

FRANCHISE DISCLOSURE DOCUMENT

Planet Fitness Franchising LLC
(a Delaware Limited Liability Company)
4 Liberty Lane West, Floor 2
Hampton, NH 03842
(603) 750-0001
www.planetfitness.com



PLANET FITNESS® businesses are fitness training facilities offering exercise machines and free weights, fitness training services, tanning services, related services and ancillary goods. We offer for sale **PLANET FITNESS** franchises for new locations and for existing fitness facilities that want to convert to a **PLANET FITNESS**.

The total investment necessary to begin operation of a single **PLANET FITNESS®** facility ranges from \$969,600 to \$3,181,500 if you finance your equipment, which most franchisees do. This includes \$52,000 to \$304,000 that must be paid to the franchisor or its affiliate. If you choose to purchase your equipment, the total investment necessary to begin operation of a single **PLANET FITNESS®** facility ranges from \$1,616,600 to \$4,242,500. This includes \$335,000 to \$949,000 that must be paid to the franchisor or its affiliate. These estimated initial investment ranges also apply to each location that you develop under the Area Development Agreement (plus the Area Development Fee you pay at the time you sign the Area Development Agreement). If you sign an Area Development Agreement, you must develop one or more **PLANET FITNESS®** facilities, and you will pay an Area Development Fee of \$10,000 per planned location (paid in full when you sign the Area Development Agreement) in addition to the then-current initial franchise fee due for each location at the time the Franchise Agreement for that location is executed.

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, us 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 disclosures in different formats, contact Candace Couture, Vice President of Franchise Sales, at 4 Liberty Lane West, Hampton, NH 03842 and (603) 750-0001.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising.

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

Issuance date: September 10, 2018

STATE COVER PAGE

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

Call the state franchise administrator listed in Exhibit A for information about the franchisor, about other franchisors, or about franchising in your state.

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

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

1. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION, ARBITRATION OR LITIGATION IN PORTSMOUTH, NEW HAMPSHIRE (OR, IF OUR CORPORATE HEADQUARTERS IS NO LONGER IN NEW HAMPSHIRE, THE CITY WHERE OUR CORPORATE HEADQUARTERS IS THEN-LOCATED). OUT-OF-STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE OR LITIGATE WITH US IN THAT LOCATION THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE THAT NEW HAMPSHIRE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.

STATE EFFECTIVE DATES

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California:	_____
Hawaii:	_____
Indiana:	_____
Illinois:	Exempt
Maryland:	_____
Michigan:	August 16, 2018
Minnesota:	_____
New York:	Exempt
North Dakota:	_____
Rhode Island:	_____
South Dakota:	_____
Virginia:	_____
Washington:	_____
Wisconsin:	_____

In addition, we have filed for exemptions from business opportunities laws in the following states, effective as of the following dates:

Florida:	August 30, 2018
Kentucky:	_____
Nebraska:	_____
Texas:	_____
Utah:	_____

TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE</u>
ITEM 1	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2	BUSINESS EXPERIENCE	6
ITEM 3	LITIGATION.....	9
ITEM 4	BANKRUPTCY	14
ITEM 5	INITIAL FEES.....	14
ITEM 6	OTHER FEES	15
ITEM 7	ESTIMATED INITIAL INVESTMENT.....	23
ITEM 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	28
ITEM 9	FRANCHISEE’S OBLIGATIONS	34
ITEM 10	FINANCING.....	36
ITEM 11	FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	36
ITEM 12	TERRITORY	50
ITEM 13	TRADEMARKS	54
ITEM 14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	59
ITEM 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	60
ITEM 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	62
ITEM 17	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP	62
ITEM 18	PUBLIC FIGURES.....	71
ITEM 19	FINANCIAL PERFORMANCE REPRESENTATIONS	71
ITEM 20	OUTLETS AND FRANCHISEE INFORMATION	79
ITEM 21	FINANCIAL STATEMENTS	89
ITEM 22	CONTRACTS.....	89
ITEM 23	RECEIPTS	90

EXHIBITS:

- A. List of State Agencies and Agents to Receive Service of Process
- B. Nondisclosure & Non-Use Agreement
- C. Franchise Agreement (including Addenda and Appendices)
- D. Acquisition Amendment to Franchise Agreement
- E. Successor Amendment to Franchise Agreement
- F. Conversion Amendment to Franchise Agreement
- G. Area Development Agreement (including Addenda and Appendices)
- H. Financial Statements
- I. List of Franchise and Corporate Locations
- J. Form of General Release
- K. POS Agreements
- L. Table of Contents to Operations Manual
- M. State Addenda
- N. Receipts

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

This Disclosure Document provides certain information about Planet Fitness Franchising LLC and the terms on which we currently offer franchises in the United States (as required by federal regulations and certain state laws). This Disclosure Document cannot and does not provide all the information a prospective franchisee should consider in making a decision on whether to enter into a Franchise Agreement. Prospective franchisees should make an independent investigation before making a decision to enter into a Franchise Agreement and should consult with their own professional advisors, including their attorney and accountant.

Unless the context otherwise requires, all references to “we,” “us”, or “our” refer to Planet Fitness Franchising LLC and all references to “you,” or “your” refer to the person who is inquiring about or is granted the right to operate a **PLANET FITNESS®** franchise under a Franchise Agreement. If you are a corporation, limited liability company, partnership or any other type of legal entity, the provisions of the Franchise Agreement also apply to your owners by virtue of the requirement that some or all your owners personally guarantee, and be personally bound by, your obligations under the Franchise Agreement.

The Franchisor, Its Predecessors, Affiliates, and Parents

We are a limited liability company formed under Delaware law on June 13, 2018. We do business under our corporate name and under the **PLANET FITNESS** name. We have been offering franchises for the operation of **PLANET FITNESS** businesses since August 2018. We have not conducted business in any other line of business or offered franchises in any other line of business. Our principal business address currently is 4 Liberty Lane West, Floor 2, Hampton, NH 03842 and the principal business address of our affiliates is the same, except as otherwise indicated below. Our agents to receive service of process are identified in attached Exhibit “A”.

Our affiliate and predecessor, Pla-Fit Franchise, LLC (“Pla-Fit Franchise”), offered franchises for the operation of **PLANET FITNESS** businesses from February 2003 through July 2018. Pla-Fit Franchise was organized in the state of New Hampshire on January 27, 2003. Its principal business address is 4 Liberty Lane West, Hampton, NH 03842.

Our immediate parent, Planet Fitness Master Issuer LLC (“Master Issuer”), and its immediate parent, Planet Fitness SPV Guarantor LLC (“Guarantor”), were organized in the state of Delaware on June 13, 2018.

Our affiliate Planet Fitness Assetco LLC is a Delaware limited liability company organized on June 13, 2018, and will own and operate certain corporate **PLANET FITNESS** locations in the United States. Throughout this disclosure document, we refer to those **PLANET FITNESS** locations operated by our affiliates as “company-owned” or “corporate” locations.

Our affiliate, Planet Fitness Distribution LLC (“PF Equipment”), is a Delaware limited liability company formed on June 13, 2018, and will be the approved supplier of fitness equipment in the United States. We may require you to conduct business with it. Prior to August 1, 2018, our affiliate, Planet Fitness Equipment, LLC (“Prior Equipment”), a New Hampshire limited liability company formed in May 2005 was the approved supplier of fitness equipment in the

United States. See Item 8 for more information on approved suppliers. The principal address of Prior Equipment is 4 Liberty Lane West, Hampton, NH 03842.

Master Issuer, Guarantor, Assetco and PF Equipment were all formed in connection with the Securitization Transaction described below.

Guarantor's immediate parent, Planet Fitness Holdings, LLC ("Holdings"), was organized in the State of New Hampshire on March 16, 2007, under the name "Pla-Fit Ridgmar, LLC." On March 7, 2008, Pla-Fit Ridgmar, LLC changed its name to "Planet Fitness Holdings, LLC." Holdings is wholly-owned by a Delaware limited liability company, Planet Intermediate, LLC ("Intermediate"), which is itself wholly owned by another Delaware limited liability company, Pla-Fit Holdings, LLC ("Topco").

Our ultimate parent, Planet Fitness, Inc. is majority owner and sole managing member of Topco. Planet Fitness, Inc. was incorporated in Delaware in March 2015, and has been a publicly traded company since August 6, 2015. The principal business address of Planet Fitness, Inc., Topco, Intermediate, and Holdings, is 4 Liberty Lane West, Hampton, NH 03842.

Our affiliate, Pla-Fit Canada Franchise, Inc., is a Canadian corporation formed in British Columbia on July 11, 2014. Pla-Fit Canada Franchise, Inc. is the franchisor for Canadian **PLANET FITNESS** locations, and it has been offering franchises for the operation of **PLANET FITNESS** businesses in Canada since October 2014. Its registered office address currently is 2200 HSBC Building, 885 West Georgia Street Vancouver, BC V6C 3E8, and its principal business address is the same as ours. Pla-Fit Canada Franchise, Inc. does not operate any **PLANET FITNESS** locations, and it does not offer franchises in any other line of business.

Our affiliate, Pla-Fit Canada, Inc., is a Canadian corporation formed in British Columbia on December 12, 2013. Pla-Fit Canada, Inc. operates our company-owned Canadian **PLANET FITNESS** locations. It has operated **PLANET FITNESS** locations in Canada since December 2014. It does not offer franchises in any line of business. Its registered office address currently is 2200 HSBC Building, 885 West Georgia Street Vancouver, BC V6C 3E8, and its principal business address is 4 Liberty Lane West, Hampton, NH 03842.

Our affiliate, Planet Fitness International Franchise, is an exempted company formed in the Cayman Islands on April 29, 2015. Planet Fitness International Franchise is the franchisor for **PLANET FITNESS** locations outside of the United States and Canada and it has been offering franchises for the operation of **PLANET FITNESS** businesses since October 2015. Its registered office address currently is 190 Elgin Avenue, George Town, Grand Cayman KY1-9005. Planet Fitness International Franchise does not operate any **PLANET FITNESS** locations, and it does not offer franchises in any other line of business.

Other than as described in this Item 1, our affiliates have never offered franchises for **PLANET FITNESS** businesses or any other line of business, or engaged in other business activities.

Securitization Transaction

On August 1, 2018, we and certain of our affiliates closed a financing transaction (the “Securitization Transaction”) whereby our affiliates obtained debt financing in order to refinance existing debt and for other corporate purposes. As part of the Securitization Transaction, substantially all United States Franchise Agreements and Area Development Agreements of Planet Fitness were assigned to us and we became the franchisor of all existing and future Area Development Agreements, Franchise Agreements and other related agreements. Also, as part of the Securitization Transaction, our affiliate, PFIP, LLC (“PFIP”), assigned to us all the marks and other intellectual property used in the franchise System in the United States, including all trade secrets and other confidential or proprietary information, copyrights, patents, and rights in computer programs and mobile applications.

At the closing of the Securitization Transaction, we entered into a management agreement with Holdings to act as the manager (“Manager”) to provide the required assistance, support and services to Planet Fitness area developers and franchisees under their Area Development Agreements and Franchise Agreements. Holdings also acts as our franchise sales agent. We will pay Holdings management fees for these services. As the franchisor, however, we will be responsible to you to make sure that all services we promise to perform under your Area Development Agreement and Franchise Agreement or other agreement you sign with us are performed in accordance with the applicable agreement, regardless of who performs these services on our behalf.

The Franchise

A **PLANET FITNESS** franchise offers fitness training facilities, including exercise machines and free weights, fitness training services, tanning services, related services and ancillary related merchandise as we may authorize periodically. The **PLANET FITNESS** franchisee must provide these services on a 24 hour per day 7 day per week basis unless prohibited by law or authorized by us in writing. You must offer for sale all services, products, and merchandise we designate under our System, unless prohibited by law or you obtain our prior written approval not to offer certain services, products, or merchandise. Our system consists of the business methods, designs and arrangements for developing and operating **PLANET FITNESS** businesses, which include the marks, building design and layouts, equipment, training, and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time (the “System”).

You must sign the form of Nondisclosure & Non-Use Agreement attached as Exhibit “B” before we engage in substantive discussions with you about the franchise opportunity. You will sign our then-current form of franchise agreement (the “Franchise Agreement”) for each **PLANET FITNESS** franchise you open regardless of whether you are opening a new facility or converting an existing facility as noted in the following paragraph. Each Franchise Agreement will grant you the right to own and operate a single **PLANET FITNESS** franchise to be operated under the service mark **PLANET FITNESS®**, as well as other trademarks, service marks, trade dress, trade names and commercial symbols owned by us (collectively “Marks”) and in accordance with the System at an agreed-upon location. A copy of our current form of Franchise Agreement is attached to this Disclosure Document as Exhibit “C”. If you are acquiring an existing **PLANET FITNESS**

location, you will also sign our Acquisition Amendment attached to this Disclosure Document as Exhibit “D”. If you are entering an agreement for a successor term of your existing **PLANET FITNESS** franchise, you will also sign our Successor Amendment attached to this Disclosure Document as Exhibit “E”.

For an existing fitness training facility converting to a **PLANET FITNESS** franchise, we may negotiate with you to reach mutually acceptable terms of a franchise agreement. You must also sign our Conversion Amendment attached to this Disclosure Document as Exhibit “F”. Typically, the existing fitness training facility will have an established location and may have equipment at the location that we determine to be acceptable to our system standards. In this instance, the initial investment in an existing location may be less than for a new location as the staff may require less training and the costs for any required leasehold improvements or equipment typically will be less due to the already existing location or existing equipment at the location. In some cases, the existing fitness training facility will require significant investment to satisfy our system standards, in which case your initial investment will increase. In some cases, the location of an existing fitness training facility seeking to convert to **PLANET FITNESS** may never be approved based on certain factors such as parking or other limitations. Except where otherwise noted, the disclosures in this Disclosure Document apply to conversion franchises as well as initial franchises.

Periodically, one of our affiliates may sell and we may franchise one or more company-owned **PLANET FITNESS** locations or purchase a franchised location from a franchisee. In these transactions, our affiliate negotiates with the prospective franchisee to reach mutually acceptable terms of a sale agreement and any lease assignment or sublease of the real estate. If you purchase a company-owned location, you must sign a Franchise Agreement, though the terms may vary from the standards terms of our Franchise Agreement attached to this Disclosure Document. In addition, from time to time, one of our affiliates may jointly own **PLANET FITNESS** locations with third parties.

