FRANCHISE DISCLOSURE DOCUMENT

Platinum Franchising, LLC
a Florida limited liability company
12196 Sussex Road
Ft. Myers, FL 33913
(989) 400-8968
www.realplatinumfitness.com

The franchises described in this disclosure document are for the operation of **P-FIT THE PLATINUM STANDARD OF FITNESS™** Businesses offering health, fitness and weight control services. The total investment necessary to begin operation of each franchised Center is $155,500 to $370,000. This includes the $47,000 to $62,000 that must be paid to the franchisor and affiliate.

If You are an Area Developer, You are required to pay Us a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Center plus $10,000 for each additional Required Center. The total estimated investment necessary to begin operation of the first Required Center is $175,500 to $410,00. This includes the $67,000 to $102,000 that must be paid to the franchisor and affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Aaron Nash at the above address and telephone number.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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: March 30, 2021

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 out 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.
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 F 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 P-Fit The Platinum Standard of Fitness 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 P-Fit The Platinum Standard of Fitness franchisee?	Item 20 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 similar businesses 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 registration requirement, or to contact your state, use the agency information in Exhibit E.

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 requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Florida. Out-of-state arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Florida than your own state.

2. **Trademark Registration**. We do not have a federal registration for our principal trademark at this time. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which my increase your expenses.

3. **Personal Liability**. If you are a legal entity, all of your owner(s) must personally guarantee the franchise agreement, thereby placing his/her personal assets at risk.

4. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

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

To simplify the language in this disclosure document, the words "We", "Us", or “Our” mean the franchisor Platinum Franchising, LLC. “You" or "Your" means the person who buys the franchise and includes Your owners if You are a corporation, limited liability company, partnership or other business entity. Bold face terms are for ease of reference only.

The Franchisor

We are a Florida limited liability company formed on January 29, 2020 to franchise and administer businesses ("Centers") using the P-FIT THE PLATINUM STANDARD OF FITNESS™ and P-FIT trademarks. We do not do business under any other name and Our principal business address is 12196 Sussex Street, Ft. Myers, Florida 33913. We have offered franchises for Centers since October 22, 2020. Our agents for service of process are listed on Exhibit E.

We do not have any predecessor or parent. We are commonly owned with Platinum Fitness, LLC, a Florida limited liability company (“PFL”) and Aaron Nash, LLC, a Florida limited liability company (“ANL”) both of which are Our “Affiliates”. The corporate office for PFL and ANL is 12196 Sussex Street, Ft. Myers, Florida 33913.

PFL owns four (4) fitness centers in the Ft. Myers, Florida area (“Company Centers”) which operate under the trademark PLATINUM FITNESS™. The College Park Center opened in September 2016, the Golf Coast Center in September 2017, the first Cape Coral Center in March 2019 and the North Cape Coral Center in October 2020. We do not operate any Centers but the Company Centers are similar to the franchise being offered to You under the P-FIT THE PLATINUM STANDARD OF FITNESS trademark.

ANL will sell proprietary supplements to Our Franchisees and has not previously offered franchises in this or any other line of business. PFL will sell apparel, accessories and items bearing Our trademarks to Our Franchisees. Neither We nor PFL conduct any business activities other than in connection with the Centers or have previously offered franchises in this or any other line of business.

Description of the Franchise

We offer franchises for the operation of Centers that use a comprehensive system which PFL has developed over the years (the “System”) to help customers improve or maintain healthy bodies and control their weight. Centers will use the P-FIT THE PLATINUM STANDARD OF FITNESS and other designated trademarks, trade names, service marks and logos (“Marks”). Centers will offer Our proprietary nutritional supplements, which are currently sold under the name Platinum Fitness Supplements™.

Each Center must follow the System developed by Our founder Aaron Nash, starting in 2016. The System includes valuable know-how, trade secrets, distinctive interior designs, trademarks, copyrights, proprietary products and software, confidential electronic and other communications, marketing programs and other business procedures as well as Our confidential Operations Manual (the "Operations Manual"). Each Center will use Our System and operate according to Our standards, specifications, operating procedures and rules (the "System Standards").

The Centers have a unique ambience, identified exclusively with P-FIT THE PLATINUM STANDARD OF FITNESS brand names and unique décor. Every detail of the décor has been well planned to enhance the work-out experience and training classes. Each Center emphasizes a clean and brightly colored atmosphere with well-trained, efficient and extremely personable managers and experienced fitness trainers. Each Center is typically open Monday to Friday from 5:00 a.m. to 10:00 am and from 3:30 pm to 7:00 p.m. Saturday the Centers are typically open from 7:00 am to 10:00 am and closed on Sunday. Centers typically range in size from 3,500 to 5,500 square feet and are located in light industrial centers or retail centers. Each Center typically employs 3 to 6 part-time and full-time persons, including one general manager, three trainers and two administrative persons.

Franchise Agreements

To obtain a P-FIT THE PLATINUM STANDARD OF FITNESS franchise, You must be approved both operationally and financially before opening each new Center. The first step is to submit a Franchise Application and Questionnaire for us to review and consider for approval. If We approve Your franchise application, You will execute a Franchise Agreement (**Exhibit B**). You will pay Us the Initial Franchise Fee in full when the Franchise Agreement is executed, which will be prior to site approval, training and before opening Your Center.

In Our sole discretion, We may require You to execute a Preliminary Agreement (**Exhibit A**) which becomes a contractual commitment for a franchise, subject to the conditions in the Preliminary Agreement. A Franchise Agreement will be signed when all conditions have been met and before Initial Training.

There are no refunds of any part of the Initial Franchise Fee including any deposits. The initial term of each Franchise is 10 years and is renewable for four additional 5-year terms, subject to certain conditions.

Area Development Agreements

We may offer multiple unit developers an Area Development Agreement (**Exhibit C**) for the opening and operation a minimum of 3 or more franchised Centers within a designated area ("Territory") pursuant to a mutually agreed upon Development Schedule.

The Area Development Agreement grants the exclusive right and obligation to develop a minimum number of Centers within the Territory during a certain time period. A Developer must pay Us a nonrefundable Development Fee. The primary purpose of the Development Fee is to pay Us for reserving the designated territory. You will execute Our then current form of the Franchise Agreement for each Center developed under the Area Development Agreement.

Competition

Your Center will compete with other health clubs and businesses that offer similar products and services, including other national chains. The market is developed but expanding to satisfy the needs of health and fitness enthusiasts. The fitness and weight control center businesses and health clubs have become highly competitive, and You will compete with a variety of establishments which may have financial, personnel, and technical resources far greater than Us or You. Some may have been in business for many years. You will offer products and services to the general public, although We target adults between the ages of 18-60. You will compete for business in this highly competitive environment.

Industry Regulation

Fitness center development and operation is regulated at the federal, state and local levels. Some areas require postings concerning steroids and other drug use, limit supplements that can be sold and regulating the sale of club memberships. These include design and construction requirements and permits, fitness center health, safety and sanitation, employment conditions, waste and hazard materials handling and storage, advertising, access for disabled persons and advertising. You must comply with all applicable laws that apply to businesses generally, such as equal protection, workers' compensation and workplace safety laws and regulation such as Title VII and the Americans with Disabilities Act.

Many states have enacted specific laws (1) regulating membership contract length and terms, advertising and limitations on pre-opening sales, and (2) requiring bonding, buyer's remorse, cancellation rights for limited periods, and cancellation and partial refund rights for medical or relocation reasons. Some states have laws that require and regulate the content of service contracts and/or that require the presence of a least one person trained in administering CPR and/or to use the external defibrillators. Many states also require that certain types of fitness centers be equipped with working defibrillators. You should investigate the applicability of these, and possibly other regulations in the area in which you are interested in locating Your Center and should consider both their effect and cost of compliance.

ITEM 2. BUSINESS EXPERIENCE

The business experience of Our officers, directors and key management for the last five years is as follows:

LLC Managing Member and Founder: Aaron Nash

Aaron Nash is Our founder and has been LLC Managing Member since We were formed in January 2020. He has been PFL's Managing Member since May 16, 2016 and ANL's Managing Member since September 29, 2020. Prior to that time, Mr. Nash helped open and operate multiple fitness centers in West Michigan.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this ITEM.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Initial Franchise Fee

The Initial Franchise Fee for each new franchise Center is $40,000 as payment for services rendered prior to the opening of the Center. You will pay Us the Initial Franchise Fee in full when the Franchise Agreement is executed.

There are no refunds of any part of the Initial Franchise Fee, which must be paid in full upon execution of the Franchise Agreement.

Opening Assistance Training Fee

The Opening Assistance Training Fee for each new franchise Center is $2,000 and is payable when the Franchise Agreement is executed. We may in Our sole discretion determine Opening Assistance Training unnecessary and not require the onsite training.

There are no refunds of any part of the Opening Assistance Fee, which must be paid in full upon execution of the Franchise Agreement.

Preliminary Agreement

If We require You to execute a Preliminary Agreement, You must pay us $10,000 as a deposit. When We sign the Preliminary Agreement, it becomes a commitment for one Center franchise, subject to the conditions in the Preliminary Agreement.

You will pay Us the Initial Franchise Fee when You sign the Franchise Agreement, with a credit for any sums paid pursuant to the Preliminary Agreement. There are no refunds of any part of the deposit, which must be paid in full upon execution of the Preliminary Agreement.

Employee Initiative Program

We offer an employee initiative program. Under this program, qualified employees are entitled to receive a discount on the Initial Franchise Fee equal to $8,000 per year and available up to five (5) years. Employees must be financially and operationally qualified to become franchisees, which will be determined in Our sole discretion.

Nutrition

You must purchase from ANL an initial order of proprietary supplements. The estimated cost ranges from $5,000 to $20,000 and depends on the size of Your Center.

Area Development Agreement

We are also offering franchises to qualified Developers who will develop and operate at least 3 to 5 Centers ("Required Centers") under an Area Development Agreement.

Developers must pay Us a Development Fee equal to the full Initial Franchise Fee for the first Required Center plus $10,000 for each additional Required Center (as specified in the development schedule) to hold the Development Area.

As You develop each Required Center, You will execute Our then current Franchise Agreement. The Initial Franchise Fee for all Required Centers is $40,000. For the second and subsequent Required Centers, You will pay Us an Initial Franchise Fee less $10,000 credit from the Development Fee for that Center.

The Royalty Fee for the Required Centers will be 6% of Gross Revenues until a third Required Center is open and operating. At that time, the Royalty Fee is reduced to 5% of Gross Revenues for all of the Required Centers developed under the Area Development Agreement.

There is no refund of the Development Fee, even if You do not open the Required Centers.

ITEM 6. OTHER FEES

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Opening Assistance Team Training	$2,000	Execution of Franchise Agreement	See Note 1.
Royalty Fee	6% of Gross Revenues or 5% of Gross Revenues if You have 3 or more Franchised Centers	Bi-monthly on 1st and 15th	See Notes 2.
Local Marketing	$3,000 to $5,000 per month.	Monthly upon execution of Your Center Lease	See Note 3.
Brand Fund	1.5% of Gross Revenues, once established	Monthly	See Notes 2 & 4.
CRM Fee	$120 to $230	Monthly	See Note 5.
Supplier Approval Fee	Reasonable amount for Our costs and efforts (currently $300)	Upon request for approval	See Note 6.
Initial Training Fee for Additional Attendees	$2,000 per person	Upon Invoice	See Note 7.
On-Site Consultation and Additional Training	Our then-current per diem fee, plus Our expenses (currently $1,000 per day)	Upon Invoice	See Note 8.
Late Payment Fees	$275 plus interest on late amounts at 18% or highest legal rate	Upon Invoice	
Attorney Fees	Reasonable amount to prevailing party in any legal proceeding	Upon conclusion of proceeding	See Note 9.
Transfer Fee	25% of then current Initial Fee	Before actual transfer	See Note 10.
Renewal Fee	25% of then current Initial Fee	Prior to Renewal	See Note 10.

Audit	Reasonable accounting and legal fees	Upon invoice	See Note 11.
Insurance Premiums	What You have failed to pay the Insurer	Immediately upon Invoice	Payable to Us to reimburse Us for having to pay Your obligation.
Indemnification	Amount of claim and costs incurred	Upon Demand	See Note 12.
Liquidated Damages - Default	Lump Sum (Calculation based on number of months and Royalty Fee averages.)	Upon Demand	See Note 15.
Liquidated Damages – wrongful hire	Amount of annual salary	Upon Demand	See Note 14.

FOOTNOTES:

All fees are imposed uniformly and paid to Us unless indicated otherwise. None of these fees are refundable for any reason except errors. All fees payable to Us are intended to be "net" amounts and You will pay or reimburse Us for any sales, services, use or similar taxes which may be imposed upon any such fees (specifically not to include income taxes).

(1) If We decide assistance is appropriate or necessary, We will provide Your staff with opening assistance at Your Center. Typically, Opening Assistance Training will have duration of one (1) week and starts one (1) week prior to Your Center's opening unless We determine additional assistance is required.

(2) You must pay these fees no later than the first (1st) day and fifteenth (15th) day of each month or such other time as may be designated in the Operations Manual. You agree to pay all such Fees to Us by direct transfer of funds ("**EFT**") or other method of payment designated by Us. You must submit, for each designated period, a sales report and ensure that each account has sufficient funds for the transfer.

(3) Unless and until in the future, We require You to pay or spend a designated percentage for marketing in Your Center's trade area, You will pay these fees no later than the fifth (5th) of each month or such other time as may be designated in the Operations Manual. We estimate that franchised Centers will spend between $3,000 to $5,000 a month depending on their location and current marketing rates. Our current local marketing programs utilize social media platforms for promotions, campaigns and various marketing programs. Currently, Leap Clixx is Our approved vendor for local marketing and described further in Item 11.

FOOTNOTES:

(4) The Brand Fund is not yet established. These payments will not be required until We determine that establishing the Brand Fund is appropriate for the System. We will also set the initial contribution rate at that time, which may be less than the maximum rate. We will deposit each payment into a separate bank account to be used for advertising and marketing purposes as described in ITEM 11. PFL will make contributions at the same rate for its Company Center(s).

(5) Currently, We use Zen Planner for the CRM system. Their current monthly subscription fee ranges between $120.00 to $230.00 and is based on the number of active members in Your Zen Planner Account, plus any additional services. You will pay this monthly fee directly to Zen Planner.

(6) We may impose reasonable inspection and supervision fees to cover Our costs in evaluating and maintaining alternative brands or suppliers You propose. Our current estimated cost is $300.00 although costs could exceed this amount depending on the product.

(7) Your Designated Operator and General Manager (if different person) must attend and successfully complete Our Initial Training. We will provide such training without charge for two people. If You want Us to provide Initial Training to additional people, You must pay Us the then-current charge (presently $2,000 per person) for the training described in Item 11 below. Additional Initial Training is currently conducted in a Company Center. You are responsible for the cost of travel, hotel and meals expenses for Your attendees.

(8) This estimate is for additional training if You request Our assistance or if We determine that You require Our assistance. Typically additional training might include 1 to 2 persons for 2 days. Fees may not be uniformly imposed depending on specific circumstances. Additional training is currently conducted in Your Center.

(9) Such fees will vary based on circumstances and may include reimbursement for legal or accounting fees that occur as a result of any breach of the Franchise Agreement.

(10) These fees may not be uniformly imposed at all times.

(11) If you understate any payment owed to Us by more than 2%, You must reimburse Us for Our actual costs included in conducting the audit, including attorney's fees, accountants' fees, travel expenses and compensation of Our employees. These fees will not exceed Our actual costs.

FOOTNOTES:

(12) You must indemnify Us for claims relating to Your operation of the Center.

(13) If the Franchise Agreement is terminated due to Your default, You must pay Us liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two (2) full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is less.

(14) You may not hire any person employed by Us, an affiliate or another P-FIT THE PLATINUM STANDARD OF FITNESS franchisee without Our prior written consent. If You fail to obtain the written consent, You agree to pay the prior employer of such person liquidated damages equal to the greater of the prior annual salary or one-half of the annual salary and of any bonus paid or to be paid by You to such person during the first year of employment. (Franchise Agreement, Section 4.10)

There are no additional fees that an Area Developer would pay other than those listed above.

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ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Initial Franchise Fee (1)	$40,000	$40,000	Lump Sum	In Full on signing of Franchise Agreement	Us
Travel and Living Expenses for Training (2)	$2,000	$10,000	As Incurred	During Training	Airlines, Hotels, Restaurants
Rent and Lease Deposit (3)	$7,000	$15,000	As Negotiated	Signing of Lease	Lessor
Construction or Remodeling of Leasehold Costs (4)	$25,000	$84,000	As Negotiated	Prior to Opening Center	Suppliers and Contractors
Furniture, Fixtures, Gym Equipment, Office Equipment (5)	$50,000	$110,000	As Incurred	Prior to Opening Center	Suppliers
Computer & Technology	$5,000	$20,000	As Incurred	Prior to Opening Center	Suppliers
Initial Inventory (6)	$5,000	$20,000	Lump Sum	As Incurred	Suppliers
Plans, Permits, and Licenses (7)	$3,000	$15,000	As Incurred	Prior to Opening	Suppliers
Signage	$3,000	$15,000	As Incurred	Upon Invoice	Suppliers
Grand Opening (8)	$1,500	$5,000	As Incurred	Upon Invoice	Suppliers
Opening Assistance Team Training (9)	$2,000	$2,000	Lump Sum	Signing of Franchise Agreement	Us
Insurance, Miscellaneous Deposits and Prepaid Expenses (10)	$2,000	$4,000	As Incurred	Prior to Opening	Suppliers, Utilities, Etc.
Additional Funds – Three Months (11)	$10,000	$30,000	As Arranged	As Incurred	Employees, Suppliers, Utilities
TOTAL (12)	$155,500	$370,000			

FOOTNOTES:

(1) You must pay the Initial Franchise Fee in full when You sign the Franchise Agreement and prior to opening Your Center. The Initial Franchise Fee is not refundable for any reason.

(2) Each Center must have at least one trained and certified manager. You must pay for the expenses of attendance, such as lodging, meals, transportation and wages of trainees. The cost of these expenses will depend on the distance You must travel, type of accommodations You choose, the number of Your employees attending training and their wages. Training will take place in a Center operated by PFL. More than two trainees will increase these expenses and cost additional fees of $2,000 each per week.

(3) These estimates are the initial lease costs and are based on the assumption that You will lease Your Center space. A typical Center contains approximately 3,200 to 5,500 square feet of indoor space in a light industrial center. A lease normally requires payment of the first month's rent and a deposit equal to a second month's rent. The levels of rent vary widely from area to area and for different locations within the same area. A location within a large shopping center may be smaller but require higher rent. You should investigate all these costs in the area, and for the specific site where You wish to establish Your Center.

(4) Includes the actual cost of construction. Lessors will often contribute to the cost of remodeling or constructing the space for Your Center. You will follow our standard development procedures and adapt them to meet the specific requirements of Your proposed Center. Costs vary widely from area to area and for different locations within the same area. You should investigate all these costs in the area, and for the specific site, where You wish to establish Your Center.

(5) This is an estimate of the cost of leasing or purchasing required Center equipment, fixtures, furniture and supplies. The Operations Manual contains a list of mandatory items for new Centers with instructions for various site variations. Although You are not prohibited from doing so, We do not recommend that You purchase additional or upgraded items other than as specified in the Operations Manual.

(6) The initial inventory consists primarily of supplements, accessories, apparel, and supplies. The amount will vary depending on the sales volume You anticipate as well as current market prices.

(7) You must obtain all necessary business permits, licenses and approvals to operate the Center. The costs of these licenses and other licenses and permits vary widely from area to area. You should contact an attorney and the government authorities in Your area for information about the cost and level of difficulties in obtaining all necessary permits.

FOOTNOTES:

(8) You must conduct a marketing program We approve to support the Grand Opening of Your Center. (See Item 11)

(9) You agree to pay Us an Opening Assistance Training Fee for assisting with and training Your employees as part of the Center's opening in the amount of $2,000. You must pay a Training Fee, which includes Our corporate trainer who will conduct Opening Assistance Training prior to the opening of the Center and assist with operations after opening. This fee is due when You submit the executed Franchise Agreement, prior to the opening of the Center. We may in Our sole discretion determine that Opening Assistance Training is not necessary.

(10) Insurance, deposits, and other prepaid expenses are included in this amount. You should have funds for one year's estimated insurance premium for property, liability, workers' comp and other insurance. Insurance must be obtained to meet minimum requirements set by the System Standards. (See ITEM 8). Initial premiums for commercial general liability insurance are subject to change due to market forces. The cost of other coverage, including workers' compensation and employer liability coverage varies depending on many factors. You should contact your insurance agent and obtain an estimate of Your actual insurance costs. There may also be a requirement to pay utility and/or other deposits and to prepay certain expenses.

(11) This category includes contingent working capital requirements, which could include expenditures for payroll, utilities, vendor, advertising, promotion and similar costs during the initial phase of a new Center. This estimate is for the first 3 months of operation Your Center. We cannot guarantee that You will not have additional expenses starting Your business. This estimate does not include any compensation that You may choose to pay Yourself. Your costs will depend on factors such as how much You follow the System and its procedures, the local market for Center products, the prevailing wage rate, competition, and the sales level reached during the initial period.

(12) Except for security deposits, none of the above payments are expected to be refundable. We will not finance any of these payments. The above are all estimates based on Our experience with the Company Centers located in Florida, but Your costs will depend to a great extent on Your local area; the size of Your Center; how much You follow the System and its procedures; Your management skill, experience, and business acumen; and the sales level reached during the initial period. You should review these figures carefully with a business advisor, accountant or attorney before making any decision to purchase a franchise.

Area Development Agreement (1)
Your Estimated Initial Investment

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Development Fee (2)	$60,000	$80,000	Lump Sum	When you sign the Area Development Agreement	Us
Estimated Initial Investment (3)	$115,500	$330,000	See Item 7 chart above.		
Total	$175,500	$410,000			

FOOTNOTES:

(1) We are also offering franchises to qualified Developers who will develop and operate at least 3 to 5 Centers under an Area Development Agreement. The Development Fee is contingent on the number of P-FIT THE PLATINUM STANDARD OF FITNESS Centers You intend to open under the terms of the Area Development Agreement. Upon execution of the Area Development Agreement, You must pay Us a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Center ($40,000), plus $10,000 for each additional Required Center to be developed under the Area Development Agreement. There are no refunds of these fees.

As You develop each Required Center, You will execute Our then current Franchise Agreement. The Initial Franchise Fee for all Required Centers is $40,000. For the second and subsequent Required Centers, You will pay Us an Initial Franchise Fee less $10,000 credit from the Development Fee for that Center.

(2) The low estimated cost is the Development Fee for a three (3) Center Area Development Agreement and the high estimated cost is the Development Fee for a five (5) Center Area Development Agreement.

