year program approved in August 2014, bringing the aggregate share repurchase program to $1.0 billion of Holdings' common stock. No shares were repurchased in 2019, 2018 and 2017. As of December 31, 2019, $197.8 million remains available for purchase under the program.

NOTE 16. EARNINGS PER SHARE

The following table represents the Company's basic and dilutive weighted average shares:

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Basic weighted average common shares outstanding	83,720	83,364	68,789
Effect of dilutive stock-based compensation awards	—	115	—
Effect of dilutive underlying shares of the convertible preferred stock	—	2,692	—
Diluted weighted averages common shares outstanding	83,720	86,171	68,789

For the year ended December 31, 2019 and 2017, all 3.9 million and 4.0 million outstanding stock-based awards, respectively, were excluded from the computation of diluted EPS because the Company was in a net loss position and as a result, inclusion of the awards would have been anti-dilutive. For the year ended December 31, 2018, the following awards were not included in the computation of diluted EPS because the impact of applying the treasury stock method was anti-dilutive or because certain conditions have not been met with respect to the Company's performance awards.

Anti-dilutive:	
Time-based options and restricted stock awards	2,944
Performance-based restricted stock units	321
Contingently issuable:	
Performance-based restricted stock awards with a market condition	281
Total stock-based awards excluded from diluted EPS	3,546

In connection with the issuance of the Convertible Preferred Stock as described in Note 14, "Mezzanine Equity", the Company had 300,000 and 100,000 convertible preferred shares outstanding as of December 31, 2019 and 2018, respectively. The Company applied the if-converted method to calculate dilution on the Convertible Preferred Stock, which resulted in all 54.0 million underlying weighted average convertible shares being anti-dilutive for the year ended December 31, 2019 and 2.7 million underlying weighted average convertible shares being dilutive for the year ended December 31, 2018.

In connection with the exchange of the Company's Notes as described in Note 8, "Long-Term Debt / Interest Expense," the Company issued 14.6 million shares, which are included in basic and diluted earnings per share for the weighted average days they were outstanding in 2017. The remaining underlying convertible shares were anti-dilutive in 2017. The Company applied the if-converted method to calculate dilution on the Notes in 2019 and 2018, which has resulted in all 2.4 million and 2.9 million underlying convertible shares, respectively, being anti-dilutive.

The computations for basic and diluted earnings per common share are as follows:

	Year ended December 31,		
	2019	2018	2017
	(in thousands, except per share data)		
(Loss) earnings per common share - Basic			
Net (loss) income	$ (35,112)	$ 69,780	$ (150,262)
Cumulative undeclared convertible preferred stock dividend	18,810	957	—
Net (loss) income attributable to common shareholders	(53,922)	68,823	(150,262)
Weighted average common shares outstanding - basic	83,720	83,364	68,789
(Loss) income per common share - basic	$ (0.64)	$ 0.83	$ (2.18)
(Loss) income per common share - Diluted			
Net (loss) income	$ (35,112)	$ 69,780	$ (150,262)
Cumulative undeclared convertible preferred stock dividend	18,810	—	—
Net (loss) income attributable to common shareholders	(53,922)	69,780	(150,262)
Weighted average common shares outstanding - diluted	83,720	86,171	68,789
(Loss) income per common share - diluted	$ (0.64)	$ 0.81	$ (2.18)

NOTE 17. STOCK-BASED COMPENSATION

Stock and Incentive Plans

The Company has outstanding stock-based compensation awards that were granted by the compensation committee of Holdings' Board of Directors (the "Compensation Committee") under the following three stock-based employee compensation plans:

- the GNC Holdings, Inc. 2018 Stock and Incentive Plan (the "2018 Stock Plan") amended adopted in May 2018, formerly the GNC Holdings, Inc. 2015 Stock and Incentive Plan adopted in May 2015;
- the GNC Holdings, Inc. 2015 Stock and Incentive Plan (the "2015 Stock Plan") amended and adopted in May 2015, formerly the GNC Holdings, Inc. 2011 Stock and Incentive Plan adopted in March 2011; and
- the GNC Acquisition Holdings Inc. 2007 Stock Incentive Plan adopted in March 2007 (as amended, the "2007 Stock Plan").

All plans have provisions that allow for the granting of stock options, restricted stock and other stock-based awards and are available to eligible employees, directors, consultants or advisors as determined by the Compensation Committee. The Company will not grant any additional awards under either the 2007 Stock Plan or 2015 Stock Plan. Up to 20.2 million shares of common stock may be issued under the 2018 Stock Plan (subject to adjustment to reflect certain transactions and events specified in the 2018 Stock Plan for any award grant), of which 6.6 million and 11.1 million shares remain available for issuance as of December 31, 2019 and 2018, respectively, which has been reduced by 4.5 million shares and 2.2 million shares (which includes the allocation factor and performance multiplier), respectively, performance-based restricted stock units committed but not granted. See below "restricted stock awards" for more information.

Non-Plan Inducement Awards

On September 11, 2017, in connection with the appointment of the Company's new Chief Executive Officer, the Company made the following non-plan inducement awards:

- "make-whole" restricted stock awards consisting of the following:
  - $600,000, which are 67,000 fully vested restricted shares with transfer restrictions that lapse on the earliest to occur of a Change in Control of the Company, the third anniversary of grant or death, disability or other separation from service for any reason;
  - $950,000, which are 106,000 restricted shares that vested on December 29, 2017; and
  - $1,200,000, which are 134,000 unvested restricted shares scheduled to vest in three equal installments on each of the first three anniversaries of grant subject to acceleration to cover any applicable income and payroll tax withholding resulting from the recognition of ordinary income pursuant to a Section 83(b) election ("Section 83(b) Tax Liability"); and
- time-vested awards consisting of 212,000 restricted shares and 519,000 stock options in the amount of $1,900,000 each, which are scheduled to vest in three equal installments on each of the first three anniversaries of grant.

The Company recognized $1.5 million in stock-based compensation in both 2019 and 2018 for the non-plan inducement awards.

Stock-Based Compensation Activity

The following table sets forth a summary of all stock-based compensation awards outstanding under all plans:

	December 31, 2019	December 31, 2018
Time-based stock options	1,897,109	2,173,488
Time-based restricted stock awards	1,040,431	817,696
Performance-based restricted stock units	954,937	277,817
Performance-based restricted stock awards with a market condition	—	199,028
Total share awards outstanding	3,892,477	3,468,029

The Company recognized $4.6 million, $6.8 million and $8.4 million of total non-cash stock-based compensation expense for the years ended December 31, 2019, 2018 and 2017, respectively, net of estimated forfeitures based on the Company's historical experience and future expectations. At December 31, 2019, there was $9.9 million of total unrecognized compensation cost related to non-vested stock-based compensation, net of expected forfeitures, for all awards previously made that are expected to be recognized over a weighted-average period of 1.4 years. In 2019, 2018 and 2017, there were no stock options exercised.

Stock Options

Time-based stock options were valued using the Black-Scholes model with exercise prices at the Company's stock price on the date of grant which typically vest at 25% per year over a four-year period except for the non-plan inducement awards as explained above. No stock options were granted during the year ended December 31, 2019 and 2018. The following table sets forth a summary of stock options under all plans.

	Total Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2018	2,173,488	$ 10.76		$ —
Granted	—	$ —		
Exercised	—	$ —		$ —
Forfeited and expired	(276,379)	$ 13.87		
Outstanding at December 31, 2019	1,897,109	$ 10.30	7.1	$ —
Exercisable at December 31, 2019	1,107,266	$ 10.90	6.9	$ —

The assumptions used in the Company's Black Scholes valuation during the year ended December 31, 2017 were as follows:

	Year ended December 31, 2017
Dividend yield	0%
Expected term	6 - 6.3 years
Volatility	38.2% - 40.8%
Risk free rate	1.8% - 2.1%

The option term has been estimated by considering both the vesting period and the contractual term. Volatility was estimated giving consideration to a peer group and the Company's own volatility. The Black Scholes valuation resulted in a weighted average grant date fair value in 2017 of $3.50.

Restricted Stock Awards

Under the 2018 Stock Plan, the Company granted time-based and performance-based restricted stock and restricted stock units as well as, performance restricted shares with a market condition. Time-based awards vest in equal annual installments over a period of three years.

Performance-based restricted stock units vest after a period of three years and the achievement of performance targets; based on the extent to which the targets are achieved, vested shares may range from 0% to 150% of the original share amount. Performance targets are not determined until the beginning of each of the three fiscal years. Therefore, although the shares related to the second and third tranches are committed, they are not granted until performance targets are communicated to the participants. At December 31, 2019 and 2018, the Company had 4.5 million shares and 2.2 million shares, respectively, (which includes the allocation factor and performance multiplier) performance-based restricted stock units committed to be granted over the next two years.

Performance restricted shares with a market condition vest after a period of three years and the achievement of total shareholder return compared with that of a selected group of peer companies. Total shareholder return is defined as share price appreciation plus the value of dividends paid during the three year vesting period. Vested shares may range from 0% to 200% of the original target. Key assumptions used in the Monte Carlo simulation for the performance restricted shares with a market condition granted during the year ended December 31, 2017 includes a volatility of 34.6% for the applicable peer group and a risk-free rate of 1.46%. At December 31, 2019, all remaining outstanding performance restricted shares with a market condition were voluntarily forfeited by optionees.

The following table sets forth a summary of restricted stock awards granted under all plans:

	Time-Based		Performance-Based		Performance Restricted Shares with a Market Condition	
	Shares	Wtd Avg Grant Date Fair Value	Shares	Wtd Avg Grant Date Fair Value	Shares	Wtd Avg Grant Date Fair Value
Outstanding at December 31, 2018	817,696	$ 7.74	277,817	$ 4.18	199,028	$ 8.03
Granted	749,462	$ 1.62	1,130,055	$ 2.76	—	$ —
Vested	(491,530)	$ 7.10	—	$ —	—	$ —
Forfeited	(35,197)	$ 7.99	(452,935)	$ 3.79	(199,028)	$ 8.03
Outstanding at December 31, 2019	1,040,431	$ 3.63	954,937	$ 2.68	—	$ —

The total intrinsic value of time-based restricted stock awards vested was $1.0 million, $1.3 million and $3.0 million for the years ended December 31, 2019, 2018 and 2017, respectively. The total intrinsic value of time-based restricted stock awards outstanding at December 31, 2019 was $2.8 million. The total intrinsic value of performance-based stock awards outstanding at December 31, 2019 was $2.6 million. In 2017, the weighted average grant date fair value of time-based and performance restricted shares with a market condition granted was $10.01 and $15.42, respectively.

NOTE 18. RETIREMENT PLANS

The Company sponsors a 401(k) defined contribution savings plan covering substantially all employees who have attained age 21. Full time employees who have completed 30 days of service and part time employees who have completed 1,000 hours of service are eligible to participate in the plan. The plan provides for employee contributions of 1% to 80% of individual compensation into deferred savings, subject to IRS limitations. The plan provides for Company contributions upon the employee meeting the eligibility requirements. The Company match consists of both a fixed and a discretionary match. The fixed match is 50% on the first 3% of employee contributions and the discretionary match could be up to an additional 50% match on the 3% deferral. A discretionary match can be approved at any time by the Company.

An employee becomes vested in the Company match portion as follows:

Years of Service	Percent Vested
0-1	0%
1-2	33%
2-3	66%
3+	100%

The Company made cash contributions to the 401(k) plan of $1.5 million, $1.9 million and $2.1 million for the years ended December 31, 2019, 2018 and 2017, respectively.

The Company has a Non-qualified Deferred Compensation Plan that provides benefits payable to certain eligible employees upon scheduled in-service distribution, termination, or retirement. This plan allows participants the opportunity to defer pretax amounts ranging from 3% to 80% of their base compensation and up to 100% of bonuses. During 2019, 2018 and 2017, the Company elected to match a percentage of the contributions from employees. For years ended December 31, 2019, 2018 and 2017 this contribution was $0.2 million, $0.2 million and $0.3 million, respectively.

NOTE 19. SEGMENTS

The Company aggregates its operating segments into three reportable segments, which include U.S. and Canada, International and Manufacturing / Wholesale. Warehousing and distribution costs have been allocated to each reportable segment based on estimated utilization and benefit. The Company's chief operating decision maker (its chief executive officer) evaluates segment operating results based primarily on operating income. Operating income of each reportable segment excludes certain items that are managed at the consolidated level, such as corporate costs. The Manufacturing / Wholesale segment, prior to the formation of the Manufacturing JV, manufactured and sold product to the U.S. and Canada and International segments at cost with a markup, which was eliminated at consolidation. In connection with the asset sales of Lucky Vitamin as described in Note 6, "Goodwill and Intangible Assets," its results were included within Other for applicable prior periods.

The following table presents key financial information for each of the Company's reportable segments. During the year ended December 31, 2019, the Company entered into the China JV and HK JV with Harbin to operate its e-commerce and retail business in China and a strategic joint venture with IVC regarding the Company's manufacturing business which significantly impacted the operating results within the International and Manufacturing / Wholesale segments. During the year ended December 31, 2018, the Company recorded long-lived asset impairments of $38.2 million which significantly impacted the U.S. and Canada segment by $36.1 million and the International segment by $2.1 million. During the year ended December 31, 2017, the Company recorded long-lived asset impairments of $457.8 million which significantly impacted the U.S. and Canada segment by $412.5 million, the Manufacturing / Wholesale segment by $24.3 million, the International segment by $1.6 million and Lucky Vitamin within Other by $19.4 million. Refer to Note 6, "Goodwill and Intangible Assets" and Note 7, "Property, Plant and Equipment, Net" for more information.

	Year ended December 31,		
	2019	2018	2017
		(in thousands)	
Revenue:			
U.S. and Canada	$ 1,822,327	$ 1,951,220	$ 2,018,931
International	158,167	191,409	177,778
Manufacturing / Wholesale			
Intersegment revenues	35,505	264,211	231,495
Third party	87,694	210,894	218,071
Subtotal Manufacturing / Wholesale	123,199	475,105	449,566
Total reportable segment revenues	2,103,693	2,617,734	2,646,275
Other	—	—	66,182
Elimination of intersegment revenues	(35,505)	(264,211)	(231,495)
Total revenue	$ 2,068,188	$ 2,353,523	$ 2,480,962
Operating income (loss):			
U.S. and Canada	$ 151,037	$ 94,663	$ (244,104)
International	55,380	60,367	60,987
Manufacturing / Wholesale	41,153	62,861	49,175
Total reportable segment operating income (loss)	247,570	217,891	(133,942)
Corporate costs	(98,221)	(105,378)	(102,114)
Loss on net asset exchange for the formation of the joint ventures	(21,293)	—	—
Other loss, net	(3,313)	(160)	(20,760)
Unallocated corporate costs, loss on net asset exchange or sale and other loss, net	(122,827)	(105,538)	(122,874)
Total operating income (loss)	124,743	112,353	(256,816)
Interest expense, net	106,709	127,080	64,221
Gain on convertible debt and debt refinancing costs	(3,214)	—	(10,996)
Loss on debt refinancing	—	16,740	—
Loss (gain) on forward contracts for the issuance of convertible preferred stock	16,787	(88,942)	—
Income (loss) before income taxes	$ 4,461	$ 57,475	$ (310,041)

	Year ended December 31,		
	2019	2018	2017
Depreciation and amortization:	(in thousands)		
U.S. and Canada	$ 23,779	$ 27,685	$ 35,571
International	2,292	2,487	2,455
Manufacturing / Wholesale	3,056	9,790	10,238
Corporate and other	6,295	7,143	8,545
Total depreciation and amortization	$ 35,422	$ 47,105	$ 56,809
Capital expenditures:			
U.S. and Canada	$ 10,985	$ 10,705	$ 20,614
International	191	759	277
Manufacturing / Wholesale	184	3,459	2,862
Corporate and Other	3,791	4,058	8,370
Total capital expenditures	$ 15,151	$ 18,981	$ 32,123

	As of December 31	
	2019	2018
Total assets:	(in thousands)	
U.S. and Canada	$ 1,142,588	$ 867,977
International	201,996	200,128
Manufacturing / Wholesale	156,043	288,163
Corporate and other	149,960	171,582
Total assets (1)	$ 1,650,587	$ 1,527,850
Property, plant, and equipment, net:		
United States	$ 83,899	$ 150,689
Foreign	3,017	4,406
Total property, plant and equipment, net	$ 86,916	$ 155,095

(1) Total assets as of December 31, 2019 included $350.6 million of right-of-use asset in connection with the adoption of ASC 842

NOTE 20. UNAUDITED QUARTERLY FINANCIAL INFORMATION

The results of operations for the three months ended December 31, 2019 were impacted by a $27.1 million tax increase in valuation allowance against certain deferred tax assets that may not be realizable. The results of operations for the three months ended June 30, 2019 included $1.8 million loss on net asset exchange for the formation of joint venture and $3.2 million gain on convertible debt repurchase. The results of operations for the three months ended March 31, 2019 included $19.5 million loss on net asset exchange for the formation of joint ventures and $16.8 million loss on forward contracts for the issuance of convertible preferred stock. For more information on these items, refer to Note 5, "Income Taxes", Note 8, "Long-Term Debt / Interest Expense" and Note 9, "Equity Method Investments."