If you qualify, we may grant you area development rights according to the form of Area Development Agreement included in this Disclosure Document as Exhibit “G” (“Area Development Agreement”). You and we may enter into an Area Development Agreement for the development of a prescribed number of **PLANET FITNESS** facilities in a designated geographic area called the “Development Area.” Under an Area Development Agreement, you must develop one or more **PLANET FITNESS** facilities in the Development Area within a given period of time, depending on population of the area, its market potential and other factors described in Item 12. You must sign a separate, then-current Franchise Agreement for each **PLANET FITNESS** facility you open under the Area Development Agreement and will sign the Franchise Agreement for your first **PLANET FITNESS** facility at or soon after the time you sign the Area Development Agreement.

If (1) you or your affiliates are a party to a prior Franchise Agreement or Area Development Agreement with us, and (2) you want to sign a new Franchise Agreement with us (not under an existing Area Development Agreement with us) or a new Area Development Agreement with us, we may require you to sign a general release in the form attached hereto as Exhibit “J”, releasing any claims arising from your prior agreements as a condition of us granting new franchise rights or development rights to you.

The Market and Competition

The services and ancillary merchandise offered by a **PLANET FITNESS** franchise are intended primarily for the general public. We have designed our services and ancillary merchandise to appeal to a health conscious consumer who appreciates a low pressure judgement-free fitness environment. You will have to compete with other businesses offering similar products and services, including other fitness facilities, gyms, health-related establishments, and sports complexes. Your competition may include other businesses that we or our affiliates may franchise or operate, as noted in Item 12. The services and ancillary merchandise our franchises sell are well recognized by consumers and widely available from other sources. The market for our franchisees' goods and services is well developed. Typically, our services and ancillary merchandise are sold to individuals and selling is not seasonal, though membership sales may fluctuate throughout the year.

The fitness industry is a highly competitive, fragmented and developed market, which can be affected significantly by many factors, including changes in local, regional or national economic conditions, changes in consumer spending and habits, and increases in the number of, and particular locations of competing facilities. Various factors can adversely affect the fitness industry, including inflation, increases in labor and energy costs, the availability and cost of suitable sites, fluctuating interest and insurance rates, state and local regulations and licensing requirements and the availability of an adequate number of hourly-paid employees. In addition, other fitness chains with greater financial resources have similar concepts.

License and Permits

You should consider that certain aspects of the fitness industry and other services offered at **PLANET FITNESS** locations are regulated by federal, state and local laws, rules and ordinances. Some states limit the length and terms of your membership contract, provide certain customers rights, including the right to terminate their membership contract, and require you to obtain a bond to protect pre-paid membership fees you collect. In some states, you may be required to escrow or post a bond for any pre-opening membership fees you collect. In some states, you may be required to post specific notices to your members regarding activities conducted in your business including, but not limited to tanning. It is your sole responsibility to investigate these laws, and we recommend that you do so before you sign a Franchise Agreement or Area Development Agreement with us. In addition, if you are constructing a new fitness facility and rely on the proceeds of the membership to build and equip the facility, the offer and sale of those memberships could be considered the sale of "securities" under those laws and require registration. You will also need to operate each location in compliance with laws, regulations and ordinances applicable to businesses generally, like the Americans with Disabilities Act, federal and state wage and hour laws, and the Occupational Safety and Health Act. It is your sole responsibility to comply with all applicable laws and obtain and keep in force all necessary licenses and permits required by public authorities.

ITEM 2
BUSINESS EXPERIENCE

Christopher J. Rondeau, Chief Executive Officer

Christopher Rondeau has served as our Chief Executive Officer since June 2018. He has also served as the Chief Executive Officer of Pla-Fit Franchise since January 2013. Prior to this, Mr. Rondeau served as its Chief Operating Officer since January 2003.

Dorvin Lively, President and Chief Financial Officer

Dorvin Lively has served as our President and Chief Financial Officer since June 2018. He has also served as the President and Chief Financial Officer of Pla-Fit Franchise since April 2017 and Chief Financial Officer since July 2013. Mr. Lively served as Chief Financial Officer, Chief Administrative Officer, and Executive Vice President of RadioShack Corp. from August 2011 to July 2013 in Fort Worth, Texas. He also served as Interim Chief Executive Officer of RadioShack Corp. from September 2012 to February 2013 in Fort Worth, Texas. Mr. Lively served as the Chief Financial Officer and Senior Vice President of Ace Hardware Corp. from March 2008 to July 2011 in Oak Brook, Illinois.

Craig Miller, Chief Digital & Information Officer

Craig Miller has served as Chief Digital & Information Officer of Pla-Fit Franchise since August 2017. Mr. Miller previously served as Senior Vice President and Chief Information and Technology Officer at Sonic Drive-In from January 2010 to May 2016 in Oklahoma City, Oklahoma.

Ray Miolla, Chief Development Officer

Ray Miolla has served as Chief Development Officer of Pla-Fit Franchise since June 2018. From October 2014 to May 2018, he served as Senior Vice President, Global Real Estate, Store Development and Franchise Services for Gap Inc. in San Francisco, California. From February 2008 to October 2014 he served as Deputy General Counsel and Vice President, Franchise Services for Gap Inc. in San Francisco, California.

Roger Chacko, Chief Commercial Officer

Roger Chacko has served as Chief Commercial Officer of Pla-Fit Franchise since July 2018. From May 2017 to July 2018, he was self-employed as a Growth Strategy Consultant in Minneapolis, Minnesota. From September 2014 to April 2017, he served as the Executive Vice President, Global Chief Commercial and Branding Officer at Carlson Rezidor Hotel Group in Minnetonka, Minnesota. From July 2010 to August 2014, he served as Chief Strategy Officer of Bloomin' Brands, Inc. in Tampa, Florida.

Candace Couture, Vice President of Franchise Sales

Candace Couture has been Vice President of Franchise Sales of Pla-Fit Franchise since March 2016. From June 2013 to March 2016, she was its Director of Franchise Sales. From June 2006 to June 2013, she was Director of Franchise Admissions.

Mark Andrews, Franchise Sales Director

Mark has been Franchise Sales Director of Pla-Fit Franchise since March 2018. From July 2014 to March 2018, he was its Franchise Sales Manager. From 2006 to July 2014, he served as Vice President of Sales and Operations for Extra Inning Franchise Company located in Middleton, Massachusetts.

Brittany Guillemette, Senior Market Research Specialist

Brittany has been Senior Market Research Specialist of Pla-Fit Franchise since April 2017. From July 2014 to April 2017, she served as its Franchise Sales Specialist. From August 2013 to July 2014, she served as a member of its Member Services department. From July 2012 to August 2013, she served as a manager at various Planet Fitness corporate clubs.

Justin Vartanian, General Counsel

Justin Vartanian has served as our General Counsel since June 2018. Justin Vartanian has served as General Counsel for Pla-Fit Franchise since November 2017. Mr. Vartanian served as its Deputy General Counsel from April 2017 to November 2017. Prior to that he was its Associate General Counsel from June 2015 to April 2017. From March 2014 to June 2015, he was Legal Director, Corporate & International. Prior to joining us, from August 2009 to March 2014, he was a corporate attorney at the law firm of Devine, Millimet & Branch, P.A., in Manchester, New Hampshire.

Scott Fogg, Vice President of Vendor and Supply Chain & Associate General Counsel

Scott has served as Vice President of Vendor and Supply Chain & Associate General Counsel of Pla-Fit Franchise since November 2017 and was its Associate General Counsel from May 2016 to November 2017. Prior to Planet Fitness, Scott Fogg was an attorney at the law firm Shaheen & Gordon in Dover, NH from July 2010 to April 2016 where his practice primarily focused on litigation and business law.

Jason Bauman, Corporate Counsel, Franchising

Jason Bauman has served as Corporate Counsel, Franchising of Pla-Fit Franchise since October 2017. From April 2015 to September 2017, he was a Policy Manager at the Abdul Latif Jameel Poverty Action Lab at the Massachusetts Institute of Technology in Cambridge, Massachusetts. From January 2011 to April 2015, he was a corporate attorney at the law firm of Foley Hoag LLP in Boston, Massachusetts.

Suzanne Phelan, Senior Manager, Franchise Administration

Suzanne Phelan has served as Senior Manager, Franchise Administration, of Pla-Fit Franchise since July 2018. From October 2015 to July 2018, she was its Senior Contracts Manager. From February 2015 to October 2015, she was its Compliance Specialist. From June 2014 to February 2015, she served as Contracts Manager at Newmarket International, Inc., an Amadeus Company, located in Portsmouth, New Hampshire. From August 2012 to June 2014, she served as Contracts Paralegal at Vertex Pharmaceuticals Incorporated located in Boston, Massachusetts. From May 2007 to August 2012 she served as Contracts Administrator at Retail Detail Merchandising located in Altamonte Springs, Florida.

Allan Buell, Vice President of Construction

Allan Buell has served as Vice President of Construction of Pla-Fit Franchise since October 2017. Mr. Buell has been with Pla-Fit Franchise since October 2014 as Director of Construction. Prior to joining Planet Fitness, Allan Buell served as Director of Construction with the Timberland Company (VFC) from November 1996 to October 2014 in Stratham, New Hampshire.

Kass McInnis, Director of Real Estate

Kass McInnis has been Director of Real Estate of Pla-Fit Franchise since March 2018. She began her career at Planet Fitness as its sole Real Estate Assistant from April 2013 to February 2015. Following this role, she served as Senior Real Estate Manager from March 2015 to February 2018.

Jeanie Arnold, Director of Real Estate

Jeanie Arnold has been with Pla-Fit Franchise since February 2016 as its Director of Real Estate. From July 2012 to January 2016 she served as Area Real Estate Manager at McDonalds USA, LLC, located in Seattle, Washington. From June 2011 to October 2011, she served as Director of Real Estate at Quiznos located in Seattle, Washington.

Kent Adams, Director of Real Estate

Kent Adams has served as a Director of Real Estate of Pla-Fit Franchise since March 2017. Mr. Adams was the Director of Real Estate for Rue21 from November 2011 to September 2016 in Warrendale, PA. Prior to Rue21, Mr. Adams worked from June 1996 to May 2011 at Verizon Wireless where his last position was Director of Real Estate for the West Coast in Irvine, CA.

Bill Bode, Senior Vice President of Franchise Operations

Bill Bode joined Pla-Fit Franchise in October 2016 and serves as its Senior Vice President of Franchise Operations. Mr. Bode previously worked at Dunkin' Brands where he held various senior leadership positions, most recently Regional Vice President for the Northeast United States from March 2010 to September 2016 in Canton, MA.

Chris Holmes, Senior Director of Franchise Operations

Chris Holmes has served as Senior Director of Franchise Operations of Pla-Fit Franchise since May 2017. Mr. Holmes served as its Director of Franchise Operations from June 2013 to May 2017. From July 2011 to June 2013, he served as a Regional Manager for corporate clubs. From January 2009 to July 2011, Mr. Holmes served as a club manager.

Reggie Beatty, Senior Director of Franchise Operations

Reggie Beatty has served as Senior Director of Franchise Operations of Pla-Fit Franchise since June 2017. Mr. Beatty previously worked from August 2016 to June 2017 as the Director of Operations for Baskin-Robbins Southern California Region in Burbank, CA. From November 2013 to July 2016, Mr. Beatty was Senior Manager of Learning for Baskin-Robbins US & Canada in Burbank, CA. From September 2012 until November 2013, Mr. Beatty was a Senior Manager of Field Learning for the Northeast Region for Dunkin' Brands in Canton, MA.

Katin Keirstead, Senior Director of Operations Systems

Katin Keirstead has served as Senior Director of Operations Systems of Pla-Fit Franchise since March, 2017. From March 2016 to March 2017, Katin served as its Director of Operations Training. From May 2014 to March 2016, she served as its Operations Training Manager. From April 2005 to May 2014, she served as Campus Director, Director of Education at Premier Education Group located in Sanford, Maine.

Jamie Medeiros, Vice President of National Marketing

Jamie Medeiros has served as Vice President of National Marketing of Pla-Fit Franchise since February 2015. From January 2013 to February 2015, she served as its Vice President of Marketing. From May 2010 to January 2013, she served as a Marketing Director.

Dawn Sullivan, Vice President of Local Corporate and Franchise Marketing

Dawn Sullivan has served as Vice President of Local Corporate and Franchise Marketing of Pla-Fit Franchise since February 2015. From May 2010 to February 2015, Dawn served as a Director of Marketing.

ITEM 3 LITIGATION

Pending Actions:

1. Conway v. Planet Fitness Holdings, LLC et al., Civil Action No. 2013-756, Superior Court, Essex County, Massachusetts. On May 10, 2013, the former CFO of Pla-Fit Franchise, Jayne Conway ("Conway"), filed a civil complaint for an unspecified sum against Pla-Fit Franchise and Holdings (collectively, "Planet Fitness"), and certain owners and officers of Planet Fitness, including Michael Grondahl (individually, and as a trustee of the Michael A. Grondahl Revocable Trust of 2006), Marc Grondahl (individually, and as a trustee of the Marc Grondahl Revocable Trust of 2006), Christopher Rondeau (individually, and as a trustee of the

Christopher J. Rondeau Revocable Trust of 2006), and Richard Moore (collectively, “Defendants”). In her Complaint, Conway alleges that Defendants withheld information, and/or made misrepresentations to her, about the status and value of her ownership interests in Planet Fitness in the course of negotiating and finalizing her separation and settlement agreement with Planet Fitness. Conway seeks a declaration that she owned certain stock interests at the time of the 2012 acquisition by TSG PF Investments, LLC, and asks the court to impose a constructive trust over the unspecified sums she believes she is owed. In addition, Conway asserts claims for fraud, violation of the New Hampshire Uniform Securities Act, negligent misrepresentation, breach of fiduciary duties and unjust enrichment. The Defendants filed a motion to dismiss, which was denied in June 2014. The Defendants subsequently moved to compel arbitration under various contractual provisions underlying and governing Conway’s claims. The motion to compel arbitration was denied in June 2015, and the Defendants appealed the denial of that motion. The appeal of the motion to compel arbitration was denied. The parties are in the process of completing discovery. Defendants deny any liability or wrongdoing and intend to continue to vigorously defend this matter.