(3) You will incur total initial expenses for each Required Center developed as set forth in the first table of this Item 7. These initial expenses may increase over the term of the Area Development Agreement based on inflation and other economic factors.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must equip and supply Your Center from suppliers previously approved by Us, which may include Us and Our Affiliates ("**Approved Suppliers**"). A list of Approved Suppliers will be provided to You and may be amended by Us periodically.

Currently, You are not obligated to purchase or lease from Us or Our Affiliates except for proprietary nutritional supplements, and branded apparel, accessories and items bearing our Marks. However, You will be obligated to make 100% of Your purchases from Approved Suppliers and in accordance with Our specifications, both in establishing and while operating Your Center.

To ensure that the highest degree of quality and service is maintained, You must operate Your Center in strict conformity with the methods, standards and specifications that We prescribe in the Operations Manual or otherwise in writing. We may modify or add new specifications in writing. We estimate that Your purchases from designated suppliers will represent approximately 100% of the cost to establish Your Center and approximately 75% of ongoing operating expenses.

We specify Approved Suppliers and the products and services that are required to be purchased or leased in the Operations Manual. The list of required items will be changed to meet current needs. Approved Suppliers and specifications are determined based on the current needs for operating the Center. We evaluate Approved Suppliers based on price, service, quality, and other commercially reasonable benchmarks. We have the right to limit the number of vendors and suppliers for products, goods, supplies, fixtures and equipment.

We also have the right to designate a single source of supply for certain products. We or an affiliate may be that single source. As of the date of this Disclosure Document, there are Approved Suppliers who are the only source for merchandising materials, proprietary supplements, Local Marketing management, and CRM system.

You must purchase Our proprietary nutritional supplements, and branded apparel, accessories and items bearing our Marks from Us, which We or designated suppliers will sell to You at a reasonable markup. Our Affiliates, Platinum Fitness, LLC ("**PFL**") and Aaron Nash, LLC ("**ANL**") are Approved Suppliers. PFL sells branded apparel, accessories and items bearing our Marks, and ANL sells proprietary nutritional supplements currently under the name Platinum Fitness Supplements™. ANL sells supplements to Franchise Centers and Company Centers at the same price and volume discounts. If We introduce proprietary Products and/or items bearing the Marks, You may be required to purchase them from an Affiliate or Us.

You may be required to purchase from Us in the future software, Internet, and multi-area marketing programs, and to participate in these programs. There are no such requirements at this time, and We estimate based on present circumstances, that these required purchases will be less than one percent of Your purchases and leases.

We may negotiate purchase arrangements with Approved Suppliers, including price and terms, for the benefit of franchisees and the Centers operated by PFL. We do not provide material benefits (for example renewal or additional franchises) to You based solely on Your use of Approved Suppliers. We will approve additional suppliers. If you want to purchase items from another supplier, you may request Our "Supplier Approval Form" and pay Our Supplier Approval Fee (currently $300.00). Based on the information and samples you supply Us, We may test the items supplied and review the proposed supplier's financial records, business reputation, delivery performance, credit rating and other information. We are not required to make available to You or any supplier Our criteria for product or supplier approval. We will complete Our review promptly, generally within 90 days.

Each Center must be constructed or remodeled to Our specifications. You must obtain Our written approval of any proposed alterations to Our specifications before any work is begun. You agree, from time to time, as reasonably required by Us (taking into consideration the cost and then remaining term of this Agreement), to modernize Your Center to Our then current standards and specifications. No such modernization will be required by Us unless and until the Company has modernized at least twenty-five percent (25%) of its Centers located in the continental United States.

During the last fiscal year, neither We nor Our Affiliates received any revenues or rebates as a result of franchisee purchases. If such rebates are received, they typically will be calculated as a percentage of franchisee purchases. If We receive rebates from suppliers based on Franchisee purchases, We use the funds to benefit the System. Except as stated above, none of Our officers own an interest in an Approved Supplier. We do not have any purchasing or distribution cooperatives.

Insurance. You must obtain and maintain the insurance coverage and meet the other insurance-related obligation required in the Franchise Agreement. The required insurance policies must have at least the minimum coverage specified in the Franchise Agreement:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(b) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(c) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(d) Umbrella liability insurance policy providing a minimum of $5,000,000 coverage including the above limits.
(e) Course of construction insurance at replacement cost.
(f) Workers' compensation insurance as required by applicable state law.
(g) Business interruption insurance (reasonable coverage and time limit).

The cost of insurance coverage will vary depending on the insurance carrier’s charges, the terms of payment and your insurance history. You must also carry the insurance required by Your landlord and applicable law. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance We carry for Ourselves.

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists Your principal obligations under the Franchise Agreement (“FA”) and the Area Development Agreement (“ADA”). It will help You find more detailed information about Your obligations in these Agreements and in other items of this Franchise Disclosure Document.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site Selection and acquisition/lease	FA: §1.3, 6.3, 15.5 ADA: §§1.1, 4.2	Items 1, 11
b. Pre-opening purchases/leases	N/A	Items 7, 8, 11, 16
c. Site development and other pre-opening requirements	FA: §§4, 5 ADA: §§1, 2, 4	Items 1, 5, 7, 11, 12, 15
d. Initial and ongoing training	FA: §5 ADA: §4	Items 1, 11, 17
e. Opening	FA: §7.8 ADA: §2	Items 5, 7, 11
f. Fees	FA: §§2, 3.2, 4.1, 4.8, 5.6, 11.5, 16.6 ADA: §§3, 4.3, 5.2(c), 6.2(e)	Items 1, 5, 6, 7, 17, 19
g. Compliance with standards and policies/ Operations Manual	FA: §4 ADA: §4.1	Items 1, 11
h. Trademarks and proprietary information	FA: §§4.5, 14 ADA: §§4.4, 8.3	Items 13, 14
i. Restrictions on products & services offered	FA: §§4.4(a), 4.7, 4.8 ADA None	Items 8, 16
j. Warranty and customer service requirements	FA: §§4.3 ADA: None	Item 1
k. Territorial development and sales quotas	FA: §§1.2 ADA: §§1.1, 2, 4	Items 1, 12

l. Ongoing product/service purchases	FA: §§4.6, 4.7, 4.8 ADA: None	Items 8, 16
m. Maintenance, appearance & remodeling requirements	FA: §§ 4.3 4.4, 4.6, 6 ADA: None	Item 17
n. Insurance	FA: §11 ADA: None	Item 7
o. Advertising	FA: §7 ADA: None	Items 6, 7, 11
p. Indemnification	FA: §10.2 ADA: None	Item 13
q. Owner's participation/ management/staffing	FA: §§4.2, 4.9, 4.10, 9.4, 13.2 ADA: §§8.4, 8.5	Item 15
r. Records/ Reports	FA: §§8, 9.3, 9.4 ADA: None	Items 6, 11
s. Inspections/Audits	FA: §9 ADA: None	Item 17
t. Transfer	FA: §13 ADA: §§1.6, 1.7	Items 6, 17
u. Renewal	FA: §3.2 ADA: §§1.2, 6	Items 6, 17
v. Post termination obligations	FA: §§4.9(f), 15 ADA: None	Item 17
w. Non-competition covenants	FA: §4.9 ADA: §8	Items 5, 17
x. Dispute resolution	FA: §§16.5, 16.7 ADA: §9	Item 17

ITEM 10. FINANCING

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

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

Except as listed below, We need not provide any assistance to You.

A. Pre-opening. Before You open Your Center, We will:

1. Loan you a copy of Our confidential Operations Manual, which contains mandatory and suggested specifications, standards, operating procedures and rules, in written and/or electronic form (Franchise Agreement, Section 4.4).

2. Provide You with assistance in locating the site for Your Center (Franchise Agreement, Section 1.3).

3. Review and comment on the proposed lease for Your Center which must be provided to Us prior to finalization and executed after Our approval. (Franchise Agreements, Section 6.3 and 15.5).

4. Approve, if it meets Our standards and specifications for approval, plans submitted by You for the design of Your Center. You are responsible for conforming premises to building codes and local ordinances. (Franchise Agreement, Section 1.3).

5. Conduct an initial training course for You and Your Designated Operator (Franchise Agreement, Section 5.1).

6. Provide You with Opening Assistance Training at Your Center at Our sole discretion. (Franchise Agreement, Section 4.1).

7. Advise and assist You in opening Your Center and be available to assist with its operations for as long as reasonably needed, in Our opinion (Franchise Agreement, Section 4.1).

B. Post-opening. During the operation of Your Center, We will:

1. Advise and assist You in opening Your Center and be available to assist with its operations for the first month of business, as reasonably needed in Our opinion (Franchise Agreement, Section 4.1).

2. Make available additional training programs as We deem appropriate (Franchise Agreement, Section 5.5).

3. Develop and administer, at Our discretion, advertising and promotion programs designed to promote the collective success of all Centers (Franchise Agreement, Section 7.3).

4. Administer the System Brand Fund ("Brand Fund"), once established (Franchise Agreement, Sections 7.3 and 7.4).

5. Deposit Brand Fund Fees received into a separate account (Franchise Agreement, Section 7.3).

6. Make periodic inspection calls or visits to Your Center as We deem advisable (Franchise Agreement, Section 9.2).

7. Include information about your Center on our Web site (Franchise Agreement, Section 7.8)

C. Site Selection.

You must select a site that meets Our approval. We will provide assistance in locating a site for Your Center. You must locate and obtain Our approval for the site of Your Center within three (3) months of executing the Franchise Agreement or the Preliminary Agreement if such is required. We may grant You an extension so long as We are satisfied that you are proceeding in good faith and with due diligence. You must use Our approved form to request any extension. We may terminate the Franchise Agreement (or Preliminary Agreement if executed) with no refunds if You have not obtained an approved site within three months or by the granted extension.

We will consider, as part of site approval, a number of factors such as potential customer density levels, assessment of a demographic study of the customer mix compared to existing profiles already established by Us, assessment of competitor activity, revenue generators, traffic patterns of the area, as well as specific size, parking, and other physical characteristics of the proposed site itself. We will use reasonable efforts to make a site acceptance decision within 30 days after We acknowledge receipt of a complete site information form and any other materials we have requested. Our approval means that the site and plans meet minimum specifications and is not a warranty of their appropriateness. We do not generally own the premises and lease it to franchisees.

D. Time Before Opening.

We believe that based upon Our experience, You should typically open a Center within six to nine months after executing the Franchise Agreement. This length of time may be affected by factors such as difficulties in obtaining a lease for an acceptable premises, financing arrangements, building or sign permits, or delays caused by zoning or local ordinances, weather conditions, labor strikes, shortages of products and installation of equipment, fixtures and signs. You must open Your Center within nine months of executing the Franchise Agreement, unless We extend the time in writing. Failure to open within the specified time period is a breach of the Franchise Agreement and Your Franchise Agreement can be terminated. (Franchise Agreement Section 1.4).

If You lease the site for Your Center, You must submit the proposed lease to Us approval before signing it. As a condition of Our approval, the lease must have provisions required by Section 6.3 and Section 15.5 of the Franchise Agreement (Exhibit B). You must send Us a copy of the signed lease within ten (10) days after You signed it.

You are responsible for conforming premises to building codes and local ordinances. You must adhere to Our standards and specifications for the construction and design of the Center, which will include requirements for the interior and exterior layout, signage, equipment, fixtures and trade dress. You must obtain Our prior written approval of site-specific drawings/plans before beginning construction. You may not open Your Center without Our prior written consent and satisfaction of all pre-opening obligations stated in the Operations Manual, and the installation of all equipment, fixtures, furnishings and signs included in the plans and specifications approved by Us. You will be solely responsible for all hiring and employment decisions and functions relating to Your Center.

If You enter into an Area Development Agreement ("ADA"), You are responsible for securing sites We find acceptable and within the deadlines of the Development Schedule. If you fail to meet a deadline in the Development Schedule, You will be in default and We may terminate the ADA.

E. Advertising.

We, Our Affiliates, or approved vendors will develop marketing, promotion and advertising programs designed to promote P-FIT THE PLATINUM STANDARD OF FITNESS businesses. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established.

We will provide You with access to advertising and marketing materials and services. We currently conduct marketing at a trade area level to encourage visits from potential, as well as prior, customers. We may also use premium incentives and product awareness campaigns in advertising and promotion. Advertising media may include print, Internet, vehicle wraps, fundraisers, public relations campaigns and radio or television (primarily local in scope). Whenever possible, the material is produced in-house or provided by vendors. You may develop advertising materials for Your own use at Your own cost. All advertising materials must be approved by Us in advance and in writing. Approval takes between 30 and 60 days.

All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and promotion policies. You must submit to Us samples of all advertising, promotional and marketing materials (including Internet or electronic media marketing material) for Our prior written approval. You must only use advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Operations Manual or otherwise.

There are no restrictions on Your advertising, except that You may not advertise independently on the internet using Our Marks, and Your advertising must be approved by Us, as stated above. You may not register any domain name or establish or maintain any website, social media site or other digital presence in any media or on any platform in any manner whatsoever that uses the Marks without Our prior written approval. You must adhere to the social media policies that We establish from time to time and must require Your employees to do so as well. You must participate in Our "eclub" marketing campaigns, Gift Card program, Loyal Customer program and similar marketing programs as they are developed.

Local Marketing. You must conduct pre-approved local advertising and promotion of Your Center in its trade area. We estimate that franchised Centers will spend between $1,500 to $5,000 per month depending on their location, Your desired promotions and campaigns, and the current marketing rates charged by social media vendors for local advertising. Currently, Leap Clixx provides local marketing services for franchised Centers and the Local Marketing spend will be submitted directly to them. Their current administrative fee is 25% of the local marketing spend which will be deducted from Your monthly amount.

Your local marketing commitment starts upon execution of the lease for Your Center and will include grand opening promotions. We will assist You in planning Your grand opening and Local Marketing campaigns. Our current Local Marketing program is specified in the Operations Manual and utilizes Facebook and may use other social media platforms for promotions, campaigns and various marketing programs.

If an Advertising Cooperative ("**Ad Co-op**") is established for the area where Your Center is located, You must join, actively participate in and contribute to the Ad Co-op. The Ad Co-op may also serve as a means of exchanging ideas, sharing information and problem solving.

The Franchise Agreement gives Us the power to require Ad Co-ops to be formed, changed, dissolved or merged. We will determine the area of each Ad Co-op. You must contribute to the Ad Co-op as We designate, which is in addition to your contributions to the system wide Brand Fund discussed below. Payments to the Ad Co-op will be applied to your Local Marketing obligation. The Ad Co-op members may agree to additional funding in accordance with its established Bylaws. Any Company Centers in the area will also join and contribute to the Ad Co-op at the same rate as Franchisees.

Each Ad Co-op will be organized and governed in a form and manner and will operate according to written governing documents, all of which must be approved in advance by Us. We will oversee each Ad Co-op. If You are in default of the Franchise Agreement, You will not have voting privileges. The Ad Co-op may prepare annual or periodic financial statements, and these will be available to You upon request. We have the right to form, change, dissolve, and merge any Ad Co-op and to create and amend any organization and governing documents of any Ad Co-op in our sole business judgment. A copy of the governing documents for Your area will be provided upon written request.

Brand Fund. After more Centers are open and operating, We plan to establish a Brand Fund to be used to promote all Centers and the P-FIT THE PLATINUM STANDARD OF FITNESS brand. We will also set the initial contribution rate at that time, which may be less than the maximum rate. We will use these funds to develop, produce and administer marketing programs designed to increase sales for all Centers system-wide. We will administer the Brand Fund and spend Brand Fund Fees only for the purposes described in the Franchise Agreement and follow the procedures contained in the Brand Fund Policy described in the Operations Manual. You must then contribute to the Brand Fund, as specified in the Operations Manual.

The Brand Fund will be used to develop, produce and administer marketing programs designed to increase sales for all Centers system-wide. Advertising may be in the form of print ads, radio, television or electronic media and may be conducted on a regional and/or national basis. We may use a national or regional advertising agency or in-house advertising to create and place advertising. All interest earned on monies contributed to the Brand Fund. Brand Fund contributions will not be targeted to advertise or sell franchises.

The purpose of the Brand Fund is to develop advertising and marketing programs that will benefit all Centers wherever located. We cannot ensure that the Brand Fund's expenditures will be equally beneficial or proportionate to each Center's contributions. We will account for monies in the Brand Funds separately from Our other amounts received. Money from the Brand Fund may be used to pay Us for the reasonable salaries, administrative costs, travel expenses and overhead incurred by Us in the administration of that Fund and its programs. We will prepare an annual unaudited statement of monies collected and expenditures of the Funds and provide it to You. The Centers operated by PFL will contribute to the Brand Funds at the same rate as Franchisees.

F. Computers; Computer Programs.

Your Center must have a customer relationship management ("CRM") system or other systems as specified in the Operations Manual. Your computer system must support Our currently approved software and allow You to participate in the Network. Your Center must also have one or more modems, fax machines, computerized safe systems and a telephone answering machine capable of voice mail recovery. We may require you to upgrade or update Your equipment, such as the computers, other hardware, programs, fax machine and telephone system, with reasonable limitation on the frequency or cost of this requirement. You are responsible for installing a broadband hook-up and other utilities for the Center.

Currently, We required Zen Planner as Our CRM System for member management and billing. You are required to use this online system to complete all sale transactions, and provide sales, accounting, and inventory reports. The current monthly subscription fee ranges from $120.00 to $230.00 and is based on the number of active members in Your Zen Planner account, plus any additional services. These amounts may increase, and We may change the CRM system in the future. You will be responsible for all ongoing maintenance and repairs. You will pay the monthly subscription fee directly to Zen Planner. Your Center's contract will be under Our master agreement with Zen Planner and We will have independent access to the information that will be generated or stored in Your Center's CRM, electronic cash register or computer system, such as financial and marketing information. There are no contractual limitations on Our right to access this information.

If We establish an online management and communication system for Center operations, You must participate fully with its requirements as stated in the Operations Manual. We do not currently require any specific point of sales system, but you are required to purchase a personal computer with Internet connection which is sufficient to support the required CRM systems.

All of the computer equipment and software is available generally at competitive prices. The purchase cost is estimated at $2,000 to $12,000, depending on the size of Your Center. You must maintain your computer equipment and software. Your annual maintenance costs are estimated at $1,500 to $3,000 per Center. We may require you to upgrade or update Your equipment, such as the computers, other hardware, and software programs, with reasonable limitation on the frequency or cost of this requirement. None of the above are proprietary properties of Us or Our Affiliates, and We are not obligated to provide or assist You in obtaining the above items or services.

G. Confidential Operations Manual.

You may review Our Operations Manual before purchasing a Franchise. However, You may not copy any of the information contained in the Operations Manual, as it contains proprietary information. You must sign a confidentiality agreement regarding the Operations Manual before Your review. (**Exhibit D**)

H. Training.

Our Initial Training Program consisted of the following content with a duration of approximately two to three weeks according to the following general outline:

INITIAL TRAINING PROGRAM

SUBJECT	DAYS	HOURS OF CLASSROOM AND ONLINE LEARNING	HOURS OF ON THE JOB TRAINING	LOCATION
Welcome Culture/Core values Customer service	Day 1 & 2	16	4	Center operated by PFL
Programs - Memberships & Challenges Sales Presentation	Day 3 & 4	16	4	Center operated by PFL
Products Sales Presentation Billing Nutrition	Day 5 & 6	16	4	Center operated by PFL
Contract Processing Visitor Verification Membership and Promotions Procedures - admin/weigh-in/challenge options	Day 7 & 8	16	4	Center operated by PFL
Trainers & Assistant Trainers Gym set-up Class set-up Shift Positions	Day 8 & 10	16	4	Center operated by PFL
Onsite training	Day 11 & 12		8	Center operated by PFL
Onsite training	Day 13 & 14		8	Center operated by PFL

FOOTNOTES:

(1) The Initial Training will be conducted in one of PFL's Centers, located in Ft. Myers, Florida and successfully completed before opening Your Center. We expect to conduct these training courses several times each year. The instructors will include Trainers and

Training Managers, each of whom have at least two years of experience in Center operations with Us or in the fitness industry. Our founder, Aaron Nash, is the person in charge of training.

(2) Your Designated Operator and General Manager must attend and successfully complete Our Initial Training. We may terminate the Franchise Agreement for failure to successfully complete this training course. You will be responsible for paying all of Your personnel's travel, lodging and food costs.

(3) The materials used in Our Initial Training are the Manual, videos and Our proprietary online material. We may modify Our training programs at any time. We may develop and provide audio-visual and other training materials at a reasonable charge. The actual training hours will depend on a variety of factors, including the trainee's prior experience and his or her ability to pass any written and/or practical exams to Our reasonable satisfaction.

(4) If You want Us to provide initial manager training to additional people, You must pay Us the then current charge (presently $2,000 each) for the training described in Item 11 above.

(5) If You operate 3 or more P-FIT THE PLATINUM STANDARD OF FITNESS Centers, You may apply to offer training at Your training facility. We may certify You for training if You meet Our standards, Your training facility has been certified by Us and Your designated training manager has been certified by Us. You must reimburse Us for the travel, living and other expenses Incurred in evaluating your facility and your training manager.

(6) As We deem necessary, We may require that You and Your personnel complete additional training courses or programs covering operations and new product or procedure introductions. We may require You to pay a reasonable fee for the additional training. Currently, Our training fee is $300 per day You must pay for all travel, lodging and food costs for You and Your personnel. We expect that additional training will be conducted at one the Company Centers and will be one or two days in duration and cover changes in Center products and procedures. Under normal circumstances, the additional training will not occur more than once a year. See ITEM 6 for current daily charge.

<u>Opening Assistance Training</u>.

If We decide it is appropriate or necessary, We will provide Your staff with opening assistance at Your Center. Typically, the Opening Assistance Training will have a duration of one (1) week and starts one (1) week prior to Your Center's opening unless We determine additional assistance is required.

ITEM 12. TERRITORY

You must operate each Center at a specific location selected by You and approved by Us.

We agree that unless Your Center is in a “high density area” (as defined below), We will not establish another P-FIT THE PLATINUM STANDARD OF FITNESS business within five (5) miles of Your Center, (the “Protected Area”). You will not receive an exclusive territory and You may face competition from Centers that We own, from other channels of distribution or competitive brands that We control, or from other franchisees.

We have the discretion to determine what is to be considered a “high density area”, which will typically be an area with a high degree of pedestrian traffic, such as a downtown portion of an urban area, or a densely populated residential area. If Your Center is located within a “high density area”, then You and We will agree on the area in which You will have territorial protection.

The Franchise Agreement will not grant You any options, rights of first refusal or similar rights to acquire additional franchises within Your Protected Area or contiguous areas. There is no minimum sales quota. Your territorial rights are not dependent upon population changes, achievement of a certain sales volume, market penetration, or any other contingency, and it will not be altered except by mutual consent.