The results of operations for the three month ended December 31, 2018 were impacted significantly by the gain related to the forward contracts for the issuance of convertible preferred stock of $88.9 million and long-lived asset impairment charges of $23.7 million. Additionally, during the fourth quarter of 2018, the Company recorded an out-of-period adjustment to correct previously recorded specialty manufacturing revenue in the amount of $2.5 million to reduce contract manufacturing sales to third parties recorded in the Manufacturing/Wholesale segment as well as the corresponding contract asset included in Prepaid and other current assets. The impacts to the previously reported revenue and contract asset amounts were immaterial to the previously issued interim financial statements, and the adjustment was not material to the three months ended December 31, 2018. The results of operations for the three months ended September 30, 2018 included long-lived asset impairment charges and other store closing costs of $14.6 million. The results of operation for the three months ended March 31, 2018 included $16.7 million loss on debt refinancing. For more information on these items, refer to Note 6, "Goodwill and Intangible Assets", Note 8, "Long-Term Debt / Interest Expense" and Note 14, "Mezzanine Equity."

The following table summarizes the Company's 2019 and 2018 quarterly results:

	Three months ended (unaudited)				Year ended
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	December 31, 2019
	(In thousands, except per share amounts)				
Total revenue	$ 564,764	$ 533,997	$ 499,076	$ 470,351	$ 2,068,188
Gross profit	203,091	193,744	162,628	154,919	714,382
Operating income (loss)	35,482	48,718	26,654	13,889	124,743
Net (loss) income	(15,262)	16,058	(2,418)	(33,490)	(35,112)
Weighted average shares outstanding:					
Basic	83,510	83,663	83,823	83,878	83,720
Diluted	83,510	140,942	83,823	83,878	83,720
(Loss) earnings per share:					
Basic [(1)]	$ (0.23)	$ 0.13	$ (0.09)	$ (0.46)	$ (0.64)
Diluted [(1)]	$ (0.23)	$ 0.11	$ (0.09)	$ (0.46)	$ (0.64)

	Three months ended (unaudited)				Year ended
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	December 31, 2018
	(In thousands, except per share amounts)				
Total revenue	$ 607,533	$ 617,944	$ 580,185	$ 547,861	$ 2,353,523
Gross profit	206,874	207,735	184,702	172,434	771,745
Operating income (loss)	46,389	48,884	19,961	(2,881)	112,353
Net income (loss)	6,190	13,341	(8,590)	58,839	69,780
Weighted average shares outstanding:					
Basic	83,232	83,332	83,412	83,476	83,364
Diluted	83,368	83,409	83,412	94,388	86,171
Earnings per share:					
Basic (1)	$ 0.07	$ 0.16	$ (0.10)	$ 0.69	$ 0.83
Diluted (1)	$ 0.07	$ 0.16	$ (0.10)	$ 0.62	$ 0.81

(1) Quarterly results for earnings per share may not add to full year results due to rounding or dilution impact.

NOTE 21. SUBSEQUENT EVENTS

COVID-19

The recent outbreak of the coronavirus, or COVID-19, has caused business disruption in the International segment beginning in January 2020. In late February 2020, the situation escalated as the scope of COVID-19 worsened to outside of the Asia-Pacific region, with Europe and the United States recognizing outbreaks of COVID-19. As of March 23, 2020, the Company has temporarily closed approximately 25% of the U.S. and Canada company-owned and franchise stores as a result of the COVID-19 pandemic. There is significant uncertainty relating to the potential impacts of COVID-19 on the Company's business going forward due to various global macroeconomic, operational and supply chain risks as a result of COVID-19.

The Company could experience other potential impacts as a result of COVID-19, including, but not limited to, charges from potential adjustments to the carrying amount of inventory, goodwill, indefinite-lived intangibles and long-lived asset impairment charges. Actual results may differ materially from the Company's current estimates as the scope of COVID-19 evolves or if the duration of business disruptions is longer than initially anticipated.

EXHIBIT O-3

Unaudited Interim Financial Statements

THESE UNAUDITED INTERIM FINANCIAL STATEMENTS REFLECT MATERIAL CHANGES TO THE FINANCIAL POSITION OF GNC HOLDINGS, INC. AND ITS SUBSIDIARIES AS COMPARED TO THE AUDITED FINANCIAL INFORMATION LOCATED IN EXHIBIT O-2. THESE CHANGES MAY HAVE A MATERIAL ADVERSE EFFECT ON THE LIQUIDITY, FINANCIAL CONDITION, AND BUSINESS OPERATIONS OF GNC HOLDINGS, INC. AND ITS SUBSIDIARIES, AND MAY RESULT IN THE FILING OF A VOLUNTARY PETITION FOR RELIEF UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE IN ORDER TO IMPLEMENT A RESTRUCTURING PLAN. THESE ~~INTERIM~~ FINANCIAL STATEMENTS HAVE ~~NOT~~ BEEN ~~AUDITED.~~PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES AND SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO ~~INDEPENDENT~~ CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE ~~INTERIM FINANCIAL STATEMENTS~~FIGURES OR EXPRESSED ~~AN~~HIS/HER/ITS OPINION WITH REGARD TO ~~THEIR~~THE CONTENT OR FORM.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(unaudited)
(in thousands)

	March 31, 2020	December 31, 2019
Current assets:		
Cash and cash equivalents	$ 137,444	$ 117,046
Receivables, net of allowance of $27,390 and $22,648, respectively (Note 2)	83,932	101,234
Receivables due from related parties (Note 8)	6,547	8,946
Inventory (Note 4)	367,402	387,655
Prepaid and other current assets	34,348	24,880
Total current assets	629,673	639,761
Long-term assets:		
Goodwill (Note 6)	73,552	79,109
Brand name (Note 6)	189,000	300,720
Other intangible assets, net (Note 6)	69,891	71,298
Property, plant and equipment, net (Note 5)	72,054	86,916
Right-of-use assets	305,788	350,579
Equity method investments (Note 8)	42,520	97,930
Deferred tax assets	12,389	—
Other long-term assets	21,090	24,274
Total long-term assets	786,284	1,010,826
Total assets	$ 1,415,957	$ 1,650,587
Current liabilities:		
Accounts payable	$ 143,535	$ 150,742
Accounts payable due to related parties (Note 8)	21,136	11,720
Current portion of long-term debt (Note 7)	895,022	180,566
Current lease liabilities	106,704	112,005
Deferred revenue and other current liabilities	94,812	105,792
Total current liabilities	1,261,209	560,825
Long-term liabilities:		
Long-term debt (Note 7)	—	681,999
Deferred income taxes	—	31,586
Lease liabilities	305,194	330,510
Other long-term liabilities	40,549	41,535
Total long-term liabilities	345,743	1,085,630
Total liabilities	1,606,952	1,646,455
Contingencies (Note 10)		
Mezzanine equity:		
Convertible preferred stock (Note 11)	211,395	211,395
Stockholders' deficit:		
Common stock	131	131
Additional paid-in capital	1,013,394	1,012,076
Retained earnings	318,519	518,605
Treasury stock, at cost	(1,725,349)	(1,725,349)
Accumulated other comprehensive loss	(9,085)	(12,726)
Total stockholders' deficit	(402,390)	(207,263)
Total liabilities, mezzanine equity and stockholders' deficit	$ 1,415,957	$ 1,650,587

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(unaudited)
(in thousands, except per share amounts)

	Three months ended March 31,	
	2020	**2019**
Revenue (Note 3)	$ 472,581	$ 564,764
Cost of sales, including warehousing, distribution and occupancy	335,865	361,673
Gross profit	136,716	203,091
Selling, general, and administrative	144,542	148,303
Long-lived asset impairments and other store closing costs	157,515	—
Loss on net asset exchange for the formation of the joint ventures (Note 8)	1,655	19,514
Other income, net	(962)	(208)
Operating (loss) income	(166,034)	35,482
Interest expense, net (Note 7)	47,444	32,956
Loss on forward contracts for the issuance of convertible preferred stock	—	16,787
Loss before income from equity method investments and income taxes	(213,478)	(14,261)
Income tax (benefit) expense (Note 14)	(53,035)	1,956
Loss before income from equity method investments	(160,443)	(16,217)
(Loss) income from equity method investments (Note 8)	(39,643)	955
Net loss	$ (200,086)	$ (15,262)
Loss per share (Note 12)**:**		
Basic	$ (2.45)	$ (0.23)
Diluted	$ (2.45)	$ (0.23)
Weighted average common shares outstanding (Note 12)**:**		
Basic	83,897	83,510
Diluted	83,897	83,510

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Loss
(unaudited)
(in thousands)

	Three months ended March 31,	
	2020	**2019**
Net loss	$ (200,086)	$ (15,262)
Other comprehensive gain (loss):		
Net change in interest rate swaps:		
Periodic revaluation of interest rate swap, net of tax(1)	(3,542)	(1,464)
Reclassification adjustment for interest recognized in Consolidated Statement of Operations, net of tax(2)	871	236
Net change in unrecognized loss on interest rate swaps, net of tax	(2,671)	(1,228)
Deferred loss recognized on interest rate swap, net of $3.4 million tax expense	7,459	—
Foreign currency translation (loss) gain	(1,147)	438
Other comprehensive gain (loss)	3,641	(790)
Comprehensive loss	$ (196,445)	$ (16,052)

(1) Net of tax benefit of $1.6 million and $0.7 million, respectively, for the three months ended March 31, 2020 and 2019.

(2) Net of tax expense of $0.4 million and $0.1 million, respectively, for the three months ended March 31, 2020 and 2019.

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Stockholders' Deficit
(unaudited)
(in thousands)

	Common Stock Class A Shares	Common Stock Class A Dollars	Treasury Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Deficit
Balance at December 31, 2019	**84,564**	**$ 131**	**$ (1,725,349)**	**$ 1,012,076**	**$ 518,605**	**$ (12,726)**	**$ (207,263)**
Comprehensive income	—	—	—	—	(200,086)	3,641	(196,445)
Restricted stock awards	68	—	—	—	—	—	—
Minimum tax withholding requirements	(24)	—	—	(54)	—	—	(54)
Stock-based compensation	—	—	—	1,372	—	—	1,372
Balance at March 31, 2020	**84,608**	**131**	**(1,725,349)**	**1,013,394**	**318,519**	**(9,085)**	**(402,390)**
Balance at December 31, 2018	**83,886**	**$ 130**	**$ (1,725,349)**	**$ 1,007,827**	**$ 613,637**	**$ (10,555)**	**$ (114,310)**
Impact of the adoption of ASC 842	—	—	—	—	(59,936)	—	(59,936)
Comprehensive income	—	—	—	—	(15,262)	(790)	(16,052)
Restricted stock awards	121	—	—	—	—	—	—
Minimum tax withholding requirements	(41)	—	—	(120)	—	—	(120)
Stock-based compensation	—	—	—	1,334	—	—	1,334
Balance at March 31, 2019	**83,966**	**130**	**(1,725,349)**	**1,009,041**	**538,439**	**(11,345)**	**(189,084)**

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(unaudited)
(in thousands)

	Three months ended March 31,	
	2020	**2019**
Cash flows from operating activities:		
Net loss	$ (200,086)	$ (15,262)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization expense	7,858	10,190
Loss (income) from equity method investments	39,643	(955)
Amortization of debt costs	16,814	7,988
Stock-based compensation	1,372	1,334
Long-lived asset impairments and other store closing costs	157,515	—
Loss on forward contracts related to the issuance of convertible preferred stock	—	16,787
Loss on net asset exchange for the formation of the joint ventures	1,655	19,514
Interest expense recognized on interest rate swap	10,810	—
Deferred income tax benefit	(47,677)	(5,064)
Other	(2,107)	(21)
Changes in assets and liabilities:		
Decrease (increase) in receivables	17,824	(12,567)
Decrease (increase) in inventory	17,578	(6,886)
Increase in prepaid and other current assets	(8,401)	(3,658)
Increase in accounts payable	3,346	57,722
Decrease in deferred revenue and accrued liabilities	(22,686)	4,437
Decrease in net lease liabilities	(7,035)	(8,485)
Other operating activities	1,492	3,637
Net cash (used in) provided by operating activities	(12,085)	68,711
Cash flows from investing activities:		
Capital expenditures	(3,858)	(3,017)
Refranchising proceeds, net of store acquisition costs	180	667
Proceeds from net asset exchange	18,211	101,000
Capital contribution to the newly formed joint ventures	—	(13,079)
Net cash provided by investing activities	14,533	85,571
Cash flows from financing activities:		
Borrowings under revolving credit facility	30,000	22,000
Payments on revolving credit facility	—	(22,000)
Proceeds from the issuance of convertible preferred stock	—	199,950
Payments on Tranche B-1 Term Loan	—	(147,312)
Payments on Tranche B-2 Term Loan	(11,719)	(114,000)
Original issuance discount and revolving credit facility fees	—	(10,365)
Fees associated with the issuance of convertible preferred stock	—	(12,564)
Minimum tax withholding requirements	(54)	(120)
Net cash provided by (used) in financing activities	18,227	(84,411)
Effect of exchange rate changes on cash and cash equivalents	(277)	22
Net increase in cash and cash equivalents	20,398	69,893
Beginning balance, cash and cash equivalents	117,046	67,224
Ending balance, cash and cash equivalents	$ 137,444	$ 137,117

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Supplemental Cash Flow Information
(unaudited)

	As of March 31,	
	2020	**2019**
Non-cash investing activities [(1)]:	**(in thousands)**	
Net assets contributed to the joint ventures (Note 8)	—	202,487

(1) Capital expenditures included in current liabilities were not material during the three months ended March, 31, 2020 and March 31, 2019, respectively.

The accompanying notes are an integral part of the Consolidated Financial Statements.

GNC HOLDINGS, INC. AND SUBSIDIARIES
Condensed Notes to the Unaudited Consolidated Financial Statements

NOTE 1. NATURE OF BUSINESS

GNC Holdings, Inc., a Delaware corporation (“Holdings,” and collectively with its subsidiaries and, unless the context requires otherwise, its and their respective predecessors, the “Company”), is a global health and wellness brand with a diversified, omni-channel business. The Company's assortment of performance and nutritional supplements, vitamins, herbs and greens, health and beauty, food and drink and other general merchandise features innovative private-label products as well as nationally recognized third-party brands, many of which are exclusive to GNC.

The Company's operations consist of three reportable segments, U.S. and Canada, International, and Manufacturing / Wholesale (refer to Note 13, "Segments" for more information). Corporate retail store operations are located in the United States, Canada, Puerto Rico, Ireland and, prior to the joint venture transaction with Harbin Pharmaceutical Group Co., Ltd ("Harbin") in February 2019, China. Franchise locations exist in the United States and approximately 50 other countries. Products can also be purchased through GNC.com, Amazon.com and other marketplaces and select wholesale partners. Additionally, the Company licenses the use of its trademarks and trade names. Prior to the formation of the manufacturing joint venture with International Vitamin Corporation ("IVC") (the "Manufacturing JV") in March 2019, the Company purchased raw materials, manufactured products and sold the finished products through its reportable segments. Refer to Note 8. "Equity Method Investments" for more information of the Company's joint ventures.

Going Concern

As further discussed below, the Company has an accelerated maturity payment due on May 16, 2020 (the “Springing Maturity Date”) that it does not have the ability to pay. Since the Company has not refinanced the $738.7 million of Tranche B-2 Term Loan (the "Tranche B-2 Term Loan), FILO Term Loan (the "FILO Term Loan") and Revolving Credit Facility (the "Revolving Credit Facility") that will become due on the Springing Maturity Date, management has concluded there is substantial doubt regarding the Company's ability to continue as a going concern within one year from the issuance date of the Company’s Consolidated Financial Statements. Failure to complete a refinancing or other restructuring, obtain an extension of the Springing Maturity Date as defined in the Credit Agreements, reach an agreement with required lender groups under the Credit Agreements prior to May 16, 2020 or to reach an agreement with the Company's stakeholders on the terms of an out-of-court restructuring would have a material adverse effect on the Company's liquidity, financial condition and results of operations and may result in filing a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in order to implement a restructuring plan. As of March 31, 2020, the Company's outstanding indebtedness has been classified as current on the Company's Consolidated Balance Sheets. In addition, the Company accelerated the amortization of original issuance discount and deferred financing fees for the Tranche B-2 Term Loan, FILO Term Loan and the Revolving Credit Facility of $12.4 million to the Springing Maturity Date.