Prior Actions:

1. Scenic Investments Colorado Fitness, LLC v. Pla-Fit Franchise, LLC: American Arbitration Association, Case No. 01-17-0002-6156. On May 4, 2017, Scenic Investments Colorado Fitness, LLC (“Scenic”) filed a Demand for Arbitration of claims arising out of the termination of their Area Development Agreement with Pla-Fit Franchise. Scenic alleged breach of contract, breach of the covenant of good faith and fair dealing, tortious interference with a contract, and civil conspiracy based on its contention that the termination was not justified. Prior to arbitration, this matter was settled. Pursuant to the settlement terms, we agreed to repurchase four franchises operated by Scenic, and Scenic granted a release of all claims.

2. In 2012 and 2013, two related lawsuits (the “World Gym Litigation Matters”) were filed between the Pla-Fit Franchise and certain Massachusetts-based franchisees:

World Gym, Inc. et al. v. Pla-Fit Franchise, LLC et al., Civil Action No. 1:12-cv-11620-DJC, United States District Court for the District of Massachusetts. On August 30, 2012, Massachusetts-based franchisees, World Gym, Inc. and Patricko, Inc. (“Plaintiffs”) filed a civil complaint against Pla-Fit Franchise and Twin Oaks Software Development, Inc. (“Twin Oaks”), an unaffiliated software company that processes billing files for health and fitness clubs. The Plaintiffs alleged claims against Pla-Fit Franchise for intentional misrepresentation, negligent misrepresentation, breach of contract, breach of the covenant of good faith and fair dealing, conversion, and for unfair and deceptive practices under the Massachusetts’ consumer protection law (collectively, “Claims”). In July 2013, the federal court dismissed the complaint and ordered that Plaintiffs bring separate arbitrations against Pla-Fit Franchise for the claims they asserted in the lawsuit if they wished to further pursue those claims. Plaintiffs sought reconsideration of the court’s decision, and in December 2013 the federal court again ordered them to arbitrate.

Pla-Fit Franchise, LLC v. World Gym, Inc. et al, Civil Action No. 1:13-cv-00489-PB, United States District Court for the District of New Hampshire. In December 2013, Pla-Fit Franchise terminated the franchise rights of the Plaintiffs in the preceding action. Pla-Fit Franchise subsequently sought an injunction to enforce the post-termination provisions of the franchise agreements and protect its trademarks. The Plaintiffs counterclaimed in January 2014, asserting the same claims they asserted in the litigation they instituted in 2012 in Massachusetts, and an additional claim for wrongful termination of their franchises. The Plaintiffs never filed an arbitration action against any of the defendants.

The Global Settlement Agreement: In November 2014, the parties reached a confidential settlement of all claims involved in the World Gym Litigation Matters. Pursuant to the settlement agreement, and in addition to other non-material terms, Pla-Fit Franchise agreed to pay Plaintiffs \$75,000, and Plaintiffs and Pla-Fit Franchise exchanged full mutual releases of all claims.

3. In October 2008 and March 2009, Pla-Fit Franchise and various affiliated parties were named respondents and defendants in the following two related litigation matters (the “Related Litigation Matters”):

MAXR, LLC et al. v. Pla-Fit Franchise, LLC, et al., American Arbitration Association (Case No. 11-114-Y-02112-08, Boston, MA, filed October 31, 2008) (the “MAXR Arbitration”). On October 31, 2008, the plaintiffs and former Maryland-based franchisees of Pla-Fit Franchise, MAXR, LLC, and HD Fit, Inc., and their common owners Diana Hamilton-Dutt and Hans Dutt (“Claimants”), filed a demand for arbitration (“Demand”) against Pla-Fit Franchise and PFIP, seeking \$10 million in compensatory damages, rescission of the Franchise Agreements, dissolution of applicable non-competition agreements, and other unspecified damages. In the Demand, Claimants alleged claims for fraudulent misrepresentation, negligent misrepresentation, breach of contract, promissory estoppel, unjust enrichment, breach of the covenant of good faith and fair dealing, unfair competition, violation of New Hampshire consumer protection law, tortious interference with contractual relations and prospective economic advantage, defamation, civil conspiracy, violation of the Sherman Act, and violation of the Maryland and New Hampshire antitrust laws (“Claims”). Pla-Fit Franchise denied the Claims and vigorously defended against them. In an effort to end the arbitration and without admitting any wrongdoing, Pla-Fit Franchise reached a settlement with the plaintiffs in November 2009. The terms of the settlement agreement related to the MAXR Arbitration are described below under “Global Settlement Agreement.”

HD Fit, Inc. et al. v. Pla-Fit Franchise, LLC et al., Civil Action No. 13-C-09-76764, Circuit Court for Howard County, Maryland (filed March 16, 2009) (the “HD Fit Litigation”). On March 16, 2009, Maryland-based franchisees, HD-Fit, Inc., MAXR, LLC, and their common owners Diana Hamilton-Dutt and Hans Dutt (“Plaintiffs”), filed a civil complaint (“Complaint”) against Pla-Fit Franchise, PFIP, Pla-Fit Health, LLC, Christopher J. Rondeau, Michael Grondahl, Ben Midgely, Joseph Freschi, and Candace Talon (“Franchisor Parties” or “we”), as well as an

existing Planet Fitness® franchisee, the franchisee's affiliated entity and the entities' common owners (Brick Bodies, Inc., Brick Bodies Fitness Services, Inc., C. Victor Brick and Lynne G. Brick, collectively "Brick Parties"). As to the Franchisor Parties, the Plaintiffs alleged that Pla-Fit Franchise violated the Maryland Franchise Registration and Disclosure Law (the "Maryland Act") for (1) allegedly offering a franchise to Plaintiffs prior to registering its franchise with the Maryland Securities Commissioner, and (2) allegedly making untrue or misleading statements to Plaintiffs concerning aspects of the parties' contractual relationship, including exclusive territories, expansion opportunities, enforcement of contractual non-competition covenants and relocation rights (collectively "Claims"). Plaintiffs sought \$10 million in compensatory damages, dissolution of the applicable non-competition agreements in the Franchise Agreements, reasonable attorneys' fees and other unspecified damages against the Franchisor Parties. Pla-Fit Franchise denied the Claims and vigorously defended against them. In an effort to end the arbitration and without admitting any wrongdoing, Pla-Fit Franchise reached a settlement with the plaintiffs in November 2009. The terms of the settlement agreement related to the HD Fit Litigation are described below under "Global Settlement Agreement."

The Global Settlement Agreement: In November 2009, the parties to the MAXR Arbitration and HD Fit Litigation reached a global settlement of all claims involved in the Related Litigation Matters and executed a single settlement agreement (the "Global Settlement Agreement"). Pursuant to the Global Settlement Agreement, and in addition to other non-material terms, Pla-Fit Franchise agreed to: (1) pay \$50,000 to the MAXR Arbitration claimants ("MAXR Claimants") and \$50,000 to the HD Fit Litigation plaintiffs ("HD Plaintiffs"); (2) claim no proprietary interest in the membership lists or members of the MAXR Claimants or HD Plaintiffs; and (3) waive the right to enforce all post-termination non-compete obligations and rights to purchase the former franchised locations as set forth in the applicable franchise agreement. In exchange, the MAXR Claimants and HD Plaintiffs agreed to de-brand their former PLANET FITNESS locations by February 28, 2010 and cease all use of the PLANET FITNESS Marks and Confidential Information. The Global Settlement Agreement further provided that the MAXR Claimants' and HD Plaintiffs' underlying franchise agreement with Pla-Fit Franchise would be terminated immediately, with full mutual releases exchanged between the MAXR Claimants and HD Plaintiffs (on the one hand) and the Franchisor Parties on the other hand.

4. From December 2011 through August 2012, Pla-Fit Franchise, its principals Michael Grondahl, Marc Grondahl and Chris Rondeau and certain of its affiliates were involved in multiple disputes with Jeffrey Innocenti, James Innocenti and Luigi LaVerghetta (referred to as "PFNY claims"). The Grondahls and Rondeau, and the Innocentis and LaVerghetta, were members of PFNY, LLC, the owner and operator through subsidiary entities of approximately 45 Planet Fitness franchises in the greater New York metropolitan area. The PFNY claims resulted in the litigation and arbitration actions described below. In August 2012, as part of a comprehensive settlement agreement among all parties, the PFNY claims were resolved and the below-described actions ended. The specific actions were as follows:

Michael Grondahl, Marc Grondahl and Chris Rondeau v. Jeffrey Innocenti, Luigi LaVerghetta and James Innocenti, United States District Court for the District of New Hampshire, Case No. 11-cv-00591-SM. In this December 2011 action, the Grondahls and Rondeau alleged that the Innocentis and LaVerghetta had breached duties owing to them as co-members of PFNY, LLC. In this action, the Innocentis and LaVerghetta filed a motion to compel arbitration against the Grondahls and Rondeau, and Pla-Fit Health, LLC and Holdings. This action was dismissed with prejudice as part of the parties' comprehensive settlement agreement.

Jeffrey Innocenti, James Innocenti and Luigi LaVerghetta and Michael Grondahl, Marc Grondahl and Chris Rondeau, American Arbitration Association, Case No. 11 180 00547 12. In this March 2012 action, the Innocentis and LaVerghetta asserted that the claims that the Grondahls and Rondeau had asserted in the litigation described in the preceding paragraph raised questions under the PFNY, LLC operating agreement which were subject to mandatory arbitration. This action was dismissed with prejudice as part of the parties' comprehensive settlement agreement.

Pla-Fit Franchise, LLC v. Pelham Bay Fitness Group, LLC, Superior Court, Case No. 218-20120CV-00453, Rockingham County, New Hampshire. In this April 2012 action, Pla-Fit Franchise sued each franchise operated by the PFNY, LLC to enforce its rights to audit the franchise's operations. This action was dismissed with prejudice as part of the parties' comprehensive settlement agreement.

The Comprehensive Settlement Agreement: On August 10, 2012, as part of a comprehensive settlement agreement, the parties to these disputes, on their own behalf and on behalf of certain of their affiliates, agreed in summary that PFNY, LLC would redeem the Grondahls' and Rondeau's membership interests; that PFNY, LLC and the Innocentis and LaVerghetta would pay the Grondahls and Rondeau \$2,250,000 over two (2) years; that certain Area Development Agreements between PFNY, LLC and Pla-Fit Franchise would be cancelled; that approximately ten (10) Planet Fitness franchises owned by PFNY, LLC would be transferred to the Grondahls and Rondeau or their designee; that franchise agreements for all other Planet Fitness franchises owned by PFNY, LLC would be amended to provide, inter alia, for higher royalty fees; and that the Innocentis and LaVerghetta would execute a new Area Development Agreement for a smaller geographic area than covered by the cancelled Area Development Agreements.

Governmental Actions

1. In re: Planet Fitness Holdings, LLC, Pla-Fit Franchise, LLC, and Planet Fitness NAF, LLC, Assurance No. 15-182. In the spring of 2013, the New York Office of the Attorney General (OAG) alleged that certain references to "free" or "unlimited" in Planet Fitness advertising constituted a deceptive practice under New York law, and alleged that seven of the approximately eighty independently owned and operated PLANET FITNESS franchise locations in New York at that time had violated certain state laws related to indoor tanning by failing to post signage, provide certain paperwork, and provide protective eyewear. The OAG investigation resulting from the

alleged violations resulted in a November 17, 2015 settlement agreement between the OAG and Pla-Fit Franchise and the named affiliates. As part of that settlement agreement, it was agreed that Pla-Fit Franchise would no longer approve marketing materials for locations in New York State that referred to tanning services as “free” or “unlimited,” our company-owned locations would continue to refrain from making health benefit claims regarding red lamp therapy or tanning, and Pla-Fit Franchise would encourage franchisees to comply with state laws regarding the advertising and promotion of red lamp therapy and tanning. This settlement does not change the nature of the services offered in PLANET FITNESS locations in New York State; it only affects how the services are referred to in marketing materials.

Litigation Against Franchisees in the Last Year:

None.

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

**ITEM 4
BANKRUPTCY**

Prior to joining Pla-Fit Franchise, Reggie Beatty, its Senior Director of Operations, filed a personal bankruptcy petition under Chapter 7 of the U.S. Bankruptcy Code on May 7, 2010. In re Beatty, Case No. 1:10-bk12029 (RI). On August 10, 2010, the bankruptcy court entered a discharge of the debtor’s debts.

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

**ITEM 5
INITIAL FEES**

You will pay a lump-sum nonrefundable Initial Franchise Fee in the amount of \$20,000 when you sign the Franchise Agreement. The Initial Franchise Fee is uniform and non-refundable. All initial fees are the same for both initial and conversion franchisees.

If you acquire rights under our Area Development program, you will pay an Area Development Fee equal to \$10,000 per location to be developed under the Area Development Agreement when you sign the Area Development Agreement. The Area Development Fee is uniform and non-refundable. The Area Development Fee is in addition to the then-current Initial Franchise Fee due for each location at the time the Franchise Agreement for that location is executed. If you sign an Area Development Agreement, the Initial Franchise Fee for each location opened under the Area Development Agreement will be \$20,000 for Franchise Agreements entered into within four years of the effective date of your Area Development Agreement. After four years the Initial Franchise Fee for each location opened under the Area Development Agreement will be equal to the then-current Initial Franchise Fee being charged to new franchisees. You must commit to opening one or more **PLANET FITNESS** locations as a condition of acquiring area development rights, either yourself or through one or more entities in which you own 51% or more interest.

We may require you to reimburse us for our reasonable expenses, including the costs of travel, lodging and food incurred in site evaluation for each visit we make at your request. We estimate our reasonable expenses related to site selection will range from \$1,000 to \$3,000. If we require you to pay these expenses, the amounts are nonrefundable.