You must receive Our prior written approval before relocating the Center. Any request to relocate Your Center will be either approved or denied within 90 days of Our receipt of all relevant information. We may approve the relocation of Your Center in certain limited circumstances, such as loss of the location due to condemnation, eminent domain destruction, or loss of Your right of possession for reasons not caused by You.

We reserve all rights not expressly granted in the Franchise Agreement. We have the sole and exclusive right to produce, license, distribute and market products using the Marks or other marks (such as pre-packaged products, supplements, beverages, books, clothing, souvenirs and novelty items) through any outlet anywhere, and through any distribution channels, including the Internet. We reserve the right to use or license others to use Our name and other trademarks to distribute pre-packaged products. You will not receive any of these rights. We are not required to pay You for soliciting or accepting orders from inside Your Protected Area.

The Franchise Agreement does not restrict Us or Our affiliates from operating or authorizing others to operate franchises or company-owned fitness centers or other channels of distribution, at any location, under a name other than P-FIT THE PLATINUM STANDARD OF FITNESS, or from selling or leasing similar products or services under a name other than P-FIT THE PLATINUM STANDARD OF FITNESS. Neither We nor any Affiliate has established or presently intends to establish fitness centers under a different trade name or trademark, but We reserve the right to do so.

There are no restrictions on Your advertising, except that You may not advertise independently on the internet, or outside Your Protected Area, and You may not maintain any Website or any presence on the Internet without Our prior written consent. Your advertising must be approved by Us, as stated in Item 11 above.

Area Development Agreement (“ADA”).

During the term of the Area Development Agreement, We will not license or allow any other party to open a P-FIT THE PLATINUM STANDARD OF FITNESS business within Your designated development area (“Development Area”) except for any first refusal rights contained in Your Franchise Agreement.

If You materially breach the Area Development Agreement and it is terminated, We will have full rights to franchise other parties to operate Centers within what was the Development Area, or to operate Centers Ourselves within that Development Area.

If before the end of the term You have opened all of the Centers required by the ADA, and We decide that one or more additional Centers should be developed within the Development Area, You will have the right of first refusal for the additional Center(s). If We acquire any other fitness centers with the intention of converting them to Centers using Our Marks, You will have a right of first refusal to purchase and convert any of those centers that are within the Development Area.

We will evaluate and approve or disapprove the proposed site for each new Center you plan to open under the Area Development Agreement using Our then current site criteria. Your rights within the Development Area are contingent on meeting the Development Schedule. Each Center developed under the Area Development Agreement will have the same territory rights and protections as defined above in this Item 12 and pursuant to the Center’s Franchise Agreement.

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ITEM 13. TRADEMARKS

You will receive the right to operate a Center under the name **P-FIT THE PLATINUM STANDARD OF FITNESS™**. You may also use other current or future Marks as We designate to operate Your Center.

By Marks, We mean trade names, trademarks, service marks and logos used to identify and operate Your business. The applications for registration of the following Marks have been applied for on the United States Patent and Trademark Office (“USPTO”) Principal Register:

MARK	DATE	APP. #
	10/22/20	90272106
P-FIT THE PLATINUM STANDARD OF FITNESS	3/25/20	88847275

We do not have a federal registration for Our principal trademarks. Therefore, Our trademarks do not have as many legal benefits and rights as a federally registered trademark. If Our right to use the Marks are challenged, You may have to change to an alternative Marks, which may increase Your expenses.

The above marks are owned by Our Founder, Aaron Nash, who has granted Us a perpetual license for sole use of the Marks, as part of a written license agreement. The license agreement has an indefinite term and can be cancelled only by the mutual written consent of both parties.

You must follow Our rules when You use any of the Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate name or in any form on the Internet, including, but not limited to URLs, domain names, email addresses, locators, links, metatags or search techniques, except as We license to You or otherwise authorize in writing. You may not use any of the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. Guidelines regarding proper trademark use and notices are set forth in the Operations Manual and will be updated from time to time. No agreements limit Our right to use or franchise the use of the Marks.

All affidavits required to date have been filed. We do not know of any infringing uses that could materially affect Your use of the Marks. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the Marks.

You must notify Us immediately after learning about an infringement of or challenge to your use of the Marks. We will take the action We think appropriate to protect the integrity and validity of the Marks. We are not required to take any specific action in regard to infringements involving the Marks. We have the sole right to control administrative proceedings or litigation regarding any trademark infringements. We will defend You and indemnify You if You are a party to a legal proceeding involving a Mark licensed by Us and used properly by You.

You must modify or discontinue the use of a trademark if We modify or discontinue it. We do not have to reimburse You for any related expense required by the modification or discontinuance. You must not contest Our right to the Marks, trade secrets or business techniques.

Our affiliate, Platinum Fitness, LLC owns four Company Centers that operate under the trademark **PLATINUM FITNESS™**. These Centers will be rebranded to the P-FIT THE PLATINUM STANDARD OF FITNESS trademark over a period of time and during the transition both trademarks will be utilized.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or registered copyright, but You can use the proprietary information in the Manuals, training materials, including online training software, DVD and CD diskettes, electronic emails and confidential information. We and Our Affiliate, PFL, claim proprietary interest in the trade dress of Centers. Although We have not made a copyright filing for the Operations Manual, training materials, mobile apps, challenge programs, exercises, advertising materials and other written materials, We claim a copyright, and the information is proprietary and confidential and may only be used as provided in the Franchise Agreement.

The Operations Manual will remain Our sole property. You must keep in a secure place on the Center premises. You must tell us immediately if You learn about an infringement or challenge to Our copyrights. We will take action that We think is appropriate. You must also agree not to contest Our interest in these or Our other trade secrets. You must modify or discontinue the use of an item or process covered by a copyright if We modify or discontinue it. We do not have to reimburse You for any related expense required by the modification or discontinuance.

You or Designated Operator may divulge confidential information only to those employees who must have access to it to operate Center. The Operations Manual may not be copied, recorded or otherwise reproduced without Our prior written consent.

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

You or Your Designated Operator, who has successfully completed Our training program, must directly supervise and participate in the actual day-to-day operation of the Center.

Your Center must at all times have an on-site manager approved by Us and certified as designated in the Operations Manual. You must take steps necessary to ensure that Your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and are properly trained. You and Your employees must handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from Our name and goodwill. You will be solely responsible for all employment decisions and functions of the franchised location, including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

If You are an entity, We do not require that Your Designated Operator own an equity interest in such entity. Neither You nor Your Designated Operator may have an interest or business relationship with any of Our business competitors, unless otherwise approved by Us in advance and in writing.

If You are a legal entity such as a corporation, partnership or limited liability company, one of Your owners must be approved by Us to be Your full-time representative. All of Your owner(s) must personally guarantee the Franchise Agreement and, if applicable, the Area Development Agreement. We have the right to approve all owners and any future owners. The Area Development Agreement requires You to designate an "Authorized Agent" who will have full authority to act on Your behalf in performing, administering or amending the Area Development Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer and sell only those services and products that We have approved for sale in the Centers. You must offer all products, memberships, and services that We designate as required for all franchisees. These required products and services are described in the Operations Manual. You must obtain Our prior written approval for any other products and services to be sold by Your Center. All customers must be properly accounted for in Your CRM system as well as other member records. If We implement customer satisfaction programs for all franchisees, You must participate fully with their requirements as stated in the Operations Manual.

We may change the types of authorized products and services that you must offer from Your Center. There are no limits on Our right to make such changes. If You propose an additional product or service, You must submit it to Us for approval before offering it in Your Center. We may approve it initially for testing only. All proposals approved by Us.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	FA: §3.1	Initial term of Franchise is 10 years.
b. Renewal or extension of the term.	FA: §3.2	You may renew the franchise for four additional 5-year terms if certain conditions are met. "Renewal" may require You to sign a contract with materially different terms and conditions than Your original contract.
c. Requirements for renewal or extension.	FA: §3.2	Conditions include 6-12 months' notice, no defaults during last 12 months, material and timely compliance with Franchise and other agreements during expiring term, satisfied all monetary obligations owed to Us and Your suppliers, completed all required additional training, made all requested changes in operating personnel, modernized the Center and other equipment, payment of renewal fee, and signing of the then-current Franchise Agreement and general release.
d. Termination by Franchisee.	FA: §15.2	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	FA: §15.1	We can terminate only if You default.
g. "Cause" defined as defaults which can be cured.	FA: §15.1	You have 30 days after notice to cure defaults (except defaults in payment to Us, in which case You only have five (5) days to cure after notice). Includes defaults in other Franchise Agreements with Us. No cure period for same default repeated twice within any twelve-month period.

h. "Cause" defined as defaults which cannot be cured.	FA: §15.1	Non-curable defaults: Failure to open in specified time period, failure to complete training or allow inspection, bankruptcy or similar action, loss of possession, material misrepresentation in obtaining franchise, violation of health and safety laws, conviction of crime involving moral turpitude, failure to obtain consent to transfer rights or failure to offer first right of refusal. Termination due to bankruptcy may not be enforceable under federal bankruptcy law. These provisions are subject to applicable state law.
i. Obligations on termination.	FA: §15.3	Immediate obligations include no more use of telephone numbers, trademarks or proprietary information; delete or assign to Us telephone listings, websites and social media pages, remove all Marks; return Our Operations Manuals; and de-identify the Center.
j. Assignment of contract by Us.	FA: §13.8	No restriction on Our right to assign.
k. "Transfer" by You- definition	FA: §13.5	Includes transfer of rights under Franchise Agreement and ownership change.
l. Our approval of transfer by franchisee.	FA: §13.3	We have the right to approve all third-party transfers but will not unreasonably withhold approval.
m. Conditions for Our approval of transfer.	FA: §§13.4, 13.5, 13.6	No default, assets of the Center in standard condition, payment of all amounts owed to Us and Affiliates, payment of transfer fee, transferee qualifies and passes training, current Franchise Agreement signed by transferee, and release and non-competition agreement signed by You.
n. Our right of first refusal to acquire your business.	FA: §13.7	We can match any offer for the franchised business.
o. Our option to purchase your business	None	
p. Your death or disability.	FA: §13.6	Approval by Us of heir or sale within six months to an approved buyer.
q. Non-competition covenants during the term of the franchise.	FA: §4.9	No interest in a business offering the same or similar services or goods to those sold in a P-FIT THE PLATINUM STANDARD OF FITNESS business ("Similar Business").

r. Non-competition covenants after the franchise is terminated, transferred or expires.	FA: §4.9	No interest in any Similar Business for 2 years within 10 miles of any Center in U.S. or Canada.
s. Modification of the agreement.	FA: §16.12	Only written and signed modifications, but Operations Manual subject to change.
t. Integration/ merger clause.	FA: §16.11	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. This provision is subject to applicable state law.
u. Dispute resolution by arbitration or mediation.	FA: §16.5	Except for certain claims, all disputes must be arbitrated in county where Our headquarters are located ("Home County"), currently Lee County, Florida. These provisions may be subject to applicable state law.
v. Choice of forum	FA: §16.5	Except for injunctions, any arbitration or litigation must be in Home County. These provisions may be subject to applicable state law.
w. Choice of Law.	FA: §16.7	Florida law.

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This table lists important provisions of the Area Development Agreement ("ADA"). You should read these provisions in the ADA attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	ADA: §6	Initial term is mutually agreed between You and Us.
b. Renewal or extension of the term.	ADA: §6	
c. Requirements for renewal or extension.	None	
d. Termination by Franchisee.	Not applicable	You may terminate the Area Development Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	ADA: §§1.5, 7	We can terminate only if You default or fail to meet the Development Schedule or if You are in default under ay Franchise Agreement with Us and fail to cure such default. The termination of the ADA will have no effect on any franchises previously issued to You.
g. "Cause" defined as defaults which can be cured.	ADA: §7	You have 30 days after notice to cure defaults, other than failure to meet the Development Schedule. Such cause includes defaults in other Franchise Agreements developed under the ADA.
h. "Cause" defined as defaults which cannot be cured.	ADA: §7.2	Non-curable defaults: Failure to meet deadlines in Development Schedule.
i. Obligations on termination.	ADA: §1.3	No further rights or obligations.
j. Assignment of contract by Us.	None	
k. "Transfer" by You- definition	None	

l. Our approval of transfer by franchisee.	ADA: §1.5	No transfers allowed.
m. Conditions for Our approval of transfer.	None	
n. Our right of first refusal to acquire your business.	None	
o. Our option to purchase your business	None	
p. Your death or disability.	None	
q. Non-competition covenants during the term of the franchise.	ADA: §8.3	No Competitive Interest in a business similar to or competitive with a P-FIT THE PLATINUM STANDARD OF FITNESS business.
r. Non-competition covenants after the franchise is terminated, transferred or expires.	None	
s. Modification of the agreement.	ADA: §9.1	Only written and signed modifications.
t. Integration/ merger clause.	ADA: §9.1	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document and Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	ADA: §9.1	Except for injunctions, any arbitration or litigation must be in Home County. This provision may be subject to applicable state law.
v. Choice of forum	ADA: §9.1	Except for certain claims, all disputes must be arbitrated in county where Our headquarters are located ("Home County"), currently Lee County, Florida. This provision may be subject to applicable state law.
w. Choice of Law.	ADA: §9	Florida law.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote Our franchises, but We may do so in the future.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

SALES AND COST TABLE
(Financial Performance Representation)

This financial performance information has been prepared in accordance with generally accepted accounting principles. Written substantiation of the financial performance representation will be made available to prospective franchisees upon reasonable request. You should conduct an independent investigation of the costs and expenses You will incur in operating Your franchised business.

At the end of December 31, 2020, there were four Centers operating as PLATINUM FITNESS which are owned by Our affiliate, Platinum Fitness, LLC ("Company Centers"). These Centers will be rebranded to the P-FIT THE PLATINUM STANDARD OF FITNESS trademark over a period of time and during the transition both trademarks will be utilized.

The Company Centers are similar to the franchise being offered to You under the P-FIT THE PLATINUM STANDARD OF FITNESS trademark. These Company Centers are located in suburban communities within the Fort Myers, Florida area.

The longest operating Center is the College Park Center which was opened in September 2016, and the newest Center is the North Cape Coral Center which was opened in October 2020. The North Cape Coral Center was the only Center not open and operating for the full twelve-month period and therefore is not included in the Tables below.

The information in the Tables below is based on unaudited sales and profit and loss statements for each Center. Actual operating amounts from Our affiliate's financial records were used, but certain costs have been adjusted to take out items associated with an Affiliate-operated Center vs. a Franchise-owned and operated Center. The operating amounts have been adjusted to omit non-recurring, extraordinary expenses which are not reflective of or relevant to the ongoing cost of franchisee operations. The tables contain a percentage of Gross Sales for each expense item. This information should help you in preparing a pro forma analysis at different sales levels and projected rent costs.

COLLEGE PARK

STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED DECEMBER 31, 2020 (1)(2)

		College Park		
		Amount		**% of Sales**
Adjusted Gross Revenue				
Membership Income		$ 735,357.37		91.04%
Supplements (3)		$ 70,810.67		8.77%
Merchandise (4)		$ 1,533.45		0.19%
Total Adjusted Gross Revenue		**$ 807,701.49**		**100.0%**
Operating Expenses				
Payroll and Labor (5)		$ 294,608.13		36.47%
Cost of Supplements & Merchandise		$ 44,352.14		5.49%
Rent Expense (6)		$ 67,161.07		8.32%
Utilities		$ 9,414.27		1.17%
Other Controllable Costs (7)		$ 62,626.54		7.75%
Total Operating Expenses		$ 478,162.15		59.20%
Net Income		**$ 329,539.34**		**40.80%**
Franchise Expenses				
Less Franchise Royalty (8)		$ 48,462.09		6.0%
Less System Marketing Fund (8)		$ 12,115.52		1.5%
Less Local Marketing (9)		$ 48,000.00		5.94%
Adjusted Net Income		**$ 220,961.73**		**27.36%**

GULF COAST

STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED DECEMBER 31, 2020 (1)(2)

		Gulf Coast		
		Amount		**% of Sales**
Adjusted Gross Revenue				
Membership Income		$ 618,817.40		90.00%
Supplements (3)		$ 67,163.68		9.77%
Merchandise (4)		$ 1,597.78		0.23%
Total Adjusted Gross Revenue		**$ 687,586.87**		**100.0%**
Operating Expenses				
Payroll and Labor (5)		$ 262,764.07		38.22%
Cost of Supplements & Merchandise		$ 44,352.08		6.45%
Rent Expense (6)		$ 136,366.09		19.83%
Utilities		$ 5,270.34		0.77%
Other Controllable Costs (7)		$ 70,545.56		10.26%
Total Operating Expenses		$ 519,298.14		75.53%
Net Income		**$ 168,280.72**		**24.47%**
Franchise Expenses				
Less Franchise Royalty (8)		$ 41,255.21		6.0%
Less System Marketing Fund (8)		$ 10,313.68		1.5%
Less Local Marketing (9)		$ 48,000.00		4.07%
Adjusted Net Income		**$ 68,7122.31**		**10.0%**

CAPE CORAL

STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED DECEMBER 31, 2020 (1)(2)

		Cape Coral		
		Amount		**% of Sales**
Adjusted Gross Revenue				
Membership Income		$ 1,090,413.00		89.95%
Supplements (3)		$ 116,286.40		9.59%
Merchandise (4)		$ 5,481.94		.45%
Total Adjusted Gross Revenue		$ 1,212,181.34		**100.0%**
Operating Expenses				
Payroll and Labor (5)		$ 289,212.87		23.87%
Cost of Supplements & Merchandise		$ 44,874.44		3.70%
Rent Expense (6)		$ 122,302.73		10.09%
Utilities		$ 9,602.86		.79%
Other Controllable Costs (7)		$ 84,466.99		6.69%
Total Operating Expenses		$ 550,459.89		**45.41%**
Net Income		**$ 661,721.45**		**54.59%**
Franchise Expenses				
Less Franchise Royalty (8)		$ 72,730.88		6.0%
Less System Marketing Fund (8)		$ 18,182.72		1.5%
Less Local Marketing (9)		$ 48,000.00		3.96%
Adjusted Net Income		**$ 522,807.85**		**43.13%**

FOOTNOTES WITH BASES AND ASSUMPTIONS:

(1) At the end of December 31, 2020, there were four Company Centers owned by Our affiliate, Platinum Fitness, LLC which operate under the PLATINUM FITNESS trademark. Three Centers were open and operating for the full twelve-month period. The North Cape Coral Center opened in October 2020 and therefore not included in the tables above. The amounts above are based on the unaudited sales and profit and loss statements for each Center.

(2) Definitions:
- Adjusted Gross Revenue is revenue minus refunds and chargebacks.
- Net Income is earnings before interest, taxes, depreciation and amortization.
- Adjusted Net Income includes a provision for franchise royalty and advertising obligations.

(3) Includes Our proprietary supplements and other supplements authorized to be sold from the Centers. Our affiliate, Aaron Nash, LLC sells the proprietary supplements to Franchised and Company Centers at the same price.

(4) Includes apparel, accessories and items bearing Our trademark and other items authorized to be sold from the Centers. Platinum Fitness, LLC sells the items bearing our trademarks to Franchised and Company Centers at the same price.

(5) Includes the salaries of one General Manager, wages for its hourly employees, and all applicable payroll taxes. Labor costs vary substantially for different reasons and different areas. You should consider carefully the labor costs for your area. Other labor-related expenses, such as union activity, workers compensation and health insurance in Your area, should be included in Your analysis.

(6) Rent and CAM (Common Area Maintenance) charges are calculated based upon actual rents for this Center. The level of Rent and CAM costs vary greatly for many reasons, and the amount of rent You pay may have a significant effect on the level of Sales Your Center may reach. It is not possible to predict with any certainty the actual sales which will be achieved, because too many factors are involved, including the quality of operations and level of compliance with Our System. You should consider Rent levels in the area where Your Center will be located, and correlate the information in this table, such as the percentages, with the local Rent information.

(7) Other Operating Expenses includes the following:

Merchant Fees	Licenses & Permits
Gym Cleaning	Bank & Credit Card servicing
Gym & Office Supplies	Training
Repairs & Maintenance	Computer & Internet Equipment
Uniforms	Insurance Expense

FOOTNOTES WITH BASES AND ASSUMPTIONS:

(8) The Tables includes the Royalty (6%) and a Brand Fund Fee (1.5%) which a Franchisee would pay for this Center. The System Brand Fund is not yet established, and payments will not be required until We determine that establishing the Brand Fund is appropriate for the System.

(9) We estimate that franchised Centers will spend between $3,000 to $5,000 a month on local advertising depending on their location and current marketing rates as described further in Item 11. The Table includes $4,000 as the Local Marketing commitment which is the average of $3,000 to $5,000.

(10) The Company Centers are in light industrial centers or retail centers with a surrounding mix of both business and residential. The typical location for a franchised Center is between 3,500 to 5,500 square feet. Customer density in the area where the new Center will be located may support additional square footage. Listed below are the opening dates, square footage and revenue per square footage for the Company Centers.

Company Center	Opening Date	Square Footage	Revenue per square foot
College Park	September 2016	3596	$224.61
Golf Coast	September 2017	4814	$142.82
Cape Coral	March 2019	4600	$263.45

(11) The Company Centers are located in suburban communities within the Fort Myers, Florida area. The location of Your Center may be in a less populated urban or suburban area than the Company locations above and may have an impact on the level of Sales Your Center may reach. Additionally, Your Center may be first P-FIT THE PLATINUM STANDARD OF FITNESS in Your area.

(12) The Company Centers offer client referral programs. You are not required to offer such programs, but We encourage You to do so. In 2020, the Company Centers' expenses for client referral programs were the following:

College Park	$574.34
Golf Coast	$582.75
Cape Coral	$1,599.79

(13) The average membership for each Company Center in 2020:

College Park	512
Golf Coast	437
Cape Coral	781

BASES AND ASSUMPTIONS CONTINUED ON NEXT PAGE

FOOTNOTES WITH BASES AND ASSUMPTIONS:

(14) The franchised locations will operate under the P-FIT THE PLATINUM STANDARD OF FITNESS and P-FIT trademarks. The Company Centers have operated under the PLATINUM FITNESS trademarks with brand recognition starting in 2016. These Centers will be rebranded to the P-FIT trademarks over a period of time and during the transition both brands will be utilized. The System and Operating Procedures are similar between the Company location and franchised locations.

(15) It is not possible to predict with any certainty the actual sales which will be achieved, because too many factors are involved, including the quality of operations and level of compliance with Our System.

Some Outlets have earned this amount. Your individual results may differ. There is no assurance that You'll earn as much.

Other than the preceding financial performance representation, We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised Centers. We also do not authorize Our employees or representatives to make any such representation either orally or in writing.