The Company has continued to experience negative same store sales and declining gross profit. The Company has closed underperforming stores under its store optimization strategy and implemented cost reduction measures to help mitigate the effect of these declines and improve its financial position and liquidity. At March 31, 2020, the Company has substantial indebtedness including $156.4 million of outstanding indebtedness under the Notes issued under that certain Indenture dated as of August 10, 2015, among the Company, certain of its subsidiaries, and The Bank of New York Mellon Trust Company, N.A, maturing on August 15, 2020 (the "Notes") and $434.8 million of outstanding indebtedness under the Amended and Restated Term Loan Credit Agreement, dated as of February 28, 2018, among GNC Corporation, GNC Nutrition Centers, Inc., as Borrower, the lenders and agents parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the “Tranche B-2 Term Loan Credit Agreement" and the term loan thereunder, the "Tranche B-2 Term Loan"). The Company made an excess cash flow payment of $25.9 million that was due in April 2020 which reduced the outstanding amount of the Tranche B-2 Term Loan. The Tranche B-2 Term Loan becomes due on the earlier to occur of (i) the maturity date of March 4, 2021 or (ii) May 16, 2020 if more than $50 million of the Notes are outstanding on such date. Each of the Revolving Credit Facility under the Credit Agreement, dated as of February 28, 2018, among GNC Corporation, GNC Nutritional Centers, Inc., as Administrative Borrower, certain of its subsidiaries, as subsidiary borrowers, the lenders and agents parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the “ABL Credit Agreement,” and together with the Tranche B-2 Term Loan Credit Agreement, the "Credit Agreements") and the FILO Term Loan under the ABL Credit Agreement, which otherwise mature in August 2022 and December 2022 respectively, also include an accelerated maturity date of May 16, 2020 if more than $50 million of the Notes are outstanding on such date. The Company does not have the ability to reduce the outstanding balance on the Notes from $156.4 million to below $50 million with projected cash on hand and new borrowings under the Revolving Credit Facility, assuming such borrowings remain available.

The outbreak of novel strain of coronavirus COVID-19 ("COVID-19") caused business disruption in the International segment beginning in January 2020. In late February 2020, the situation escalated as the scope of the COVID-19 outbreak worsened to directly impact areas outside of the Asia-Pacific region, with Europe and the United States recognizing outbreaks of COVID-19. As of March 31, 2020, the Company had temporarily closed approximately 30% of the U.S. and Canada company-owned and franchise stores as a result of the COVID-19 pandemic. There is significant uncertainty on the Company's business going forward due to various global macroeconomic, operational and supply chain risks as a result of COVID-19.

The Company was in compliance with the debt covenant reporting and compliance obligations under the Credit Agreements as of March 31, 2020. Management does not believe that the Company has the ability to comply with the financial covenants under the Senior Credit Facility Agreements over the next twelve months given the current circumstances stemming from the COVID-19 pandemic.

The Company is in the process of reviewing a range of refinancing options to refinance the Company's outstanding indebtedness. The Company has been working with an independent committee of the Board supported by independent financial and legal advisors to conduct its review and has had a series of discussions with financing sources in the United States and Asia. The Company will continue to explore all options to refinance and restructure its indebtedness. While the Company continues to work through a number of refinancing alternatives to address its upcoming debt maturities, the Company cannot make any assurances regarding the likelihood, certainty or exact timing of any alternatives.

Reporting requirements under both the Tranche B-2 Term Loan and the Credit Agreement require the Company to provide annual audited financial statements accompanied by an opinion of an independent public accountant without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit (other than a "going concern" statement, explanatory note or like qualification or exception resulting solely from an upcoming maturity date under the Tranche B-2 Term Loan or the Notes). Management believes the Company satisfied this requirement in the 2019 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission (the "SEC") on March 25, 2020 (the "2019 10-K"). If the lenders take a contrary position, (a) they could decide to instruct the administrative agent under the Senior Credit Agreements to deliver a written notice thereof to the borrower, and if the alleged default continued uncured for 30 days thereafter it would become an alleged event of default (unless waived by the lenders) and (b) the Company intends to contest such position and any action the lenders may attempt to take as a result thereof. If the lenders were to prevail in any such dispute, the required lenders could instruct the administrative agent to exercise remedies under the Senior Credit Agreements, including accelerating the maturity of the loans, terminating commitments under the revolving credit facility under the ABL Credit Agreement and requiring the posting of cash collateral in respect of outstanding letters of credit issued under the Revolving Credit Facility ($4.5 million at March 31, 2020). If this were to occur, management would enter into discussions with the lenders to waive the default or forebear from the exercise of remedies. Failure to obtain such a waiver, complete a refinancing or other restructuring, obtain an extension of the Springing Maturity Date as defined in the Credit Agreements or to reach an agreement with required lender groups under the Credit Agreements prior to May 16, 2020 or to reach an agreement with the Company's stakeholders on the terms of an out-of-court restructuring would have a material adverse effect on the Company's liquidity, financial condition and results of operations and may result in filing a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in order to implement a restructuring plan.

The Company's Consolidated Financial Statements as of March 31, 2020 are being prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

NOTE 2. BASIS OF PRESENTATION

The accompanying unaudited Consolidated Financial Statements, which have been prepared in accordance with the applicable rules of the Securities and Exchange Commission ("SEC"), include all adjustments (of a normal and recurring nature) that management considers necessary to fairly state the Company's results of operations, financial position and cash flows. The December 31, 2019 Consolidated Balance Sheet was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America ("U.S. GAAP"). These interim Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Footnotes included in the Company’s audited financial statements in its Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC on March 25, 2020 (the "2019 10-K"). Interim results are not necessarily indicative of the results that may be expected for the remainder of the year ending December 31, 2020.

The preparation of the financial statements in conformity with GAAP requires management to make estimates 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. Management bases these estimates on assumptions that it believes to be reasonable under the circumstances, including considerations for the impact from the outbreak of the COVID-19 pandemic on the Company's business due to various global macroeconomic, operational and supply chain risks as a result of COVID-19. Actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

Recently Adopted Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board ("FASB") issued ASU 2018-15, *Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-used software. This standard is effective for public business entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Accordingly, the Company has adopted this ASU in the first quarter of 2020, which did not have a material impact on its Consolidated Financial Statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326) Measurement of Credit Losses on Financial Instruments*, which introduces a new model to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. This standard is effective for public business entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The Company has adopted this ASU in the first quarter of 2020, which did not have a material impact on its Consolidated Financial Statements.

The majority of the Company's domestic store and e-commerce revenues are received as cash at the point of sales. The majority of the Company's franchise and wholesale revenues are billed with varying terms for payment. An allowance for credit losses is established based on the aging of the accounts receivable balances, financial condition of our franchisees and other third-party customers, historical write-off experience and current and future economic and market conditions.

The allowance for credit losses related to accounts receivable as of March 31, 2020 and changes for the three months then ended are as follows:

(in thousands)	Balance at December 31, 2019	Charged to costs and expenses	Deduction	Balance at March 31, 2020
Vendor allowance[1]	$ 14,033	$ 5,439	$ (6,707)	$ 12,765
Trade accounts receivable allowance [2]	8,615	9,224	(3,214)	14,625

(1) Changes to vendor allowance reserves are recorded as cost of sales on the Consolidated Statement of Operations.

(2) Changes to trade accounts receivable allowance are recorded as selling, general and administrative on the Consolidated Statement of Operations

The Company recognized a $8.7 million allowance for credit losses for its franchisees and other third-party customers and $4.6 million vendor allowance reserves during the three months ended March 31, 2020 based on the current and estimated adverse impacts from the COVID-19. Refer to Note 15. "Subsequent Events" for more information on the uncertainty that exists regarding the impacts of COVID-19.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12, *Income Taxes: Simplifying the Accounting for Income Taxes*, which simplifies accounting for income taxes by eliminating certain exceptions to ASC 740 related to the general approach for intraperiod tax allocation, methodology for calculating income taxes in an interim period and recognition of deferred taxes when there are investment ownership changes. The new guidance also simplifies aspects of accounting for franchise taxes and interim period effects of enacted changes in tax laws or rates. The new guidance provides clarification on accounting for transactions that result in a step-up in the tax basis of goodwill and allocation of consolidated income tax expense to separate financial statements of entities not subject to income tax. This ASU is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years, and early adoption is permitted. The Company is evaluating the impact this standard will have on its Consolidated Financial Statements and related disclosures.

NOTE 3. REVENUE

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied. Generally, this occurs with the transfer of control of products or services. The Company satisfies performance obligations either over time or at a point in time as discussed in further detail below. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. Applicable sales tax collected concurrent with revenue-producing activities is excluded from revenue.

U.S. and Canada Revenue

The following is a summary of revenue disaggregated by major source in the U.S. and Canada segment:

	Three months ended March 31,	
	2020	**2019**
U.S. company-owned product sales: [1]	**(in thousands)**	
Protein	$ 73,808	$ 80,257
Performance supplements	67,992	74,778
Weight management	20,516	30,779
Vitamins	48,962	47,056
Herbs / Greens	13,805	15,873
Wellness	39,082	47,200
Health / Beauty	39,485	46,388
Food / Drink	19,199	28,243
General merchandise	4,871	6,800
Total U.S. company-owned product sales	$ 327,720	$ 377,374
Wholesale sales to franchisees	51,056	58,257
Royalties and franchise fees	7,327	8,472
Sublease income	10,242	10,976
Cooperative advertising and other franchise support	4,408	5,067
Other [2]	23,428	29,011
Total U.S. and Canada revenue	$ 424,181	$ 489,157

(1) Includes e-commerce sales.

(2) Includes revenue primarily related to operations in Canada and the loyalty programs, myGNC Rewards and PRO Access.

International Revenues

The following is a summary of revenue disaggregated by major source in the International reportable segment:

	Three months ended March 31,	
	2020	2019
	(in thousands)	
Wholesale sales to franchisees	$ 20,183	$ 25,437
Royalties and franchise fees	6,508	6,202
Other [(1)]	6,854	9,284
Total International revenue	$ 33,545	$ 40,923

(1) Includes revenue related to China operations prior to the transfer of the China business to the HK JV and China JV, which was effective February 13, 2019, wholesale sales to the HK JV and China JV, and revenue from company-owned locations in Ireland.

Manufacturing / Wholesale Revenue

The following is a summary of revenue disaggregated by major source in the Manufacturing / Wholesale reportable segment:

	Three months ended March 31,	
	2020	2019
	(in thousands)	
Third-party contract manufacturing[(1)]	$ —	$ 15,783
Intersegment sales[(1)]	—	35,505
Wholesale partner sales	14,855	18,901
Total Manufacturing / Wholesale revenue	$ 14,855	$ 70,189

(1) As a result of the transfer of the Nutra manufacturing business to the newly formed Manufacturing JV effective March 1, 2019, no third-party contract manufacturing and intersegment sales were recognized thereafter.

Revenue by Geography

The following is a summary of revenue by geography:

	Three months ended March 31,	
	2020	2019
Total revenues by geographic areas[(1)]:	(in thousands)	
United States	$ 452,873	$ 535,943
Foreign	19,708	28,821
Total revenues	$ 472,581	$ 564,764

(1) Geographic areas are defined based on legal entity jurisdiction.

Balances from Contracts with Customers

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract. The Company's PRO Access and loyalty program points are recorded within deferred revenue and other current liabilities on the Consolidated Balance Sheets. Deferred franchise and license fees are recorded within deferred revenue and other current liabilities and other long-term liabilities on the Consolidated Balance Sheets.

The following table presents changes in the Company’s contract liabilities:

	Three months ended March 31, 2020			
	Balance at Beginning of Period	Recognition of revenue included in beginning balance	Contract liability, net of revenue, recognized during the period	Balance at the End of Period
	(in thousands)			
Deferred franchise and license fees	$ 28,293	(2,722)	1,303	$ 26,874
PRO Access and loyalty program points (1)	22,896	(11,879)	11,096	22,113
Gift card liability (1)	3,110	(1,367)	207	1,950

	Three months ended March 31, 2019			
	Balance at Beginning of Period	Recognition of revenue included in beginning balance	Contract liability, net of revenue, recognized during the period	Balance at the End of Period
	(in thousands)			
Deferred franchise and license fees	$ 33,464	(2,861)	668	$ 31,271
PRO Access and loyalty program points (1)	24,836	(12,423)	12,863	25,276
Gift card liability (1)	3,416	(1,523)	181	2,074

(1) Net of estimated breakage

As of March 31, 2020, the Company had deferred franchise fees with unsatisfied performance obligations extending throughout 2030 of $26.9 million, of which approximately $6.0 million is expected to be recognized over the next 12 months. The Company has elected to use the practical expedient allowed under the rules of adoption to not disclose the duration of the remaining unsatisfied performance obligations for contracts with an original expected length of one year or less.

NOTE 4. INVENTORY

The net realizable value of inventory consisted of the following:

	March 31, 2020	December 31, 2019
	(in thousands)	
Finished product ready for sale	$ 367,402	$ 387,655
Inventory	$ 367,402	$ 387,655

As a result of the COVID-19 pandemic, the Company has temporarily closed approximately 1,100, or 30%, of the U.S. and Canada company-owned and franchise stores as of March 31, 2020 and sales trends have significantly declined in the second half of March 2020. Some of the stores temporarily closed may be closed permanently in the future. Due to the store closures, decline in sales trends and estimated adverse impacts on the Company's business as a result of COVID-19, the Company recorded $18.2 million inventory obsolescence reserves during the quarter ended March 31, 2020, of which $17.8 million was recorded within the U.S. and Canada segment and $0.4 million was recorded within the Manufacturing and Wholesale segment.

NOTE 5. PROPERTY, PLANT AND EQUIPMENT, NET

As previously disclosed, as a result of the COVID-19 pandemic, the Company has temporarily closed approximately 1,100, or 30%, of the U.S. and Canada company-owned and franchise stores as of March 31, 2020 and sales trends have significantly declined in the second half of March 2020. Some of the stores temporarily closed may be closed permanently in the future. Due to the store closures, decline in sales trends and estimated adverse impact from COVID-19, the Company recorded $40.3 million of impairment charges and other store closing costs, of which $21.2 million related to right-of-use asset impairments, $11.2 million related to property and equipment impairment and $7.9 million related to other store closing costs, presented as long-lived asset impairments and other store closing costs in the accompanying Consolidated Statement of Operations. Refer to Note 15. "Subsequent Events" for more information on the uncertainty that exists regarding the impacts of COVID-19.

The impairment test was performed at the individual store level, as it is the lowest level in which identifiable cash flows are largely independent of other groups of assets and liabilities. If the undiscounted estimated cash flows were less than the carrying value of the asset group, an impairment charge was calculated by subtracting the estimated fair value of the asset group from its carrying value. Fair value for property, plant and equipment was estimated using a discounted cash flow method (income approach) utilizing the undiscounted cash flows computed in the first step of the test. Fair value for right-of-use asset was estimated using a discounted cash flow method (income approach) based on market participant assumptions.

During the three months ended March 31, 2020, the Company sold its owned location in Boston, MA and recorded a $2.1 million pre-tax gain from the sale recognized within other income, net on the Company's Consolidated Statements of Operations.

NOTE 6. GOODWILL AND INTANGIBLE ASSETS

Due to the significant decline in the Company's share price in the first quarter of 2020 and current circumstances and estimated adverse impacts from the COVID-19 pandemic, management concluded a triggering event occurred in the first quarter requiring an impairment test of its definite-lived intangible assets, indefinite-lived intangible brand name asset and the goodwill of all reporting units. Refer to Note 15. "Subsequent Events" for more information on the uncertainty that exists regarding the impacts of COVID-19. No impairment was recorded for the Company's definite-lived intangible assets.

Brand Name

Management performed an impairment test for its brand intangible asset, and concluded that the estimated fair value under the relief from royalty method (income approach) was less than its carrying value, which resulted in an impairment charge of $111.7 million. The brand name impairment test was performed in totality as it represents a single unit of account and $88.6 million of the charge was allocated to the U.S. and Canada and the remaining amount was allocated to the International segment. Key assumptions included in the estimation of the fair value include the following:

- <u>Future cash flow assumptions</u> - Future cash flow assumptions include retail sales from the Company’s corporate retail store operations, GNC.com retail sales, wholesale partner sales, China JV and HK JV retail sales, and domestic and international franchise retail sales. Sales were based on organic growth and were derived from historical experience and assumptions regarding future growth, including considerations for the impact from the outbreak of the COVID-19 pandemic on the Company's business. The Company's analysis incorporated an assumed period of cash flows of 10 years with a terminal value.