We encourage you to use our designated architects to prepare all architectural plans and drawings (together with project management plans, the “Construction Development Plans”) for your **PLANET FITNESS** location. You must submit all Construction Development Plans, including design specifications, to us for our written approval before starting to develop the location. In the event that you do not use our designated architects to prepare all architectural plans and drawings for the location, you must pay us a \$4,000 Construction Development Plan review fee at the time that you submit the Construction Development Plans for our approval.

You currently must lease or purchase fitness equipment from our affiliate PF Equipment prior to opening your business. We estimate the cost of a down payment to be 10 - 30% of the total amount financed; the down payment typically ranges between \$31,000 and \$277,000. We estimate the cost to purchase equipment prior to opening will range from \$314,000 to \$922,000. The lease and purchase costs are non-refundable.

Periodically, one of our affiliates may sell and we may franchise a company-owned **PLANET FITNESS** location. In these transactions, our affiliate will negotiate with the prospective franchisee to reach mutually acceptable terms of a sale agreement and any lease or sublease of the real estate. Depending on the circumstances, the financial and other terms may vary from the standard terms of our Franchise Agreement.

ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks (Note 1)
Royalty (See Note 2)	7% of the total gross monthly and annual membership fees payable to you via EFT Dues Draft (as described in Note 2)	Paid monthly and annually	
Interest	Will vary under the circumstances	When underlying obligation is paid (See Note 3)	18% (annualized) or the highest contract rate of interest permitted by law, whichever is lower.

Type of Fee	Amount	Due Date	Remarks (Note 1)
Internet Membership and Balance Payment Administration Fee	Set according to our Methods of Operations, presently \$5 per membership application or balance payment we process for your franchise location	Paid monthly	Paid to us for the administration of customer memberships and providing balance payment options for your franchise location based on information submitted to PLANET FITNESS via internet.
Refresher Training Workshops	\$500 to \$1,500. Will vary under the circumstances.	As we and you agree	Payable for any refresher training courses for previously trained managers that we may require or operational training for new managers as you may request. The cost of refresher training varies based on the number of people trained and the length of the training. Refresher training is held at our headquarters or a predetermined location. You are responsible for your travel, food and lodging expenses incurred in connection with any refresher training. See <u>Item 11</u> for more information on Training.
Per Diem Fee	\$100 to \$1,000. Will vary under the circumstances.	As we and you agree	You must pay Per Diem Fees in connection with additional or special operational training for your managers that you request. The amount of the Per Diem Fee varies based on the number of people trained, and the length and location of the training. You are also responsible for travel, food, and lodging expenses for our personnel. See <u>Item 11</u> for more information on Training.
Re-Equip Costs	\$314,000 to \$922,000	As incurred	You must maintain your equipment according to our brand standards. This includes replacing your cardio equipment every five years, and replacing your non-cardio equipment every seven years. (See Note 4)

Type of Fee	Amount	Due Date	Remarks (Note 1)
Remodel Costs	\$70,000 to \$600,000	As incurred	You must maintain the franchise premises according to our brand standards. This may include substantial remodeling of your premises as frequently as every five years. (See Note 5)
Fees to Evaluate and Approve Alternative Suppliers	Our reasonable costs and expenses, which currently are expected to range between \$1,500 and \$5,000, although costs could greatly exceed those amounts depending on the product	Upon receipt of our bill	See <u>Item 8</u> for more information on approved suppliers.
Insurance	Will vary under the circumstances; estimated insurance premiums for your first year are \$10,000 to \$20,000	As incurred	If you fail to obtain the required insurance coverage for the franchise, we may obtain coverage for you at your expense.
National Advertising Fund Fee	2% of the total gross monthly EFT Dues Draft.	Via EFT when the Royalty is paid	See <u>Item 11</u> for more information on advertising.
Local Advertising Fee (“LAF”)	Greater of \$15,000 or 7% of the total gross quarterly EFT Dues Draft	Expended quarterly according to our Methods of Operations as per your advertising budget	Paid by you to advertisers. If you own and operate multiple PLANET FITNESS businesses in the same market area and LAF spending for them is combined, you will be in compliance with the LAF requirement if you spend an amount that satisfies the LAF obligations for all of the PLANET FITNESS businesses in the aggregate. See <u>Item 11</u> for more information on advertising.
Special Marketing Programs	Varies, maximum of 9% total gross monthly EFT Dues Draft	Upon demand	Paid to us or third parties. (See Note 6)

Type of Fee	Amount	Due Date	Remarks (Note 1)
Auditing Costs	Our actual costs, which may range from \$3,000 to \$15,000	After inspection or audit	You must reimburse us for our auditing costs if we have to audit you because you fail timely to provide us with required reports.
Franchise Agreement Transfer Fee	\$10,000, plus our reasonable out-of-pocket expenses, including external legal and administrative costs we incur in connection with the transfer.	Prior to or concurrently with transfer	Paid to us in the event you want to transfer the franchise. If the Transferee is (a) one of your owners or (b) a family member of one your owners or an employee of the business and the transfer is of a non-controlling interest in you, (c) an entity controlled by one of your owners and for estate planning purposes, or (d) a third-party, but the transfer is of a five percent (5%) or smaller ownership interest in you, we do not charge a transfer fee, but you must reimburse us for any outside legal and administrative costs.
Area Development Agreement Transfer Fee	You must pay a supplemental fee of \$5,000, per location remaining to be developed, plus our reasonable out-of-pocket expenses, including external legal and administrative costs we incur in connection with the transfer.	Prior to or concurrently with transfer	Paid to us in the event you want to transfer the development rights. If the Transferee is (a) one of your owners or (b) a family member of one your owners or an employee of one of the businesses developed under your Area Development Agreement and the transfer is of a non-controlling interest in you, (c) an entity controlled by one of your owners and for estate planning purposes, or (d) a third-party, but the transfer is of a five percent (5%) or smaller ownership interest in you, we do not charge a transfer fee, but you must reimburse us for any outside legal and administrative costs.

Type of Fee	Amount	Due Date	Remarks (Note 1)
Relocation Fee	\$5,000	Prior to relocation.	Paid to us in the event you want to move the location of your franchise. See <u>Item 11</u> for additional information on relocation requirements.
Construction Development Plan Review Fee	\$4,000	Upon your submission of your Construction Development Plans for our approval.	Paid to us in the event that you do not use our designated architect during development of your franchise. (See Note 7)
Point of Sale Support, Processing and Account Management Services Fees	\$149-\$199 plus processing and credit card fees based on the number of transactions processed per month or number of eligible accounts enrolled in collections. Estimated annual transaction costs per location range from \$9,000-\$72,000 See <u>Item 11</u> .	Monthly	Payable to our designated Point of Sale vendor for monthly software support, processing services, related security services and other account management services, as described in <u>Item 11</u> .
Point of Sale Training Fee	\$800 per person, per day	As incurred.	Payable to our designated Point of Sale vendor for on-site training.
Successor Franchise Fee	Equal to 50% of our then-current initial franchise fee, subject to maximum fee of \$40,000	Concurrently with our granting a successor franchise to you	Upon expiration of the term of the Franchise Agreement, we may grant you a successor franchise subject to certain conditions.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising out of your franchise operations.
Costs and Attorney's Fees	Actual costs	Reimbursement of our actual costs	Payable if we prevail in any legal dispute with you. You'll reimburse us for accounting, attorneys', arbitrators' and related fees and costs incurred by us.

Type of Fee	Amount	Due Date	Remarks (Note 1)
Inspection & Compliance Reimbursement	Actual costs (approximately \$1,200 per visit)	Upon demand	You will reimburse us for our actual costs if, after an inspection of your facility, we determine (in our business judgment) that additional follow-up inspections or assessments are required.
Cure Period Extension Fee (Franchise Agreement)	2% of the total gross EFT Dues Draft	Paid monthly via EFT on the day designated as your Monthly Membership Billing Day, as defined in our Franchise Agreement	Payable only if you fail to cure a default after receipt of written notice of default and within the applicable cure period provided in a written notice of default and we agree to extend your cure period. We may or may not extend your cure period in our business judgment. The Extension Fee is in addition to all regular ongoing fees you must pay under the Franchise Agreement.
Grace Period Fee (Area Development Agreement)	\$2,500	Paid monthly beginning on the first day of the Paid Grace Period	The fee applies to each PLANET FITNESS business you were required to have open and operating under the Development Schedule and is payable during a six (6) month period (the "Paid Grace Period") to enable you to cure applicable development defaults. (See Note 8)

Notes:

Note 1 Unless otherwise noted, all fees are uniformly imposed, payable to us and not refundable. However, existing franchisees and developers may be entitled to lower fees based on their existing agreements. The above fees may be payable by automatic electronic funds withdrawal from your designated bank account.

Note 2 Your Royalty payment is currently based on the total gross monthly and annual membership fees for the **PLANET FITNESS** business that are due and payable to you each month and annually, as applicable, by or on behalf of your members through authorized EFT withdrawals (the "EFT Dues Draft"), regardless of the amount of membership fees you actually collect. The term "total gross monthly and annual membership fees" means the total amount of such fees due and payable to you by or on behalf of your members, exclusive of any federal, state or local tax deductions or offsets. The term "total gross monthly and annual membership fees"

includes any payments by EFT by or on behalf of members by any third party (including health plan or employer reimbursement programs and similar reimbursement programs), for recurring membership dues or fees. Members generally will pay membership fees by automatic withdrawal from a bank account, credit card or debit card, or other means of payment. We reserve the right, on 60 days' prior notice to you, to calculate the Royalty with reference to the Total Net Membership Revenues of the Business. As more fully defined in the Franchise Agreement, the term "Total Net Membership Revenues" means the total receipts from all membership fees that you receive.

You will pay all state and local taxes, including, without limitation, taxes denominated as income or franchise taxes, that may be imposed on us as a result of our receipt or accrual of the Initial Franchise Fee, Area Development Fee, advertising fees, Extension Fee, and other fees that are referenced in the Franchise Agreement and Area Development Agreement, whether assessed against you through withholding or other means or whether paid by us directly. In either case, you will pay to us (and to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required. However, if the state where your **PLANET FITNESS** business is located imposes any such tax, we will reimburse you for the amount of the tax paid by you the first year such tax goes into effect.

Note 3 Interest begins from the date any payment is due, as determined by the lender.

Note 4 You must periodically re-equip your facilities pursuant to our plans and specifications as we deem necessary upon inspection. At a minimum, you must replace and update all cardio equipment not more often than every five (5) years, as we determine, in our reasonable discretion, based on usage and brand standards, and all other exercise equipment not more often than every seven (7) years, as we determine in our reasonable discretion. We estimate the total costs to re-equip your facility with both cardio equipment and all other equipment will range from \$314,000 to \$922,000 every five (5) to seven (7) years. This is only an estimate. Your actual costs may be higher or lower depending on the size of your **PLANET FITNESS** business, the volume and usage of your members, or changes in the market. We will advise you six (6) months prior to requiring any substantial replacement of your exercise or other equipment. If the general state of repair, appearance or cleanliness of your franchise, or its fixtures, equipment, furniture, or signs does not meet our standards and if, after notice, you fail or refuse to initiate or maintain a program to complete the required maintenance, we have the right to enter the franchise location and do the maintenance on your behalf and at your expense. If we require you to substantially remodel or replace your exercise or other equipment in the last two (2) years of the initial term of the Franchise Agreement and you comply with our requirements, we will not require a substantial remodel or equipment replacement as a condition of obtaining a successor franchise

agreement. If you have upgraded your cardio and all other equipment during the term of the Franchise Agreement and have notified us that you do not intend to acquire a successor franchise, we will not require you to replace equipment or remodel substantially in the last two (2) years of the Franchise Agreement.

Note 5 You must periodically upgrade and/or remodel your physical premises as we deem necessary upon inspection, or otherwise require. However, with the exception of signage, we will not require substantial remodeling more often than every five (5) years during the term of the franchise agreement. We estimate the costs to upgrade and/or remodel your facility will range from \$70,000 to \$600,000 every five (5) years. Your actual costs may be higher or lower depending on the size and location of your **PLANET FITNESS** business. We will advise you six (6) months prior to requiring any substantial remodeling. If the general state of repair, appearance or cleanliness of your franchise, or its fixtures, non-fitness equipment, furniture, or signs does not meet our standards and if, after notice, you fail or refuse to initiate or maintain a program to complete the required maintenance, we have the right to enter the franchise location and do the maintenance on your behalf and at your expense.

Note 6 You must participate in and contribute funds to special marketing programs and campaigns that we develop and administer from time to time. Your required contribution to the special marketing program will not exceed the then-current collective required monthly NAF and LAF payments (currently, 9% of EFT Dues Draft), and if we require you to pay the special marketing program fee, we will reduce your NAF payment by a corresponding amount for the corresponding month. If the required special marketing program fee is greater than your NAF payment, then the excess will reduce your LAF payment by a corresponding amount for the corresponding month.

Note 7 We reserve the right to require that you use our designated architect to prepare all architectural plans and drawings (together with project management plans, “Construction Development Plans”) for the **PLANET FITNESS** business. You must submit all Construction Development Plans, including design specifications and low voltage electrical plans, to us for our approval before starting to develop the location. In the event that you do not use our designated architect to prepare all architectural plans and drawings for the **PLANET FITNESS** business, you must pay a \$4,000 Construction Development Plan review fee.

Note 8 If you default under the Area Development Agreement and the default is related to two or fewer **PLANET FITNESS** businesses, we will refrain from exercising our right to terminate the Area Development Agreement for six (6) months to allow you to meet your Development Schedule obligations so long as you meet certain conditions (“Development Grace Period”). If you have not cured the defaults after the Development Grace Period, and you have not exercised your right to voluntarily terminate the Area Development Agreement, we will refrain from exercising our right to terminate the Area Development Agreement for an additional six (6) months (the “Paid Grace Period” and together with the Development Grace Period,

the “Grace Period”) to allow you to cure the defaults, subject to certain conditions. You must pay us a \$2,500 monthly fee for each **PLANET FITNESS** business you were required to have open and operating under the Development Schedule during the Paid Grace Period until you have met your Development Schedule obligations. Subject to certain conditions, you are eligible for two (2) Grace Periods during the term of the Area Development Agreement. If you have a Development Schedule default under the Area Development Agreement after you have opened at least 50% of the required the **PLANET FITNESS** businesses that you are required to open under the Development Schedule, however, you will be eligible for a third Grace Period.