If You are purchasing an existing Center, however, We may provide You with the actual records of that Center. If You receive any other financial performance information or projections of Your future income, You should report it to the franchisor's management by contacting Our CFO, Aaron Nash at 12196 Sussex Street, Ft. Myers, FL 33913: (989) 400-8968, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20: CENTERS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEM WIDE CENTERS SUMMARY
For Fiscal Years – 2018 - 2020

Column 1 Center Type	Column 2 Year	Column 3 Centers of the Start of the Year	Column 4 Centers at the End of the Year	Column 5 Net Change
Franchised	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Company - Owned	2018	2	2	0
	2019	2	3	+1
	2020	3	4	+1
Total Centers	2018	2	2	0
	2019	2	3	+1
	2020	3	4	+1

Note: Our Fiscal Year ends December 31. “Company-owned Centers” shown in these tables are operated by PFL which Our owners control.

Table No. 2
TRANSFERS OF CENTERS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
For Fiscal Years 2018 - 2020

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Totals	2017	0
	2018	0
	2019	0

Table No. 3

STATUS OF FRANCHISED CENTERS
For Fiscal Years 2018 - 2020

Column 1 State	Column 2 Year	Column 3 Centers at Start of Year	Column 4 Centers Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Centers at End of the Year
Florida	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Total	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0

Table No. 4

STATUS OF COMPANY CENTERS
For Fiscal Years 2018 - 2020

Column 1 State	Column 2 Year	Column 3 Centers at Start of Year	Column 4 Centers Opened	Column 5 Centers Reacquired from Franchisees	Column 6 Centers Closed	Column 7 Centers Sold to Franchisees	Column 8 Centers at End of the Year
Florida	2018	2	0	0	0	0	2
	2019	2	1	0	0	0	3
	2020	3	1	0	0	0	4
Total	2018	2	0	0	0	0	2
	2019	2	1	0	0	0	3
	2020	3	1	0	0	0	4

Table No. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2020

STATE	FRANCHISE AGREEMENTS SIGNED BUT BUSINESS NOT OPENED	PROJECTED FRANCHISED NEW BUSINESSES IN THE NEXT FISCAL YEAR	PROJECTED COMPANY OWNED BUSINESSES OPENINGS IN NEXT FISCAL YEAR
Florida	0	3	0
Totals	0	3	0

We have no present or former franchisees as of December 31, 2020.

You should be aware that We are required by law to disclose Your contact information to other franchise purchasers if You become a franchisee or leave Our franchise system.

We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with Our System and no such association has asked to be included in this disclosure document. During the last three fiscal years, We have signed no settlement agreements containing confidentiality clauses with current or former franchisees.

ITEM 21. FINANCIAL STATEMENTS

Our audited financials dated December 31, 2021 are attached as **Exhibit F.** Our fiscal year end is December 31st. The franchisor has not been in business for three years or more and cannot include all the financial statements required by the Rule for its last three fiscal years.

ITEM 22. CONTRACTS

Copies of the following agreements are attached:

A. Preliminary Agreement
B. Franchise Agreement with Exhibits
C. Area Development Agreement
D. Confidentiality Agreement

ITEM 23. RECEIPTS

You will find copies of a detachable receipt in **Exhibit G** at the very end of this disclosure document.

It is important that you sign, date and return a Receipt to Us. As noted on the cover page, this Disclosure Document is available in electronic format, in which case You must print a copy of the Receipt and send a signed and dated copy to Us.

Exhibit
A

PRELIMINARY AGREEMENT

DATE: ______________, 202__

TO: ____________________ (“**You**” or “**Your”)**

FROM: PLATINUM FRANCHISING, LLC (**"Us”, “We” or “Our**")

1. Franchise Approval. (a) You have requested Us to grant one P-FIT THE PLATINUM STANDARD OF FITNESS™ franchise for a Center to be located within the area described below (“**Site Selection Area**”):

Area: ____

City: ___________________, State: _____ (the "**Center**")

(b) This Preliminary Agreement is binding upon both parties.

(c) We have approved Your franchise request and commit to You that We will issue a Franchise Agreement for the Center subject to fulfillment of and compliance with all of the terms and conditions specified within this Preliminary Agreement.

2. Franchise Disclosure Document. You hereby acknowledge receipt of Our current franchise disclosure document (dated ___________, 202_) at least fourteen (14) days prior to Your submission of this Preliminary Agreement.

3. Deposit; Refunds. You are delivering to Us upon execution of this Preliminary Agreement Your check in the amount of $10,000.00 as partial payment of the Initial Franchise Fee. You understand and agree that this amount is NOT REFUNDABLE in whole or in part under any circumstances.

4. Financial Terms of the Franchise. Your Franchise Agreement will contain the following financial terms:

Initial Franchise Fee	$40,000
Opening Assistance Fee	$2,000
Royalty Fee	6% Gross Revenues
Local Marketing	$3,000 to $5,000 per month
Brand Fund Fee	1.5% of Gross Revenues, once established

5. Conditions. You agree that issuance of a P-FIT THE PLATINUM STANDARD OF FITNESS franchise is subject to the satisfaction of each of the conditions set forth below:

(a) Your selection and acquisition of a site for the Center, Our written approval of the site, Your lease or other acquisition of the site, and construction of the Center pursuant to plans approved in advance by Us;

(b) Your receipt of all approvals permits and licenses from third parties necessary to construct and operate the Center at the approved site;

(c) Our Approval of any legal entity You intend to form for the business;

(d) Your payment of the balance of the Initial Franchise Fee and the Opening Assistance Training Fee, and execution by the parties of the then-current form of franchise agreement;

(e) Successful completion of P-FIT THE PLATINUM STANDARD OF FITNESS training by You or the Center's Designated Operator to Our sole satisfaction;

(f) Your satisfactory performance and cooperation pursuant to this Agreement; and

(g) Satisfaction of any other conditions of approval specified below:
____

6. Information Questionnaire. Our approval is materially based on the information You have submitted to Us, such as the Information Questionnaire, which is attached hereto and incorporated herein by reference. You hereby represent and warrant that all such information and other information furnished by You to Us is true, correct and accurate in all material respects and that there have been no material omissions in such information. You agree to notify Us in writing immediately of any material change in the financial or other information furnished by You to Us. You further agree that We may terminate this Preliminary Agreement and may refuse to issue the franchise provided for by this Preliminary Agreement in the event that any material adverse change occurs in Your financial, business or personal circumstances.

7. Confidential Information and Trade Secrets. You agree on behalf of Yourself and Your employees and other representatives to maintain strict confidentiality with regard to all confidential information and trade secrets which are disclosed to You in connection with the sale of a P-FIT THE PLATINUM STANDARD OF FITNESS franchise and in training You or Your employees to operate the Center. You further agree to sign and to have each of Your employees who will receive training to sign, a Confidentiality Agreement in the form attached to this Agreement and to deliver the same to Us before training commences.

8. Site Selection.

(a) You acknowledge and agree You have sole responsibility to select and acquire a site that meets Our criteria for site approval and to follow Our procedures in obtaining site approval for the Center. In the event that We assist in the site selection process, You agree and acknowledge that any such assistance or any recommendation, approval or advice is not an assurance or guarantee of success for the Center at the site.

(b) You agree to submit at least one proposed site for Our review within ninety (90) days.

(c) Following Our approval of a site, You agree to proceed diligently to take all actions necessary to acquire the site and construct the Center.

(d) Any lease or purchase agreement You sign for the approved site is subject to Our prior approval, and any lease must contain the provisions required by Your P-FIT THE PLATINUM STANDARD OF FITNESS Franchise Agreement, Sections 6 and Section 15.5.

9. Legal Entities; Personal Guaranty.

(a) If Your Franchise Agreement is to be signed by or assigned to a corporation or other legal entity, all record and beneficial owners of the legal entity must be approved by Us and must execute a personal guaranty of the Franchise Agreement. Any exceptions to this requirement must be in writing signed by Our LLC Manager.

(b) You agree to notify Us in writing of any intention to transfer the franchise to a legal entity at least thirty (30) days in advance of any such proposed transfer and to furnish Us with the necessary documents required by the Franchise Agreement and Our procedures.

10. Specific Understandings by You. You specifically acknowledge and agree as follows:

(a) Execution of this Agreement does not constitute the grant of a franchise, and You will be entitled to execute P-FIT THE PLATINUM STANDARD OF FITNESS Franchise Agreement hereunder only if and when all conditions of this Agreement have been met.

(b) Only Our Franchise Development Committee may agree to grant a franchise or make any other commitment with regard to a P-FIT THE PLATINUM STANDARD OF FITNESS franchise, and any such agreement or commitment must be in writing signed by one of Our corporate officers.

(c) We have authorized no one to make or agree to any oral modifications to the terms of a P-FIT THE PLATINUM STANDARD OF FITNESS franchise agreement or to make any projections or estimates about the future earnings, sales or profits of any P-FIT THE PLATINUM STANDARD OF FITNESS Center. Any such statements are acknowledged to be unreliable and have not been considered in connection with this Agreement or purchase of any P-FIT THE PLATINUM STANDARD OF FITNESS franchise.

IN WITNESS WHEREOF, the parties have executed this Preliminary Agreement on the date set forth above.

You: (if Individual(s))

By: ______________________________ By: ______________________________

Name: ____________________________ Name: ____________________________

You: (if Legal Entity)

Name of Entity: ____________________________

By: ____________________________________
Authorized Officer

Name: __________________________________

Us:

PLATINUM FRANCHISING, LLC.

By: ____________________________________
Aaron Nash, LLC Managing Member

CONFIDENTIALITY AGREEMENT

The undersigned Employee of_____________________ (“**Employer**”), which has applied for a P-FIT THE PLATINUM STANDARD OF FITNESS franchise from hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of a P-FIT THE PLATINUM STANDARD OF FITNESS Center; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives (“**Innovations**”) at any time during, and for a period of one year after employment in a P-FIT THE PLATINUM STANDARD OF FITNESS Center. All such Innovations will be deemed the sole and exclusive property and works made-for-hire for Platinum Franchising, LLC (the “**Franchisor**”). The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Employer, including without limitation P-FIT THE PLATINUM STANDARD OF FITNESS Confidential Manual.

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: _____________________, 202__

Print Name:______________________________

Signature: ______________________________

("**Employee**")

Exhibit
B

FRANCHISE AGREEMENT

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P-FIT THE PLATINUM STANDARD OF FITNESS
FRANCHISE AGREEMENT
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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT dated as of _____________ 202__ (“**Effective Date**”) is between Platinum Franchising, LLC, a Florida limited liability company ("**We**", "**Us**" or "**Our**"), and____ ("**You**" or “**Your**”), and if You are a legal entity, the Principals identified on the signature page of this Agreement (“**Principals**”). Words in bold face are done so for ease of reference only.

RECITALS:

A. We own the exclusive rights to offer and sell franchises for the operation of health and fitness Fitness Centers using the name and trademark P-FIT THE PLATINUM STANDARD OF FITNESS™ and other trademarks (the “**Marks**”) and following a system of operation (“**System**”) to operate a chain of these Fitness Centers (“**Fitness Centers**”) which was developed and used by Us and Our affiliated companies which operate Fitness Centers (collectively, the “**Company**”).

B. You desire to purchase a P-FIT THE PLATINUM STANDARD OF FITNESS franchise (the **“Franchise**”) and own and operate a Fitness Center, and We have approved You for a Franchise.

THEREFORE, in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

ARTICLE 1: GRANT OF FRANCHISE

1.1 Grant

Subject to the following terms and conditions, We grant to You a franchise to use the System and the Marks solely in direct connection with the offering and providing of fitness and weight control services at a P-FIT THE PLATINUM STANDARD OF FITNESS Center to be operated by You at the following location (referred to in this Agreement as **"Your Fitness Center"**):

Address: ____

FITNESS CENTER No.__________

1.2 Territorial Rights

(a) We agree that, unless Your Fitness Center is in a “high density area” (as defined below), We will not operate and will not authorize any other person to operate a P-FIT THE PLATINUM STANDARD OF FITNESS business within five (5) miles from the address of Your Fitness Center (“**Protected Area**”). If We determine that Your Fitness Center is located within a “high density area”, the above territorial rights will be stated on an attachment to this Agreement. Except for the foregoing, You and We agree that this franchise is non-exclusive and except for the address where Your Fitness Center is located, We reserve all other rights, including the right, directly or indirectly:

(i) To operate, and authorize others to operate, P-FIT THE PLATINUM STANDARD OF FITNESS business or other Fitness Centers operating under any name other than P-FIT THE PLATINUM STANDARD OF FITNESS, at any location and of any type or category whatsoever; and

(ii) To produce, license, distribute and market products using the Marks or other marks (such as nutritional/healthy products, weight control products, food snacks and beverages; books; clothing, souvenirs and novelty items) through any outlet anywhere using the name P-FIT THE PLATINUM STANDARD OF FITNESS or other Mark (which outlets may for example include retail stores, medical centers and health stores) and through any distribution channel, at wholesale or retail, including by means of the Internet, mail order catalogs, direct mail advertising and other distribution methods.

(b) A “**high density area**”, to be determined by Us in Our full discretion, is typically an area with a high degree of pedestrian traffic such as a downtown portion of an urban area with high-rise commerical buildings or a densely populated residential area with primarily multi-family or apartment units. If We determine that Your Fitness Center is located within a “high density area”, the Protected Area will be as stated on **Exhibit 1** to this Agreement.

1.3 Site Selection and Relocation

(a) You agree (i) that although We may have been involved in the site selection process for Your Fitness Center and approved its location, You have sole responsibility for selecting the above location for Your Fitness Center and (ii) that We make no warranty, representation or guaranty of any kind with respect to Your Fitness Center's location, success or profitability.

(b) You agree to obtain Our approval on the site within three (3) months of signing this Agreement or the Preliminary Agreement if such is required. We will grant additional thirty-day extensions so long as We are satisfied that You are proceeding in good faith and with due diligence. You must use Our approved form to request each thirty-day extension. We may terminate this Agreement with no refunds if You have not obtained an approved site within three months or as extended in writing.

(c) After approval of the site, You agree to to employ an architect, designer and other necessary persons to revise the plans as necessary for Your site. Except as may be expressly provided in the Manual, no changes of any kind in design, equipment or decor will be made in, on or about Your Fitness Center premises without prior written approval of in each instance. You must obtain Our prior approval of the final plans and specifications for Your Fitness Center before submitting them to any landlord, property owner, or governmental agency and/or before beginning the construction or remodel.

(d) You will not relocate Your Fitness Center without Our prior written consent. We will consent to a relocation to an alternative, pre-approved location under limited circumstances only, such as loss of the location due to condemnation, eminent domain destruction, loss of Your right of possession for reasons not caused by You, or a very substantial and detrimental change in the business potential and character of the location. If We consent to the relocation of Your Fitness Center, You must comply with such reasonable site selection and construction procedures as We may require. You will be solely responsible for the expense of any such relocation and will pay Us a reasonable fee for Our services in connection with such relocation. You will be fully responsible for closing the prior location and must comply with Section 15.3 below regarding de-identification.

1.4 Opening Date

You must open Your Fitness Center and commence business within nine (9) months following the Effective Date of this Agreement. You may not open Your Fitness Center without Our prior written consent and satisfaction of all pre-opening obligations stated in the Manual and the installation of all equipment, fixtures, furnishings and signs included in the plans and specifications approved by Us. Your failure to open the Fitness Center in full compliance with these provisions will be a material event of default under this Agreement, and We may prevent You from opening the Fitness Center.

ARTICLE 2: FEES

2.1 Fees

You agree to pay:

(a) A non-refundable "**Initial Franchise Fee"** of $40,000.00, as payment for services rendered prior to the opening of the Fitness Center and fully earned. You must pay the Intial Franchise Fee in full upon execution of this Agreement.

(b) A "**Royalty Fee**" as payment for the continuing right to use the System and Marks equal to six percent (6%) of Your Fitness Center's Gross Revenues. If You have three (3) or more franchised Fitness Centers open and operating, the Royalty Fee is reduced to five percent (5%).

(c) In the future when We determine that the System has grown to an appropriate size, a "**Brand Fund Fee**" designated by Us and to be applied as described in Section 7.3 below.

(d) An "**Opening Assistance Training Fee"** of $2,000.00 as set forth in Section 4.1(b) below. You must pay the Opneing Assistance Fee in full upon execution of this Agreement.

2.2 No Fees Refundable

You agree that these Fees are not refundable in whole or part under any circumstances and have been fully earned by Us by the grant of this franchise.

2.3 Payment of Fees

(a) You agree to pay Us the Royalty Fee on the first (1st) and fifteenth (15th) day of each month, or such other time as may be designated in the Manual, such as weekly transfers. You agree to pay Us the Brand Fund Fees, no later than the fifth (5th) day of each month or such other time as may be designated in the Manual. You must make payments in strict accordance with Our requirements, including EFT payments as described below. TIME IS OF THE ESSENCE regarding payment of such Fees.

(b) You agree to pay all such Fees to Us by direct transfer of funds ("**EFT**") or other method of payment designated by Us. Such method of payment will be determined by Us in Our sole discretion, and may be changed from time to time. We may designate a payment processor to deduct from any monies it collects on Your behalf, the amount of such Fees and pay such Fees directly to Us.

(c) You agree at Our request to furnish the information, execute forms, make arrangements and complete procedures as are reasonably necessary to establish direct EFT payments automatically from Your account(s) to the account(s) We may designate in order to pay directly such Fees within each payment period. Without limiting the foregoing, You specifically agree to obtain the necessary equipment used by the System to transmit sales and other polling information which will allow Us to cause such transfers to be made. You further agree to maintain sufficient funds in Your account(s) to allow timely honoring of each payment to Us by Your bank or other financial institution. You hereby specifically authorize Us to make such direct transfers of the Fees so long as such transfers are limited to amounts computed with reference to sales information furnished by You, or if You fail to furnish such information, with reference to good faith estimates by Us.

(d) Fees which are not paid when due will bear interest from and after their respective due dates at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less. Any late payment of such Fees will be accompanied by a late payment administrative charge of $275.00.

2.4 Gross Revenues

The term "**Gross Revenues**“ as used in this Agreement will mean the total of all cash or other form of payment received for the use of the Fitness Center and sales of services and products in or from Your Fitness Center, including clothing, food, drinks and other tangible property of every kind, or for entertainment charges, made or sold at, in, upon or from Your Fitness Center and from any vending, game or other type of machine or similar device located at Your Fitness Center; and any and all other amounts which are received as compensation for any services rendered from Your Fitness Center. All amounts collected and paid out for sales taxes, selling or issuing system gift or loyalty cards, and the proceeds from the sale of any furniture, fixtures or equipment previously used at Your Fitness Center are excluded from Gross Revenues.

ARTICLE 3: TERM; RENEWAL

3.1 Initial Term

Subject to earlier termination, this Agreement has an Initial Term of ten (10) years ("**Initial Term"**) or the length of Your lease for Your Fitness Center, whichever is less. The Initial Term will commence on the date on which You first operate Your Fitness Center as a P-FIT THE PLATINUM STANDARD OF FITNESS Fitness Center. You agree to send Us written notice of Your Fitness Center's opening date.

3.2 Renewal

You may renew this Agreement for two additional consecutive five (5) year terms, so long as all of the following conditions have been met before the end of the then current term:

(a) You must give Us written notice of Your intention to renew not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not be default in any material provision of this Agreement, Area Development Agreement, or any other agreement with Us at any time during the last twelve months of the prior term and must have complied with all material terms and conditions of this Agreement during the current Term;

(c) You must be in good standing as a P-FIT THE PLATINUM STANDARD OF FITNESS franchisee and be approved by Us operationally and financially;

(d) You must have paid all amounts owed to Us and our affiliated companies (“**Affiliates**”) ”), and Our approved suppliers (as defined in 4.8), and have timely paid all such amounts throughout the current term;

(e) We may send You a written notice of required changes to be made at Your Fitness Center, such as (i) additional training requirements, (ii) personnel changes and (iii) modernization of Your Fitness Center and its equipment, and/or redecorating Your Fitness Center and installing new signs and equipment to reflect the then current P-FIT THE PLATINUM STANDARD OF FITNESS standards and image, in which case You must make all of such changes;

(f) You must have obtained an extension or renewal of Your Lease for the Fitness Center to cover the renewal term and delivered to Us a fully executed of such Lease.

(g) You must execute and deliver to Us Our then-current form of Franchise Agreement to apply to the renewal term, but in no event shall the term be longer than Your right to occupy the Fitness Center, which Franchise Agreement will contain the then-current Royalty Fee rate and various marketing amounts required of new franchisees;

(h) You must pay Us a "**Renewal Fee**" equal to twenty-five percent (25%) of the amount of Our Initial Franchise Fee in effect at the time renewal begins; and

(i) You must execute Our form of a general release of any and all claims against Us, the Company and Our Affiliates, and Our and their officers, directors, agents and employees.

ARTICLE 4: OPERATING SYSTEM AND PROCEDURES

4.1 Operating Assistance

We will advise and assist You in operating Your Fitness Center, including periodic visits by Our representative(s), to the extent We deem necessary, or You request the same in writing. You agree to pay Us a Opening Assistance Training Fee for assisting with and training Your employees as part of the Fitness Centers's opening in the amount of $2,000.

4.2 Designated Operator

The individual named in this Section must be an experienced fitness professional, who will devote his or her full time, best efforts and constant personal attention to the day to day operation of Your Fitness Center, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Fitness Center: ________________________________(the "**Designated Operator**"), who must be at all times approved by Us and certified by Us as fully trained for operations. Certification and approval of the Designated Operator includes both satisfactory completion of our Fitness Center Manager and Designated Operator Training Program, and also working sufficient additional time in a Company-operated Fitness Center, as we deem necessary in our sole discretion, to successfully develop and operate a P-FIT

THE PLATINUM STANDARD OF FITNESS business. Any change in the identity of Your Designated Operator must be approved by Us in writing.

4.3 Operation of Your Fitness Center

Unless You have received Our prior written approval to the contrary, You will:

(a) Keep Your Fitness Center open for business during the hours We specify;

(b) Operate Your Fitness Center in a clean, safe and orderly manner, providing courteous, first-class service;

(c) Construct, equip, and operate Your Fitness Center in accordance with all P-FIT THE PLATINUM STANDARD OF FITNESS standards, policies, and procedures as may be established from time by Us, as stated in the Manual or other written communications from Us.

(d) Keep current in all monetary obligations owed Us, Our affiliated companies and Approved Suppliers;

(e) Comply with all health, safety and other laws applicable to the operation of Your Fitness Center, cure any deficiencies immediately after a governmental inspection and request another inspection as soon as possible thereafter;

(f) Prevent the use of Your Fitness Center for any immoral or illegal purpose, or for any other purpose, business activity, use or function which is not expressly authorized by this Agreement or in the Manual;

(g) Maintain a competent, conscientious, trained staff and take any and all steps necessary to ensure that Your employees preserve good customer relations and comply with any dress code as may be established from time by Us (subject to applicable laws), as stated in the Manual or other written communications from Us.