- <u>Royalty rate</u> - The royalty rates utilized consider external market evidence and internal financial metrics including a review of available returns after the consideration of property, plant and equipment, working capital and other intangible assets. The royalty rate used to estimate the fair values of the Company's reporting units was within a range of 0% - 3%.

- <u>Discount rate</u> - The discount rate was based on an estimated weighted average cost of capital ("WACC") for each business supported by the GNC brand name. The components of WACC are the cost of equity and the cost of debt, each of which requires judgment by management to estimate. The Company developed its cost of equity estimate based on perceived risks and predictability of future cash flows. The WACC used to estimate the fair values of the Company's reporting units was within a range of 20% to 22%. Any difference between the WACC among reporting units is primarily due to the precision with which management expects to be able to predict the future cash flows of each reporting unit.

Goodwill

Management performed an impairment test of the Company's goodwill. The results of the impairment test indicated no impairments for GNC.com, International Franchise and Wholesale reporting units. However, The Health Store reporting unit had a fair value below its carrying value, which resulted in a $5.5 million goodwill impairment charge, which was recorded within the International segment.

The Company estimated the fair values of its reporting units in the first quarter of 2020 using a discounted cash flow method (income approach) weighted 50% and a guideline company method (market approach) weighted 50%. The key assumptions used under the income approach include the following:

- Future cash flow assumptions - The Company's projections for its reporting units were based on organic growth and were derived from historical experience and assumptions regarding future growth and profitability trends, including considerations for the impact from the outbreak of the COVID-19 pandemic on the Company's business. The Company's analysis incorporated an assumed period of cash flows of 10 years with a terminal value.

- Discount rate - The discount rate was based on an estimated weighted average cost of capital ("WACC") for each reporting unit. The components of WACC are the cost of equity and the cost of debt, each of which requires judgment by management to estimate. The Company developed its cost of equity estimate based on perceived risks and predictability of future cash flows. The WACC used to estimate the fair values of the Company's reporting units was within a range of 20% to 22%. Any difference between the WACC among reporting units is primarily due to expectation of achieving the future cash flows of each reporting unit.

The guideline company method involves analyzing transaction and financial data of publicly-traded companies to develop multiples, which are adjusted to account for differences in growth prospects and risk profiles of the reporting unit and comparable.

Goodwill Roll-Forward

The following table summarizes the Company's goodwill activity by reportable segment:

	U.S. and Canada	International	Manufacturing / Wholesale	Total
		(in thousands)		
Goodwill at December 31, 2019				
Gross	$ 389,895	$ 43,330	$ 141,299	$ 574,524
Accumulated impairments	(380,644)	—	(114,771)	(495,415)
Goodwill	**9,251**	**43,330**	**26,528**	**79,109**
2020 Activity:				
Impairment	—	(5,451)	—	(5,451)
Translation effect of exchange rates	—	(106)	—	(106)
Total 2020 activity	—	(5,557)	— —	(5,557)
Balance at March 31, 2020				
Gross	389,895	43,224	141,299	574,418
Accumulated impairments	(380,644)	(5,451)	(114,771)	(500,866)
Goodwill	**$ 9,251**	**$ 37,773**	**$ 26,528**	**$ 73,552**

Intangible Assets

The following table reflects the gross carrying amount and accumulated amortization for each major definite-lived intangible assets:

		March 31, 2020			December 31, 2019		
	Weighted-Average Life	Cost	Accumulated Amortization/Impairment	Carrying Amount	Cost	Accumulated Amortization/Impairment	Carrying Amount
			(in thousands)				
Brand name	Indefinite	$720,000	$ (531,000)	$189,000	$720,000	$ (419,280)	$300,720
Retail	30.3	31,000	(13,882)	17,118	31,000	(13,619)	17,381
Franchise	25	70,000	(36,517)	33,483	70,000	(35,817)	34,183
Manufacturing agreements	25	40,000	(20,867)	19,133	40,000	(20,467)	19,533
Other	6.8	627	(541)	86	639	(529)	110
Franchise	3	$ 7,566	$ (7,495)	$ 71	$ 7,566	$ (7,475)	$ 91
Total		$869,193	$ (610,302)	$258,891	$869,205	$ (497,187)	$372,018

NOTE 7. DEBT / INTEREST EXPENSE

Debt consisted of the following:

	March 31, 2020	December 31, 2019
	(in thousands)	
Tranche B-2 Term Loan (net of $2.0 million and $7.0 million discount)	434,773	441,500
FILO Term Loan (net of $1.1 million and $8.2 million discount)	273,898	266,814
Notes (net of $2.4 million and $3.9 million conversion feature and $0.3 million and $0.5 million discount)	156,427	154,675
Revolving Credit Facility	30,000	—
Debt issuance costs	(76)	(424)
Total debt	895,022	862,565
Less: current debt	(895,022)	(180,566)
Long-term debt	$ —	$ 681,999

On February 28, 2018, the Company amended and restated its Senior Credit Facility (the "Amendment", and the Senior Credit Facility as so amended, the "Term Loan Agreement"), which included an extension of the maturity date of the Tranche B-2 Term Loan. In the event that all outstanding amounts under the convertible senior notes exceeding $50 million are not repaid, refinanced, converted or effectively discharged prior to May 16, 2020, the Springing Maturity Date, the maturity date of the Tranche B-2 Term Loan will become the Springing Maturity Date, subject to certain adjustments. As of March 31, 2020, the Company had $434.8 million, net of discount, outstanding under the Tranche B-2 Term Loan. On February 28, 2018, the Company also entered into the ABL Credit Agreement, consisting of:

- a $275.0 million asset-based Term Loan Facility advanced on a “first-in, last-out” basis (the "FILO Term Loan") with a maturity date of December 2022 (which maturity date will become May 2020, subject to certain adjustments, should the Springing Maturity Date be triggered); and

- a $100 million asset-based Revolving Credit Facility (the "Revolving Credit Facility") with a maturity date of August 2022 (which maturity date will become May 2020, subject to certain adjustments, should the Springing Maturity Date be triggered). In connection with the transfer of the Nutra manufacturing and Anderson facility net assets to the manufacturing joint venture (the "Manufacturing JV") with International Vitamin Corporation ("IVC"), the Revolving Credit Facility commitment was reduced from $100 million to $81 million effective March 2019. As of March 31, 2020, there were $30.0 million borrowings outstanding on the Revolving Credit Facility. At March 31, 2020, the Company had $19.9 million available under the Revolving Credit Facility, after giving effect to $30.0 million borrowing outstanding, $4.5 million utilized to secure letters of credit and a $26.6 million reduction to borrowing ability as a result of decrease in net collateral.

The Tranche B-2 Term Loan requires annual aggregate principal payments of at least $43 million and bears interest at a rate of, at the Company's option, LIBOR plus a margin of 8.75% per annum subject to change under certain circumstances (with a minimum and maximum margin of 8.25% and 9.25%, respectively, per annum), or prime plus a margin of 7.75% per annum subject to change under certain circumstances (with a minimum and maximum margin of 7.25% and 8.25%, respectively, per annum). Any mandatory repayments as defined in the credit agreement shall be applied to the remaining annual aggregate principal payments in direct order of maturity. The Company paid $100 million on the Tranche B-2 Term Loan in November 2018 and elected to use the payment to satisfy the scheduled amortization payments on the Term Loan Facility through December 2020. The Term Loan Agreement is secured by a (i) first lien on certain assets of the Company primarily consisting of capital stock issued by General Nutrition Centers, Inc. ("Centers") and its subsidiaries, intellectual property and equipment (“Term Priority Collateral”) and (ii) second lien on certain assets of the Company primarily consisting of inventory and accounts receivable (“ABL Priority Collateral”). The Term Loan Agreement is guaranteed by all material, wholly-owned domestic subsidiaries of the Company (the “U.S. Guarantors”) and by General Nutrition Centres Company, an unlimited liability company organized under the laws of Nova Scotia (together with the U.S. Guarantors, the “Guarantors”).

There are no scheduled amortization payments associated with the FILO Term Loan, which bears interest at a rate of, at the Company's option, LIBOR plus a margin of 7.00% per annum subject to decrease under certain circumstances (with a minimum possible interest rate of LIBOR plus a margin of 6.50% per annum) or prime plus a margin of 6.00% per annum subject to decrease under certain circumstances (with a minimum possible interest rate of prime plus a margin of 5.50% per annum). Outstanding borrowings under the Revolving Credit Facility bear interest at a rate of LIBOR plus 1.50% per annum (subject to an increase of 0.25% or 0.50% based on the amount available to be drawn under the Revolving Credit Facility) or prime plus a margin of 0.50% per annum (subject to an increase of 0.25% or 0.50% based on the amount to be drawn under the Revolving Credit Facility). The Company is also required to pay an annual fee to revolving lenders equal to 1.5% per annum (subject to an increase of 0.25% or 0.50% based on the amount available to be drawn under the Revolving Credit Facility) on outstanding letters of credit and an annual commitment fee of 0.375% on the undrawn portion of the Revolving Credit Facility, which is subject to an increase to 0.5% based on the amount available to be drawn under the Revolving Credit Facility. The FILO Term Loan and Revolving Credit Facility are secured by a (i) first lien on ABL Priority Collateral and (ii) second lien on Term Priority Collateral. The FILO Term Loan and Revolving Credit Facility are guaranteed by the Guarantors.

Under the Company’s Credit Agreements, the Company is required to make certain mandatory prepayments, including a requirement to prepay first the Tranche B-2 Term Loan (until repaid in full) and second the FILO Term Loan (until repaid in full, but only if such prepayment is permitted under the ABL Credit Agreement) in each case annually with amounts based on excess cash flow, as defined in the Company’s Credit Facilities, based on the results of the Company for the prior fiscal year. The payment will be 75% of excess cash flow for each such fiscal year, subject to a reduction to 50% based on the attainment of a certain Consolidated Net First Lien Leverage Ratio, and will be reduced by certain scheduled debt payment amounts. Based on the Company's results for the year ended December 31, 2019, the Company made an excess cash flow payment of $25.9 million in April 2020. The Company made an excess cash flow payment of $9.8 million in April 2019 with respect to the year ending December 31, 2018.

At March 31, 2020, the Company's contractual interest rates under the Tranche B-2 Term Loan, the FILO Term Loan and the Revolving Credit Facility were 10.1%, 8.0% and 4.0%, respectively, which consist of LIBOR plus the applicable margin rate and in the case of Revolving Credit Facility at Prime rate plus the applicable margin rate. At December 31, 2019, the interest rates under the Tranche B-2 Term Loan and the FILO Term Loan were 10.6%, and 8.8%, respectively.

The Company’s Credit Facilities contain customary covenants, including limitations on the ability of GNC Corporation, Centers, and Centers' subsidiaries to, among other things, incur debt, grant liens on their assets, enter into mergers or liquidations, sell assets, make investments or acquisitions, make optional payments in respect of, or modify, certain other debt instruments, pay dividends or other payments on capital stock, or enter into arrangements that restrict their ability to pay dividends or grant liens. Despite these limitations, the Company has the ability to discharge the liabilities of GNC Holdings, Inc. in the ordinary course of business through a variety of alternatives, including a restricted payment basket, a junior lien debt incurrence basket, and repayment of intercompany debt.

In addition, the Term Loan Agreement requires compliance, as of the end of each fiscal quarter of the Company, with a maximum Consolidated Net First Lien Leverage Ratio currently set at 4.25 to 1.00. If the Company's availability under the Revolving Credit Facility is less than the greater of (i) 12.5% of the borrowing base or (ii) $12.5 million, then the ABL Credit Agreement requires compliance as of the end of each fiscal quarter with a minimum Fixed Charge Coverage Ratio of 1.00 to 1.00. The Company is currently in compliance with the terms of its Credit Agreements. Given current circumstances around the COVID-19 pandemic as discussed further in Note 15, "Subsequent Events", there can be no assurances as our ability to remain in compliance with the financial covenants under the Senior Credit Facility Agreements over the next twelve months.

As of March 31, 2020, the Company maintains $159.1 million in principal amount of its 1.5% convertible Notes. The Notes consist of the following components:

	March 31, 2020	December 31, 2019
	(in thousands)	
Liability component		
Principal	$ 159,097	$ 159,097
Conversion feature	(2,356)	(3,898)
Discount related to debt issuance costs	(314)	(524)
Net carrying amount	$ 156,427	$ 154,675

As mentioned in Note 1, "Nature of Business," substantial doubt exists concerning the Company's ability to reduce the outstanding balance on the Notes to below $50.0 million. Given this, if we cannot reduce the outstanding balance under the Notes prior to May 16, 2020, the Springing Maturity Date, the Tranche B-2 Term Loan, the Revolving Credit Facility and the FILO Term Loan maturity will accelerate. While the Company continues to work through a number of refinancing alternatives to address its upcoming debt maturities, the Company cannot make any assurances regarding the likelihood, certainty or exact timing of any alternatives. As of March 31, 2020, all debt has been reclassified to current on the Consolidated Balance Sheets. In addition, the Company accelerated the amortization of original issuance discount and deferred financing fees for the Tranche B-2 Term Loan, FILO Term Loan and the Revolving Credit Facility of $12.4 million to the Springing Maturity Date.

Interest Rate Swaps

On June 13, 2018, the Company entered into two interest rate swaps with notional amounts of $275 million and $225 million to limit the exposure of its variable interest rate debt by effectively converting it to a fixed interest rate. The Company receives payments based on the one-month LIBOR and makes payments based on a fixed rate. The Company receives payments with a floor of 0.00% and 0.75%, respectively, on the $275 million and $225 million interest rate swaps, which aligns with the related debt instruments. The interest rate swap agreements had an effective date of June 29, 2018. The $225 million interest rate swap expires on February 28, 2021, and the $275 million interest rate swap expires on June 30, 2021. The notional amount of the $225 million interest rate swap has scheduled decreases to $175 million on June 30, 2019, $125 million on June 30, 2020 and $75 million on December 31, 2020. The Company designated these instruments as cash flow hedges deemed effective upon initiation. The interest rate swaps are recognized on the balance sheet at fair value. When the cash flow hedges are deemed effective, changes in fair value are recorded within other comprehensive loss on the Consolidated Balance Sheets and reclassified into the Consolidated Statement of Operations as interest expense in the period in which the underlying transaction affects earnings.

The fair values of the derivative financial instruments included in the Consolidated Balance Sheets consisted of the following:

Balance Sheet Classification	Fair Value at March 31, 2020	Fair Value at December 31, 2019
	(in thousand)	
Other current liabilities	$ 9,080	$ 5,013
Other long-term liabilities	1,730	1,927
Total liabilities	$ 10,810	$ 6,940

As mentioned above, if the Company cannot reduce the outstanding balance on the Notes to below $50 million before the Springing Maturity date, the maturity date of the Tranche B-2 and the FILO Term Loan will accelerate. Management does not expect to have sufficient cash flows from operations to repay the indebtedness before the Springing Maturity date. As such, the Company deemed the cash flow hedges as ineffective as the forecasted hedging transactions will not occur by the end of the originally specified time period. The Company reclassified a $10.8 million pre-tax loss previously deferred within accumulated other comprehensive loss to interest expense during the three months ended March 31, 2020.

Interest Expense

Interest expense consisted of the following:

	Three months ended March 31, 2020	Three months ended March 31, 2019
	(in thousands)	
Tranche B-1 Term Loan coupon	$ —	$ 928
Tranche B-2 Term Loan coupon	12,339	16,468
FILO Term Loan coupon	6,826	6,751
Revolving Credit Facility	149	123
Amortization of discount and debt issuance costs	15,055	6,043
Subtotal	34,369	30,313
Notes:		
Coupon	596	707
Amortization of conversion feature	1,542	1,701
Amortization of discount and debt issuance costs	217	244
Total Notes	2,355	2,652
Loss on interest rate swap	10,810	—
Other	(90)	(9)
Interest expense, net	$ 47,444	$ 32,956

NOTE 8. EQUITY METHOD INVESTMENTS

The Company's interests in the Manufacturing, HK and China joint ventures are accounted for as equity method investments due to the Company’s ability to exercise significant influence over management decisions of the joint ventures. Under the equity method, the Company's share of profits and losses from the joint ventures is recorded within income from equity method investments on the Consolidated Statement of Operations. The following table provides a reconciliation of equity method investments on the Company’s Consolidated Balance Sheets:

	March 31, 2020	December 31, 2019
	(in thousands)	
Manufacturing JV	$ 56,684	$ 75,434
Manufacturing JV capital contribution	10,714	10,714
HK JV and China JV	10,200	10,342
Income from equity method investments	4,618	5,296
Distributions received from equity method	(3,856)	(3,856)
Manufacturing JV other-than-temporary impairment	(35,840)	—
Total Equity method investments	$ 42,520	$ 97,930

In February 2019, the Company contributed its China business in exchange for 35% ownership of each of the formed joint ventures with Harbin, the HK JV and China JV. The HK JV includes the operation of the cross-border China e-commerce business, and has an exclusive right to use the Company’s trademarks to manufacture and distribute the Company’s products in China (excluding Hong Kong, Taiwan and Macau) via e-commerce channels. The China JV is a retail-focused joint venture to operate GNC's brick-and-mortar retail business in China and it will have an exclusive right to use the Company's trademarks to manufacture and distribute the Company's products in China (excluding Hong Kong, Taiwan and Macau) via retail stores and pharmacies. The HK JV closed in February 2019 and the China JV agreement is expected to be completed in the second quarter of 2020, following the satisfaction of certain routine regulatory and legal requirements.