**ITEM 7
ESTIMATED INITIAL INVESTMENT**

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (See Note 1)	\$20,000	Lump sum	When you sign the Franchise Agreement	Us
Site Selection Costs (See Note 2)	\$1,000 - \$3,000	Lump sum	As incurred	Us
Construction Development Plan Review Fee	\$0 - \$4,000	Lump sum	Upon your submission of your Construction Development Plans	Us.
Leasehold Improvements (See Note 3)	\$743,000 - \$1,785,000	Varies	Before commencing operations	Approved suppliers or per specifications
Fitness Equipment (See Note 4)	\$31,000 - \$922,000	Varies	Varies	Your Lender; Approved Suppliers; Our Affiliate
Non-Fitness Equipment (See Note 4)	\$40,000 - \$594,000	Varies	Varies	Your Lender; Approved Suppliers; Our Affiliate
Pre-Sale/Grand Opening Marketing (See Note 5)	\$20,000 - \$30,000	Varies	Monthly, as incurred	Paid to various media companies and other third parties to promote the opening of your business (See Note 5)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Exterior Signs	\$5,000 - \$35,000	Varies	Before commencing operations	Approved sign supplier
Computer System, Point of Sale System, and other Supplies (See Note 6)	\$11,000 - \$18,000	Varies	Varies	Approved suppliers or per specifications
Insurance	\$10,000 - \$20,000	Lump sum payment of first year premium for one location	Prior to commencing operations	Insurance companies
Real Estate Lease Deposits (See Note 7)	\$0 - \$50,000	Lump sum	When you sign your lease	Landlord
Other Deposits (See Note 8)	\$0 - \$25,000	Lump sum	When you engage the service	Utilities, banks/credit card companies, leased equipment vendors, alarm company, telephone company
Professional Fees	\$2,000 - \$25,000	Varies	Varies	Accountants, lawyers, etc.
Your Out-of-Pocket Initial Training Expenses	\$1,500 - \$6,500	Varies	Varies	Airfare, ground transportation, meals, lodging, etc.
Licenses/Bonds (See Note 9)	\$100 - \$5,000	Lump sum on application	Prior to commencing operations	Government agencies and bonding companies
Operating Cash (Additional Funds Pre-Opening and first six months) (See Note 10)	\$85,000 - \$700,000	Varies	Varies	Payroll, debt services, ongoing pre-sale/grand opening marketing, and cash to cover miscellaneous day-to-day expenses
Total (See Note 11)	\$969,600 - \$4,242,500			

Except as described in Note 10 (Operating Cash/Additional Funds), the expenses in this [Item 7](#) chart are estimates of your initial investment in one location prior to commencing operations. We cannot guarantee that you will not have additional expenses starting the business. Your costs will

depend on how closely you follow the **PLANET FITNESS** system standards, your management skill, experience and business acumen, local economic conditions, the acceptance by local consumers of our approved services, prevailing wage rates, real estate conditions, competition, etc. The estimates for a conversion facility may vary from the estimates in the chart depending on the modifications and equipment required to meet our system standards. Unless otherwise noted, all fees payable to us or our affiliates are non-refundable.

Notes:

- Note 1: See Item 5 for more information on the Initial Franchise Fee. If you sign an Area Development Agreement, you must commit to opening one or more **PLANET FITNESS** locations, and you will pay an Area Development Fee of \$10,000 per planned location at the time you sign the Area Development Agreement. This Area Development Fee is in addition to the Initial Franchise Fee for each location that you pay at the time you sign each franchise agreement. See Item 5 for more information on the Area Development Fee.
- Note 2: We may require you to reimburse us for our reasonable expenses, including the costs of travel, lodging and food, incurred in site evaluation for each visit we make at your request.
- Note 3: The estimated initial investment does not include real estate beyond the initial lease deposit. We do not require you to acquire real estate. **PLANET FITNESS** businesses typically are located in strip centers, malls, and freestanding locations. Typically, you will need to lease a building of approximately 15,000 to 25,000 square feet and pay the cost of site work and/or leasehold improvements. The cost of purchasing or leasing and developing a site for a **PLANET FITNESS** franchise will vary considerably depending the location, size, local real estate market and other factors and will depend upon whether you are converting an existing fitness facility to a franchise or are opening a new location. Your leasehold improvement costs may be significantly less if, for example, your landlord provides you with a tenant improvement allowance. Depending on location, desirability of the landlord to rent the property, and other factors, tenant improvement allowances can range from \$0 to \$600,000. Although we do not typically recommend building your own building in which to operate your **PLANET FITNESS** franchise, in certain instances, franchisees that are familiar with the **PLANET FITNESS** model have decided to build their own building. Building your own building may increase the cost significantly and exceed the estimated range. In addition, your costs may significantly exceed the estimated range if you choose a location in an area with unusually high real estate costs and/or construction or other costs which, in our experience, you may encounter in certain dense urban areas.
- Note 4: You must purchase or finance the fitness equipment and other non-fitness equipment (such as televisions, tanning beds, trusses, lockers, interior signage, flooring, fans, and the like) for your location through our approved supplier. Typically, you will finance the equipment and you are responsible for providing financing. We estimate that the cost to make down payments on financed required

fitness equipment for a new location generally ranges between \$31,000 and \$277,000. If you choose to purchase rather than finance the required equipment for your location, the cost to purchase the equipment will generally range between \$314,000 and \$922,000. These estimates, however, may vary. For example, in the last few years an existing franchisee chose to purchase additional equipment and the total cost was slightly over \$1,300,000. In addition, we estimate that your cost to make down payments on non-fitness equipment generally ranges between \$40,000 and \$178,000 with the total estimated cost to purchase the non-fitness equipment ranging between \$404,000 and \$594,000. The amount of your down payment on equipment that you finance, as well as the purchase price of the equipment (should you choose not to finance), may vary depending on the size of your location and your financing terms. If you are converting an existing facility to a **PLANET FITNESS** franchise, the cost of the equipment may be less depending on whether the existing equipment (both fitness and non-fitness equipment) meets our standards.

Note 5: The stated amount is an estimate of the amount you will spend on pre-sale/grand opening marketing prior to commencing operations. The remaining pre-sale/grand opening marketing expenditure is included in the “Additional Funds” described in Note 10. The pre-sale/grand opening marketing period typically begins no less than 45 days immediately preceding the date that you intend to commence regular operations at your **PLANET FITNESS** location, and it may be as long as 180 days after you commence regular operations (“Pre-Sale/Grand Opening Marketing Period”). Your total pre-sale/grand opening marketing is subject to a cap of \$120,000, absent a material delay in the commencement of regular operations. We will determine the amount of the Pre-Sale/Grand Opening Marketing Expense and length and start date of the Pre-Sale/Grand Opening Marketing Period based upon the location of the **PLANET FITNESS** business, demographics and other factors. As explained more fully in Item 11, we may reduce the length of the Pre-Sale/Grand Opening Marketing Period and related expenses based on market saturation and other factors. Presale marketing expenses will include a variety of marketing, public relations programs, media and advertising materials that we approve. You will conduct your pre-opening marketing efforts both online and from a temporary facility located at or near the site of your future **PLANET FITNESS** location, as described in the Operations Manual. We must grant our acceptance of the proposed physical location of your pre-opening marketing temporary facility. In addition to other standards that we specify in the Operations Manual and as we otherwise may direct in writing, the temporary facility must be clean and in good repair, provide you with good visibility to the public, conform to our network security requirements and display the marks in the form and manner we specify. Possible temporary facilities include, among other things, small retail space or a trailer that is used solely for presale marketing efforts and satisfies the above criteria. Your temporary facility for pre-opening marketing cannot be your home or a residence of any kind.

Note 6: You must purchase your club management, member management, and point of sale software, services, and hardware (collectively “Point of Sale System” or “POS System”), and other hardware required to operate your club(s), from our designated

POS supplier as described in Item 11 and/or other third-party vendors or us as we may require as set forth in the Methods of Operations. You must also pay our designated POS supplier for on-site training in connection with the POS System. You must pay the costs necessary to ensure continued PCI compliance. Additionally, changes in technology or security requirements may necessitate new hardware, software or services and you will be responsible for such costs, if any.

- Note 7: The cost of leasing a site for a **PLANET FITNESS** franchise will vary considerably depending, among other things, upon the location, size, local real estate market and other factors. As noted in Note 4 above, you will typically need to lease a building of approximately 15,000 to 25,000 square feet. The amount of your deposit is heavily dependent on your negotiations with your landlord.
- Note 8: This estimate is based on the deposits typically paid by our corporate locations. We do not collect this information from our franchisees. Your costs may be lower or higher depending on the size of your **PLANET FITNESS** location, local market conditions, your business acumen, and various other factors.
- Note 9: The cost of the licenses and bonds you must acquire may vary significantly depending on the laws that apply in your jurisdiction.
- Note 10: This estimate includes expenses prior to opening your **PLANET FITNESS** location and marketing and certain startup expenses for the first 6 months after you commence regular operations and is calculated based on the operation of our corporate clubs. The expenses include your estimated pre-sale/grand opening marketing expense during this period. You will incur additional expenses after the initial period. These figures are estimates based on our and our affiliates' 10 plus years of experience, and your experience may vary depending on whether you finance tenant improvements, your location, and other factors. You may need additional operating capital, or you may need it for a longer period of time. We cannot assure you that you will not have additional expenses in starting your franchise location.
- Note 11: This is an estimate of your initial investment and is based on our estimate of average costs and market conditions prevailing as of the date of this Disclosure Document and is based on our and our affiliates' 10 plus years of experience. We do not permit franchisees to borrow more than 80% of the initial investment for their **PLANET FITNESS** business. You should review this amount carefully with a business advisor before making any decision to purchase the franchise. You are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing and the local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs. You must bear any deviation or escalation in costs from the estimates in this Item 7 or estimates we give you in any phase of the development process.

Except as otherwise noted, none of these payments are refundable. These payments are only estimates and your costs may be higher, depending on your particular circumstances. You

should review these figures carefully with a business advisor, accountant or attorney before making any decision to purchase a franchise. We do not offer any financing for your initial investment or any other items. The availability and terms of financing with third-party lenders will depend on the availability of financing generally, your credit-worthiness, policies of lending institutions concerning the type of business to be operated and other similar factors. If you purchase a company-owned **PLANET FITNESS** location, the financial and other terms may vary from the standard terms of our Franchise Agreement.

Estimated Initial Investment for a Conversion or Company-Owned Location.

If you operate an existing fitness facility converting to a **PLANET FITNESS** franchise, your initial investment may be less than the initial investment for a new location, as you may not have to make significant leasehold improvements to your location and you may already have fitness equipment that conforms to our brand standards. In some cases, the existing fitness training facility will require significant investment to satisfy our system standards, in which case your initial investment will increase. In addition, if you purchase an existing company-owned **PLANET FITNESS** location, you may have to make a greater or smaller investment than the estimated initial investment shown above depending on the circumstances, including but not limited to the condition of the facility. The price and terms of payment for these **PLANET FITNESS** locations will be established by mutual agreement. Any mutual agreement will be incorporated into the Franchise Agreement or other related purchase agreements for the location.

Estimated Initial Investment Under an Area Development Agreement.

If you sign an Area Development Agreement, you must commit to opening one or more **PLANET FITNESS** locations in a Development Area within a certain period of time. You will pay an Area Development Fee equal to \$10,000 per planned location. The Area Development Fee is in addition to the Initial Franchise Fee for each location you open under the Area Development Agreement. The balance of your initial investment requirements for your first **PLANET FITNESS** franchise is described in the above table. You will incur additional costs and expenses during the term of the Area Development Agreement as you open the remaining number of **PLANET FITNESS** franchises required under the Area Development Agreement. Those additional costs of development 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

To ensure that high and uniform standards of service and quality are maintained in all **PLANET FITNESS** businesses, you must operate your **PLANET FITNESS** franchise in conformity with our methods, standards and specifications and you must purchase services, supplies, fixtures, equipment, merchandise, goods, and inventory only from suppliers we have approved. Although you are not required to purchase or lease real estate from us or our affiliates, we must approve your location (See Item 11). If you lease the premises, the lease must contain the Franchisor Lease Provisions, a copy of which is included in Appendix E to the Franchise Agreement. You must improve and equip the Location in accordance with our then-current approved design, specifications and standards. In addition to meeting our design specifications, it

is your responsibility to comply with the Americans with Disabilities Act and all other federal, state and local laws.

The Franchise Agreement authorizes you to use the Marks only in the operation of your **PLANET FITNESS** business and only in connection with the products and services specified by us in writing. The purpose of this requirement is to ensure that all franchisees adhere to the uniformity and quality standards associated with **PLANET FITNESS** businesses and Marks. You do not have the right to sublicense use of the Marks and thus you may not authorize any third party to use the Marks for any purpose, including marketing materials, apparel, equipment or any other item.

The fitness equipment, displays, merchandise, goods, services, uniforms and other products or supplies for your facility must be purchased from us, our approved suppliers or according to our specifications. Approved suppliers and specifications are set forth in our Operations Manual (as described in Item 11) and can be accessed electronically through our designated franchise portal (“Designated Franchise Portal”). Approved suppliers and specifications are determined based on the current needs for operating the franchised business. We evaluate approved suppliers based on price, service, quality, terms, financial strength, whether commissions are offered and other commercially reasonable benchmarks. The identity of approved suppliers and these specifications may be updated periodically in writing by modifying the appropriate pages of the Operations Manual or otherwise communicating the modification to our franchisees in writing, e-mail being sufficient. In addition, if you purchase or lease real estate for your facility through certain brokers and/or brokerage firms referred or recommended by us or an affiliate, we and our affiliates have the right to receive payments or other consideration based upon a percentage of the broker’s commission due as a result of your purchase or lease of the subject property. Typically, these payments to us or our affiliates will equal up to 20% of the broker’s commission.