(h) You and your employees must promptly handle all customer complaints, in a manner that will not detract from our name and goodwill (including comments or criticisms relating to any website or soial media site You operate).

(i) Diligently promote and make every reasonable effort to increase the business of Your Fitness Center;

(j) Diligently participate in all promotional campaigns, special offers, and other programs, which are prescribed from time to time by Us.

(k) Advertise Your Fitness Center by the use of the Marks and any other insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or established from time to time by Us as stated in the Manual or other written communication from Us;

(l) Not establish, register or operate for Your Fitness Center or otherwise any websites, social media site, domain name, or other digital presence in any media or on any platformusing the Marks without Our prior written consent. Adhere to any social media policies that We establish from time to time and require all of Your employees to do so as well, subject to applicable law;

(m) Obtain and use only the equipment and technology required by the Manual, including but not limited to, a customer relationship management system ("**CRM System**"), and a computerized point of sale cash collection system ("**POS System**") which among other things will allow us to poll information about Your Fitness Center, credit card and/or debit card system, membership management systems, transaction processing and accounting platforms, computer equipment and related software and communications systems; and

(n) Never manipulate or tamper with the POS System or CRM System software without Our prior written approval;

4.4 Confidential Manual

(a) We will loan You for Your Fitness Center one copy of Our Confidential Manual (the "**Manual**"). You agree to comply strictly with and perform all things required by the Manual, such as those dealing with the selection, purchase and installation of approved equipment and performing services at the Fitness Center, adding new products and services, and maintenance and repair of Your Fitness Center's buildings, grounds, furnishings, fixtures and equipment, operating hours and days, employee uniforms and dress, accounting, bookkeeping, record retention and other business systems, procedures and operations.

(b) The Manual, as presently written and as We may in the future amend and supplement them from time to time, is incorporated into and made part of this Agreement by reference. All references to the Manual in this Agreement are to the Manual as most recently revised as of the relevant date and may be in the form of several manuals. The Manual may be in paper form or available in electronic form or a combination of both media.

(c) You agree that the purpose of the Manual is to provide a means of communicating to all Franchisees specific details of Our System which will enhance uniformity and conformity among all Fitness Centers. You specifically agree that the Manual is an integral, necessary and material element of the System and that it will be necessary for Us, in order to maintain the high quality of the System and maximize its competitive position, to revise and update the Manual from time to time. We have the right at any time and from time to time, in the good faith exercise of Our reasonable business judgment, to revise, delete from and add to the materials contained in the Manual. You expressly agree to comply promptly with all obligations and changes to the Manual.

4.5 Confidentiality; Our Property

(a) You agree that We own all rights in and to the System, including the information and materials described or contained in the Manual, and that the System and Manual contain trade secrets and themselves constitute Our trade secrets which have been or will be revealed to You in confidence. Confidential Information also includes, without limitation, all customer and membership lists and information for Your Fitness Center and for all P-FIT THE PLATINUM STANDARD OF FITNESS Centers generally. You agree not to disclose, duplicate, license, sell or reveal any portion thereof to any other person, except an employee of Yours required by his or her work to be familiar with such information. You agree to promptly disclose to Us all innovations whether or not protectable and whether created by or for You or Your owners or employees. All such innovations will be deemed our sole and exclusive property and works made-for-hire for Us. We have the right to incorporate such innovations into the System. You agree to keep and respect all confidential information received from Us, to obtain from each of Your Fitness Center's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached hereto as **Exhibit 3.**

(b) The Manual and all other confidential materials furnished to You are on loan only, will remain Our property, and You will return all copies of such documents to Us immediately upon the expiration or termination of this Agreement. The Manual may be in hard copy or electronic form and may include more than one volume.

4.6 Uniformity and Conformity

In all regards, You agree that strict conformity by You with this Agreement, the System and the Manual, is vitally important to the collective success of all P-FIT THE PLATINUM STANDARD OF FITNESS businesses, including Your Fitness Center, because of the benefits You and other P-FIT THE PLATINUM STANDARD OF FITNESS operators will derive from uniformity in identity, quality, appearance, facilities and service among all P-FIT THE PLATINUM STANDARD OF FITNESS businesses. Any material failure to adhere to the requirements contained in this Agreement or in the Manual will be considered a material breach of this Agreement.

4.7 Products and Services

You agree to offer for sale from Your Fitness Center, at all times when Your Fitness Center is open for business, all of the services and products expressly described in the Manual, unless You have received Our prior written consent to any exception. No other service, product or brand other than those identified in the Manual will be offered or sold at or from Your Fitness Center without Our prior written consent in each case. You agree to submit to Us in writing any additional product, brand or service proposed by You for Us for Our consideration and final determination before You implement any such change. We may approve it initially for testing only. You understand and agree that at Our discretion any such proposal may be utilized on a test basis only, subject to the terms of a written test agreement. All proposals approved by Us will become Our property upon submission.

4.8 Approved Suppliers: Proprietary Products/Ingredients

(a) In order to assure uniformity and conformity among Fitness Centers in the System, You agree to purchase all equipment, supplies, and products for sale at Your Fitness Center only from suppliers who are at that time approved in writing by Us as an approved supplier ("**Approved Supplier**"), which may include one of our Affiliates.

(b) If You want to purchase any items from a supplier who is not an Approved Supplier, You will notify Us of such supplier, pay an approval fee and instruct the proposed supplier to contact Us and follow Our procedures for becoming an Approved Supplier. We may charge a reasonable fee for the fees and costs involved in these approval procedures. You understand and agree that at Our discretion any such proposals may be utilized on a test basis only subject to the terms of a written test agreement. You may not sell or offer for sale any products or services of the proposed supplier until Our written approved of the proposed supplier is received. You agree to buy to the extent required by the Manual any designated proprietary products, ingredients or equipment from Us or a designated supplier (which may be an Affiliate).

4.9 Your Covenants

(a) You agree that P-FIT THE PLATINUM STANDARD OF FITNESS businesses, including Your Fitness Center, must compete against similar businesses (as defined below) which may have far greater financial resources and may be better established in the fitness, health and weight control industries. For purposes hereof, a "**Similar Business**" is any fitness center or similar business offering the same or similar health and fitness and/or weight control services as a typical P-FIT THE PLATINUM STANDARD OF FITNESS business.

(b) Therefore, You agree on behalf of Yourself and each and every person with an ownership interest in Your Fitness Center ("**Owner**") to take all necessary action to assure compliance throughout the term of this Agreement with the requirements of this Section 4.9 and the other Sections in this ARTICLE 4, including obtaining and delivering to Us a written agreement from each such person that he or she agrees to each of the covenants set forth in this Section 4.9.

(c) Neither You nor any Owner will, directly or indirectly, engage in or have any interest whatsoever in any Similar Business without Our prior express written consent.

(d) Neither You nor any Owner will perform any services for or become a landlord of any Similar Business without Our prior express written consent.

(e) Neither You nor any Owner will divert or attempt to divert any business or customer of Your Fitness Center, or of any other P-FIT THE PLATINUM STANDARD OF FITNESS business, to any Similar Business by direct or indirect inducement, advertising or otherwise do or perform, directly or indirectly, any other act which is injurious or prejudicial to the goodwill associated with the System or the value of the Marks.

(f) For a period of two (2) years following the expiration or termination of this Agreement, neither You nor any Owner will, directly or indirectly, engage in or have any interest whatsoever in any Similar Business which is located within ten (10) miles of any P-FIT THE PLATINUM STANDARD OF FITNESS business without Our prior express written consent.

(g) You agree that any violation of this Section 4.9 would result in irreparable injury to Us and the System, and that We would be without an adequate remedy at law. You agree that in the event of a breach or threatened breach of any such covenant, We will not be required to prove actual or threatened damage from such breach in order to obtain a temporary and/or permanent injunction and a decree for specific performance of the terms of this Section 4.9. In addition to injunctive relief, We shall be entitled to any other remedies which We may have under this Agreement, at law or in equity.

(h) The parties agree that each of these covenants will be construed as independent of each other and of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 4.9 is held unenforceable by a court having valid jurisdiction in a final decision between the parties hereto and from which no appeal has or may be taken, You expressly agree to be bound by the remaining portion of such covenant.

4.10 Employees

(a) You will not hire or make arrangements to hire any person employed by Us, the Company, by any Affiliate of Ours or by another P-FIT THE PLATINUM STANDARD OF FITNESS franchisee without first obtaining Our or such other franchisee's written consent. The parties agree that in the event of Your breach of this covenant, actual damages would be extremely difficult to compute, and accordingly, in the event of such a breach, You agree to pay the prior employer of such person liquidated damages equal to the greater of such person's prior annual salary or one-half of the annual salary and of any bonus paid or to be paid by You to such person during the first year of employment. We may waive this provision in Our discretion.

(b) You and You alone will be solely responsible for all hiring and employment decisions and functions relating to Your Fitness Center, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether you have received advice from Us on these subjects or not. Any guidance We may give You regarding employment policies should be considered merely examples. You will be responsible for establishing and implementing your own employment policies, and should do so in consultation with local legal counsel experienced in employment law.

4.11 Software

You agree to use in Your Fitness Center the software designated by Us in the Manual for Franchisees to use in making estimates, preparing invoices, keeping accounting records and other aspects of the operations of the Business, including without limitation a CRM system, or other System specified in the Manual. The software will be available to You on the same terms available to other Franchisees and as specified in the Manual.

4.12 Online Management and Communication System

We may establish an online management and communication system for P-FIT THE PLATINUM STANDARD OF FITNESS Operations and You agree to participate and perform all things necessary to set up and connect to the online communication system and comply strictly with its requirements.

4.13 Data Security

You acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. You agree that Your Fitness Center will comply at all times, with all applicable security standards developed by the Payment Card Industry Data Security Standards ("**PCI DSS**") council, or its successor, and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including but not limited to the Fair and Accurate Credit Transaction Act ("**FACTA**") and all other successor or additional laws, and all other data security requirements We prescribe.

4.14 Ownership of Information

All of the information We or Our Affiliates obtain from You or about Your Fitness Center, and all information in Your records or Ours concerning the members of Your Fitness Center, and all revenues We derive from the Information will be Our property. You hereby authorize Your payment processor to release the information to Us at any time.

We may use the Information for any reason as We deem necessary or appropriate in Our discretion. You may during the term of this Agreement use in the operation of Your Fitness Center, to the extent lawful and at Your sole risk and responsibility, any information that You acquire from third parties in operating Your Fitness Center, such as customer data. Following termination or expiration of this Agreement, You will no longer use any of the Information, except to comply with Your post-term obligations under this Agreement, and You authorize Your payment processor to release the Information exclusively to Us and/or Our designees.

ARTICLE 5: TRAINING

5.1 Initial Training

We will provide without charge Our P-FIT THE PLATINUM STANDARD OF FITNESS Initial Training Program for Your Designated Operator (as identified in this Agreement), and Your General Manager. Training will be held at a time and place We designate.

5.2 Training Required

Your Designated Operator and General Manager (if a different person) must each attend and complete Our Initial Training Program to Our reasonable satisfaction. All of the Managers of Your Fitness Center must either attend and successfully complete Our training or become certified as required by the Manual. You must always have a properly certified manager on duty at Your Fitness Center whenever it is open to the public. In Our sole discretion, We may also provide training for successor and replacement personnel.

5.3 Training Employees

You will be responsible for full compliance at Your Fitness Center with the requirements taught at Our Initial Training and will cause Your Fitness Center's employees to be trained in those requirements which are relevant to the performance of their respective duties. We may require Your employees to be trained and certified in the performance of their duties, and with Our consent You may have employees approved as certified trainers for the other employees.

5.4 Pre-Opening Events

Prior to opening Your Fitness Center Premises for business, You agree at your own expense to conduct mock service and pre-opening operations following the requirements of the Manual ("**Pre-Opening Events**").

5.5 Continuing Training

You and such employees as We may designate will, from time to time, personally attend and complete refresher courses in Fitness Center operations and any training sessions held for the purpose of introducing new services, products or procedures.

5.6 Fees; Expenses

We reserve the right to charge a reasonable fee for training successor or replacement personnel and for any additional training programs and for course materials, at Our discretion.

ARTICLE 6: MAINTENANCE; MODERNIZATION; LEASE PROVISIONS

6.1 Repairs and Maintenance

(a) You agree to maintain Your Fitness Center and its parking area in a "like new" condition and in conformity with the requirements set forth in the Manual or other writings issued by Us. You agree to replace Fitness Center equipment as necessary or desirable and to obtain any new or additional equipment as may be reasonably required by Us for new products or procedures. You agree to take all such action as requested by Us promptly within a reasonable time period after receipt of such written request. If You have failed to take any action within fifteen (15) days after Our notice, We may, in addition to all other remedies, enter Your Fitness Center and effect the corrective action contained in the notice, and You shall immediately pay the costs incurred by Us in taking such action.

(b) Except as may be expressly provided in the Manual, no changes of any kind in design, signs, equipment or decor will be made in, on or about Your Fitness Center premises without prior written approval of in each instance. You will obtain, repair, maintain and replace all equipment, signs and other Fitness Center items at Your sole cost.

6.2 Modernization

In order to compete effectively and to assure the continued success of Your Fitness Center, You agree, from time to time, as reasonably required by Us in writing (taking into consideration the cost and then remaining term of this Agreement), to modernize Your Fitness Center premises, parking area, and equipment to Our then current standards and specifications. You understand and agree that this obligation is in addition to other obligations under this Agreement, such as repair, maintenance and purchase of new equipment. No such modernization will be required by Us unless and until the Company has at that time implemented such standards and specifications in at least twenty-five percent (25%) of its Fitness Centers located in the continental United States.

6.3 Lease Provisions

(a) If You are or become a lessee of Your Fitness Center premises, You must provide Us a copy of the proposed lease for Our review and comment at least 10 days prior to its being finalized and executed. After execution, You must furnish Us with a true, correct and complete copy of the lease.

(b) Such lease must contain the option required by Section 15.5 below, and a provision which precludes any health and fitness or weight control Fitness Center selling predominantly services and products similar to P-FIT THE PLATINUM STANDARD OF FITNESS businesses from operating in the same business Fitness Center, or five (5) miles from Your Fitness Center for any property under landlord control. The lease must also include the alteration and de-identification rights required by this Agreement, where the premises will no longer be operated as a P-FIT THE PLATINUM STANDARD OF

FITNESS Fitness Center. These lease provisions may be subject to the reasonable consent of the lessor.

(c) Such lease will also (a) require the lessor to give Us reasonable notice of any lease termination and a reasonable time in which to take and make the above actions and alterations and (b) provides that You have the unrestricted right to assign such lease to Us.

ARTICLE 7: MARKETING AND ADVERTISING

7.1 Marketing, Promotion and Advertising Programs

The parties recognize the value of marketing, advertising and promotions to enhance the goodwill and public image of the System. We agree that We will develop marketing, promotion and advertising programs designated to promote and enhance the collective success of all P-FIT THE PLATINUM STANDARD OF FITNESS businesses. It is expressly agreed that in all respects of such marketing, promotion and advertising (such as type, quantity, timing, placement and choice of media, market areas and advertising agencies), Our decisions made in good faith will be final and binding. Your participation in all such advertising and revenue promotion programs must be in full and complete accordance with any terms and conditions as We may have established.

7.2 Local Marketing

(a) Unless and until in the future, We require You to pay or spend a designated percentage of Gross Revenues (up to 2%) for marketing in Your Fitness Center's trade area ("**Local Marketing**"), You agree to spend monthly the amount (not to exceed $5,000) that We designate from time to time.

(b) You agree that Your Local Marketing starts upon execution of the lease for Your Fitness Center and will include grand opening promotions. We will assist You in planning Your grand opening and Local Marketing campaigns.

(c) You agree that Our Local Marketing requirements, as presently written in the Manual and other writings, may in the future be amended and supplemented them from time to time, and incorporated into and made part of this Agreement by reference.

(d) You agree that We may in Our sole discretion designate Ourselves, an Affiliate, or select a third party vendor to manage local marketing for franchised Fitness Centers.

(e) You will not make any contributions or donations of items, services or money to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any such organization) in the name of Your Fitness Center or otherwise associate with the Marks, without our prior express written consent.

(f) You will not establish Your own “eclub” marketing campaigns, Gift Card programs, Loyal Customer programs, any website, social media accounts, or other such programs as designated in the Manual without Our prior written approval. You agree to diligently participate in all promotional campaigns, customer loyalty programs, special offers, and other programs, which are prescribed from time to time by Us.

(g) You will not issue any press release without Our prior express written approval.

7.3 Brand Funds

(a) In order to maximize the general public recognition and acceptance of P-FIT THE PLATINUM STANDARD OF FITNESS businesses, We may, when We believe it is appropriate to do so, establish a P-FIT THE PLATINUM STANDARD OF FITNESS Brand Fund and require You as a Franchisee to contribute to such Brand Fund. You agree that We may require that You contribute up to one and one half percent (1.5%) of Your Fitness Center’s Gross Revenues to this Fund.

(b) We will use monies from the Brand Fund to pay for the production and development costs of materials to be used in marketing all Fitness Centers and for advertising, marketing and promotion of Fitness Centers generally, including without limitation, costs and expenses related to the employment of advertising agencies, payment of talent and residuals, research and development, design and development of trademarks and logos, promotions, public relations market research, reimbursement to Us, Our Affiliates or the Company of general and administrative expenses, and allowances directly related to marketing of Fitness Centers and clearance of marketing, advertising and promotional programs.

(c) The Company will also contribute to the Brand Fund the same percentages of Gross Revenues from its operation of Fitness Centers in the continental United States.

(d) We will deposit the Brand Fund contributions into one or more separate accounts, which will not be considered one of Our assets.

(e) We agree to cause an annual accounting of the Brand Fund and to make the results of such accounting available to You upon request. If such accounting is made by an independent accounting firm, the expenses thereof shall be paid from the Brand Fund.

(f) We and Our Affiliates reserve the right to receive advertising promotional allowances and/or advertising rebates from suppliers or distributors which relate directly to purchases by P-FIT THE PLATINUM STANDARD OF FITNESS Fitness Centers operated by franchisees. We will use such monies to benefit the System, with the understanding that You and We may retain all such payments paid directly to You or Us, respectively.

(g) You agree that We have no obligation in administering the Brand Fund to make expenditures for You or others which are equivalent or proportionate to the contribution(s) made or to ensure that any particular franchisee benefits directly or pro rata from any marketing program or advertising.

(h) You agree that We may reimburse Ourselves from the Brand Fund for (i) the direct costs and expenses incurred by Us or our Affiliates in administering the Brand Fund and (ii) up to fifteen (15%) of Brand Fund contributions for each of Our fiscal years to cover (A) Our administrative costs and overhead incurred by Us in connection with activities related to the administration of the Brand Fund and its programs and (B) a pro rata portion of the compensation paid by Us or Our Affiliates to persons for their work on Brand Fund related matters.

7.4 Brand Fund Policies

(a) We will develop and modify from time to time as necessary a Brand Fund Policy which will include procedures and guidelines for disbursements and expenditures from the Brand Fund.

(b) All monies in the Brand Fund, including any interest or other income earned from the investment of such monies, must be spent and disbursed only in accordance with this Agreement and the Brand Fund Policy, which may be modified from time to time at Our discretion so long as all monies are used to pay for marketing, promotion and advertising programs for P-FIT THE PLATINUM STANDARD OF FITNESS businesses in the United States of America.

7.5 Temporary Investment

We may temporarily invest any or all of the monies held in the Brand Fund from time to time at Our sole discretion in accordance with the Brand Fund Policy. We will use any interest or other income received from such investments to pay for the expenses of administering the Brand Fund pursuant to the Brand Fund Policy. Interest or income received from temporary investments that exceed the reasonable expenses of administering the fund will be considered part of the Brand Fund.

7.6 Ad Co-ops

(a) We may at Our discretion designate any geographical area as a basis for an Ad Co-op for the purpose of marketing, advertising and promoting P-FIT THE PLATINUM STANDARD OF FITNESS businesses in that area, including Company Fitness Centers. The Ad Co-op will also serve as means of exchanging ideas, sharing information and problem solving.

(b) You agree to become a member of an Ad Co-op at any time the Fitness Center is located within the designated area for such Ad Co-op.

(c) You agree to execute and deliver any such Ad Co-op agreements or undertakings required by such Ad Co-op, to make contributions as required of its members, and to maintain Your status as a member in good standing of such Ad Co-op at all times.

(d) We may establish and revise the requirements for approval of Ad Co-ops, the amount of contribution by members to each such Ad Co-op, and exemptions from membership or temporary suspensions of contributions.

(e) Your mandatory contribution to an Ad Co-op will be applied to Your Local Marketing obligation. The mandatory contribution to an Ad Co-op may exceed Your Local Marketing requirement if the Ad Co-op members agree to additional funding in accordance with established Bylaws.

7.7 Approval of Advertising

(a) You must use only advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and the promotion policies.

(b) If You wish to use other or modified materials, You must submit to Us, in each instance and at least thirty (30) days prior to first use, the proposed advertising copy and materials for approval in advance of publication. You may use only advertising materials which have been approved in writing by Us.

(c) In no event will Your advertising contain any statement or material which may be considered (i) in bad taste or offensive to the public or to any group of persons (ii) defamatory of any person or an attack on any competitor, (iii) will not be misleading and (iv) will conform to the highest standards of ethical marketing and the promotion policies that We prescribe from time to time.

7.8 Websites and Internet Advertising

You shall not, indirectly or directly, register, establish or operate any website, Internet directory listing, domain name, social networking site, or other digital presence in any media or platform as defined in the Manual, relating in any way to Your Fitness Center, or which uses the Marks without Our prior written consent. Except email communications, You may not conduct any aspect of Your Fitness Center business through the Internet without Our prior consent. You will adhere to any social media policies that We establish from time to time and will require all of Your employees to do so as well. We will include information about Your Fitness Center on Our website and follow our System procedures on referring potential customers to You.

7.9 Promotional Programs

You shall participate in all promotional programs We develop for the System. You will be responsible for the costs of such participation. You shall purchase or lease, and install, all required fixtures, furniture, furnishings, signs and equipment (including required computer, point-of-sale, and other electronic information system and all equipment components and software necessary to accept and process gift cards [and loyalty cards] and participate in our gift card, [customer loyalty,] and similar programs) for Your Fitness Center.

7.10 Social Media

We have sole discretion and control over any profiles using or relating to the Marks, or that display the Marks, that are maintained on social media outlets, including without limitation Facebook, Twitter, Instagram, Pinterest or other similar outlets that may exist in the future. We may use part of the Brand Fund monies We collect under this Agreement to pay or reimburse the costs associated with the development, maintenance and update of such profiles. We may (but need not) establish a social media policy and guidelines pursuant to which You may establish profiles or otherwise establish a presence on such social media outlets. In that event, You shall comply with the standards, protocols and restrictions that We impose from time to time on such use.