In March 2019, the Company entered into a strategic joint venture with IVC regarding the Company's manufacturing business. The Manufacturing JV is responsible for the manufacturing of the products previously produced by the Company at the Nutra manufacturing facility. The Company received $99.2 million from IVC and contributed the net assets of the Nutra manufacturing and Anderson facilities in exchange for an initial 43% equity interest in the Manufacturing JV. In addition, the Company made a capital contribution of $10.7 million to the Manufacturing JV to fund its share of short-term working capital needs. Under the terms of the agreement, IVC has the ability to pay an additional $75.0 million over a four year period from the effective date of the transaction as IVC's ownership of the joint venture increases to 100%. The subsequent purchase price for each year is $18.8 million, adjusted up or down based on the the Company's future purchases from the Manufacturing JV. The Company received the first subsequent purchase price of $15.6 million during the first quarter of 2020. As a result, the Company's ownership of the Manufacturing JV decreased to 32% in March 2020.

Gain (loss) from the net asset exchange

In connection with the formation of the joint ventures effective in the first quarter of 2019, the Company deconsolidated its China business and its Nutra manufacturing business which resulted in a pre-tax gain of $5.8 million and loss of $27.1 million, respectively, recorded within loss on net asset exchange for the formation of the joint ventures on the Consolidated Statements of Operations. The $5.8 million gain from the Harbin transaction was calculated based on the difference between the fair value of the 35% equity interest in the HK JV and China JV, less the carrying value of the contributed China business, including $2.4 million of cash, and third-party closing fees. The $27.1 million loss from the Manufacturing JV transaction was calculated based on the fair value of the 43% equity interest retained in the Manufacturing JV and the $101 million in cash received, less a $1.8 million working capital purchase price adjustment in the second quarter of 2019, less the carrying value of the contributed Nutra and Anderson facilities and third-party closing fees.

As mentioned above, the Company received $15.6 million from IVC in connection with the subsequent purchase of the ownership of the Manufacturing JV in the first quarter of 2020, which resulted in a pre-tax loss of $3.1 million on net asset exchange calculated based on the difference between the cash receipt and the purchase price of $18.8 million. The loss was recorded in (loss) income from equity method investment within the Consolidated Statement of Operations. Additionally, in the first quarter of 2020, the Company recognized a $1.7 million purchase price adjustment related to the Harbin transaction, which was recorded as a loss on net asset exchange within the Consolidated Statements of Operations during the three months ended March 31, 2020.

Other-Than-Temporary Impairment

Due to the current and estimated adverse impacts from the COVID-19 pandemic and the Company's store closures, management expects a decrease in future purchases from the Manufacturing JV resulting in a decline in the value of its equity method investment in the Manufacturing JV. The decline in value was determined to be other-than-temporary which required the equity method investment to be written down to its fair value. The Company recognized $35.8 million other-than-temporary impairment related to its equity method investment in the Manufacturing JV, which was recorded within (loss) income from equity method investment on the Consolidated Statement of Operations during the three months ended March 31, 2020. This impairment charge was derived using Level 3 inputs and was primarily driven by the projected future purchase price of the equity interest in the Manufacturing JV from IVC under the terms of the agreement. As a result of the impairment, the carrying amount of the Company's equity method investment in the Manufacturing JV was $35.8 million less than its share of underlying equity in net assets as of March 31, 2020.

Related Party transactions

The Company purchased approximately $36.4 million and $21.0 million of finished goods from the Manufacturing JV during the three months ended March 31, 2020 and March 31, 2019, respectively, and had approximately $21.1 million and $11.7 million accounts payable outstanding as of March 31, 2020 and December 31, 2019, respectively. In connection with the HK JV, the Company recognized revenue, primarily from wholesale sales and royalties, of $3.8 million and $2.2 million for the three months ended March 31, 2020 and March 31, 2019, respectively, and had $6.5 million and $8.9 million accounts receivable outstanding as of March 31, 2020 and December 31, 2019, respectively.

NOTE 9. FAIR VALUE MEASUREMENTS AND FINANCIAL INSTRUMENTS

Accounting Standards Codification 820, Fair Value Measurements and Disclosures defines fair value as a market-based measurement that should be determined based on the assumptions that marketplace participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1 — observable inputs such as quoted prices in active markets for identical assets and liabilities;

Level 2 — observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other inputs that are observable, or can be corroborated by observable market data; and

Level 3 — unobservable inputs for which there are little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts of cash and cash equivalents, receivables, accounts payable, accrued liabilities and the Revolving Credit Facility approximate their respective fair values. Based on the interest rates currently available and their underlying risk, the carrying value of franchise notes receivable recorded in other long-term assets approximates its fair value.

The carrying value and estimated fair value of the forward contracts for the issuance of convertible preferred stock, the Term Loan Facility, net of discount, Notes (net of the equity component classified in stockholders' equity and discount) and the interest rate swaps were as follows:

	March 31, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
Liabilities:				
Tranche B-2 Term Loan	$ 434,773	$ 239,125	$ 441,500	$ 414,321
FILO Term Loan	273,898	231,786	266,814	265,851
Notes	156,427	148,606	154,675	148,488
Interest rate swaps	10,810	10,810	6,940	6,940

The fair values of the term loans were determined using the instruments' trading value in markets that are not active, which are considered Level 2 inputs. The fair value of the Notes was determined based on quoted market prices and bond terms and conditions, which are considered Level 2 inputs. The Company's interest rate swaps are carried at fair value, which is based primarily on Level 2 inputs utilizing readily observable market data, such as LIBOR forward rates, for all substantial terms of the interest rate swap contracts and the assessment of nonperformance risk.

As described in Note 5, "Property, Plant and Equipment, Net," and Note 6, "Goodwill and Intangible Assets, Net," the Company recorded long-lived asset impairments during the three months ended March 31, 2020. This resulted in the following assets being measured at fair value on a non-recurring basis using Level 3 inputs:

- the indefinite-lived brand name intangible asset at March 31, 2020;
- goodwill at March 31, 2020 for the Health Store reporting unit;
- property and equipment and right-of-use assets at certain of the Company's stores at March 31, 2020;
- equity method investment in the Manufacturing JV at March 31, 2020.

NOTE 10. CONTINGENCIES

The Company is engaged in various legal actions, claims and proceedings arising in the normal course of business, including claims related to breach of contracts, product liability matters, intellectual property matters and employment-related matters resulting from the Company's business activities.

The Company's contingencies are subject to substantial uncertainties, including for each such contingency the following, among other factors: (i) the procedural status of the case; (ii) whether the case has or may be certified as a class action suit; (iii) the outcome of preliminary motions; (iv) the impact of discovery; (v) whether there are significant factual issues to be determined or resolved; (vi) whether the proceedings involve a large number of parties and/or parties and claims in multiple jurisdictions or jurisdictions in which the relevant laws are complex or unclear; (vii) the extent of potential damages, which are often unspecified or indeterminate; and (viii) the status of settlement discussions, if any, and the settlement posture of the parties. Consequently, except as otherwise noted below with regard to a particular matter, the Company cannot predict with any reasonable certainty the timing or outcome of the legal matters described below, and the Company is unable to estimate a possible loss or range of loss for such matters. If the Company ultimately is required to make any payments in connection with an adverse outcome in any of the matters discussed below, it is possible that it could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

As a manufacturer, prior to the formation of the Manufacturing JV, and retailer of nutritional supplements and other consumer products that are ingested by consumers or applied to their bodies, the Company has been and is currently subjected to various product liability claims. Although the effects of these claims to date have not been material to the Company, it is possible that current and future product liability claims could have a material adverse effect on its business or financial condition, results of operations or cash flows. The Company currently maintains product liability insurance with a deductible/retention of $4.0 million per claim with an aggregate cap on retained loss of $10.0 million per policy year. The Company typically seeks and has obtained contractual indemnification from most parties that supply raw materials for its products or that manufacture or market products it sells. The Company also typically seeks to be added, and has been added, as an additional insured under most of such parties' insurance policies. However, any such indemnification or insurance is limited by its terms and any such indemnification, as a practical matter, is limited to the creditworthiness of the indemnifying party and its insurer, and the absence of significant defenses by the insurers. Consequently, the Company may incur material product liability claims, which could increase its costs and adversely affect its reputation, revenue and operating income.

Litigation

***DMAA / Aegeline Claims*.** Prior to December 2013, the Company sold products manufactured by third parties that contained derivatives from geranium known as 1.3-dimethylpentylamine/ dimethylamylamine/ 13-dimethylamylamine, or "DMAA," which were recalled from the Company's stores in November 2013, and/or Aegeline, a compound extracted from bael trees. As of March 31, 2020, the Company was named in 27 personal injury lawsuits involving products containing DMAA and/or Aegeline.

These matters are currently stayed pending final resolution.

The Company is contractually entitled to indemnification by its third-party vendors with regard to these matters, although the Company’s ability to obtain full recovery in respect of any such claims against it is dependent upon the creditworthiness of the vendors and/or their insurance coverage and the absence of any significant defenses available to their insurers.

California Wage and Break Claims. On February 29, 2012, former Senior Store Manager, Elizabeth Naranjo, individually and on behalf of all others similarly situated, sued General Nutrition Corporation in the Superior Court of the State of California for the County of Alameda. The complaint contains eight causes of action, alleging, among other matters, meal, rest break and overtime violations for which indeterminate money damages for wages, penalties, interest, and legal fees are sought. In June 2018, the Court granted in part and denied in part the Company's Motion for Decertification. In August 2018, the plaintiff voluntarily dismissed the class action claims alleging overtime violations. In November 2019, GNC filed a renewed Motion for Decertification, which was denied by the Court in January 2020. Trial is currently scheduled for July 2020. As of March 31, 2020, an immaterial liability has been accrued in the accompanying financial statements. The Company intends to vigorously defend against the remaining class action claims asserted in this action.

***Pennsylvania Fluctuating Workweek**.* On September 18, 2013, Tawny Chevalier and Andrew Hiller commenced a class action in the Court of Common Pleas of Allegheny County, Pennsylvania. Plaintiff asserted a claim against the Company for a purported violation of the Pennsylvania Minimum Wage Act ("PMWA"), challenging the Company's utilization of the "fluctuating workweek" method to calculate overtime compensation, on behalf of all employees who worked for the Company in Pennsylvania and who were paid according to the fluctuating workweek method. In October 2014, the Court entered an order holding that the use of the fluctuating workweek method violated the PMWA. In September 2016, the Court entered judgment in favor of Plaintiffs and the class in an immaterial amount, which has been recorded as a charge in the accompanying Consolidated Financial Statements. Plaintiffs subsequently filed a petition for an award of attorney's fees, costs and incentive payment. The court awarded an immaterial amount in legal fees. The Company appealed the adverse judgment and the award of attorney's fees. On December 22, 2017, the Pennsylvania Superior Court held that the Company correctly determined the "regular rate" by dividing weekly compensation by all hours worked (rather than 40), but held that the regular rate must be multiplied by 1.5 (rather than 0.5) to determine the amount of overtime owed. Taking accumulated interest into account, the net result of the Superior Court's decision was to reduce the Company's liability by an immaterial amount, which has been reflected in the accompanying Consolidated Financial Statements. The Company filed a petition for appeal to the Pennsylvania Supreme Court on January 22, 2018. The Pennsylvania Supreme Court accepted the Company's petition for appeal and the Company filed its appellant’s brief on August 27, 2018. The Pennsylvania Supreme Court ruled in favor of Plaintiffs. The case has been remanded to the trial court for final resolution.

Oregon Attorney General. On October 22, 2015, the Attorney General for the State of Oregon sued the Company in Multnomah County Circuit Court for alleged violations of Oregon’s Unlawful Trade Practices Act, in connection with its sale in Oregon of certain third-party products. The Company is vigorously defending itself against these allegations. Along with its Amended Answer and Affirmative Defenses, the Company filed a counterclaim for declaratory relief, asking the court to make certain rulings in favor of the Company, and adding USPlabs, LLC and SK Laboratories as counterclaim defendants. In March 2018, the Oregon Attorney General filed a motion for summary judgment relating to its first claim for relief, which the Company contested. The Company filed a cross motion for summary judgment on the first claim for relief, which the Oregon Attorney General contested. Following oral argument in August 2018, the Court denied the State’s motion for summary judgment and granted in part and denied in part the Company’s motion for summary judgment. The parties are in the process of exchanging discovery. Trial is currently scheduled to begin in September 2020.

As any losses that may arise from this matter are not probable or reasonably estimable at this time, no liability has been accrued in the accompanying Consolidated Financial Statements. Moreover, the Company does not anticipate that any such losses are likely to have a material impact on the Company, its business or results of operations. The Company is contractually entitled to indemnification and defense by its third-party vendors. Ultimately, however, the Company's ability to obtain full recovery in respect of any such claims against it is dependent upon the creditworthiness of its vendors and/or their insurance coverage and the absence of any significant defenses available to their insurers.

***E-Commerce Pricing Matters**.* In April 2016, Jenna Kaskorkis, et al. filed a complaint against General Nutrition Centers, Inc. followed by similar cases brought forth by Ashley Gennock in May 2016 and Kenneth Harrison in December 2016. Plaintiffs allege that the Company's promotional pricing on its website was misleading and did not fairly represent promotions based on average retail prices over a trended period of time being consistent with prices advertised as promotional. A tentative agreement was reached in the third quarter of 2017 on many of the key terms of a settlement. In December 2019, the Court approved the settlement agreement. The Company currently expects any settlement to be in a form that does not require the recording of a contingent liability.

Government Regulation

In November 2013, the Company received a subpoena from the U.S. Department of Justice ("DOJ") for information related to its investigation of a third party product vendor, USPlabs, LLC. The Company fully cooperated with the investigation of the vendor and the related products, all of which were discontinued in 2013. In December 2016, the Company reached agreement with the DOJ in connection with the Company's cooperation, which agreement acknowledges the Company relied on the representations and written guarantees of USPlabs and the Company's representation that it did not knowingly sell products not in compliance with the Federal Food, Drug and Cosmetic Act (the "FDCA"). Under the agreement, which included an immaterial payment to the federal government, the Company will take a number of actions to broaden industry-wide knowledge of prohibited ingredients and improve compliance by vendors of third party products. These actions are in keeping with the leadership role the Company has taken in setting industry quality and compliance standards, and the Company's commitment over the course of the agreement (60 months) to support a combination of its own and the industry's initiatives. Some of these actions include maintaining and continuously updating a list of restricted ingredients that will be prohibited from inclusion in any products that are sold by the Company. Vendors selling products to the Company for the sale of such products by the Company will be required to warrant that the products sold do not contain any of these restricted ingredients. In addition, the Company will develop and maintain a list of ingredients that the Company believes comply with the applicable provisions of the FDCA.

Environmental Compliance

As part of soil and groundwater remediation conducted at the Nutra manufacturing facility pursuant to an investigation conducted in partnership with the South Carolina Department of Health and Environmental Control (the "DHEC"), the Company completed additional investigations with the DHEC's approval, including the installation and operation of a pilot vapor extraction system under a portion of the facility in the second half of 2016, which was an immaterial cost to the Company. After an initial monitoring period, in October of 2017 the DHEC approved a work plan for extended monitoring of such system and the contamination into 2021. While the Company contributed the net assets of the Nutra manufacturing and Anderson facilities to the Manufacturing JV in March of 2019 (refer to Note 8 “Equity Method Investments” for additional information), we retained certain liabilities, including historical environmental liabilities, related to the facilities. As such, the Company and the Manufacturing JV will continue to consult with the DHEC on the next steps in the work after their review of the results of the extended monitoring is complete. At this stage of the investigation, however, it is not possible to estimate the timing and extent of any additional remedial action that may be required, the ultimate cost of remediation, or the amount of our potential liability. Therefore, no liability has been recorded in the Company's Consolidated Financial Statements.