We reserve the right to limit the number of vendors and suppliers for products, goods, services, supplies, fixtures and equipment. We also reserve the right to designate a single source of supply for certain products and services. We or an affiliate may be that single source. Currently, our affiliate PF Equipment is the sole supplier of the required fitness equipment for **PLANET FITNESS** franchises in the U.S. Neither we nor our affiliates are currently approved suppliers of any other products. However, in the future, we, an affiliate or a third-party we designate may be the sole supplier of Special Marketing Programs in which you must participate. For all products and services purchased from us and our affiliates, you must pay the then-current price in effect which may be more than cost.

In most cases, we have sole or mandatory suppliers, but in unique circumstances, you may request approval of an alternate supplier. We will have the right to approve or disapprove any supplier, and we may approve or disapprove a supplier in our sole discretion. In evaluating any supplier you propose, we will, subject to reasonable restrictions and conditions to protect our trade secrets and confidential information, disclose to the proposed supplier applicable standards, specifications, processes, and procedures for the item in sufficient detail to enable the proposed supplier to demonstrate fully its capacity and capabilities to supply the items.

We may prescribe procedures for the submission of requests for approval and impose obligations on approved suppliers, which will be incorporated in a written license agreement with the supplier. We may obtain from you and/or the approved suppliers reimbursement of our actual costs and expenses incurred in the approval process and on-going monitoring of the supplier's compliance with our requirements. We do not act as an agent, representative or in any other intermediary or fiduciary capacity for you in our relationship with an alternative supplier you propose and we approve. We have the right to monitor the quality of services provided by approved suppliers in a manner we deem appropriate and may terminate any supplier who does not meet our quality standards and specifications, as may be in effect periodically. Although we cannot guarantee any specific arrangements, we attempt to negotiate purchase arrangements with third-party suppliers (including price terms) for the benefit of **PLANET FITNESS** businesses.

We do not provide material benefits (for example renewal or additional franchises) to a franchisee based on his or her use of designated or approved suppliers. When your franchise is up for renewal or if you apply for an additional franchise, among the factors we consider are your compliance with your Franchise Agreement and support of our programs and policies, which would include compliance with the requirements described in this Item 8.

We and our affiliates reserve the right to receive commissions or other consideration from suppliers in connection with your purchase of goods, products and services ("Vendor Revenue"). However, if your Franchise Agreement contains a Royalty of seven percent (7%), or you are contractually entitled to a Royalty of less than seven percent (7%) but have agreed to an additional Royalty of one and fifty-nine hundredths percent (1.59%), then we and our affiliates will limit our collection of Vendor Revenue to the following permitted categories ("Permitted Categories"): (i) the sale and placement of fitness equipment; (ii) goods, products and services sold directly to you by a vendor in which we have a material ownership interest, if the goods, products and services are sold to you at or below fair market value and the margins are reasonable; or (iii) goods, products and services which are directly revenue-generating to your **PLANET FITNESS** business (i.e., not giveaway goods, products or services for which no incremental revenue may be earned by you) and you are not otherwise required to pay a Royalty on the revenue directly generated from the goods, products or services. Despite these limitations, we may earn Vendor Revenue outside of these Permitted Categories if one hundred percent (100%) of the Vendor Revenue outside of the Permitted Categories is contributed directly to the NAF ("NAF Contribution"), so long as (i) the NAF Contribution is not derived from otherwise available price reductions on such goods, products or services (e.g., vendor offers marketing funds to us but is unable or unwilling to further reduce price), or (ii) we determine that the price reductions on such goods, products or services on a per **PLANET FITNESS** Business basis are insignificant. We will consult with the elected franchisee advisory council (or the appropriate subcommittee thereof) and seek their input in advance in the event that we are offered a NAF Contribution.

When we collect Vendor Revenue, most of these payments are calculated as an amount based on products sold. We will retain and use such payments as we deem appropriate or as required by the vendor. We or our affiliates also will derive revenue from items we sell directly to you by charging you more than the cost. You can expect items purchased or leased in accordance with our specifications will represent approximately 97% of total purchases you will make to begin operations of the business and an estimated 17% to 34% of the ongoing costs to

operate the business. We are not aware of any purchasing or distribution cooperatives in the **PLANET FITNESS** system at this time.

In the year ending December 31, 2017, our affiliate, Prior Equipment, had gross revenue from health club equipment purchased or leased by franchise locations, and from marketing credit/commission income Prior Equipment received based on franchisee purchases from our other approved suppliers, of approximately \$183,400,000, which was approximately 95% of its total 2017 revenue of \$192,400,000. In the year ending December 31, 2017, Pla-Fit Franchise derived approximately \$25,000,000 in marketing credit/commission income based on franchisee purchases from other approved suppliers, which was approximately 19% of its total 2017 revenue of \$133,700,000. In the year ending December 31, 2017, the affiliates that operate our company-owned locations received discounts from Prior Equipment with a value of approximately \$2,800,000. For the year ending December 31, 2017, Pla-Fit Franchise and our affiliates derived revenue, marketing credit, commission income, or discounts from franchisee purchases from all approved suppliers in amounts ranging from 1.5% to 31.44% of the purchase cost for rebate paying clubs and 0% for non-rebate paying clubs. This information is from our affiliates' internal accounting statements. We were formed in June 2018, and accordingly did not derive any revenue, marketing credit, commission income, or discounts based on franchisee purchases in the year ending December 31, 2017.

In addition, if you fail to make any payment when due to a designated supplier, or if we (in our reasonable discretion) determine that it is the most efficient method to remit payment to any supplier, we have the right, but not the obligation, to act as a pass through by collecting payments (past due, current and future) for the specific product or service and remitting those payments to the supplier, who ultimately provides the product or the service to you. If we act in this pass through capacity, we will collect your vendor payment on the date assigned as your Monthly Membership Billing Day, as defined in the Franchise Agreement (or as we otherwise designate in writing) and remit such payment to the supplier as arranged. Products and services for which we may act as a pass through may include equipment, fixtures, goods, merchandise, inventory, marketing campaigns or materials, lending services, computer hardware and software, supplies, uniforms and other categories of products and services that you may purchase from designated suppliers. Although we do not currently do so, we and our affiliates reserve the right to receive commissions or other consideration for acting as a pass through between you and any supplier in accordance with the Vendor Revenue limitations described above in this Item 8.

Some of our officers own an indirect interest in PF Equipment, the approved supplier of fitness equipment in the U.S.

Insurance

You must procure and maintain in force from an insurance company with an "A-" or better rating by AM Best and a Financial Size Rating of "VIII" or better: (a) commercial general liability insurance (without tanning exclusion); (b) Special Form property insurance, including fire and extended coverage, vandalism and malicious mischief insurance, for 100% of the replacement value of your **PLANET FITNESS** franchise and its contents; and (c) any other insurance policies, like business interruption insurance, abuse and molestation insurance, tanning insurance, employment practices liability insurance, automobile insurance, unemployment insurance, cyber

liability insurance, excess umbrella insurance and worker’s compensation insurance (with a broad form all-states endorsement) as we specify. For any interruption in the operation of the **PLANET FITNESS** business due to a cyber event, whether or not you have sufficient insurance coverage, you shall continue to pay us, during such period of interruption, continuing royalty fees based on the average monthly royalty fees paid by you during the twelve (12) months immediately preceding the period of interruption. For any interruption in the operation of the **PLANET FITNESS** business for any other reason, you must continue to pay us, during such period of interruption, continuing royalty fees based on the average monthly royalty fees paid by you during the twelve (12) months immediately preceding the period of interruption. Your insurance must also cover identity theft and theft of personal information, including the costs of notifying members whose information has been compromised. All insurance policies must: (1) be issued by carriers approved by us; (2) contain the types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe periodically; (3) contain a blanket additional insured endorsement naming us and our parents, subsidiaries and affiliates as additional insureds; and (4) include such other provisions as we may require periodically. You agree to provide us 30 days’ prior written notice of any reduction in insurance limits, downgraded insurance paper or cancellation or expiration of an insurance policy. You must furnish us with a Certificate of Insurance annually, upon our request. We reserve the right to request schedules of insurance and/or insurance policy copies to review for compliance.

Set forth below are the types and minimum coverage amounts that we currently typically require for each franchised **PLANET FITNESS** business per location. If we change our insurance coverage requirements, you will have at least thirty (30) days to comply with those changes. If your state requires greater coverage amounts for the categories listed below, you must obtain and maintain coverage as required by your state.

COMMERCIAL GENERAL LIABILITY:

Each Occurrence	\$1,000,000
General Aggregate Limit:	\$2,000,000
Products/Completed Operations Aggregate Limit:	\$2,000,000
Personal and Advertising Injury Limit:	\$1,000,000
Fire Damage Legal Liability Limit – any one fire	\$1,000,000
Abuse and Molestation – each occurrence	\$1,000,000
Tanning (silent/non-exclusionary language) – each occurrence	\$1,000,000

PROPERTY INSURANCE

Business Personal Property	Value of personal property
Tenant Improvements and Betterments	Value of tenant improvements
Business Income Coverage	50% of Annual Gross Revenue
(2 or more Locations – Coverage written on a blanket basis)	

CYBER COVERAGE

(Includes Privacy Liability, Network Security (aka Network Interruption) and Notification Expense Coverage; Retroactive date must cover all years as a **PLANET FITNESS** franchisee)

1 to 5 Locations:	\$1,000,000 per claim (minimum)
	\$1,000,000 aggregate (minimum)

6 to 10 Locations:	\$2,000,000 per claim (minimum) \$2,000,000 aggregate (minimum)
11 to 50 Locations:	\$3,000,000 per claim (minimum) \$3,000,000 aggregate (minimum)
51 to 75 Locations:	\$5,000,000 per claim (minimum) \$5,000,000 aggregate (minimum)
76 to 100 Locations:	\$8,000,000 per claim (minimum) \$8,000,000 aggregate (minimum)
101 or more Locations:	\$10,000,000 per claim (minimum) \$10,000,000 aggregate (minimum)

AUTOMOBILE LIABILITY:

Bodily Injury and Property Damage Combined Single Limit:	\$1,000,000
Hired and Non-Owned Liability Limit:	\$1,000,000

WORKERS' COMPENSATION:

Workers' Compensation:	STATUTORY (with All States Broad Form)
Employer's Liability:	\$500,000 per employee, bodily injury by disease; \$500,000 policy limit, bodily injury by disease; \$500,000 per employee, bodily injury by accident.

EMPLOYMENT PRACTICES LIABILITY

(Retroactive date must cover all years as a **PLANET FITNESS** franchisee)

1 to 5 Locations:	\$1,000,000 per claim (minimum) \$1,000,000 aggregate (minimum)
6 to 10 Locations:	\$2,000,000 per claim (minimum) \$2,000,000 aggregate (minimum)
11 to 24 Locations:	\$3,000,000 per claim (minimum) \$3,000,000 aggregate (minimum)
25 or more Locations:	\$5,000,000 per claim (minimum) \$5,000,000 aggregate (minimum)

UMBRELLA LIABILITY

(in excess of all other insurance coverage)

1 to 2 Locations:	\$2,000,000 each occurrence (minimum) \$2,000,000 aggregate (minimum)
3 to 10 Locations:	\$5,000,000 each occurrence (minimum) \$5,000,000 aggregate (minimum)

11 to 24 Locations: \$10,000,000 each occurrence (minimum)
\$10,000,000 aggregate (minimum)

25 to 49 Locations: \$15,000,000 each occurrence (minimum)
\$15,000,000 aggregate (minimum)

50 or more Locations: \$25,000,000 each occurrence (minimum)
\$25,000,000 aggregate (minimum)

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Article in Franchise Agreement	Article in Successor Amendment	Article in Acquisition Amendment	Article in Area Development Agreement	Article in Conversion Amendment	Disclosure Document Item
a. Site selection and acquisition/ lease	4	4	4	2 and 4	2	7 and 11
b. Pre-opening purchases / leases	4	4	4	Not applicable	2	7 and 8
c. Site development and other pre-opening requirements	4	4	4	1 and 2	2	6, 7 and 11
d. Initial and ongoing training	6	4 and 6	6	4	2	6 and 11
e. Opening	4	2, 4, and 8	2, 4, and 8	2 and 7	2	11
f. Fees	3.1, 4.4, 5.1, 5.2, 5.3, 5.4, 5.7, 5.9, 6.2, 6.4.7, 6.6, 9.6, 9.9, 9.12, 10.1, 10.5, 10.6, 10.7, 12.3, 13.32, 13.6, 14.1, 15.5, 16.13, 17.1, 18.3, 19.9, and 19.12	4, 5, 8 and 12	4, 5, 8 and 12	6,7,9, 10, 16, and 19.4	2	5 and 6
g. Compliance with standards and policies / Operations Manual	6 and 9	4, 7 and Appendix G	4, 7 and Appendix G	2, 10, and 12	3 and Appendix G	11

Obligation	Article in Franchise Agreement	Article in Successor Amendment	Article in Acquisition Amendment	Article in Area Development Agreement	Article in Conversion Amendment	Disclosure Document Item
h. Trademarks and proprietary information	1, 3,6, 7, 9, 10, and 16	Not applicable	Not applicable	5 and 13.1.1	Not applicable	13 and 14
i. Restrictions on products/services offered	4, 5, 6, 8, 9, and 10	4	4	Not applicable	Not applicable	8 and 16
j. Warranty and customer service requirements	9	Not applicable	Not applicable	Not applicable	Not applicable	11
k. Territorial development and sales quotas	Not applicable	Not applicable	Not applicable	1, 2, and 9	Not applicable	12
l. Ongoing product/service purchases	4, 5, 6,10, 9, and 10	Not applicable	Not applicable	Not applicable	3	8
m. Maintenance, appearance and remodeling requirements	3.1, 4, 6.10, 9.3, and 9.4	1, 4, 7 and Appendix G	1, 4, 7 and Appendix G	Not applicable	2 and Appendix G	6 and 7
n. Insurance	4.4, 4.8, 6.9, 9.1, and 9.9	4	4	Not applicable	2	6, 7 and 8
o. Advertising	4.8, 4.9 and 10	8	8	Not applicable	4	6 and 11
p. Indemnification	2.3, 6.9, 7.5, 15.4, and 18	Not applicable	Not applicable	Not applicable	Not applicable	6
q. Owner's participation/ management/ staffing	2.3, 2.4, 6, 9.1, and 9.15	4 and 6	4 and 6	Not applicable	2	11 and 15
r. Records/reports	4.4, 9.1, 11, 12.1, 12.3, 15.3, 18.6, 19.9, 19.24, and 20.1	Not applicable	Not applicable	Not applicable	Not applicable	6
s. Inspections/audits	4.4, 4.6, 5.9, 11.3, and 12	Not applicable	Not applicable	Not applicable	Not applicable	6 and 11
t. Transfer	13	9	9	15 and 16	2 and 5	17
u. Renewal	14.1	1, 10, and Appendix G	10	Not applicable	Not applicable	17
v. Post-termination obligations	16	Not applicable	Not applicable	10, 13.2, and 14	Not applicable	17
w. Non-competition covenants	2.2, 2.3, 16.5, 16.6, 16.7, 16.9, 16.11, and Appendix C	Not applicable	Not applicable	13	Not applicable	17

Obligation	Article in Franchise Agreement	Article in Successor Amendment	Article in Acquisition Amendment	Article in Area Development Agreement	Article in Conversion Amendment	Disclosure Document Item
x. Dispute resolution	19	Not applicable	Not applicable	19, 20, 21, and 23	Not applicable	17
y. Other	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

ITEM 10 FINANCING

We do not offer, either directly or indirectly, any financing to you. We do not permit franchisees to borrow more than 80% of the total initial investment for their **PLANET FITNESS** business without our prior written consent. We are unable to estimate whether you will be able to obtain financing for any or all of your investment and, if so, the terms of such financing. We do not have any present practice or intent to assign to a third party any instrument executed by you. No contracts or investments contain a waiver of defenses or similar provisions. We do not guarantee your notes, leases or other obligations.