ARTICLE 8: ACCOUNTING AND RECORD KEEPING

8.1 Point of Sales System/Accounting System

(a) Before the opening of Your Fitness Center and at Your own expense, You agree to procure and install the computer hardware, software, Internet connections and service, required dedicated telephone and other computer-related accessories, peripherals and equipment that are required in the Manual (the **"Point of Sales System"**). You must record all transactions on a computer-base system that is fully compatible with Our computer system, or the computer system of Our designated POS supplier and/or other third-party vendors.

(b) You agree to accurately, consistently and completely record and provide through the Point of Sales System or other systems designated by Us, all information concerning the operation of Your Fitness Center that We require, in the form and at the intervals that We require, as set forth in the Manual.

(c) You acknowledge and agree that We will have full and complete independent access to Your Point of Sale System and any CRM System, and We may retrieve from these systems all information that We consider necessary, desirable or appropriate, as set forth in the Manual.

8.2 Accounting Information

You understand and agree that We may under Section 8.1 require You to use software which will generate accounting information which will be accessible to Us electronically. You also agree that We may require You, following written notice or as part of the Manual, to send to Us in the form and within the time schedules set forth in the Manual, hard copy or other form of reports and information. These may include Profit and Loss Statements, Balance Sheets and Statements of Cash Flow, sales tax returns, and income tax returns.

8.3 Accounting Records

You must record all sales on the POS System or other system We designate. You agree to maintain and preserve for a minimum of seven (7) years from the date of preparation full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by the Manual.

ARTICLE 9: AUDITS AND INSPECTIONS

9.1 Audit Rights

You agree that We will at all times have the following audit rights:

(a) Our representatives may on a reasonable basis review, inspect and copy any and all accounting records, tax records and other such documents, as they determine, in their sole discretion as being necessary to audit Your compliance with this Agreement.

(b) If any inspection or audit reveals that the Gross Revenues reported in any report or statement are less than the actual Gross Revenues calculated during such inspection, and/or fees owing are otherwise miscalculated, then You will immediately pay Us the additional amount of fees owing by reason of the understatement of Gross Revenues previously reported and/or other miscalculation, together with interest as provided in Section 2.3.

(c) In the event that any report or statement by You understated Gross Revenues and/or fees owing by more than two percent (2%) as calculated during Our inspection, You will, in addition to paying for the additional fees and interest, pay and reimburse Us for any and all expenses incurred in connection with its inspection, including, but not limited to, reasonable accounting and legal fees. Such payments will be without prejudice to any other rights or remedies We may have under this Agreement or otherwise. In addition, We may at Our sole discretion require a complete and full audit in accordance with generally accepted accounting principals and by a certified public accountant acceptable to Us, at Your expense.

9.2 Survey, Inspections, and Corrections

(a) You agree to participate in surveys regarding guest satisfaction, Fitness Center inspections, and other on-site or remote reviews of Your operations. In addition, You will cause the reports of all such inspections or surveys be sent to Us.

(b) We will make periodic calls or visits to Your Fitness Center as We deem advisable. You agree that Our representatives will have the right at any time, and from time to time, without notice to enter Your Fitness Center for the purpose of inspecting its condition and its operations for compliance with Our requirements contained in this Agreement and in the Manual, and for any other reasonable purpose connected with the operation of Your Fitness Center.

(c) You agree to incorporate into Your Fitness Center any reasonable corrections and modifications We require to maintain Our standards of quality and uniformity, as quickly as is reasonably possible and using all resources at Your disposal.

9.3 Books and Records

Without limiting the generality of Section 9.2, Our representatives will have the right at all times during normal business hours to confer with Your Fitness Center's employees and customers, and to inspect Your books, records and tax returns, or such portions thereof as pertain to the operation of Your Fitness Center. All of Your books, records and tax returns will be kept and maintained at Your Fitness Center, at Your primary office or such other place as may be agreed to from time to time in writing by the parties.

9.4 Ownership Records

If You are not an individual or sole proprietorship, You must maintain an accurate ownership register or other list of names, addresses and interests of all Your record and beneficial owners. Upon ten days written notice from Us, You will deliver to Us a copy of such register and/or list of owners, certified by Your chief executive officer to be correct. During any audit or other inspection under this Section 9, You will allow Our representatives to inspect and copy such register and/or list.

ARTICLE 10: RELATIONSHIP OF PARTIES AND INDEMNIFICATION

10.1 Relationship

You are not, and will not represent or hold Yourself out as being an agent, legal representative, joint venture, partner, employee or servant of Us for any purpose whatsoever and, where permitted by law to do so, will file a business certificate to such effect with the proper recording authorities. You are an independent contractor and are not authorized to make any statement or commitment on behalf of Us, or to create any obligation, express or implied, on behalf of Us. You agree that We are not in any way a "fiduciary" in regards to You. You will not use the name R PLATINUM FITNESS, P-FIT THE PLATINUM STANDARD OF FITNESS or any similar words as part of the name of a corporation or other business entity directly or indirectly associated with You.

10.2 Indemnification

(a) You will indemnify Us, Our Affiliates and their officers, directors, employees, agents, affiliates, successors and assigns from and against (i) any and all claims based upon, arising out of, or in any way related to the operation or condition of any part of Your Fitness Center or Fitness Center premises, the conduct of Your Fitness Center's business, the ownership or possession of real or personal property, any negligent act, misfeasance or nonfeasance by You or any of Your agents, contractors, servants, employees or licensees, (ii) Your failure to perform any of Your obligations under this Agreement, and (iii) any and all fees (including reasonable attorneys' fees), costs and other expenses incurred by Us or on Our behalf in the investigation of or defense against any and all such claims.

(b) We will indemnify You and Your Owners and Your and their employees, agents, affiliates, successors and assigns from and against (i) any and all claims based upon, arising out of, or in any way related to the Marks, the System and the operation of Your Fitness Center so long as You were properly operating the Fitness Center according to the System and the Manual, or related to Our obligations incurred pursuant to any provisions of this Agreement, (ii) Our failure to perform any of Our obligations under this Agreement, and (iii) any and all fees (including reasonable attorneys' fees), costs and other expenses incurred by or on Your behalf in the investigation of or defense against any and all such claims.

ARTICLE 11: INSURANCE

11.1 Insurance

You will obtain before beginning construction or remodeling of Your Fitness Center and will maintain in full force and effect during the entire term of this Agreement, at Your sole cost and expense, an insurance policy or policies protecting You and Us against any and all loss, liability or occurrence, arising out of or in connection with the construction, condition, operation, use or occupancy of Your Fitness Center or Your Fitness Center premises. We will be named as an additional insured in all such policies, workers' compensation excepted.

11.2 Policies

In all events, the insurance policy or policies will include at least the following:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.

(b) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(c) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(d) Umbrella liability insurance policy providing a minimum of $5,000,000 coverage including the above limits.
(e) Course of construction insurance at replacement cost.
(f) Workers' compensation insurance as required by applicable state law.
(g) Business interruption insurance (reasonable coverage and time limit).

Your obligation to maintain this insurance will not be limited in any way by reason of any insurance maintained by Us.

11.3 Qualified Insurance Carrier

All insurance policies required by this Agreement must be written by a responsible insurance company or companies satisfactory to Us, and in accordance with the minimum limits set forth in Section 11.2 above, which may be changed from time to time by Us at Our discretion to reflect changed conditions. Each insurance company must be rated no less than A VII by A.M. Best and Company. You must maintain such additional insurance coverage and increased limits that We may reasonably consider advisable for an Fitness Center business in the area where Your Fitness Center is located.

11.4 Certificates

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, You will deliver to Us for Our approval certificates of insurance showing compliance with the requirements of Section 11.1. Such certificates must state that the policy or policies will not be canceled or altered without at least thirty (30) days' prior written notice to Us. Maintenance of such insurance and the performance by You of Your obligations under this Section 11 will not relieve You under the indemnity provisions of this Agreement or limit such liability.

11.5 Failure to Insure

If You, for any reason, fail to obtain and maintain the insurance coverage required by this Section, We will have the right and authority to obtain immediately such insurance coverage, and to charge the cost thereof plus a ten percent (10%) processing fee to You, which charges will be paid immediately upon notice and will be subject to charges for late payments in the manner set forth in Section 2.3 above.

ARTICLE 12: DEBTS AND TAXES

12.1 Debts and Taxes

You will pay promptly when due all debts and other obligations incurred directly or indirectly in connection with Your Fitness Center and its operation; including, without limitation, all taxes and assessments that may be assessed against Your Fitness Center land, building and other improvements, equipment, fixtures, signs, furnishings and other property, and all liens and encumbrances of every kind and character incurred by or on behalf of You in conducting Your Fitness Center business. You may protest or contest any of such amounts so long as such protest or contest does not adversely affect the continued business of Your Fitness Center or possession of Your Fitness Center premises.

ARTICLE 13: PRINCIPALS, SALE AND ASSIGNMENT, RESTRICTIONS

13.1 Definition of Principals; Personal Guarantees

For purposes of this ARTICLE 13, the term "**Principals"** will include the persons signing this Agreement as Principals, any of Your future owners, owner's spouses and any trust for the benefit of any such Principal. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement. We have unrestricted right to approve all owners and any future owners. A copy of the Personal Guarantee is attached hereto as **Exhibit 2.**

13.2 Authorized Agent

You and the Principals appoint the following person with full authority (the **"Authorized Agent")** to act on behalf of You and the Principals in regard to performing, administering or amending this Agreement: ______________________________. We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You and the Principals of the appointment of a successor to the Authorized Agent.

13.3 Personal Contract; Consent Mandatory

You agree that a material part of the consideration for Our entering into this Agreement is the personal confidence We have in You and the Principals. No person will succeed to any of Your rights under this Agreement by virtue of any voluntary or involuntary proceeding in bankruptcy, receivership, attachment, execution, assignment for the benefit of creditors, other legal process or transfer not expressly authorized and consented to by Us. Except as expressly provided for in this Agreement, any attempt by You to transfer any of Your rights or interest under this Agreement will constitute a material breach of this Agreement, and in such event We will have the right to terminate this

Agreement upon written notice to You. We will not be bound by any attempted transfer in any manner whatsoever, by law or otherwise, of any of Your rights or interests under this Agreement except as permitted by this ARTICLE 13.

13.4 Form of Legal Entity

(a) If You have been organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**") or if Your interests in this Agreement are to be transferred to a Legal Entity, such Legal Entity must be expressly approved in advance and in writing by Us. We will not charge a transfer fee for forming such a Legal Entity or transfering ownership to such Legal Entity.

(b) You must comply with this Section 13.4 and any other condition which We may require, including a limitation on the number of owners of the Legal Entity and to require a Personal Guaranty. We have unrestricted right to approve all equity owners and any future owners. The organization documents must be promptly submitted for Our review.

(c) Unless We provide Our prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of operating P-FIT THE PLATINUM STANDARD OF FITNESS businesses.

(ii) The Principals will own and control not less than fifty and one-tenth percent (50.1%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.

(iii) There will not be more than ten (10) owners of the Legal Entity in addition to the Principals.

(d) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after its receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with P-FIT THE PLATINUM STANDARD OF FITNESS businesses or having a known history, reputation or character which is adverse to the interests of P-FIT THE PLATINUM STANDARD OF FITNESS businesses. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 13.4, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate family shall not require Our prior written approval so long as the other requirements of this Section 13.4 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold Our approval of any transfer so long as the Principals maintain operational control over You.

(f) The organizational documents of the Legal Entity, including Articles, Bylaws, Operating Agreements, Partnership Agreements must contain the restrictions set forth in this Section 13.4. You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"The transfer of ownership in this company is subject to the terms and conditions of a P-FIT THE PLATINUM STANDARD OF FITNESS Franchise Agreement. Reference is made to such Franchise Agreement and to the restrictive provisions contained in the organization documents of this company."

13.5 Written Consent

(a) Except as otherwise expressly set forth in this ARTICLE 13, neither Your rights and interests under this Agreement nor any ownership interests in You (if You are a Legal Entity) may be sold, assigned, encumbered or otherwise transferred (all of which are hereinafter included within the term "**transfer**") in whole or in part in any manner whatsoever without Our prior express written consent.

(b) We will not unreasonably withhold Our consent to a transfer. In considering a request for transfer, We will consider, among other things, the qualifications, apparent ability and credit standing of the proposed transferee as if he or she were a prospective direct purchaser of a franchise from Us. In addition, but without limitation, We will require as conditions to the granting of Our consent all of the following:

(i) There must be no existing default in the performance or observance of any of Your obligations under this Agreement or any other agreement with Us, and Your Fitness Center will be in condition and appearance satisfactory to Us and in accordance with Our System standards at that time;
(ii) You must settle all outstanding accounts with Us and our Affiliate(s);
(iii) You must pay Us a Transfer Fee, to compensate Us for Our expenses incurred in connection with investigating the qualifications of the proposed transferee, training the proposed transferee and the direct administrative costs of effectuating the transfer. The amount of the Transfer Fee will be twenty-five 25% of our then current Initial Franchise Fee;

(iv) The proposed transferee must appoint a Designated Operator acceptable to Us; Designated Operator and the proposed transferee (at its option, if different) must, prior to the transfer, personally attend and satisfactorily complete Our initial training program;

(v) The owners of the proposed transferee (with 10% or more of the outstanding voting interests) who have not attend Our initial training program, must attend and complete initital training to Our reasonable satisfaction;

(vi) The proposed transferee or other person(s) designated by Us must execute Our then current form of Franchise Agreement for the remaining term of this franchise.

(vii) The transfer documents must contain a non-competition agreement by You similar to that set forth in this Agreement at subsection 4.9(f);

(viii) If You or Your Principals finance any part of the sale price of the transferred interest, You and Your Principals must agree that all of the proposed transferee's obligations are subordinate to the transferee's obligations to pay amounts due to Us and Our Affiliate(s); and

(ix) Such other requirements as We may in Our discretion deem reasonably necessary, including a general release of any claims against Us.

(c) Neither this Agreement, any of the rights conferred on You hereunder nor any ownership interests in the purchasing franchisee may be retained by You as the transferring franchisee as security for the payment of any obligation that may arise by reason of any such transfer.

13.6 Death and Disability

(a) Except as provided for herein to the contrary, the death or disability of an owner of a Legal Entity shall have the legal results of applicable law. In the event of the death or legal incapacity of one of the Principals, the decedent's estate or You must immediately notify Us of such death, and within thirty (30) days after such notice further notify Us of a proposed successor to the decedent's interests (the "**Successor**"). If We approve the Successor, he or she will replace the decedent as a Principal hereunder.

(b) In the event We do not approve the Successor, We will so notify You, and You or the decedent's estate will use Your best efforts within the six (6) months from the date of such written notice from Us to sell the interests in this Agreement and Your Fitness Center to a bona fide purchaser in accordance with and subject to all of the provisions of this ARTICLE 13. If by the end of such six-month period, You have not consummated a transfer of such interest or stock in a transaction which meets the requirements of this ARTICLE 13, We will have the option to purchase all of such interest in Your Fitness Center and franchise or in the ownership of the Legal Entity at the fair market value thereof as determined in good faith by an independent appraiser selected as set forth in subsection (c) below.

(c) The procedure for determining the fair market value or other terms of purchase shall be that We and You shall each select one appraiser and such two appraisers shall select a third appraiser, and the third appraiser shall make the necessary determination, with the costs of appraisal to be borne equally by You and Us.

(d) If We in Our discretion decide that the death or disability of an individual, a Principal or a Successor will result in unsatisfactory operation of Your Fitness Center, We may take over operation of Your Fitness Center temporarily, and You will reimburse Us for all of Our costs and compensate Us for Our efforts at an amount equal to 5% of Gross Revenues during such time.

13.7 Right of First Refusal

(a) You must give written notice to Us of any planned, attempted transfer or offer to transfer by You in any manner whatsoever of any interest in or under this Agreement or of any transfer of the controlling ownership interest in You if You are a Legal Entity.

(b) Excepting a transfer described in Section 13.4(e), You grant Us the right of first refusal in regard to any such offer or transfer to purchase such interest on the same terms and conditions (or on terms and conditions determined by Us which will result in the same net financial benefits to You as transferor). In exercising Our right of first refusal, We may pay the transferor cash at closing in the same amount as the principal amount of any promissory note(s) otherwise required by the transferee or in the amount of the fair market value of any other non-cash purchase price, and if stock is provided for, may substitute stock of Ourself or an affiliated corporation in an equivalent value to the stock contained in the offer of first refusal. Any determination of fair market value, equivalent value or net financial benefits made by Us in good faith shall be deemed an acceptance of the offer. Until We have accepted or rejected the offer of first refusal from You, You will neither consider nor accept any other offer and will keep confidential all of the terms of such transfer.

(c) The first refusal offer to Us must be in writing and must include complete details of all of the terms, conditions and provisions of the proposed transfer, including copies of all agreements which may be assumed by or assigned to the transferee. After receipt of all of such information, We will have thirty (30) days after actual receipt of all of such documents within which to accept or reject it. Our failure to accept within such thirty (30) days will constitute a rejection. If rejected, You may consummate the transfer to a third party if all other provisions of this Agreement are satisfied, but the transfer must be consummated within six (6) months and only upon the terms, conditions and provisions previously offered to Us.

(d) After any rejection by Us, You must in all events submit a fully executed copy of all final transfer documents to Us at least three (3) days in advance of any proposed consummation or closing date for Our review and comparison with the first refusal offer previously submitted to it. Any variation will require an offer of first refusal to

Us on the varying terms following the same procedures set forth above. Our right of first refusal will be unrestricted and absolute, and We will in all cases have at least thirty (30) days to consider and act on each offer or any change in the terms and conditions of offer.

(e) Nothing contained in this Section 13.7 will in any way be deemed to limit Our discretion in considering, approving or disapproving any request to transfer any interest under this Agreement.

13.8 Assumption

This Agreement and Our rights, interests and obligations hereunder may be transferred to the benefit of any entity which succeeds to Our business and assumes Our obligations hereunder.

ARTICLE 14: TRADEMARKS

14.1 Ownership

You agree that We have the sole and exclusive right (except for rights granted under existing and future franchise agreements) to use the Marks in connection with the products and services to which they are or may be applied by Us. You represent, warrant and agree that neither during the term of this Agreement nor after its expiration or other termination will You directly or indirectly contest or aid in contesting the validity, ownership or use of the Marks by Us or take any action whatsoever in derogation of the rights claimed therein by Us.

14.2 Nonexclusive License

The license granted under this Agreement to use the Marks is nonexclusive except to the extent otherwise specified herein, and We, in Our sole and absolute discretion, may grant other licenses in, to and under the Marks in addition to those licensees already granted, both within and outside Your Fitness Center's trading area, and to develop and license other names and marks on any such terms and conditions as We deem appropriate.

14.3 Other Uses

You expressly agree that We have the exclusive, unrestricted right to engage directly and indirectly, at wholesale, retail and otherwise, within Your Fitness Center trading area and elsewhere, in (a) the production, distribution and sale of services and products under the Marks licensed hereunder or other marks; and (b) the use, in connection with such production, distribution and sale, of any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Us. The license granted to You under this Agreement does not include any right or authority of any kind whatsoever to sell outside the Fitness Center any products or services under the Marks. We have the sole and exclusive right to such rights at all times and at all locations.

14.4 Goodwill

Nothing contained in this Agreement will be construed to vest in You any right, title or interest in or to the Marks, the goodwill now or hereafter associated therewith or any right in the design or any Fitness Center building, other than the rights and license expressly granted herein of the term hereof. Any and all goodwill associated with or identified by the Marks will inure directly and exclusively to Our benefit, including without limitation any goodwill resulting from operation and promotion of Your Fitness Center.

14.5 Use of Marks

You will not use the Marks in connection with any statement or material which may, in Our judgment, be in bad taste or inconsistent with the P-FIT THE PLATINUM STANDARD OF FITNESS public image, or tend to bring disparagement, ridicule or scorn upon Us, the Marks or the goodwill associated therewith. You, whether doing business as a proprietorship or Legal Entity, will not adopt, use or register (by filing a certificate or articles of incorporation, a fictitious business name statement, or otherwise) any trade name or business name, style or design which includes, or is similar to, any of P-FIT THE PLATINUM STANDARD OF FITNESS identifying characteristics. We will defend You (using legal counsel chosen by Us) and indemnify You from any claims of infringement regarding use by You of the Marks so long as You were using the Marks properly and as authorized by this Agreement.

14.6 Changes in Marks; Protection

We will have the right at any time and from time to time upon notice to You to make additions to, deletions from, and changes in the Marks, or any of them, all of which additions, deletions and changes will be as effective as if they were incorporated in this Agreement. All such additions, deletions and changes will be made in good faith, on a reasonable basis and with a view toward the overall best interest of P-FIT THE PLATINUM STANDARD OF FITNESS Fitness Centers generally. You must promptly comply with any required changes, revisions and/or substitutions, and You will pay all the costs of modifying Your signs, advertising materials, interior graphics and any other items which bear the Marks. We will protect and preserve the integrity and validity of the Marks by taking the actions deemed by Us in Our discretion to be appropriate in the event of any apparent infringement of the Marks.

14.7 Infringements

You must notify Us promptly of any claims or charges of trademark infringement against Us or You, as well as any information You may have of any suspected infringement of the Marks. You will take no action with regard to any such matters without

Our prior written approval, and will cooperate fully with Us in dealing with any infringement or claim of infringement.

ARTICLE 15: EXPIRATION AND TERMINATION

15.1 Events of Default

(a) In addition to any othe rights of termination set forth in this Agreement, We will have the right to terminate this Agreement immediately upon written notice to You if any of the following events occur:

(i) In the event of any breach or default under Sections 1.4 (opening date), 4.3(c) (failure to comply with applicable laws), 5.2 (mandatory training), 9.2 (surveys, inspection and corrections), 13.3 and 13.5 (unauthorized transfer) or 13.7 (right of first refusal);

(ii) If a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization is filed by or against You, or if You make any assignment for the benefit of creditors, or if a receiver or trustee is appointed for Your Fitness Center, unless remedied to Our satisfaction within twenty (20) days;

(iii) If You for any reason lose Your right to possession of Your Fitness Center premises;

(iv) If We discover that You have made any material misrepresentation or omitted any material fact in the information furnished by You in connection with the grant of this franchise;

(v) If You (or any Principal) are convicted of any felony or other criminal conduct which is relevant to operation of Your Fitness Center or if You engage in conduct which reflects materially and unfavorably upon the operation and reputation of the P-FIT THE PLATINUM STANDARD OF FITNESS business or System.