In addition to the foregoing, the Company is subject to numerous federal, state, local and foreign environmental and health and safety laws and regulations governing its operations, including the handling, transportation and disposal of non-hazardous and hazardous substances and wastes, as well as emissions and discharges from its operations into the environment, including discharges to air, surface water and groundwater. Failure to comply with such laws and regulations could result in costs for remedial actions, penalties or the imposition of other liabilities, including certain historic liabilities retained by the Company pursuant to the terms of the Manufacturing JV. New laws, changes in existing laws or the interpretation thereof, or the development of new facts or changes in their processes could also cause the Company to incur additional capital and operating expenditures to maintain compliance with environmental laws and regulations and environmental permits. The Company is also subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment without regard to fault or knowledge about the condition or action causing the liability. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of previously owned or operated properties, or for properties to which substances or wastes that were sent in connection with current or former operations at its facilities.

From time to time, the Company has incurred costs and obligations for correcting environmental and health and safety noncompliance matters and for remediation at or relating to certain of the Company's current or former properties or properties at which the Company's waste has been disposed. However, compliance with the provisions of national, state and local environmental laws and regulations has not had a material effect upon the Company's capital expenditures, earnings, financial position, liquidity or competitive position. The Company believes it has complied with, and is currently complying with, its environmental obligations pursuant to environmental and health and safety laws and regulations and that any liabilities for noncompliance will not have a material adverse effect on its business, financial performance or cash flows. However, it is difficult to predict future liabilities and obligations, which could be material.

NOTE 11. MEZZANINE EQUITY

Holdings is authorized to issue up to 60.0 million shares of preferred stock, par value $0.001 per share. On February 13, 2018, the Company entered into a Securities Purchase Agreement (as amended from time to time, the "Securities Purchase Agreement") by and between the Company and Harbin Pharmaceutical Group Holdings Co., Ltd. (the "Investor"), pursuant to which the Company agreed to issue and sell to the Investor, and the Investor agreed to purchase from the Company, 299,950 shares of a newly created series of convertible preferred stock of the Company, designated the "Series A Convertible Preferred Stock" (the "Convertible Preferred Stock"), for a purchase price of $1,000 per share, or an aggregate of approximately $300 million (the "Securities Purchase"). The Convertible Preferred Stock is convertible into 56.1 million shares of the Company's Common Stock at an initial conversion price of $5.35 per share, subject to customary anti-dilution adjustments. On November 7, 2018, The Company entered into an Amendment to the Securities Purchase Agreement with the Investor. Pursuant to the terms of the Securities Purchase Agreement, the Investor assigned its interest in the Securities Purchase Agreement to Harbin and funded the $300 million investment in three separate tranches. The shares of Convertible Preferred Stock were issued as follows: (i) 100,000 shares of Convertible Preferred Stock issued on November 8, 2018 for a total purchase price of $100 million (the "Initial Issuance"), (ii) 50,000 shares of Convertible Preferred Stock issued on January 2, 2019 for a total purchase price of $50 million (the "Second Issuance") and (iii) 149,950 shares of Convertible Preferred Stock issued on February 13, 2019 for a total purchase price of approximately $150 million (the "Third Issuance").

Holders of shares of Convertible Preferred Stock are entitled to receive cumulative preferential dividends, payable quarterly in arrears, at an annual rate of 6.5% of the stated value of $1,000 per share, subject to increase in connection with the payment of dividends in kind. Dividends are payable, at the Company's option, in cash from legally available funds or in kind by issuing additional shares of Convertible Preferred Stock with such stated value equal to the amount of payment being made or by increasing the stated value of the outstanding Convertible Preferred Stock by the amount per share of the dividend or in a combination thereof.

As of March 31, 2020, the Company had issued a total of 299,950 shares of Convertible Preferred Stock. The Convertible Preferred Stock was recorded as Mezzanine Equity, net of issuance cost, on the Consolidated Balance Sheets because the shares are redeemable at the option of the holder if a fundamental change occurs, which includes change in control or delisting (a "Fundamental Change"). The guaranteed Second Issuance and Third Issuance were considered forward contracts that represented an obligation to both parties until the shares were issued. The forward contracts were recorded at fair value on the Consolidated Balance Sheets as of December 31, 2018, with any changes in fair value recorded in earnings in the Consolidated Statements of Operations. The Company recorded a $16.8 million loss on forward contracts for the issuance of Convertible Preferred Stock during the first quarter of 2019. Upon issuance of the shares associated with the forward contracts, the carrying value of the forward contracts were recorded to Mezzanine Equity.

The Convertible Preferred Stock is not currently redeemable and is only redeemable upon a Fundamental Change at the stated value plus any accumulated and unpaid dividends on such shares on the fundamental change date. The Company does not believe a Fundamental Change is considered probable until it occurs. Subsequent adjustment of the amount presented in temporary equity is unnecessary if it is not probable that the instrument will become redeemable. As the Convertible Preferred Stock is only redeemable upon a Fundamental Change, the occurrence of which is not probable, we will not accrete the Convertible Preferred Stock to its redemption value until it occurs. As such, the Company will recognize changes in the redemption value to the Convertible Preferred Stock as they occur and adjust the carrying value to the redemption value at the end of each reporting period as if the end of the reporting period were also the redemption date for the Convertible Preferred Stock. As of March 31, 2020, the stated value of the Convertible Preferred Stock is $300.0 million (299,950 shares at $1,000 per share) and there are accumulated and unpaid dividends on such shares of $25.0 million. As of December 31, 2019, the stated value of the Convertible Preferred Stock was $300.0 million (299,950 shares at $1,000 per share) and there were accumulated and unpaid dividends on such share of $19.8 million.

NOTE 12. EARNINGS PER SHARE

The following table represents the Company's basic and dilutive weighted-average shares:

	Three months ended March 31, 2020	2019
	(in thousands)	
Basic weighted average shares	83,897	83,510
Effect of dilutive stock-based compensation awards	—	—
Diluted weighted average shares	83,897	83,510

For the three months ended March 31, 2020 and 2019, all 6.8 million and 4.0 million, respectively, outstanding stock-based awards were excluded from the computation of diluted earnings per shares ("EPS") because the Company was in a net loss position and as a result, inclusion of the awards would have been anti-dilutive.

The Company has applied the if-converted method to calculate dilution on the Convertible Preferred Stock and the Notes in the current quarter, which has resulted in all 59.9 million and 2.4 million shares underlying the Convertible Preferred Stock and the Notes, respectively, being anti-dilutive.

The computations for basic and diluted loss per common share are as follows:

	Three months ended March 31, 2020	2019
	(in thousands, except per share data)	
Loss per common share - Basic		
Net loss	$ (200,086)	$ (15,262)
Cumulative undeclared convertible preferred stock dividend	5,195	3,716
Net loss attributable to common shareholders	(205,281)	(18,978)
Weighted average common shares outstanding - basic	83,897	83,510
Loss per common share - basic	$ (2.45)	$ (0.23)
Loss per common share - Diluted		
Net loss	$ (200,086)	$ (15,262)
Cumulative undeclared convertible preferred stock dividends	5,195	3,716
Net loss attributable to common shareholders	(205,281)	(18,978)
Weighted average common shares outstanding - diluted	83,897	83,510
Loss per common share - diluted	$ (2.45)	$ (0.23)

NOTE 13. SEGMENTS

The Company aggregates its operating segments into three reportable segments, which include U.S. and Canada, International and Manufacturing / Wholesale. Warehousing and distribution costs have been allocated to each reportable segment based on estimated utilization and benefit. The Company's chief operating decision maker (its chief executive officer) evaluates segment operating results based primarily on operating income. Operating income of each reportable segment excludes certain items that are managed at the consolidated level, such as corporate costs. The Manufacturing / Wholesale segment, prior to the formation of the Manufacturing JV, manufactured and sold product to the U.S. and Canada and International segments at cost with a markup, which was eliminated at consolidation.

Due to the current and estimated adverse impacts from the COVID-19 pandemic, during the three months ended March 31, 2020, the Company recorded $157.5 million long-lived asset impairments and other store closing costs ($128.9 million within U.S. and Canada; $28.6 million within International), $22.8 million reserves related to inventory obsolescence and vendor allowances ($22.4 million within U.S. and Canada; $0.4 million within Manufacturing / Wholesale), and $8.7 million allowance for doubtful accounts ($7.9 million within U.S. and Canada; $0.8 million within International). Refer to Note 15. "Subsequent Events" for more information on the uncertainty that exists regarding the impacts of COVID-19.

The following table represents key financial information for each of the Company's reportable segments:

	Three months ended March 31,	
	2020	2019
	(in thousands)	
Revenue:		
U.S. and Canada	$ 424,181	$ 489,157
International	33,545	40,923
Manufacturing / Wholesale:		
Intersegment revenues	—	35,505
Third-party contract manufacturing	—	15,783
Wholesale partner sales	14,855	18,901
Subtotal Manufacturing / Wholesale	14,855	70,189
Total reportable segment revenues	472,581	600,269
Elimination of intersegment revenues	—	(35,505)
Total revenue	$ 472,581	$ 564,764
Operating income:		
U.S. and Canada	$ (131,200)	$ 52,100
International	(17,382)	14,050
Manufacturing / Wholesale	6,931	15,344
Total reportable segment operating income	(141,651)	81,494
Corporate costs	(24,835)	(26,261)
Loss on net asset exchange for the formation of the joint ventures	(1,655)	(19,514)
Other	2,107	(237)
Unallocated corporate costs, loss on net asset exchange and other	(24,383)	(46,012)
Total operating (loss) income	(166,034)	35,482
Interest expense, net	47,444	32,956
Loss on forward contracts for the issuance of convertible preferred stock	—	16,787
Loss before income taxes	$ (213,478)	$ (14,261)

Refer to Note 3, "Revenue" for more information on the Company's reportable segments.

NOTE 14. INCOME TAXES

The Coronavirus Aid, Relief, and Economic Security Act ("CARES" Act) signed into law on March 27, 2020 in response to the COVID-19 pandemic, provides additional avenues of financial relief and assistance to individuals and businesses, including tax relief. The CARES Act includes, among other items, provisions relating to payroll tax credits and deferrals, net operating loss carry back periods, alternative minimum tax credits, and technical corrections to tax depreciation methods for qualified improvement property. The CARES Act also temporarily and retroactively increases the limitation on the deductibility of interest expense under Internal Revenue Code Section 163(j)(1) from 30% to 50% of adjusted taxable income for tax years beginning in 2019 and 2020. The Company is currently evaluating the impact of the provisions of the CARES Act.

The Company recognized $53.0 million of income tax benefit during the three months ended March 31, 2020 compared with $2.0 million of income tax expense in the prior year quarter. The Company's income tax expense is based on income, statutory tax rates and tax planning opportunities available in the jurisdictions in which it operates. The Company’s year-to-date tax provision is calculated by applying the most recent annualized effective tax rate to year-to-date pre-tax ordinary income. The Company’s 2020 annual effective tax rate was impacted by a $27.6 million partial valuation allowance for attributes expected to be generated in 2020 that may not be realizable, the other-than-temporary impairment of the Manufacturing JV, and the benefit of the federal tax rate differential related to federal net operating losses generated during the current year that are expected to be carried back to prior years at a 35% rate. The 2019 effective tax rate was significantly impacted by a gain for tax purposes resulting from the transfer of the Nutra manufacturing net assets to the Manufacturing JV and the establishment of a partial valuation allowance for attributes generated in the 2019 year that may not be realizable. The tax impacts of unusual or infrequent items are recorded discretely in the interim period in which they occur. During the three months ended March 31, 2020, the Company discretely recorded a permanent $4.8 million benefit related to the release of valuation allowances on the Federal interest expense limitation generated in 2019, resulting from the passage of the CARES Act which retroactively changed the 2019 Federal interest expense limitation from 30% to 50% of adjusted taxable income.

During the fourth quarter of the year ended December 31, 2019, as further discussed in Note 1, "Nature of Business," management concluded that there is substantial doubt regarding the Company’s ability to continue as a going concern. Management considered this in concluding that certain deferred tax assets were no longer more likely than not realizable. As a result, increase in valuation allowance of $27.6 million and $27.1 million on the Company’s deferred tax assets were recorded as of March 31, 2020 and December 31, 2019, respectively, which related principally to Federal deferred tax assets, state NOL carryforwards, and other state tax attributes. These increases were partially offset by valuation allowance decreases of $4.8 million as of March 31, 2020 and December 31, 2019.

At March 31, 2020 and December 31, 2019, the Company had $10.8 million and $10.7 million of unrecognized tax benefits, respectively, excluding interest and penalties, which if recognized, would affect the effective tax rate. The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. The Company accrued $2.8 million at March 31, 2020 and $2.1 million at December 31, 2019, for potential interest and penalties associated with uncertain tax positions. To the extent interest and penalties are not assessed with respect to the ultimate settlement of uncertain tax positions, amounts previously accrued will be reversed as a reduction to income tax expense.

Holdings files a consolidated federal tax return and various consolidated and separate tax returns as prescribed by the tax laws of the state, local and international jurisdictions in which it and its subsidiaries operate. The statutes of limitation for the Company’s U.S. federal income tax returns are closed for years through 2013. The Company has various state and local jurisdiction tax years open to examination (the earliest open period is generally 2011).

NOTE 15. SUBSEQUENT EVENTS

The Company is closely monitoring the current and future potential impact of the COVID-19 pandemic on all aspects of our business and geographies, including how it will impact our customers, employees, suppliers, vendors, business partners and distribution channels. The Company incurred significant disruptions during the three months ended March 31, 2020 from COVID-19, and the Company's estimates on the future impact that COVID-19 will have on the Company's financial position and operating results is subject to numerous uncertainties. These uncertainties include the severity of the virus, the duration of the outbreak, governmental, business or other actions (which could include limitations on our operations), impacts on the Company's supply chain, the effect on customer demand, store closures or changes to our operations. The health of the Company's workforce, and the ability to meet staffing needs in stores, distribution facilities, wholesale operations and other critical functions cannot be predicted and is vital to our operations. Further, the impacts of a potential worsening of global economic conditions and the continued disruptions to, and volatility in, the credit and financial markets, consumer spending as well as other unanticipated consequences remain unknown. As of May 6, 2020, approximately 1,300, or 40%, of the U.S. and Canada company-owned and franchise retail stores were closed due to the COVID-19 pandemic.

In addition, the Company cannot predict with certainty the impact that COVID-19 will have on its customers, vendors, suppliers and other business partners; however, any material effect on these parties could adversely impact the Company. The situation surrounding COVID-19 remains fluid, and the Company is actively managing its response in collaboration with customers, government officials, team members and business partners and assessing potential impacts to its financial position and operating results, as well as adverse developments in the business.

Due to the adverse impacts of COVID-19, the Company withheld rent and other occupancy payments beginning in April 2020 for certain of its retail locations as management negotiates with landlords for rent concessions. The Company withheld rent and other occupancy payments of approximately $19 million in April 2020 and approximately $16 million in May 2020. In the event that withholding these rent payments would constitute an event of default per the lease agreement, management intends to negotiate resolution with the landlord. If such negotiations are not successful, the lease liabilities associated with those leases could become immediately due and payable. The Company has elected FASB's modification guidance to account for rent concessions related to the effects of the COVID-19 pandemic. The Company will not apply the lease modification guidance under ASC 842 to rent concessions that result in the total payments required by the modified contract being substantially the same as or less than total payments required by the original contract. If other terms of the lease are changed or renegotiated in connection with the concession process, then the changes will be treated as a modification in accordance with ASC 842.

EXHIBIT P

Subordination Agreements

SUBORDINATION AGREEMENT FOR SUBLESSEES

This Subordination Agreement for Sublessees (this "Agreement") is made as of the ____ day of ______________, 20___ between ____________________________ ("Customer"); ("Bank"); and GENERAL NUTRITION CORPORATION, 300 Sixth Avenue, Pittsburgh, PA 15222 ("GNC").

WHEREAS, GNC has entered, or will enter, into a Franchise Agreement and a Sublease with the Customer for a General Nutrition Center franchise ("GNC Store") to be located at _____________________________________ (the "Leased Premises");

WHEREAS, the Bank has agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain equipment, furnishings, fixtures, machinery and leasehold improvements which shall be present at the Leased Premises;

WHEREAS, the Bank has also agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain inventory present in the GNC Store which includes GNC branded inventory and inventory manufactured by third parties (the "Inventory");

WHEREAS, GNC has filed, or will file a UCC Financing Statement to perfect its lien on the fixtures, furnishings, equipment, and machinery (the "Fixed Assets"), as well as the Inventory present at the Leased Premises, and/or GNC, as sublessor, has an automatic lien in the Fixed Assets and Inventory present at the Leased Premises;

WHEREAS, the granting of credit by the Bank to the Customer is conditional upon GNC executing this Agreement and subordinating its security interests.