We do not offer financing for the Initial Franchise Fee either directly or indirectly. We may, however, refer you to potential sources of financing for various aspects of the Business including, but not limited to, costs related to build-out and equipment acquisition. Although we do not currently do so, we and our affiliates reserve the right to receive consideration and other payments in the future if you obtain financing from a lender to whom we referred you.

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

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

If you purchase a company-owned location, we will incur similar obligations to you as described in this Item 11. Unless specified otherwise, all references are references to articles or sections of the Franchise Agreement.

We may provide you any of these services through our employees or representatives, through our affiliates, or through any third party provider we designate. Under the management agreement between Holdings and us, as described in Item 1 above, Holdings, acting as Manager, will, at all times acting on our behalf, discharge all of our duties and obligations under Planet Fitness Franchise Agreements and Area Development Agreements in the United States.

Franchise Agreement

Pre-Opening Assistance

Before you open your **PLANET FITNESS** business, we will:

1. Instruct you in Methods of Operations (Article 9);
2. Approve your choice of a location (Article 4.1.). The factors we consider regarding your choice of a location for your **PLANET FITNESS** franchise include general location and neighborhood, demographics, zoning, traffic patterns, parking, street visibility, overall interior and exterior size and shape, physical characteristics of the existing or future building including neighboring or surrounding co-tenants at a property, and lease terms;
3. Review and approve certain provisions of your lease for your location (Article 4.2.);
4. Provide you with specifications and layouts for your **PLANET FITNESS** location (Article 4.4.);
5. Provide you with an initial training program (Article 6.1.);
6. Provide you with lists of start-up inventory, furniture, fixtures, software, equipment and supplies (Article 4.7.);
7. Approve or disapprove, and in the case of our disapproval provide feedback on, your pre-sale/grand opening marketing plan, pursuant to which you must expend no less than Twenty Thousand U.S. Dollars (\$20,000) and up to Thirty Thousand U.S. Dollars (\$30,000) per thirty (30) days, subject to a maximum required spend of One Hundred Twenty Thousand Dollars (\$120,000), absent a material delay in the commencement of regular operations. Your pre-sale/grand opening marketing period will begin at least forty-five (45) days before you intend to commence regular operations and continue for up to one hundred eighty (180) days after commencing regular operations to promote the Business (Article 4.8.).

Ongoing Assistance:

During the operation of your business, we will:

1. Provide you with refresher training (Article 6.2.);
2. Provide you with general guidance on operating issues concerning the location, system standards, marketing programs, etc. (Article 6.3.);
3. Provide you with Internet and telephone consultation (Article 6.4.);

4. Provide you with wholesaling services from time to time where we may ourselves act as an approved or designated source for products, merchandise, accessories, fixtures, furnishings, equipment, signs, etc. (Article 6.4.);
5. Provide you with manufacturing services where we may manufacture, package and ship products, merchandise, accessories, fixtures, furnishings, equipment, signs, etc. to you (Article 6.4.);
6. Provide you with ongoing marketing programs (Article 6.4.);
7. Provide you with meetings, seminars or conventions where we may get together with you and other **PLANET FITNESS** franchisees for business or social purposes (Article 6.4.);
8. Provide you with research and development regarding Methods of Operations (Article 6.4.);
9. At your request, we may furnish additional guidance and assistance and, in such a case, may charge the per diem fees and charges we establish periodically. If you request, or if we require, additional or special operational training for your employees, all of the expenses that we incur in connection with this additional or special operational training or support, including per diem charges and travel and living expenses for our personnel, will be your responsibility (Article 6.4.).

Area Development Agreement

Pre-Opening Assistance

Before you begin your area development business, we will identify the geographic area where you will develop **PLANET FITNESS** businesses (ADA Article 1).

Ongoing Assistance

We do not provide any additional ongoing assistance to you under the Area Development Agreement and have no further obligations to you under the Area Development Agreement. Any ongoing assistance will be provided to you under the Franchise Agreements you enter into for locations in your area.

Franchise Site Selection

You select the site for your **PLANET FITNESS** location. We will provide you with our standard site selection criteria or an on-site evaluation of your proposed sites, as we deem appropriate. You must verify to us that your site complies with our site selection criteria. If we do not approve a site you propose, you may propose another site. We do not select or endorse your site.

Before you lease or purchase any site for a **PLANET FITNESS** location, you must submit a complete site information form to us via our web portal. We will review each site submitted and

determine whether we approve or object to the site you propose. Factors we deem appropriate include the general location and neighborhood, demographic information, traffic patterns, access, visibility, location of other competing facilities, location of existing **PLANET FITNESS** businesses, size, configuration, appearance and other physical characteristics of the site. If we approve the site, we will send you a site acceptance e-mail which will be valid for six (6) months, in which time a lease must be executed or property purchased. We will use reasonable efforts to make a site acceptance decision within thirty (30) days after we acknowledge receipt of a complete Site Acceptance Form and any other materials we have requested. If you operate an existing fitness facility business, you will already have a site for your **PLANET FITNESS** franchise location, subject to our approval before you sign a Franchise Agreement with us.

Neither our approval of the site nor any information communicated to you regarding our standard site selection criteria for **PLANET FITNESS** location will constitute a warranty or representation of any kind, express or implied, as to the suitability of the site for a **PLANET FITNESS** location. Our approval of the proposed site merely signifies that we are willing to grant a franchise for a **PLANET FITNESS** location at the site. Your **PLANET FITNESS** location may not be relocated unless you first obtain our written consent and pay a \$5,000 relocation fee. We approve a site if it meets our then-current site selection criteria.

We estimate the time from the date you sign the Franchise Agreement to the date you open your **PLANET FITNESS** location to be between six (6) and eleven (11) months. However, this time estimate may vary depending on numerous factors including location, construction schedules, equipment availability and financing. If you are opening the **PLANET FITNESS** business pursuant to an ADA with us, you must lease, sublease or purchase a location we approve within three (3) months of your signing the Franchise Agreement. Otherwise, you must lease, sublease or purchase a location we approve within six (6) months of your signing the Franchise Agreement. You must begin construction of your location within one hundred twenty (120) days after signing your lease, and you must complete construction within one hundred twenty (120) days after beginning construction. If you and we can't reasonably agree on a suitable location for your franchise within the required timeframe, if you fail to begin construction within the required timeframe, or if you fail to complete construction within the required timeframe, we may terminate the Franchise Agreement. Your **PLANET FITNESS** location must be open and operating within three hundred thirty (330) days after you sign the Franchise Agreement, or in the case of a ground-up build, four hundred fifty (450) days after you sign the Franchise Agreement, or we may terminate the Franchise Agreement and retain your Initial Franchise Fee. However, if you lease, sublease, or purchase a location we approve and are working in good faith toward commencing operations, we may in our discretion grant you additional time to open the **PLANET FITNESS** business.

Advertising

Local Advertising Funds

You agree to spend each quarter the greater of Fifteen Thousand U.S. Dollars (\$15,000) or seven percent (7%) of the amount that is the total in that quarter of the total gross monthly membership fees for your **PLANET FITNESS** business that are due and payable to you each month, by or on behalf of your members through authorized EFT withdrawals for that quarter, for

locally advertising and promoting your **PLANET FITNESS** business; provided, however, you must spend each month at least the greater of Five Thousand U.S. Dollars (\$5,000) or three percent (3%) of the total gross monthly membership fees for the **PLANET FITNESS** business that are due and payable to you each month by or on behalf of your members through authorized EFT withdrawals for locally advertising and promoting your **PLANET FITNESS** business. These amounts spent on local advertising will be designated as Local Advertising Funds (“LAF”). If you own and operate multiple **PLANET FITNESS** businesses in the same market area and LAF spending for those **PLANET FITNESS** businesses is not separated, we will deem you in compliance with LAF spending requirements if the **PLANET FITNESS** businesses spend an amount that satisfies the LAF obligations for all of the **PLANET FITNESS** businesses in the aggregate. We reserve the right to require you to spend the LAF (a) during the Pre-Sale/Grand Opening Marketing Period (defined below) (b) during your **PLANET FITNESS** businesses’ first year of operation and (c) if, in our reasonable business judgment, hyper-marketing for the **PLANET FITNESS** businesses is necessary due to market conditions like competition or the relocation of your **PLANET FITNESS** business.

If, in our business judgment you are under-performing or not using the LAF on appropriate media placement, we may collect the LAF from you and administer it on your behalf. Additionally, if we determine, at some later date, that you have spent less than the required amount during the then most recently completed two calendar quarters for locally advertising and promoting your **PLANET FITNESS** business, we may, after providing you with written notice and a ninety (90) day opportunity to cure, collect LAF contributions from you directly and administer the funds on your behalf, and collect our administrative costs incurred due to such administration.

If you believe that your **PLANET FITNESS** business should not be required to spend the LAF at the levels specified above, you may request approval for an alternative local marketing plan with a lower proposed LAF (“ALMP”) by submitting, for approval by us, a detailed proposed ALMP and specifying the reasons for your request. We will use our best efforts to respond to such request within sixty (60) days of your request. We will make our decision in our reasonable business discretion and base it on such factors as market saturation, competition, and the use of an approved cooperative, among other factors. If the ALMP is approved by us in writing, your compliance with the ALMP will constitute compliance with the LAF. Our approval of an ALMP does not grant you an automatic right to any future ALMP.

We may collect the LAF from all franchisees and administer it on their behalf if, in our business judgment, we determine such conduct is appropriate. We will provide you with at least thirty (30) days’ notice if we change the amount or expenditure of the LAF you must spend. If we collect LAF contributions directly from you, LAF contributions will be payable on the first business day following the immediately preceding reporting period, together with the Royalty fees. The funds may be electronically drafted. The LAF monies will be used to pay for the cost of implementing local marketing plans developed by you and approved by us or, if we collect LAF contributions from you, to reimburse you (up to an amount not to exceed the LAF contributions so collected) for the costs you incur in implementing local marketing plans developed by you and approved by us.

For these purposes, advertising expenditures include: (a) amounts contributed to advertising cooperatives; and (b) amounts spent by you for advertising media, such as television, radio, Internet, newspaper, billboards, posters, direct mail, collateral and promotional items, advertising on public vehicles (transit and aerial) and, if not provided by us, cost of producing approved materials necessary to participate in these media. Advertising expenditures do not include amounts spent for items which we, in our reasonable judgment, deem inappropriate for meeting the minimum advertising requirement, including permanent on-premises signs, promotional club expenses for items to be distributed onsite (such as T-shirts, pens, stickers, pizza, bagels, and member identification, but excluding other mandatory giveaway items), lighting, personnel salaries or administrative costs, transportation vehicles (even though such vehicles may display the Marks), Yellow Pages advertising, discounts, free offers and employee incentive programs. We reserve the right to modify the list of such advertising expenditures in the Operations Manual from time to time.

National Advertising Fund

You are required to pay to our National Advertising Fund (“NAF”) an Ad Fee not to exceed 2% of the total gross monthly EFT Dues Draft for your location payable monthly via EFT as described in Item 6. The NAF creates and develops marketing, advertising and related programs, materials and services including digital and traditional media as well as the planning and purchasing of national and/or regional network advertising or other marketing programs. Corporate locations contribute to the NAF on the same basis as similarly situated franchisees. We reserve the right to raise the NAF contribution above 2% (as well as the Local Advertising Funds contributions described above) in the future by gaining an approval vote by either (i) 66% of all then existing company-owned and franchised **PLANET FITNESS** businesses, or (ii) 51% of all then existing franchised **PLANET FITNESS** businesses. Voting will be accomplished through a system approved by us. The NAF will not spend any money on advertising that is principally a solicitation for the sale of new franchises, although the NAF may generally expend funds to promote the **PLANET FITNESS** brand in such ways and media as we may decide.

In the fiscal year ending December 31, 2017, NAF funds were expended as follows: 16% on production, 62% on media placement; 6% on administrative expenses, and 16% on other expenses, such as agency fees and research.

We will administer the NAF and have the sole right to determine all aspects of programs financed by the NAF, including national or regional media, creative concepts, materials, endorsements, sponsorships, integrations and agency relationships. We will generate advertising and other creative and purchase media in-house and/or may solicit outside regional or national ad agencies to do so. Although the NAF is intended to maximize general recognition and patronage of the Marks for the benefit of all **PLANET FITNESS** businesses, we cannot assure you that any particular **PLANET FITNESS** business will benefit directly or pro-rata from the placement of advertising. The NAF may be used to pay for the cost of preparing and producing materials and programs we select, including video, audio, electronic and written advertising materials. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges. We have no obligation to spend any amount on advertising in your area.