(vi) If You abandon Your Fitness Center by failing to operate it for five consecutive days or lesser period if the facts and circumstances indicate that You do not intend to continue to operate Your Fitness Center (except as a result of fire, flood, earthquake or similar causes beyond Your control);

(vii) If You repeatedly fail to comply with one or more requirements of this Agreement, whether or not corrected after notice; or

(viii) If We make a reasonable determination that continued operation of Your Fitness Center by You will result in an imminent danger to any of its customers or to public health or safety.

(b) If You default in any other requirement of this Agreement, We will have the right to terminate this Agreement immediately following thirty (30) days written notice to You (except in the case of a default in payment to Us, in which case only five (5) days written notice is required). If a non-monetary default cannot by its nature reasonably be cured within such thirty-day period, and so long as You are diligently taking all action reasonably necessary to effect such cure, the cure period will be extended to a reasonable amount of time to effect such cure. A default in any other P-FIT THE PLATINUM STANDARD OF FITNESS franchise agreement in which You or anyone holding an interest in You also has an interest will be considered a default under this Agreement, which if not cured will result in termination of this Agreement.

(c) We may terminate this Agreement immediately upon written notice to You without any curative period if a default is repeated within any 12-month time period.

(d) The provisions of this Section 15.1 are subject to the provisions of any local statutes or regulations which may prohibit Us from terminating this Agreement without good cause or without giving You additional prior written notice of termination and opportunity to cure any default.

(e) Liquidated Damages

(i) Upon termination of this Agreement due to Your action or failure to take action according to its terms and conditions, You agree to pay Us within thirty (30) days after termination, in addition to any amounts owed Us or Our Affiliates, liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (A) 24 (being the number of months in two (2) full years), or (B) the number of months remaining in the Agreement had it not been terminated, whichever is less.

(ii) The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages We would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, We might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's current remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

15.2 Termination by You

You may terminate this Agreement following ninety (90) days written notice to Us if We materially breach this Agreement and fail to cure such breach within such ninety-day period.

15.3 Requirements Upon Termination

Upon the expiration or earlier termination of this Agreement for any reason, You must:

(a) immediately discontinue the use of the Marks and the System, including all P-FIT THE PLATINUM STANDARD OF FITNESS proprietary procedures and information;

(b) unless We consent to the contrary, remove the Marks from Your Fitness Center building and its signs, fixtures and furnishings, eliminate entirely P-FIT THE PLATINUM STANDARD OF FITNESS trade dress and alter and paint Your Fitness Center building and other improvements a design and color which is basically different from the P-FIT THE PLATINUM STANDARD OF FITNESS image and design so that there will no longer be any indication to the public that Your Fitness Center was a P-FIT THE PLATINUM STANDARD OF FITNESS Fitness Center. If You fail to make or cause to be made any such change within thirty (30) days after written notice, We will have the right to enter upon Your Fitness Center premises, without being deemed guilty of trespass or any other tort, and make or cause to be made such changes and You will reimburse Us for all of Our reasonable expenses immediately following demand;

(c) not thereafter use any identifying characteristic that is in any way associated with Us or similar to those associated with Us, or operate or do business under any name or in any manner that might tend to give the public the impression that You are or were a franchisee or otherwise associated with Us;

(d) immediately deliver to Us all copies of the Manual and any items bearing the Marks or which are confidential; and

(e) promptly sign any documents and take any steps that in Our judgment are necessary to delete Your listings from classified telephone directories, websites and social media pages; disconnect, at our option, assign to Us any telephone numbers used in connection with Your Fitness Center; and terminate all other references that suggest You are or ever were associated with Us. By signing this Agreement, You irrevocably appoint Us Your attorney-in-fact to take the actions described in this Section if You do not do so within seven days after this Agreement is terminated; and

(f) pay all sums due Us or to become due to Us pursuant to this Agreement.

15.4 Trademark Infringement

If You refuse to comply with a written notice of termination sent by Us and a court later upholds such termination of this Agreement, any operation of Your Fitness Center by You from and after the date of termination stated in such notice will constitute trademark infringement by You and You will be liable to Us for damages resulting from such infringement in addition to any royalties paid or payable hereunder, including, without limitation, Your profits.

15.5 Option

If Your Fitness Center premises are leased by You from a third party, You will have included in such lease and any subsequent lease of the premises the right by You to assign such lease to Us without further consent by the lessor. We may elect to have the lease automatically assigned to Us under such provision if this Agreement is terminated, whether it is terminated by Us or by You. If We so elect, You will immediately vacate the premises, and We will be entitled to take possession of said premises, including all fixtures and leasehold improvements, and We will pay to You the fair market value of the interests owned by You in Your Fitness Center's furnishings and equipment. Fair market value will be determined by mutual agreement or an appraiser selected by Us or the American Arbitration Association if We cannot agree.

ARTICLE 16: MISCELLANEOUS

16.1 No Effect

The waiver by Us of any breach or default, or series of breaches or defaults, of any term, covenant or condition herein or of any same or similar term, covenant or condition in any other agreement between Us and any franchisee will not be deemed a waiver of any subsequent or continuing breach or default of the same or any other terms, covenants or conditions contained in this Agreement, or in any other agreement between Us and any franchisee.

16.2 Right and Remedies

All of Our rights and remedies will be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. Our rights and remedies will be continuing and not exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement will not discharge or release You from any liability or obligation then accrued or any liability or obligation continuing beyond or arising out of the expiration or earlier termination of this Agreement.

16.3 Consents

Whenever the consent of a party is sought or required hereunder, such consent will not be unreasonably withheld.

16.4 Partial Invalidity

If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided, however, that in the event any part hereof relating to the payment of fees to Us, or the preservation of the Marks, trade secrets or secret formulae licensed or disclosed hereunder is for any reason declared invalid or unenforceable, then We will have the option of terminating this Agreement upon written notice to You.

16.5 Arbitration; Jurisdiction

(a) Except as set forth in Subsection 16.5(b), any unresolved dispute between the parties arising out of this Agreement shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. All proceedings in the arbitration shall be held within the county in which Our corporate headquarters are located (the "**Home County**") (currently Lee County, Florida). At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter. Arbitrators shall apply the law of the State of Florida (without giving effect to any conflict of law principles) as set forth in section 16.7 below.

(b) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issue involved. You and We expressly consent to personal jurisdiction in the Home County and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration.

16.6 Attorneys Fees

You agree to reimburse Us for all expenses We reasonably incur (including reasonable attorneys' fees) to enforce the terms of this Agreement or any obligation owed to Us by You and/or the Principals, whether or not a demand for arbitration or a lawsuit is filed. If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

16.7 Governing Law

The parties agree that the law of the State of Florida (without giving effect to any conflict of laws principles) will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto.

16.8 Notices

All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by an established overnight delivery service or mailed by certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight deliver, such notice shall be deemed to have been received the day following sending.

Us: PLATINUM FRANCHISING, LLC
12196 Sussex Road
Ft. Myers, Florida 33913
ATTN: Aaron Nash

With a copy to:

Rodney R. Hatter, Attorney
Rodney R. Hatter & Associates
4000 MacArthur Blvd., Suite 600 East Tower
Newport Beach, CA 92660

You: ______________________________
____
____

16.9 Terms and Headings

All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Definitions are presented in bold face solely for ease of reference.

16.10 Compliance with Laws

You will at Your own cost and expense promptly comply with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof. Without limiting the generality of the foregoing, You will abide by all applicable rules and regulations of any Public Health Department.

16.11 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document.

16.12 Amendment or Modification

Except as expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both Us and You.

16.13 Acknowledgment

BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AND AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE, AND IN ANY EVENT NOT AS A RESULT OF ANY REPRESENTATIONS BY US, OUR AGENTS, OFFICERS OR EMPLOYEES EXCEPT AS CONTAINED HEREIN AND IN OUR FRANCHISE DISCLOSURE DOCUMENT PREVIOUSLY DELIVERED TO YOU.

YOUR INITIALS:______

(b) THE SUCCESS OF THE FRANCHISED BUSINESS WILL BE LARGELY DEPENDENT UPON YOUR ABILITIES AND EFFORTS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED BUSINESS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:______

(c) YOU ARE NOT RELYING UPON ANY FINANCIAL PROJECTIONS OR SIMILAR INFORMATION OR EARNINGS CLAIMS MADE BY US OR ANYONE ON OUR BEHALF.

YOUR INITIALS:______

(d) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST SEVEN CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:______

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

“You”

Sign here if the Franchisee is an individual(s):

Signature: ________________________ Signature: ________________________
Print Name: ________________________ Print Name: ________________________

Signature: ________________________ Signature: ________________________
Print Name: ________________________ Print Name: ________________________

Sign here is the Franchisee is a company and/or legal entity:

You: ________________________________
By: ________________________________
Title: ________________________________

Principals:

Signature: ___________________________
Printed Name: _________________________ %Ownership: _____

Signature: ___________________________
Printed Name: _________________________ %Ownership: _____

Signature: ___________________________
Printed Name: _________________________ %Ownership: _____

“Us”

PLATINUM FRANCHISING, LLC

By: ________________________________
Aaron Nash, LLC Manager

Exhibit 1

PROTECTED AREA

Execute *only if* geographic area is identified as high density area.

We have determined that the Fitness Center will be located wihtin a "high density area" as referred to in Section 1.2(b) of the Franchise Agreement. Accordingly, the geographic area described below is the **Protected Area**:

You: ______________________________

By: ____________________________

Title: ___________________________

Us: PLATINUM FRANCHISING, LLC

By: ____________________________
Aaron Nash, LLC Manager

Exhibit 2

PERSONAL GUARANTY

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of the franchisee ("**Franchisee**") under the foregoing P-FIT THE PLATINUM STANDARD OF FITNESS Franchise Agreement dated _____________, 202____ by and between the Franchisee and PLATINUM FRANCHISING, LLC ("**Franchisor**") and hereby individually undertakes to be bound by all of the terms of such Franchise Agreement.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require the Franchisor or its assignee to proceed against Franchisee or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty as of the date set forth below.

_______________________________ _______________________________

_______________________________ _______________________________

("**Guarantors**")

Dated:__________________________

Exhibit 3

CONFIDENTIALITY AGREEMENT

The undersigned Employee of______________________ (“**Employer**”), which has applied for and/or received a P-FIT THE PLATINUM STANDARD OF FITNESS franchise hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of a P-FIT THE PLATINUM STANDARD OF FITNESS business; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives (“**Innovations**”) at any time during, and for a period of one year after employment in a PLATINUM FITNESS. All such Innovations will be deemed the sole and exclusive property and works made-for-hire for Platinum Franchising, LLC (the “**Franchisor**”). The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Franchisee, including without limitation the P-FIT THE PLATINUM STANDARD OF FITNESS Confidential Manual(s).

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: ______________________

Print Name:_______________________________

Signature: _______________________________

("**Employee**")

STATE ADDENDA

MARYLAND STATE LAW ADDENDA

FRANCHISE DISCLOSURE DOCUMENT,
FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

This Addendum to the Franchise Agrement is effective as of the date Franchisor and Franchisee execute the Franchise Agreement, and amends the Franchise Agreement as follows:

1. Any general release required as a condition of renewal and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The representations contained in Section 16.13 of the Franchise Agreement are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. The Franchise 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 Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. Any litigation arisign on claims under the Maryland Franchise Registration and Disclosure Law may be brought by the Franchisee in Maryland. All claims arising under the Maryland Franchise Registration and Disclosure law shall be commenced within three years after the grant of the franchise.

4. Termination upon bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

5. In all other respects, the parties agree that the Agreements shall remain and be in full force and effect, with the provisions of such Agreements being subject to the terms of this Addendum.

DATED this _______ day of _____________________, 202__.

Franchisee:	**Franchisor:**
______________________________	PLATINUM FRANCHISING, LLC
______________________________	By: ______________________________
______________________________	Title:______________________________

MINNESOTA STATE ADDENDA

FRANCHISE DISCLOSURE DOCUMENT,
FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

The following provisions shall supersede anything to the contrary in the Franchise Disclosure Document and Franchise Agreement for Minnesota franchises.

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

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

In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Disclosure document and Franchise Agreement are modified so that we can not require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure document and Franchise Agreement are modified accordingly, to the extent required by Minnesota law.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Franchise Agreement and Item 13 of the Disclosure document are amended to state that we will protect your right to use the trademarks, service mark, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Provisions in the Disclosure document and Franchise Agreement limiting your right to file claims, that are inconsistent with Minnesota Statute Sec. 80C.17, Subd. 5, are amended to the extent required by Minnesota law.

Minn. Rule 2860.4400J states that (1) the franchisee cannot waive any rights, (2) consent to the franchisor obtaining injunctive relief (The franchisor may seek injunctive relief), or (3) waive a right to a jury trial. The disclosure document and Franchise Agreement are amended to the extent required to comply with such Rule.

This business may be regulated by the Minnesota Currency Exchange Law.

VIRGINIA STATE LAW ADDENDA

FRANCHISE DISCLOSURE DOCUMENT,
FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

The following modifications are to the P-FIT PLATINUM STANDARD OF FITNESS Franchise Disclosure document and may supersede, to the extent then required by valid applicable Virginia state law and certain portions of the Franchise Agreement dated ____________________, 202__.

Any provision in the Franchise Agreement that provides for termination of the Franchise Agreement if you file for bankruptcy protection or are declared a bankrupt may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et seq.).

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for PLATINUM FRANCHISING, LLC for use in the Commonwealth of Virginia shall be amended and the following statement is added to Item 17 of the franchise disclosure document:

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

2. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves our use of undue influence to induce you to surrender any rights under the Franchise Agreement, that provision may not be enforceable.

Small Business Administration
(“SBA”)
Addendum to Franchise Agreement

[Execution only if Franchisee obtains SBA-assisted financing]

ADDENDUM TO FRANCHISE[1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _________________, 20____, by and between PLATINUM FRANCHISING LLC ("Franchisor"), located at 12196 SUSSEX ROAD, FT. MYERS, FLORIDA 33913, 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 ownership 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 franchise 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 PLATINUM FITNESS, LL:

By: ______________________________

Print Name: _______________________

Title: _____________________________

Authorized Representative of _______________________:

By: ______________________________

Print Name: _______________________

Title: _____________________________

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the Franchise Agreement system must meet all SBA eligibility requirements.

Exhibit C

AREA DEVELOPMENT AGREEMENT

P-FIT THE PLATINUM STANDARD OF FITNESS
AREA DEVELOPMENT AGREEMENT
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AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT is dated as of _______________, 202__, is between PLATINUM FRANCHISING, LLC, a Florida limited liability company ("**We**", "**Us**" or "**Our**", on the one hand, and _________________________________ organized under the laws of the State of ________________ ("**You**" or "**Your**"), and the person(s) executing this Agreement as "**PRINCIPAL**S" (the "**Principals**"), on the other hand.

In consideration of the mutual promises set forth herein, the parties agree as follows:

ARTICLE 1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development of Territory. We hereby grant to You the right to open and operate P-FIT THE PLATINUM STANDARD OF FITNESS franchise Centers ("**Centers**") in the geographic area which is specified in **Exhibit A** attached hereto and incorporated herein by reference (the "**Territory**").

1.2 Your Territorial Rights. (a) During the term and any extension or renewal of this Agreement, We will not (a) license or allow any other party to operate a Center within the Territory or (b) open or operate, directly or indirectly, any Centers within the Territory (except pursuant to any first refusal rights contained in any Franchise Agreement between You and Us, or as otherwise provided in Article 5 below).

(b) Notwithstanding the foregoing, if You have opened the minimum number of Centers referred to in Section 2.1 below and We determine in Our discretion that one or more additional Centers should be developed within the Territory, We will notify You in writing of such determination and offer You the right of first refusal to develop such Center(s). If after 30 days following mailing of such notice, We have not received Your written acceptance of such right of first refusal, We may develop such Centers within the Territory or authorize other(s) to do so.

1.3 Termination. If this Agreement is terminated as a result of a material breach by You, We will have the full and absolute right to operate or franchise or license other parties to operate P-FIT THE PLATINUM STANDARD OF FITNESS Centers within the Territory.

1.4 Other Products and Outlets. You agree that We retain the unrestricted right within the Territory and elsewhere to use or license others to use, Our trademarks as follows to distribute clothing using such trademarks.

1.5 Not Transferable. This Agreement is a personal, non-transferable commitment by You to Us based on the personal confidence reposed by Us in the Principals. Accordingly, both parties agree that any attempt without the prior express written consent of Us to transfer, encumber or assign this Agreement by You or by the Principals in any manner whatsoever will cause the immediate and automatic termination of this Agreement, and We will have no further liability or obligation to You or the Principals pursuant to this Agreement.

ARTICLE 2. DEVELOPMENT OF TERRITORY

2.1 Development Schedule. (a) You agree to develop at least a total of _____________(__) Centers (the "**Required Centers**") within the Territory during the term of this Agreement in strict accordance with the Development Schedule set forth in **Exhibit B** attached hereto and incorporated herein by reference (the "**Development Schedule**").

(b) The Development Schedule contains a specific number of Required Centers to be opened and operated by You within the Territory during certain time periods. If any Centers within the Territory are closed for business (except for authorized holidays or temporarily for major repairs or otherwise with Our prior written consent), such Centers will not be included in computing the number of open and operating Required Centers and in satisfying the deadlines set forth in the Development Schedule.

2.2 Deadlines. The parties acknowledge and agree that the deadlines set forth in the Development Schedule are of the essence of this Agreement. No modification or amendment to the Development Schedule or any consent to or waiver of any deadline or other obligation of this Agreement will either (a) create any obligation to grant additional modifications, amendments, consents or waivers or (b) be effective unless made by written mutual agreement of the parties.

ARTICLE 3. DEVELOPMENT FEE

3.1 Development Fee. In consideration of Our grant to You of the right to develop Centers in the Territory as provided for herein, You agree to pay to Us upon execution of this Agreement the Initial Franchise Fee for the first Required Center plus $10,000 for each additional Required Center (the "**Development Fee**"). The Development Fee is non-refundable and is fully earned by Us upon Our execution hereof as a result of the grant of rights to You and Our forbearance from developing the Territory Ourselves or through other parties. You will not be entitled to a refund of such fee under any circumstances.

3.2 Amount of Fee. The total Development Fee to be paid by You upon execution of this Agreement is $______________.

ARTICLE 4. DEVELOPMENT PROCEDURES

4.1 Mandatory Compliance. You must at all times remain in compliance with this Agreement and all Franchise Agreements issued for Centers developed hereunder. We will not approve any pending franchise application or site approval request by You for additional Center(s) if You are in material breach of any Franchise Agreement.

4.2 Site Approval. You will utilize Your own financial, real estate, construction and any other resources required to develop Centers using architects, contractors, and vendors previously approved by Us. You agree to comply with the requirements of the Franchise Agreement and any additional requirements provided for in the Manual.

4.3 Franchise Agreements and Fees. You will receive $10,000.00 credit from the Development Fee toward the Initial Franchise Fee for each Required Center, except that the total Initial Franchise Fee for the first Required Center will be included in the Development Fee.

You must pay the balance of the Initial Franchise Fee and execute Our then-current form of PLATINUM Franchise Agreement for each other Required Center. For the second and each of the other Required Centers opened pursuant to Your Development Schedule, the Center's Initial Franchise Fee and Royalties will be the same as those contained in Your first Required Center.

4.4 Confidentiality Agreements. You agree to obtain from each of the Principals and any other or Your representatives a Confidentiality Agreement in the form attached hereto as **Exhibit C** and incorporated herein by reference. You further to comply fully with the terms of such Confidentiality Agreement. A copy of all such signed agreements shall be delivered to Us within one week of their execution.

4.5 Designated Operator. (a) The individual named in this Section must be an experienced professional with multi-unit Center supervisory experience who, will devote his or her full time, best efforts and constant personal attention to the operation and development of the Required Centers, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Centers:____(the "**Designated Operator**").

(b) The Designated Operator must be at all times approved by Us and certified by Us as fully trained for development and Center operations. Certification and approval of the Designated Operator includes both satisfactory completion of Our Training Program, and also working sufficient additional time in a company-operated

Center, as we deem necessary in our sole discretion, to successfully develop and operate a Center. Failure of the Designated Operator to successfully complete this training and the additional in-Center assignment to Our satisfaction constitutes a material breach of this Agreement. Any change in the identity of Your Designated Operator must be approved by Us in writing.

ARTICLE 5. EXISTING CENTERS; ACQUISITIONS

5.1 Company Centers. If We or another entity under common control with Us ("**Affiliate**") currently operate P-FIT THE PLATINUM STANDARD OF FITNESS Centers within the Territory, such Centers are specified on **Exhibit A** attached hereto and incorporated herein by reference ("**Company Centers**") and any present or proposed franchised Centers in the Territory are specified on **Exhibit A** as "**Franchised Centers**". Unless You are purchasing the Company Centers or Franchised Centers pursuant to separate agreement, You agree that Company Centers and Franchise Centers may continue to be operated as P-FIT THE PLATINUM STANDARD OF FITNESS Centers notwithstanding their location in the Territory. In any event, such Centers will not be included under any circumstances toward meeting Your development obligations hereunder.

5.2 Acquisitions; First Right of Refusal.

(a) We may during the term hereof acquire a chain of Centers from a third party with the intention of converting some or all of such Centers to P-FIT THE PLATINUM STANDARD OF FITNESS Centers, in which event You agree that We may so convert any of such Centers located within the Territory so long as We satisfy the following conditions:

(i) We will first send You a written offer to purchase all such Centers within the Territory at Our total acquisition cost (including without limitation "soft" costs as defined below) for such Centers.

(ii) You will have thirty days from the date such offer is sent to accept such offer, and until You have either rejected such offer or such thirty-day period has lapsed, no conversion or other offer to third parties will be made by Us.

(iii) Your failure to accept such offer within such thirty-day period will constitute a rejection.

(b) If You have accepted the above offer and converted such Center(s) to Our satisfaction, such Centers(s) will apply toward meeting Your development obligations under the Development Schedule. If We convert or franchise another party to convert such Centers, such Centers will not have any effect on Your obligations under the Development Schedule.

(c) For purposes herein, "**soft costs**" will mean all internal and external costs incurred by Us in connection with the acquisition. These will include, without limitation, cost of funds, personnel time (e.g., in analyzing, negotiating, approving and permitting the acquisition, etc.), and out-of-pocket expenses (e.g., travel, lodging, meals, professional fees to attorneys, architects, engineers, etc.) in connection with the acquisition as applied pro rata to each Center being offered to You.