NOW THEREFORE, in consideration of the Bank granting said credit to the Customer and thereby enabling the Customer to carry on business and in consideration of the sum of Ten Dollars ($10.00) plus other good and valuable consideration now paid by the Bank to GNC (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

1. Subordination of Security Interest by GNC. GNC does hereby subordinate any security interest that GNC has or may in the future obtain in the Fixed Assets and Inventory to and in favor of the Bank's security interest subject to the conditions listed below:

   a. The subordination of GNC's security interest to the Bank will give the Bank priority over GNC to the Fixed Assets and Inventory, regardless of the terms and conditions of the Franchise Agreement, Sublease and any other agreement between GNC and the Customer, the dates of registration of the security interest and the dates of default by the Customer or any defects in the perfection of the security interest.

   b. The subordination of GNC's security interest in the Fixed Assets and Inventory will also entitle the Bank to receive, in priority over GNC, the proceeds of realization, sale, foreclosure, destruction or other disposition of the Fixed Assets and Inventory, including but not limited to, any insurance proceeds pertaining to the Fixed Assets and Inventory.

2. Termination of the Franchise Agreement, Sublease or Loan. Upon expiration or termination of the Franchise Agreement, Sublease, or Loans with the Bank, GNC shall have the right to purchase from the Bank or Customer, as applicable, the Fixed Assets or Inventory as outlined below:

a. Fixed Assets for their depreciated value based upon a 5 year, straight line depreciation schedule.

b. All saleable Inventory as follows:

   i. Saleable Inventory originally purchased from GNC for (A) 50% of the current wholesale cost charged by GNC, in the case of GNC-branded products and (B) in the case of third-party products originally purchased by Customer from GNC, 30% of the cost for which such products were originally purchased from GNC, according to the applicable invoice. Inventory is considered unsaleable if it expires within 180 days of the sell-by date on third party items, 90 days of the sell-by date on GNC branded Inventory and 60 days of the sell-by date on food;

   ii. GNC shall have the right to refuse to purchase Fixed Assets or Inventory for any reason.

c. All unsaleable Inventory bearing the GNC trademarks shall be destroyed by GNC, and no consideration shall be paid by GNC to the Bank or the Customer for those items.

d. GNC shall provide the Bank with written notice that it will purchase all or a part of the saleable Inventory and Fixed Assets within 30 days of receipt or issuance of notice of expiration or termination, by providing written notice to the Bank at the address written previously. GNC will not seize the Fixed Assets or Inventory from the Leased Premises until a date agreed upon by the parties to this Agreement. The Customer agrees to allow GNC to reenter the Leased Premises to remove such Inventory and Fixed Assets on the date agreed upon by the parties. If GNC waives its rights, the Bank shall have the right to sell the Fixed Assets or Inventory to a third party without providing compensation to GNC for such sale.

e. The Bank agrees that if the Customer abandons the GNC Store or otherwise ceases to operate the GNC Store for any reason, GNC will have the option to reenter and operate the GNC Store by using the Fixed Assets or Inventory. GNC agrees that in such a case, if any Loan of the Customer is outstanding which is secured by the Fixed Assets or Inventory, it will purchase the Fixed Assets and Inventory in accordance with the terms and conditions outlined previously.

3. Notice of Default. GNC and the Bank agree to provide the other with written notice of default, expiration, termination, satisfaction or cancellation of the Franchise Agreement, Sublease, Loan, or other agreement between the parties.

4. Status of Franchise Agreement. GNC certifies that the Customer's Franchise Agreement and Sublease are in full force and effect, and GNC has sent no official notice of default to the Customer under the Franchise Agreement or Sublease that remains uncured on the date hereof.

5. Term of Agreement. This Agreement automatically terminates in the event of the earlier to occur of: (a) termination occurs under the Franchise Agreement or Sublease; (b) the Loan is paid in full; (c) the Fixed Assets and Inventory no longer form part of the Bank's security; or (d) the SBA no longer has any interest in the Loan.

6. Release of GNC by Customer. Customer acknowledges that this is a general release. Customer hereby releases GNC and all of its Affiliates and subsidiaries and their respective parents, officers,

shareholders, employees, agents, representatives, attorneys, predecessors, successors, or assigns, from any and all past, present, and future claims, demands, actions, causes of action, or damages, whether known or unknown, direct or indirect, foreseen or unforeseen, now existing or hereinafter arising in favor of Customer, directly or indirectly, including, but not limited to, claims which are the subject matter of the Franchise Agreement, Sublease or any other agreement with GNC, its Affiliates, successors or assigns.

7. Assignment. This Agreement is not transferable or assignable.

8. Applicable Law. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, and the forum for any action arising out of, concerning, or in any way relating to this Agreement shall be in state or federal courts in Allegheny County, Pennsylvania, provided that, if there is subject matter jurisdiction, the forum for such action shall be in the federal district courts of the Western District of Pennsylvania.

9. Entire Agreement. The parties agree that this Agreement constitutes the full, final, and complete agreement of the parties and supersedes all other written or oral exchanges, arrangements, or negotiations between the parties concerning the subject matter of this Agreement. The parties further acknowledge and state that there are no representations, agreements, arrangements, or understandings, oral or written, concerning the subject matter of this Agreement that are not fully expressed and incorporated herein; provided, that nothing in this Agreement is intended to disclaim the representations made in GNC's Franchise Disclosure Document.

10. Captions. All captions in this Agreement are intended solely for the convenience of the parties, and shall be deemed not to affect the meaning or construction of any provision hereof.

11. Partial Invalidity. If any terms or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.

12. Binding Effect. Subject to the provisions governing assignment, this Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assigns of the respective parties hereto and shall take effect upon acceptance and execution by the Bank, the Customer and GNC.

13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, together, shall be considered one and the same instrument.

14. Defined Terms. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the day and year first above written.

GNC: GENERAL NUTRITION CORPORATION	**CUSTOMER: ____________________________**
By: ___________________________________	By: ___________________________________
Print Name: ______________________________	Print Name: ______________________________
Title: ___________________________________	Title: ________________________________

BANK:___________________________________

By: ___________________________________
Print Name: ______________________________
Title: ___________________________________

SUBORDINATION AGREEMENT FOR DIRECT LESSEES

This Subordination Agreement for Direct Lessees (this "Agreement") is made as of the ____ day of ______________, 20____ between ____________________________ ("Customer"); ______________________ ("Bank"); and GENERAL NUTRITION CORPORATION, 300 Sixth Avenue, Pittsburgh, PA 15222 ("GNC").

WHEREAS, GNC has entered, or will enter, into a Franchise Agreement with the Customer for a General Nutrition Center franchise to be located at ____________________________________ (the "GNC Store");

WHEREAS, the Bank has agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain equipment, furnishings, fixtures, machinery and leasehold improvements which shall be present at the GNC Store;

WHEREAS, the Bank has also agreed to provide certain credit to the Customer for the purpose of financing the purchase by the Customer of certain inventory present in the GNC Store which includes GNC branded inventory and inventory manufactured by third parties (the "Inventory");

WHEREAS, GNC has filed, or will file a UCC Financing Statement to perfect its lien on the fixtures, furnishings, equipment, and machinery (the "Fixed Assets"), as well as the Inventory present at the GNC Store;

WHEREAS, the granting of credit by the Bank to the Customer is conditional upon GNC executing this Agreement and subordinating its security interests.

NOW THEREFORE, in consideration of the Bank granting said credit to the Customer and thereby enabling the Customer to carry on business and in consideration of the sum of Ten Dollars ($10.00) plus other good and valuable consideration now paid by the Bank to GNC (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

1. Subordination of Security Interest by GNC. GNC does hereby subordinate any security interest that GNC has or may in the future obtain in the Fixed Assets and Inventory to and in favor of the Bank's security interest subject to the conditions listed below:

a. The subordination of GNC's security interest to the Bank will give the Bank priority over GNC to the Fixed Assets and Inventory, regardless of the terms and conditions of the Franchise Agreement and any other agreement between GNC and the Customer, the dates of registration of the security interest and the dates of default by the Customer or any defects in the perfection of the security interest.

b. The subordination of GNC's security interest in the Fixed Assets and Inventory will also entitle the Bank to receive, in priority over GNC, the proceeds of realization, sale, foreclosure, destruction or other disposition of the Fixed Assets and Inventory, including but not limited to, any insurance proceeds pertaining to the Fixed Assets and Inventory.

2. Termination of the Franchise Agreement, Lease or Loan. Upon expiration or termination of the Franchise Agreement, GNC Store lease, or Loans with the Bank, GNC shall have the right to purchase Inventory bearing GNC's trademarks and any Fixed Assets, fixtures, furniture or equipment bearing GNC's trademarks or containing information proprietary to GNC as outlined below:

a. All saleable Inventory bearing GNC's trademarks for the current wholesale cost charged by GNC. Inventory is considered unsaleable if it expires within 90 days of the sell-by date. All unsaleable Inventory bearing the GNC trademarks shall be destroyed by GNC, and no consideration shall be paid by GNC to the Bank or Customer for those items.

b. All Fixed Assets bearing GNC's trademarks or containing information proprietary to GNC for its depreciated value based upon a 5 year, straight line depreciation schedule.

c. GNC shall provide the Bank with written notice that it will purchase all or a part of the Inventory or Fixed Assets described in 2a and 2b herein within 30 days of receipt or issuance of notice of expiration or termination, by providing written notice to the Bank at the address written previously. GNC will not seize the Inventory or Fixed Assets described in 2a and 2b herein from the GNC Store until a date agreed upon by the parties to this Agreement. If GNC waives its rights, the Bank shall have the right to sell all Fixed Assets or Inventory to a third party without providing compensation to GNC for such sale.

d. The Customer agrees to allow GNC to reenter the GNC Store to remove the Inventory and Fixed Assets described in 3a and 3b herein on a date agreed upon by the parties.

3. Notice of Default. GNC and the Bank agree to provide the other with written notice of default, expiration, termination, satisfaction or cancellation of the Franchise Agreement, Loan, or other agreement between the parties.

4. Status of Franchise Agreement. GNC certifies that the Customer's Franchise Agreement is in full force and effect, and GNC has sent no official notice of default to the Customer under the Franchise Agreement that remains uncured on the date hereof.

5. Term of Agreement. This Agreement automatically terminates in the event: (a) Termination occurs under the Franchise Agreement or GNC Store Lease; (b) the Loan is paid in full; (c) the Fixed Assets and Inventory no longer form part of the Bank's security; or (d) the SBA no longer has any interest in the Loan.

6. Release of GNC by Customer. Customer acknowledges that this is a general release. Customer hereby releases GNC and all of its affiliates and subsidiaries and their respective parents, officers, shareholders, employees, agents, representatives, attorneys, predecessors, successors, or assigns, from any and all past, present, and future claims, demands, actions, causes of action, or damages, whether known or unknown, direct or indirect, foreseen or unforeseen, now existing or hereinafter arising in favor of Customer, directly or indirectly, including, but not limited to, claims which are the subject matter of the Franchise Agreement or any other agreement with GNC, its affiliates, successors or assigns.

7. Assignment. This Agreement is not transferable or assignable.

8. Applicable Law. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, and the forum for any action arising out of, concerning, or in any way relating to this Agreement shall be in state or federal courts in Allegheny County, Pennsylvania, provided that, if there is subject matter jurisdiction, the forum for such action shall be in the federal district courts of the Western District of Pennsylvania.

9. Entire Agreement. The parties agree that this Agreement constitutes the full, final, and complete agreement of the parties and supersedes all other written or oral exchanges, arrangements, or negotiations between the parties concerning the subject matter of this Agreement. The parties further acknowledge and state that there are no representations, agreements, arrangements, or understandings, oral or written,

concerning the subject matter of this Agreement that are not fully expressed and incorporated herein; provided, that nothing in this Agreement is intended to disclaim the representations made in GNC's Franchise Disclosure Document.

10. Captions. All captions in this Agreement are intended solely for the convenience of the parties, and shall be deemed not to affect the meaning or construction of any provision hereof.

11. Partial Invalidity. If any terms or conditions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall nevertheless survive and be binding upon the parties hereto.

12. Binding Effect. Subject to the provisions governing assignment, this Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, successors, and assigns of the respective parties hereto and shall take effect upon acceptance and execution by the Bank, the Customer and GNC.

13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, together, shall be considered one and the same instrument.

14. Defined Terms. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the day and year first above written.

GNC: GENERAL NUTRITION CORPORATION

By: ______________________________
Print Name: ______________________________
Title: ______________________________

CUSTOMER: ______________________________

By: ______________________________
Print Name: ______________________________
Title: ______________________________

BANK: ______________________________

By: ______________________________
Print Name: ______________________________
Title: ______________________________

EXHIBIT Q

List of Training Instructors

Training Instructors

Name	Subject(s) Taught	Experience in the Field (Years*)	Experience with GNC (Years*)
Maureen DiStefano	GNC Overview	20	1
Heidi McKenna	Vision & Values	20	5
Adam Downing	Core 4/GNC History/Business Planning/Communications/Franchise Portal Live/Customer Service and Sales/Office Set-Up/Margin Calculations/FPA/P&L Overview/Etiquette & Expectations/DFO Visit/Social Media/OnBase/Franchise Test/Phase III Checklist/Mock Store Visit	11	11
Jeff Hodge	JP Morgan Chase	12	1
Bridgette Woods	ADP	6	N/A
Laura Caruso Scott Whetsell	Credit Card Processing	19 19	19 5
Edgar Carter James Luteran	Credit & Collections	8 26	5 26
Daniel Moore Shellie Houck	GNFS	5 14	5 14
Justin Parrish	Aurus	3	3
Tim Palma	Real Estate	9	8
John Galla	Corporate Store Closing	12	3
Jay Henry Joseph Karafa	Construction	15 35	3 12
Kim DelGuzzi Robyn Keehnle	Rent & Lease Administration	17 15	2 5
Tony Mianzo	New Pipeline & Innovation	5.5	4
Rick Measures	Store Maintenance & QC	7	25
Daniel Frattaroli	eCommerce	18	.5
Cari Porter	In-Store Marketing	6	19
Jenna O’Connor	Customer Marketing / CRM	20	11
Susan Bosiljevac Lauren Mannetti	Media-Marketing	21 16	11 1
Leah Shallenberger	Local Marketing	7	7
David Brzozowski Garrett Sweet	Product Training	30 17	4 3

Devin Heath Jeff Hebb	Recruiting & Hiring	7 25	1.5 2.5
Laura Chabrier Rowdy Durci	Loss Prevention	27 7	23 4
Todd Fabian	Business Insurance	7	7
David Sullivan	Legal	26	26
Sarah Peters	Compliance/Contracts	23	3
Sarah Peters	Overview / Genesis / The Scoop / Franchise Store Closing Process	23	3
Cindy Chalovich	Customer Service	25	3
Bill Monk Matt Yohe	Transportation	28 20	10 1
Dana Kislock	Leetsdale Distribution Center	24	24
Dave Florian	Nutrimarket / How to Order	20	20
Persephoni Martin Susan Ohrman Chris Heasley Edward Michalski	Ordering System	5 20 17 10	5 20 5 4
Jacob Very Samantha Kapko Amanda Johnston	Store Deploy	4 12 6	.5 4 3
Rene Kostosky Scott Lukehart	POS Service Desk	25 2	3.5 10
Thomas Schaffer	POS	15	15

* Includes only experience relevant to the subject taught and the Franchisor’s operations

EXHIBIT R

List of Restricted Ingredients

Following is a list of ingredients that we currently prohibit from inclusion in any products sold in GNC locations:

(2S)-3-(4-Cyanophenoxy)-N-(4-cyano-3-(trifluoromethyl)phenyl)-2-hydroxy-2-methylpropanamide

(25R)-3beta,5alpha-Dihydroxyspirostan-6-one

(2AR,2'R,4S,5'R,6aR,6bS,8aS,8bR,9S,11aS,12aS,12bS)-2a,4-dihydroxy-5',6a,8a,9-tetramethylicosahydrospiro[naphtho[2',1':4,5]indeno[2,1-b]furan-10,2'-pyran]-2(11aH)-one

1-(2S)-3-(4-cyanophenoxy)-N-(4-cyano-3-(trifluoromethyl)phenyl)-2-hydroxy-2-methylpropanamide

1-(p-Hydroxyphenyl)-2-aminoethanol

1,3-Dimethylbutylamine

1,5-Dimethylhexylamine

1,5-DMHA

1-4-Hydroxyphenyl)-2-methylaminopropanol

17 methyl-etioallocholan-2-ene-17b-01

17a-hydroxyprogesterone

17a-methyl-4-chloro-androsta-1,4-diene-3B, 17B-diol

17-beta-hydroxy-2-alpha,17-dimethyl-5-alpha-androstan-3-one azine

17α-Methyl-5α-androstan-17β-ol

17α-methyl-androst-2-ene-3,17β-diol

17α-methyl-androsta-1,4-diene-3,17β-diol

17α-Methyl-androstan-3-hydroxyimine-17β-ol

17β-Hydroxy-androstano[2,3-d]isoxazole

17β-Hydroxy-androstano[3,2-c]isoxazole

18a-Homo-3-hydroxy-estra-2,5(10)-dien-17-one

19-Norandrosta-4,9-diene-3,17 diene

1-amino-2-phenylpropane

1-androsterone

1-phenyl-1-methyl-2-aminoethane

2,17a-Dimethyl-17b-hydroxy-5a-androst-1-en-3-one

25R Spirostan-5a-diol-6-one-3-one Decanoate

25R spirostan-5a-diol-6-one-3-one undecanoate

25R,5alpha-Spirostan-3beta,5-diol-6-one

25-R-Spirostan-5A-Diol-6-One-3-One

2a,3a-epithio-17a-methyl-17-hydroxy-5a-etioallocholane

2-amino-4-methylpentane

2-amino-5 methylheptane

2-amino-6-methylheptane

2-aminoisoheptane

2-hexanamine

2-Isooctyl amine

2-Metil-6-amino-eptano

2-phenyl-1-propanamine

2-phenylpropan-1-amine

2-phenylpropane3, 17-keto-etiocholetriene (a/k/a ATD)

2α,17α-dimethyl-17β-hydroxy-5α-androstan-3-one

2α,17α-dimethyl-17β-hydroxy-5β-androstan-3-one

2α,3α-epithio-17α-methyl-5α-androstan-17β-ol

3,2-c]-furazan-5α-androstan-17β-ol

3,2-c]pyrazole-5α-androstan-17β-ol

3,2-c]pyrazole-androst-4-en-17β-ol

3β-hydroxy-estra-4,9,11-trien-17-one

4-[2-(Dimethylamino)ethyl]phenol

4-amino-2-methylpentane citrate

4-amino-2-pentanamine

4-amino-methylpentane citrate

4-AMP

4-chloro-17α-methyl-17β-hydroxy-androst-4-en-3-one

4-chloro-17α-methyl-17β-hydroxy-androst-4-ene-3,11-dione

4-chloro-17α-methyl-androst-4-ene-3β,17β-diol

4-chloro-17α-methyl-androsta-1,4-diene-3,17β-diol

4-chloro-17α-methyl-androsta-1,4-diene-3,17β-diol

4-Hydroxy-alpha-(1-methylaminoethyl)benzylalkohol

4-Hydroxy-androst-4-ene-3,17-dione[3,2-c]pyrazole-5α-androstan-17β-ol

4-hydroxyandrostenedione (4-0HA)

4-Hydroxy-N-methylphenethylamine

4-Hyroxyephedrine

4-methyl-2-hexanamine

4-methyl-2-hexylamine

4-methyl-2-pentanamine

4-methyly-9CI

5a-androstano[3,2-c]pyrazole-3-one-17B-01-THP-ether

5a-Hydroxy-Laxogenin

5-Alpha-Hydroxy-Laxogenin

5α-Androstan-3,6,17-trione

6- Amino-2-methylheptane

6,7-Isoquinolinediol, 1,2,3,4-tetrahydro-1-((4-hydroxyphenyl)methyl)

6-alpha-methyl-etiocholene-3, 17-dione

6-bromo-androsta-1,4-diene-3,17-dione

6-bromo-androstan-3,17-dione

6α-Methyl-androst-4-ene-3,17-dione

7-Hydroxymitragynine

Acacia Rigidula

Acetamidoxolutamide

Aconite*

Acutum

Adulsa

Aegeline

Akebia

alpha-(Aminoethyl)-4-hydroxybenzenemethanol

alpha-(Aminoethyl)-p-hydroxybenzyl alcohol

alpha-Aminoethyl-4-hydroxybenzylalkohol

Alpha-benzylethylamine

Amidrine

AMP

AMP Citrate

Amperall

Analet

Andarine

Androst-1-en-3-one, 17-hydroxy-2,17-dimethyl-, (5alpha,17beta)-

Androst-4-ene-3,6,17-trione

Androsta-1, 4-dien-3, 17-dione

Androsta-1,4,6-triene-3,17-dione

Androsta-3,5-dience-7,17-dione

Androstenedine

Androstenediol

Androstenedione

Androxolutamide

Anhaline

Arcalion

Aristolochia

Aristolochic acid

Arusa

Asarum

ATD (a/k/a 3, 17-keto-etiocholetriene)

Baakin gagai

Baishouwu

Benzenemethanol, alpha-(aminomethyl)-4-hydroxy-

Beta-methylbenzeneethanamine

Beta-methylphenethylamine

Beta-phenylpropylamine

Bisbuthiamine

Bisbutiamine

Bismuth nitrate

Bismuth trinitrate

Bismuth trinitrate pentahydrate

Bismuth(III) nitrate

Bismuth(III) nitrate pentahydrate

Black aphrodisiac

Blue Cohosh

BMePEA

B-methylphenylethylamine

BMPEA

Boldione

Bragantia

Bulbine latifolia

Bulbine natalensis

Butanediol ("BD") a.k.a. Teramethylene Glycol

Caffeine, powdered, as sole ingredient

Calcium Pangamate (Pangamic Acid)

Cannabidiol

Canthaxanthin (Take Internally)

CBD (Cannabidiol) **

Cesium

Cesium chloride

Cesium dichloride

Cesium monochloride

Chapparal**

Chomper

Cisapride

Clematis

Clembuterol

Cocculus

Colts Foot**

Comfrey **

Country Mallow

Cyanotis Barbata

Cyanotis Vaga

Cynanchum auriculatum

Dauricum

Deithyslstilbestrol (DES)

Demethylcoclaurine

Dexfenfluramine

Di-(2-ethylhexyl) Phthalate (DHEP)

Dimetazin

Dimethazine

Dimethyl Sulfoxide ("DMSO")

Dimethylamylamine (“ DMAA”)

Dimethylbutylamine (“DMBA”)

Dimethylpentylamine

Diploclisia

Diviner's Sage

dl-Demethylcoclaurine

DMHA

DMT (Madrol)

EINECS 239-241-3

Enobosarm

Enobosarm

Ephedra a/k/a Ephedrine

Eremursine

Erythro-pHydroxy-alpha-(1-(methylamino)ethyl)benzyl alcohol)

Estazolam

Estra-4,9,11-triene-3,17-dione

Fadogia agrestis

Fenfluramine

Gamma Butyrolactone ("GBL")

Gamma-Hydroxy Butyric Acid ("GHB")

Geranamine

Germander

Germanium

Gold chloride sodium

Gold sodium chloride

Greater Celandine

Han jang ji

Heart Leaf Swallow Wort

Higenamine

Hordenine

Human Chorionic Gonadotropin (“HCG”)

Human Growth Hormone (“HGH”)

Hydrochloroauric acid, sodium salt

Hydroxyephedrine

Ibhucu

Indinavire

Ingcelwane

Isotretinoin

Jeevani (a/k/a Juvani)

Jin Bu Huan

Kava (Piper Methysticum)

Kratom

Lady’s Slipper (Cypripedium acaule and Cypripedium parviflorum)

Lappa

Latex

Lobelia

L-Tryptophan (does not include non-synthetic L-Tryptophan)

Ma Huang a/k/a Ephedra, Ephedrine

Madrol (DMT)

Massularia Acuminata

Mebolazina

Mebolazine

Mebolazinum

Mebulazina

Menispernum

Mercury

Methasteron

Methyl Phenylethylamine

Methyl Sten

Methyl synephrin

Methyl synephrine

Methyl-4-tyramine

Methylhexanamine

Methylhexanenamine

Methylstenbolone

Methylsympatol

Methylsynephrin

Methylsynephrine

Methylsynephrine

Mitragyna speciosa

Mitragynine

M-STEN

N,N-dimethyltyramine

N-[2-hydroxy-2(4-methoxyphenyl) ethyl]-3-phenyl-2-propenamide

Natrium tetrachloroauratum

Nicotinoyl-GABA

Nitric acid, bismuth(3+) salt

Niu pi xiao

NMA

N-methyl-DL- aspartic acid

N-Methyltyramine

N-Methyltyramine

N-Methyl-tyramine

NMT

Norandrostenediol

Norandrostenedione

Norcoclaurine

Norden

Norfen

Norphen

Norsympathol

Norsympatol

Norsynephrine

Octodrine

Octopamina

Octopamine

Octopaminum

O-Demethylcoclaurine

Ostapure (or Ostapro)

Ostarine

Ostarine

Oxilofrin

Oxilofrina

Oxilofrine

Oxilofrine

Oxilofrinum

Oxyephedine

Oxyephedrin

P-(2-(Methylamino)ethyl)phenol

P-(2-Methylaminoethyl)phenol

P-(2-Methylaminoethyl)-phenol

Paraoxyphenyl aminoethanol

Pennyroyal

Pentergy

Peyocactine

Phentermine

Phenylpropanolamine (“PPA”)

p-Hydroxyephedrine

P-hydroxy-N,N-dimethylphenethylamine

p-Hydroxyphenylethanolamine

Picamilon

Picamilone

Pikamilon

Pikatropin

p-Norsynephrin

Pokeweed

p-Oxy-ephedrin

Propanamide, 3-(4-(acetylamino)phenoxy)-2-hydroxy-2-methyl-N-(4-nitro-3-(trifluoromethyl)phenyl)-, (2S)-

Pycamilon

R-Beta-Methyl-PEA

R-beta-methylphenethylamine

R-beta-methylphenethylamine HCLSalvia divinorum

Rooiwortel

Roxilon

Saussurea

Sida Cordifolia

Silicone (does not include dietary mineral, silica)

Sinomenium

Ska Maria Pastora

Sodium chloroaurate

Sodium gold (III) chloride

Sodium gold chloride

Sodium tetrachloroaurate

Sodium tetrachloroaurate (1-)

Sodium tetrachloroaurate (3+)

Somatropin

Spirostan-6-one, 3,5-dihydroxy-, (3b,5a,25R)-

Spirostan-6-one, 3,5-dihydroxy-, (3beta,5alpha,25R)-

Stephania***

Sulbutiamine

Superdrol

Suprifen

Suprifene

Supriphen

Tetrachloroaurate (1-) sodium

Tetrachloroauric (3+) acid, sodium salt

Tetrahydrogestrinone (THG)

Thalidomide

Thiamine disulfide butyrate

Thimersol

Tiractricol (aka Triiodothy/Roacetic Acid or TRIAC)

Tobacco

Trenbolene

Trix Metabolic Accelerator

Troglitazone

Turinabol

Ultradol

UNII-7FT6QUT299

Vladimiria

WV 562-Isooctyl amine

*Ingredient acceptable for sale in homeopathic drug products

**Ingredient acceptable for sale in topical cosmetic products only

***Ingredient (as Stephania Tetranda) contained in the product Cold MD, manufactured by Iovate Health Sciences Inc, is acceptable for sale

Quarterly Update Addendum
for the quarter ending June 30, 2020

The following changes have occurred to the information in the disclosure document for the quarter ending June 30, 2020:

Item 2: Business Experience

The following individuals have been appointed as the sole members of the board of directors of General Nutrition Corporation (the franchisor):

Tricia Toliver (our Executive Vice President and CFO)
Susan Canning (our Senior Vice President, General Counsel and Corporate Secretary)
Cameron Lawrence (our Senior Vice President Finance, Chief Accounting Officer)

The following information is also added to Item 2:

Senior Vice President Finance, Chief Accounting Officer: Cameron Lawrence

Mr. Lawrence has served as our Senior Vice President Finance, Chief Accounting Officer since April, 2019, at our headquarters in Pittsburgh, Pennsylvania. From May, 2018 to April, 2019, he served as Chief Operating & Financial Officer of Ondine Biomedical Inc., in Vancouver, British Columbia, Canada. He served as General Manager & CEO of PNI Digital Media Ltd. from June, 2016 to May, 2018, and as Chief Financial Officer from September, 2012 to June, 2016, in Vancouver, British Columbia, Canada.

Item 4: Bankruptcy

The following information is added to Item 4:

On June 23, 2020, General Nutrition Corporation (the franchisor), GNC Holdings, Inc. (our parent guarantor) and 15 affiliated companies of the franchisor each filed a voluntary petition for relief under Chapter 11 of the United States Bankrupcy Code in the United States Bankruptcy Court for the District of Delaware. The case number and name of each debtor is as follows:

20-11662	GNC Holdings, Inc.
20-11663	GNC Parent LLC
20-11664	GNC Corporation
20-11665	General Nutrition Centers, Inc.
20-11666	General Nutrition Corporation
20-11667	General Nutrition Investment Company
20-11668	Lucky Oldco Corporation

20-11669	GNC Funding, Inc.
20-11670	GNC International Holdings, Inc.
20-11671	GNC China Holdco LLC
20-11672	GNC Headquarters LLC
20-11673	Gustine Sixth Avenue Associates, Ltd.
20-11674	GNC Canada Holdings, Inc.
20-11675	General Nutrition Centres Company
20-11676	GNC Government Services, LLC
20-11677	GNC Puerto Rico Holdings, Inc.
20-11678	GNC Puerto Rico, LLC

The current address and principal place of business of each of the above debtors is 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222. The cases are being jointly administered under In re: GNC HOLDINGS, INC., *et al.*, Debtors, Chapter 11, United States Bankruptcy Court, District of Delaware, Case No. 20-11662 (KBO). The debtors continue to operate their business and manage their assets as debtors-in-possession under bankruptcy court supervision. The debtors are pursuing either confirmation of a standalone plan of reorganization or consummation of a sale of assets to a third party.

Item 20: Outlets and Franchisee Information

The following changes have occurred to the information in Item 20:

In the three-month period from April 1, 2020 to June 30, 2020, there were 71 GNC Store franchises that were terminated, closed, or not renewed, which is approximately 7.5% of all of our franchised GNC Stores. 51 of these GNC Store franchises were rejected/terminated effective June 29, 2020 pursuant to the Chapter 11 bankruptcy proceedings described above.

Monthly Update Addendum
for the month ending July 31, 2020

The following changes have occurred to the information in the disclosure document for the month ending July 31, 2020:

Item 20: Outlets and Franchisee Information

The following changes have occurred to the information in Item 20:

On July 30, 2020, we filed a motion in the Chapter 11 bankruptcy proceedings (described in the above Quarterly Update Addendum for the quarter ending June 30, 2020) requesting entry of an order by the bankruptcy court to reject/terminate an additional 33 GNC Store franchises effective July 30, 2020. All of these franchised Stores had closed as of the filing of the motion. There were also 2 additional GNC Store franchises that were terminated or not renewed in July 2020. So in the three-month period from May 1, 2020 to July 31, 2020, there were 99 GNC Store franchises that were effectively terminated, closed, or not renewed, which is approximately 10.5% of all of our franchised GNC Stores.

State Effective Dates

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	June 8, 2020

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

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 General Nutrition Corporation offers you a franchise, it must provide this disclosure document to you fourteen (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 requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If General Nutrition Corporation does not deliver this disclosure document on time, or if it contains a false or misleading statement, or a materials omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

General Nutrition Corporation authorizes the agents listed in Exhibit B to receive service of process for it.

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

☐ Sharon Z. Knox
Manager, Franchise Development
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
(412) 288-4600

☐ ______________________________
____
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
(412) 288-4600

Issuance Date: May 13, 2020

I received a disclosure document dated May 13, 2020 (See ~~state registration page~~State Effective Dates page immediately preceding these Receipt pages for state registration effective dates) that included the following Exhibits:

(A) List of State Administrators; (B) Agents for Service of Process; (C) Table of Contents of Operations Manual; (D) State Addenda to the Disclosure Document; (E) Franchise Agreement; (F) Area Development Agreement; (G) Product Sales Agreement; (H) Asset Purchase and Sale Agreement; (I) Equipment and Inventory Promissory Note; (J) Purchase Money Security Agreement; (K) Sublease; (L) P.O.S. License Agreement; (M) Confidentiality Statement; (N-1) List of Franchisees; (N-2) List of Former Franchisees; (O-1) Guarantee of Performance by GNC Holdings, Inc.; (O-2) Audited Financial Statements; (O-3) Unaudited Interim Financial Statements; (P) Subordination Agreements; (Q) List of Training Instructors; ~~and~~ (R) List of Restricted Ingredients; Quarterly Update Addendum for the quarter ending June 30, 2020; and Monthly Update Addendum for the month ending July 31, 2020.

____
Date

____
Franchise Prospect
Printed Name:______________________________

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________________________________ Date

________________________________ Franchise Prospect
Printed Name:______________________________