ARTICLE 6. TERM; RENEWAL

6.1 Term; Renewal. (a) The initial term of this Agreement ends five (5) years from the date set forth above **or if initialed**, until the following date:

_______________, 20__. ___________ _______________

6.2 Renewal

You may renew this Agreement for one or more additional five (5) year terms so long as all of the following conditions have been met before the end of the current term:

(a) You must give Us written notice of renewal not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not default in any material provision of this Agreement or any other agreement with Us at any time during the last twelve months of the prior term and must have complied with all material terms and conditions of this Agreement during the current Term;

(c) You must have paid all amounts owed to Us and our affiliated companies ("**Affiliates**") and have timely paid all such amounts throughout the current term;

(d) You and We must have agreed upon a new Development Schedule to apply during the next term;

(e) You must pay Us a "**Renewal Development Fee**" equal to $10,000.00 times the number of the additional Required Centers specified in the new Development Schedule; and

(f) You must execute Our form of a general release of any and all claims against Us, the Company and other Affiliates, and Our and their officers, directors, agents and employees.

ARTICLE 7. DEFAULT

7.1 Default by You. We will have the right to terminate this Agreement upon thirty (30) days written notice to You if You fail to perform any of Your material obligations contained in this Agreement and fail to cure such failure within thirty (30) days of Your receipt of such notice.

7.2 Deadlines Missed by You. TIME IS OF THE ESSENCE of this Agreement. Your failure to meet any deadline set forth in the Development Schedule will constitute a material default under this Agreement without any opportunity to cure such default or notice under Section 7.1 hereof. If You fail to meet such a deadline, We may at any time thereafter immediately terminate this Agreement effective upon written notice from Us. The termination of this Agreement will have no effect on any franchises previously issued to You or on franchises to be issued for sites where We have already approved the site and the franchise.

7.3 Other Defaults. A default by You under any P-FIT THE PLATINUM STANDARD OF FITNESS Franchise Agreement will constitute a material default under this Agreement, in which event We may terminate this Agreement unless such default is timely cured in accordance with the term of the pertinent Franchise Agreement or applicable law.

ARTICLE 8. PRINCIPALS; LEGAL ENTITY; COVENANTS

8.1 Definition of Principals. For purposes of this Article 8, the term "**Principals**" will include the persons executing this Agreement as Principals, their spouses, or any trust for the benefit of such persons. We have unrestricted right to approve all owners and any future owners.

8.2 Personal Guarantees. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement and under each and every Franchise Agreement to be entered into pursuant hereto.

8.3 Conflicts of Interest. During the term of this Agreement, neither You nor any Principal will, without Our prior express written consent of, directly or indirectly, engage in, or acquire any financial or beneficial interest in, any center which is similar to or competitive with the business of P-FIT THE PLATINUM STANDARD OF FITNESS Centers ("**Similar Business**")

8.4 Authorized Agent. You and the Principals appoint the following person with full authority (the "**Authorized Agent**") to act on Your behalf and on behalf of the Principals in regard to performing, administering or amending this Agreement and any

and all Franchise Agreements related to it: ________________________________
We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You of the appointment of a successor to the Authorized Agent.

YOUR INITIALS: __________

8.5 Form of Legal Entity. (a) If You are organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**"), the Principals must notify Us of the form of such Legal Entity and have received Our written approval and You must comply with this Subsection 8.5 and any other condition which We may require. We have unrestricted right to approve all equity owners and any future owners. The organization documents must be promptly submitted for Our review.

(b) Unless We provide prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of developing and operating P-FIT THE PLATINUM STANDARD OF FITNESS Centers.
(ii) The Principal(s) (as defined in Section 8.1 above) will collectively own and control not less than fifty-one percent (51%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.
(iii) Not more than twenty percent (20%) in the aggregate of the voting rights of the Legal Entity will be owned beneficially or of record by institutional firms or publicly held corporations.
(iv) There will be no public offerings of debt or equity ownership by or in the Legal Entity without Our prior written consent and approval.
(v) Prior to the end of ___ days after the date of this Agreement, at least $50,000 times the number of Required Centers ($___________) cash will be invested in Your Legal Entity, which will be its minimum start up capitalization. You agree to furnish Us with written evidence of such investment on or before the above date.
(vi) You must at all times maintain in the Legal Entity (A) positive working capital and (B) a net worth of at least $100,000 multiplied by the number of Required Centers developed hereunder.
(vii) There will not be more than five (5) owners of the Legal Entity in addition to the Principals without Our prior written consent and approval.
(viii) All persons with a 10% or greater interest in You must execute the Personal Guaranty in the form attached hereto as Exhibit D.
(ix) You have provided Us with such documentation as We have requested to evidence the foregoing.

(c) Throughout the term of this Agreement, the Legal Entity will not make any transfer of value to any of its beneficial or record owners or any affiliate of such owner (**"Owner")** which would create negative working capital or would cause the net worth of the Legal Entity to be less than $100,000.00 multiplied by the number of Required Centers to be developed hereunder. Similarly, there will at no time be any transfer of value to any Owner unless You are fully current in all payments to Us and Our Affiliates and all Advertising Cooperatives in the Territory. For purposes herein, "**transfer of value**" will include but not be limited to gifts, bonuses, salaries, benefits or other compensation, dividends of any nature, loans, cancellation of debt, purchases or sales, or similar transfers.

(d) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with P-FIT THE PLATINUM STANDARD OF FITNESS Centers, or having a known history, reputation or character which is adverse to the interests of P-FIT THE PLATINUM STANDARD OF FITNESS Centers. Our failure to respond timely to such notice will be deemed an approval of the proposed transfer. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 8.5, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate family shall not require Our prior written approval so long as the other requirements of this Section 8.5 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold approval of any transfer so long as the Principals maintain operational control of Your Legal Entity.

(f) The organization documents of the Legal Entity, including Articles, Bylaws, Operating Agreements, must contain the restrictions set forth in this Section 8.5. You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"Transfer of ownership in this company is subject to the
terms and conditions of a P-FIT THE PLATINUM STANDARD OF FITNESS
Area Development Agreement and Franchise Agreement(s).
Reference is made to such Agreements and to the restrictive provisions
contained in this company's organization documents."

8.6 Financial Statements. You and the Principals agree that each will furnish Us every year during the term hereof a certified copy of the same form of annual financial statements required of the Franchisee in the Franchise Agreements provided for herein. Such financial statements must be received by Us not later than one hundred twenty (120) days after the last day of each fiscal year. Any amendments to such information will be sent to us promptly. TIME IS OF THE ESSENCE with respect to completion and submission of each such document.

ARTICLE 9. MISCELLANEOUS

9.1 Miscellaneous. (a) Each of the parties hereto agrees that the terms and conditions of this Agreement are confidential and restricted to the knowledge of the parties and their respective attorneys, accountants, advisors and only other persons whose knowledge of this Agreement are necessary for the implementation of the transaction contemplated hereby.

(b) The terms hereof are intended only to benefit the parties to this Agreement, and no one else is entitled to any benefits as a result of this Agreement or its terms and conditions.

(c) If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid.

(d) Except as set forth in Section 9.1(e), any unresolved dispute between the parties arising out of this Agreement shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. Such arbitration shall be held within the county in which Our corporate headquarters are located (the "**Home County**") (currently Lee County, Florida). At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter.

(e) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issue involved. You and We expressly consent to personal jurisdiction in the Home County and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration.

(f) The parties agree that except for conflict of laws issues, the law of the State of Florida will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto with the following exceptions: (a) the arbitration clause will be exclusively governed by and construed according to the Federal Arbitration Act; and (b) trademark rights will be governed by and construed according to the Lanham Act.

(g) If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

(h) All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by an established overnight delivery service or mailed by registered or certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight delivery, such notice shall be deemed to have been received the day following sending.

Us: PLATINUM FRANCHISING, LLC
12196 Sussex Road
Ft. Myers, Florida 33913
ATTN: Aaron Nash

With a copy to:

Rodney R. Hatter, Attorney
Rodney R. Hatter & Associates
4000 MacArthur Blvd., Suite 600 East Tower
Newport Beach, CA 92660

You: ______________________________
____
____

(i) All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. All terms used herein shall have their customary meanings unless specified to the contrary. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Words in bold face are done so for easer of reference only.

(i) Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document. This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Except as may be expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both parties.

9.2 Acknowledgment. BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE, AND IN ANY EVENT NOT AS A RESULT OF ANY REPRESENTATIONS OF US, OUR AGENTS, OFFICERS OR EMPLOYEES EXCEPT AS CONTAINED HEREIN AND IN OUR FRANCHISE DISCLOSURE DOCUMENT DELIVERED TO YOU.

YOUR INITIALS:______

(b) THE SUCCESS OF THE FRANCHISED CENTERS WILL BE LARGELY DEPENDENT UPON THE ABILITIES AND EFFORTS OF YOU AND THE PRINCIPALS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED CENTERS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:______

(c) YOU HAVE NOT RECEIVED AND ARE NOT RELYING UPON ANY FINANCIAL PROJECTIONS OR SIMILAR INFORMATION OR EARNINGS CLAIMS MADE BY US OR ANYONE ON ITS BEHALF EXCEPT AS CONTAINED IN OUR FRANCHISE DISCLOSURE DOCUMENT.

YOUR INITIALS:______

(d) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST 7 CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU, AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:______

* * * * * * * * * * *

IN WITNESS WHEREOF, the parties have executed the Agreement as of the day, month and year first above written.

Sign here if the Area Developer is an individual(s):

“You”

Print Name: __________________________ Print Name:___________________________

Signature: ____________________________ Signature: ____________________________

Print Name: __________________________ Print Name:___________________________

Signature: ____________________________ Signature: ____________________________

Sign here is the Area Developer is a company and/or legal entity:

You: ______________________________

By: _______________________________

Title: _____________________________

Principals:

Printed Name: __________________________ %Ownership: _____

Signature: _____________________________

Printed Name: __________________________ %Ownership: _____

Signature: _____________________________

Printed Name: __________________________ %Ownership: _____

Signature: _____________________________

PLATINUM FRANCHISING, LLC

By______________________________________
Aaron Nash, LLC Manager

EXHIBIT A

TERRITORY

Your Name:

Description of Territory:

Existing Centers (if any):

APPROVED:

YOU ____________________________

US: ________________________

EXHIBIT B

DEVELOPMENT SCHEDULE

1. Centers Development. We have granted to you the right to develop and operate and you agree to develop and operate a minimum number of ________ (__) P-FIT THE PLATINUM STANDARD OF FITNESS franchise businesses in accordance with the terms of the Agreement.

2. Development Obligations. You agree to have the minimum number of such Centers ("**Centers**") open in the Development Area during the Development Periods and in operation at the end of each of the Development Periods listed below:

DEVELOPMENT PERIOD	**DEVELOPMENT REQUIREMENTS**	
ENDING ON:	TO BE OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF CENTERS OPEN AND IN OPERATION AT END OF DEVELOPMENT PERIOD

APPROVED:

YOU: ___________________________

US: _______________________

EXHIBIT C

CONFIDENTIALITY AGREEMENT

In consideration of receiving information regarding the operation of P-FIT THE PLATINUM STANDARD OF FITNESS businesses ("**Centers**") the undersigned ("**Recipient**") agrees that:

1. Recipient will not (a) make unauthorized copies of, (b) disclose to any unauthorized person or (c) use for Recipient's benefit or a Center competitor's benefit any trade secrets or confidential information, knowledge or know-how about the methods of operating the Centers ("**Confidential Information**") except only for information which Recipient can show was known by him or her before receiving such information from Platinum Franchising, LLC or information which has become a part of the public domain through publication or communication by others.

2. Recipient agrees that any breach of this Confidentiality Agreement will cause P-FIT THE PLATINUM STANDARD OF FITNESS operators irreparable injury and agrees that in addition to any other right or remedy provided for by law or equity, Platinum Franchising, LLC shall be entitled to specific performance of, or an injunction against violation of, this Confidentiality Agreement.

3. Recipient agrees that upon request he or she will return immediately all copies of any P-FIT THE PLATINUM STANDARD OF FITNESS Manuals and other documents containing Confidential Information to Platinum Franchising, LLC.

IN WITNESS WHEREOF, the undersigned has executed this document as of the date set forth below.

DATED: ____________________

Print Name:_______________________________

Signature: _______________________________

EXHIBIT D

PERSONAL GUARANTY

This Personal Guaranty is given to induce Platinum Franchising, LLC (the "**Franchisor**") to enter into that certain P-FIT THE PLATINUM STANDARD OF FITNESS Area Development Agreement, dated _________, 202___ with ________________________________("**Area Developer**").

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of Area Developer, including, without limitation, all obligations arising out of the Area Development Agreement and any other agreement; including, without limitation, all Franchise Agreements entered into under the Area Development Agreement, and hereby individually undertakes to be bound by all of the terms of such agreements.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require Franchisor or its assignee to proceed against Area Developer or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

In connection with any litigation or arbitration to determine Guarantors liability under this Personal Guaranty, Guarantors expressly waive Guarantors' right to trial by jury, if any, and agree to pay costs and reasonable attorney's fees as fixed by the court or arbitrator.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty on _______________ [date].

"Guarantors"

Print Name: _________________________ Print Name:__________________________

Signature: ___________________________ Signature: ___________________________

Print Name: _________________________ Print Name:__________________________

Signature: ___________________________ Signature: ___________________________

Exhibit D

EXHIBIT D

CONFIDENTIALITY AGREEMENT
(OPERATIONS MANUAL)

This Confidentiality Agreement dated as of ______________________, 202____ by and between the undersigned ("You" and "Your") and Platinum Franchising LLC ("Franchisor"), with respect to Your request to review its Operations Manual ("Manual") prior to purchasing a franchise.

1. Franchisor agrees to allow You to review the Manual in consideration of Your execution of this Agreement.

2. You agree that the Franchisor considers the Manual to be confidential and proprietary information which may not be disclosed to other parties. Accordingly, You agree that You will not disclose its contents in whole or part to any other person without the prior written consent of the Franchisor. You will not make retain any copies or reproductions of any nature of the Manual.

3. You acknowledge that the restrictions contained in this Agreement are reasonable and necessary to protect Franchisor's legitimate interests in the Manual and that any breach by You of this Agreement will result in irreparable injury to Franchisor for which a remedy at law would be inadequate. Accordingly, You agree that Franchisor shall be entitled to temporary, preliminary and permanent injunctive relief against You, without the necessity of posting bond, in the event of any breach or threatened breach by You of this Agreement, in addition to any other remedy that may be available to Franchisor whether at law or in equity.

AGREED:

____________________________ Printed Name: ______________________

PLATINUM FRANCHISING LLC

By: _______________________________

Title: _____________________________

Exhibit
E

NAMES AND ADDRESSES OF AGENTS FOR SERVICE OF PROCESS AND STATE REGULATORY AUTHORITIES

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	Commissioner of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 or (866) 275-2677	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 or (866) 275-2677
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Securities Compliance Branch Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Chief, Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, IL 62706 (312) 814-3892
INDIANA	Secretary of State Administrative Offices 201 State House Indianapolis, IN 46204	Securities Commissioner Securities Division, Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
MARYLAND	Maryland Securities Commissioner Securities Division 200 St. Paul Place Baltimore, MD 21202-2020	Maryland Attorney General Office of the Attorney General 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottowa 670 Law Building Lansing, MI 48913	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W. Ottowa, P.O. Box 30213 Lansing, MI 48909 (517) 373-7117

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
MINNESOTA	Minnesota Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1600
NEW YORK	Secretary of State of the State of New York 41 State Street Albany, NY 11231	Assistant Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Commissioner Fifth Floor 600 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903	Associate Director and Superintendent of Securities Division of Securities Bldg 69, 1st Floor, 1511 Pontiac Ave. Cranston, RI 02920 (401) 462-9527
SOUTH DAKOTA	Division of Securities South Dakota Department of Revenue and Regulation 445 E. Capitol Avenue Pierre, SD 57501	Franchise Administrator Division of Securities 445 E. Capitol Avenue Pierre, SD 57501 (605) 773-4013
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051
WASHINGTON	Director of Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, WA 98501	Administrator Dept. of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98501 (360) 902-8760

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
WISCONSIN	Wisconsin Commissioner of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4th Floor Madison, WI 53703 (608) 266-3432

Exhibit
F

PLATINUM FRANCHISING LLC
FORT MYERS, FLORIDA
BALANCE SHEET AND
ACCOUNTANTS' AUDIT REPORT
DECEMBER 31, 2020

HOUGH & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

PLATINUM FRANCHISING LLC

TABLE OF CONTENTS

DECEMBER 31, 2020

INDEPENDENT AUDITOR'S CONSENT

March 30, 2021

Member
Platinum Franchising LLC
Fort Myers, FL

Hough & Company, P.A., CPA's, consents to the use of the Franchise Disclosure Document issued by Platinum Franchising, LLC ("Franchisor") on March 30, 2021, as it may be amended, of our report dated March 30, 2021, relating to the financial statements of Franchisor for the period ending December 31, 2020.

Hough & Company, P.A.

Hough & Company, P.A.
Certified Public Accountants

HOUGH
& COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

The driving force behind your business and personal success

INDEPENDENT AUDITOR'S REPORT

March 30, 2021

Member
Platinum Franchising LLC
Fort Myers, FL

We have audited the accompanying financial statements of Platinum Franchising LLC which comprise of the balance sheet as of December 31, 2020 and the related statement of income and member equity and cash flows for the year then ended.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

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

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

248 Nokomis Avenue S, Venice, FL 34285-2321
PHONE: (941) 488-7768 · FAX: (941) 484-3975 · EMAIL: cpa@houghcpa.com · WEBSITE: www.houghcpa.com

Member
Platinum Franchising LLC
Sarasota, Florida

Opinion

In our opinion, the financial statments referred to above present fairly, in all material respects, the financial position of Platinum Franchising LLC as of December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Hough & Company, P.A., CPA's, consents to the use in the Franchise Disclosure Document issued by Platinum Franchising, LLC ("Franchisor") on March 30, 2021, as it may be amended, our report dated March 30, 2021, relating to the financial statements of Franchisor for the period ending December 31, 2020.

Hough & Company, P.A.

Hough & Company, P.A.
Certified Public Accountants

PLATINUM FRANCHISING LLC

BALANCE SHEET
DECEMBER 31, 2020

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	27 732
TOTAL CURRENT ASSETS		27 732
Goodwill, net		7 304
TOTAL OTHER ASSETS		7 304
TOTAL ASSETS	$	35 036
LIABILITIES AND MEMBER'S EQUITY		
MEMBER'S EQUITY		
Member Equity	$	35 036
TOTAL MEMBER'S EQUITY		35 036
TOTAL LIABILITIES AND MEMBER'S EQUITY	$	35 036

The accompanying notes are an integral part
of these financial statements

PLATINUM FRANCHISING LLC

STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

REVENUES		
Sales	$	291
Cost of goods sold		-0-
GROSS PROFIT		291
EXPENSES		
Wages, benefits and taxes		-0-
Advertising and promotion		20 153
Professional fees		2 500
Data processing and information technology		-0-
Other operating expenses		70
Office supplies and postage		-0-
Insurance		
Taxes, fees and licenses		-0-
Depreciation and amortization		592
Startup expensed		5 000
TOTAL EXPENSES		28 315
NET INCOME FROM OPERATIONS		(28 024)
OTHER INCOME (EXPENSES)		
Interest allowance		-0-
Interest expense		-0-
NET OTHER INCOME (EXPENSES)		-0-
NET INCOME		(28 024)
Member Equity, beginning of year		-0-
Member contribution		63 060
Member distribution		-0-
Retained earnings, end of year	$	35 036

The accompanying notes are an integral part
of these financial statements

PLATINUM FRANCHISING LLC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$	(28 024)
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Add: depreciation/ amortization		592
(Decrease) / increase in provision for chargebacks		-0-
Decrease / (increase) in accounts receivable		-0-
Decrease / (increase) in prepaid expenses		-0-
Decrease / (increase) in other assets		-0-
Increase / (decrease) in accounts payable		-0-
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES		(27 432)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment of organizational costs		(7 896)
NET CASH (USED) PROVIDED BY INVESTING ACTIVITIES		(7 896)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net contribution from member		63 060
Payments to shareholder		-0-
NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES		63 060
Net (decrease) / increase in cash for the year		27 732
CASH AT BEGINNING OF THE YEAR	$	-0-
CASH AT END OF THE YEAR	$	27 732
SUPPLEMENTAL DISCLOSURE		
Interest paid	$	-0-

The accompanying notes are an integral part
of these financial statements

NOTES TO THE BALANCE SHEET
AS OF DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Operations:

Platinum Franchising LLC was organized in the state of Florida as a single member Limited Liability Company on January 29, 2020. The LLC is organized for the purpose of franchising fitness businesses in the United States.

Use of Estimates:

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

Advertising Costs:

Advertising and promotion expenses are charged to operations as incurred. Advertising and marketing costs for the year ended December 31, 2020 were $ 20 153.

Income Taxes

The LLC is currently a disregarded entity which will be taxed as an "S" corporation for the year ended December 31, 2020. Therefore, no income taxes are reported in these statements.

Cash

Cash consists of a normal business checking account , that at times, may be in excess of federally insured limit of $ 250 000. At December 31, 2020 the LLC did not exceeded federally insured limits.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. As of December 31, 2020 the balance exceeded federally insured limits in the amount of $ -0-. The Company monitors the credit ratings of this institution on a regular basis and at the reporting date does not expect any losses from non-performance by the institutions.

Organizational Costs

Organizational costs represent the initial franchising costs of the organization, they are amortized over 10 years.

NOTE 2 - SUBSEQUENT EVENTS

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through March 30, 2021, the date the financial statements were available to be issued.

State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

Maryland Effective Date:	Pending
Minnesota Effective Date:	November 2, 2021
Virginia Effective Date:	Pending
Wisconsin Effective Date:	May 18, 2021

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.

Exhibit
G

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.

The franchisor is Platinum Franchising LLC located at 12196 Sussex Road, Ft. Myers, Florida 33913, Telephone: (989) 400-8968.

If we offer you a franchise, we must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we provide 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. Iowa requires that we provide this Disclosure Document at the earlier of the first personal meeting or 14 calendar-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 provide 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 we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and appropriate state agency listed in Exhibit E.

The franchise seller for this offering is Aaron Nash at 12196 Sussex Road, Ft. Myers, Florida 33913, Telephone: (989) 400-8968 and Ozzie Garcia at 8816 Foothill Blvd., Unit 103-151, Rancho Cucamonga, California 91730; (909) 730-3242. Any additional individual franchise sellers involved in offering the franchise are:

____

____

The registered agents authorized to receive service of process are listed in Exhibit E.

Issuance Date: March 30, 2021

I received a disclosure document dated March 30, 2021 that included the following Exhibits:

A. Preliminary Agreement
B. Franchise Agreement and Related Materials including State Addenda
C. Area Development Agreement
D. Confidentially Agreement
E. State Agents and State Administrators
F. Financial Statements
G. Receipts

Date Franchise Disclosure Document Received: ________________

Signed: ____

Print Name: ____

YOUR COPY

RECEIPT

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F. Financial Statements
G. Receipts

Date Franchise Disclosure Document Received: ________________

Signed: ____

Print Name: ____________________________________

FRANCHISOR'S COPY