The NAF is accounted for separately from our other funds. While our intent is to balance the NAF on an annual basis, periodically the NAF may run at either a surplus or deficit. All disbursements from the NAF are made first from income and then from contributions. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all **PLANET FITNESS** businesses to the NAF in that year, and the NAF may borrow from us or other lenders to cover deficits in the NAF or cause the NAF to invest any surplus for future use by the NAF. Within one hundred twenty (120) days after the close of our fiscal year, we will prepare an annual unaudited statement of monies collected and costs incurred by the NAF. We will furnish you a copy of the prior year's statement upon your written request. Except as we otherwise expressly provide in the Franchise Agreement, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the NAF. We do not act as a trustee or in any other fiduciary capacity with respect to the NAF. The NAF will not be used for advertising principally directed at the sale of franchises.

From time to time, we may seek the advice of owners of **PLANET FITNESS** businesses by formal or informal means with respect to the creative concepts and media used for programs financed by the NAF. We generally do so through the marketing subcommittee of the Franchise Advisory Council, though we reserve the right to seek advice in a different manner in the future. The members of the marketing subcommittee are chosen by the board of the Franchise Advisory Council, which is selected by a vote of all **PLANET FITNESS** businesses, including the **PLANET FITNESS** businesses owned by our affiliates, based upon a one (1) vote per **PLANET FITNESS** location system. The marketing subcommittee and any similar future committee serve solely in an advisory capacity, in our discretion. We will have the final authority for marketing decisions. We have the right to change or dissolve the marketing subcommittee, or to establish a separate marketing advisory council at our option. We own the rights to all creative concepts and marketing materials created or paid for by the NAF. The NAF has the right to retain any commissions received from suppliers of marketing materials or products.

Additional Advertising Costs

In addition to your contributions to the NAF and LAF, you must conduct a pre-sale/grand opening advertising and promotional program for your **PLANET FITNESS** business under a marketing plan approved by us. We will determine the length and start date of the Pre-Sale/Grand Opening Marketing Period, after consultation with you, based upon the location of the **PLANET FITNESS** business, demographics and other factors. Specifically, you must spend on pre-sale/grand opening advertising and promotions a minimum amount of Twenty Thousand U.S. Dollars (\$20,000) and up to Thirty Thousand U.S. Dollars (\$30,000) per every 30 days (the "Pre-Sale/Grand Opening Marketing Expense") during the Pre-Sale/Grand Opening Marketing Period, subject to a maximum required spend of One Hundred Twenty Thousand Dollars (\$120,000), absent a material delay in the commencement of regular operations. We may reduce the length of the Pre-Sale/Grand Opening Marketing Period and the monetary amount of the Pre-Sale/Grand Opening Marketing Expense based on market saturation and the existence of any cooperative, among other factors. You must utilize marketing and public relations programs and media and advertising materials we have approved. The Pre-Sale/Grand Opening Marketing Expense cannot include interior or exterior signage, preparing the physical location where you will be selling memberships prior to commencement of regular operations, the start-up inventory, furniture,

fixtures, software, or other equipment and supplies we require you to obtain prior to commencing operation of the **PLANET FITNESS** business.

You must participate in and contribute funds to special marketing programs and campaigns that we develop and administer from time to time; provided that in no event will your required contribution to the special marketing program equal more than the collective required monthly NAF and LAF payments (currently, 9%). If we require you to pay the special marketing program fee, we will reduce your NAF payment by a corresponding amount for the corresponding month. If the required special marketing program fee is greater than your NAF payment, then the excess will reduce your LAF payment by a corresponding amount for the corresponding month.

You must participate in all required national promotional offers that we establish from time to time. You may be required to participate in a promotional offer that requires your donation to a charity, provided that (1) company-owned **PLANET FITNESS** businesses also participate in the offer, and (2) your required donations are limited to member enrollment fees, or a portion thereof.

Advertising Cooperatives

We have the right to establish local or regional advertising cooperatives for **PLANET FITNESS** businesses in your local or regional area, covering the geographical areas we may designate periodically. We have the right to form, change, dissolve or merge advertising cooperatives.

If there exists an established advertising cooperative in your market area, you must participate in the advertising cooperative and its programs and abide by its bylaws. You must contribute the amounts to the advertising cooperative(s) as they determine periodically in accordance with their bylaws. Any **PLANET FITNESS** businesses any of our affiliates own located in the designated local or regional area(s) will contribute to the cooperative(s) on the same basis. Contributions to the local and regional advertising cooperatives are credited toward the LAF advertising expenditures required by the Franchise Agreement; however, if we provide you and your local or regional advertising cooperative ninety (90) days' notice of a special promotion including, but not limited to, any regional promotions, you must participate in the promotion and pay us any special promotion advertising fees assessed in connection with the program, beginning on the effective date of the notice and continuing until the special promotion is concluded. Any special promotion advertising fees will be in addition to, and not credited towards, the LAF advertising expenditure required by the Franchise Agreement.

The bylaws of your cooperative will be made available for you to review. We may choose to administer or oversee the administration of the advertising cooperatives and collect your cooperative advertising contributions by automatic electronic withdrawal. The financial statements of the advertising cooperatives may be audited and the reports will be made available to you. Each **PLANET FITNESS** business located within the local or regional area of the advertising cooperative will utilize a voting system approved by us. Advertising conducted by the cooperatives may be in various media including television, radio, digital, print, billboards, transit, sponsorships and aerial advertising.

Computer Hardware and Software

You must record all transactions on a computer-based system that is fully compatible with our computer system, or the computer systems of our designated POS supplier and/or other third-party vendors, and that includes an information interface capability to communicate electronically with our computer system. You must participate in our Internet Web Site and you may not register a domain name or operate a website, mobile application, or other digital interface containing the Marks. We have the right to determine the content and use of any website associated with the Marks. Your general conduct on the Internet or other electronic media, including your use of the Marks or any advertising, is subject to the terms and conditions of the Franchise Agreement and any other rules or requirements that we may identify from time to time.

You must purchase your club management, member management, and point of sale software, services, and hardware (collectively “Point of Sale System” or “POS System”), and other hardware required to operate your club(s), from our designated POS System supplier and/or other third-party suppliers or us as we may require as set forth in the Methods of Operations and Operations Manual. You are required to execute the following agreements, each of which is located in Exhibit “K”, collectively referred to as the “POS Agreements,” which are subject to change and may require the execution of additional agreements due to POS System changes, for use of the POS System and other services as designated by us.

1. Planet Fitness Full Service Billing Proposal;
2. Billing Services Agreement;
3. Addendum to Billing Services Agreement; and
4. Fee Schedule and Application Materials for our designated POS System supplier and their payment gateways and/or payment processors for ACH, debit card and credit card processing.

The POS System allows you to enter, view and maintain member and guest information, collect customer membership fees, and conduct retail transactions. The POS System enables you to communicate all information in real-time to centralized servers in a third-party managed data center. The POS System includes access to certain reporting functions per club, and in aggregate across all clubs under common hosting, as defined by security roles.

The POS System designated hardware and peripherals include at least two (2) desktop computers, monitors, keyboards, mice, cash drawers, credit card readers with signature pad, check readers, retail barcode scanners, license scanners (as may be allowed by state law), receipt printers, document printer/scanner and other items that we may require from time to time (collectively, “POS System Kits”). All equipment attached to or used by you as part of the POS System must be specifically approved by us in advance, in writing. No unapproved equipment may be attached or used as part of the POS System. The cost to purchase the designated POS System Kits, and other hardware required to operate your club(s), is approximately \$11,000 to \$18,000. Additional POS System kits, additional back-office computer systems, or other technology solutions are optional and may be purchased from our designated POS System supplier and/or other third-party suppliers or us as we may require as set forth in the Methods of Operations, Operations Manual or otherwise, at your cost for an additional fee.

In order to run the POS System and receive other Internet-dependent services, you will need to purchase reliable high speed business-class Internet service satisfying our then-current minimum bandwidth requirements as set forth in the Methods of Operations, Operations Manual or otherwise. You should also purchase a backup Internet solution. You will be required to purchase a firewall, point of sale network switch, lockable network cabinet, and an enterprise-grade Wi-Fi solution, as well as adhere to the network configuration requirements set forth in the Methods of Operations or as we may otherwise designate. You will also be required to purchase certain security services including, but not limited to, managed desktop services which provide antivirus protection, operating system patch updates, and system administration and monitoring protection; Payment Card Industry (“PCI”) compliance support services, and end-to-end encryption services for credit card processing. You will be required to purchase monthly software support fees for your POS System which includes unlimited software access, technical and billing support services, software upgrades, and an unlimited number of users, members and inventory items. You will allow our POS System supplier(s) access to your POS Systems to install, support, and periodically upgrade the software. We may modify or add to these requirements from time to time, including offering or requiring additional account services through our POS System supplier(s) or other third party vendors. Currently, POS System monthly software support fees will cost approximately \$99 per club location. Your additional costs for those certain security services including, but not limited to, managed desktop services which provide antivirus protection, operating system patch updates, and system administration and monitoring protection; Payment Card Industry compliance support services, and end-to-end encryption services for credit card processing are approximately \$50 to \$100 per month and may vary as requirements or suppliers change as set forth in our Methods of Operations, Operations Manual or otherwise. The cost to install network and telecommunications cabling to meet our guidelines, and any additional network and telecommunications cabling you so desire, varies greatly by market and installation vendor and is not included in any estimates provided above. You are responsible for maintaining compliance with PCI, including ensuring your PCI status is complete and accurate in our designated PCI provider’s portal, and other data privacy laws, as applicable, at your cost. You are responsible for knowing and complying with all applicable laws and regulations related to payment processing. You must obtain and maintain all necessary PCI-DSS compliance certifications for the operation of your **PLANET FITNESS** business.

You will pay our designated POS System supplier based on the number of transactions processed per month and the method of payment, under the terms of the POS Agreements. The estimated annual transaction costs per location range from Nine Thousand U.S. Dollars (\$9,000) to Seventy-Two Thousand U.S. Dollars (\$72,000), which includes additional fees for returned ACH transactions and the settlement of billing deposits. The full fee schedule will be outlined in the POS Agreements. In our discretion, we will provide certain support and updates for no additional charge. Our POS System supplier, on our behalf, will make monthly automatic withdrawals of the Royalty, Internet Membership, and advertising fees and may make withdrawals of training fees, consultation fees, or any other fees or monies payable by you to us, or other third-parties, under any agreement between you and us from the account you designate in accordance with the Franchise Agreement.

Aside from the services included in the monthly software support fees for your POS System, and those certain security services described above, neither we nor any of our affiliates is required to provide ongoing maintenance, repairs, upgrades, advice or updates to the POS System,

POS System Kits, or other hardware, peripherals, or services. You must, at your own expense, maintain, upgrade or replace other systems and equipment which you utilize as part of your **PLANET FITNESS** business including: financial and inventory data processing, communications systems (including telecommunications voice and data services, Internet services, and Wi-Fi), club network and cabling systems, firewall systems, Wi-Fi systems, and gym equipment systems, whenever we require it, and we have no obligation to assist you in obtaining hardware, software, equipment or related services. There are no contractual limits on the frequency or cost of your obligation to obtain these upgrades. We have the right, as often as we deem appropriate, including on a daily basis, to access all your computer systems that you are required to maintain in connection with the operation of the **PLANET FITNESS** franchise and to retrieve all information relating to the **PLANET FITNESS** franchise's operations. We will have independent access to this information.

Training

Before opening your **PLANET FITNESS** business, you and/or your Responsible Owner or Approved Operator (described in Item 15), all salaried managers for your **PLANET FITNESS** business who have not previously completed our initial training program must successfully complete the initial training program.

You and/or your Responsible Owner or Approved Operator must complete both the **PLANET FITNESS** initial training program, which consists of both classroom and hands-on training covering all facets of our operations, including equipment operation and maintenance, cost control, inventory control and basic techniques of management. We will administer the initial training to you in two specific phases: Owner Orientation and Pre-Sale and Operations Training. You must attend, and complete to our satisfaction, both phases of initial training. Any on-premises training will be conducted at a designated **PLANET FITNESS** business.

You must replace any individual who fails to successfully complete the appropriate training program(s) or who otherwise is not qualified to manage or perform the required functions at a **PLANET FITNESS** business. We will not charge any fees for attending the initial training programs for you and up to two additional individuals. However, as described in Item 6, you will be responsible for all compensation and expenses (including travel, meals and lodging) incurred in connection with any training programs. Neither you nor your employees will receive any compensation from us for services performed during training.

Our current training program consists of initial training at our principal place of business and at an operating unit on the operation of a **PLANET FITNESS** business for you (or, if you are a corporation or partnership, your Responsible Owner) or your Approved Operator, and up to two (2) additional owners or managers you elect to enroll in the training program. Typically, our training program will be conducted at least once per month, but may occur more or less frequently depending on our need to train franchisees. If you request, we will provide you with additional training and you must pay us a Per Diem Fee which may range from \$100 to \$1,000, depending on the number of people trained, and the length and location of the training. If you are an existing franchisee opening an additional location and you have completed our initial training program, you will not attend the initial training again, unless specifically requested to do so, although any

general managers who have not previously successfully completed the training program may be required to complete the initial training before your location opens.

You (or your Responsible Owner), and your Approved Operator are required to complete the initial operational training to our satisfaction. You also are required to participate in all other activities required to operate the **PLANET FITNESS** franchise. If we determine that you (or your Responsible Owner) are unable to complete initial training to our satisfaction, we have the right to terminate our agreement with you.

Our designated POS vendor provides on-site training for your personnel in connection with the POS System. We require you to participate in one (1) day of on-site training. If you obtain such on-site training, you will pay fees to the POS vendor of \$800 per day, per person.

We may require your owners or your employees to attend additional operational training courses during the term of the Franchise Agreement, whether conducted by us or a third party vendor we designate. We expect that the additional training we require will not exceed two (2) people attending more than two (2) refresher training sessions of up to five (5) days per calendar year during the term of the Franchise Agreement but we may require you to attend more training courses or franchise meetings when we reasonably consider them necessary. We may charge you a reasonable fee for those courses or meetings and you will need to pay all travel, accommodations, meal and other expenses you and your other personnel incur while attending or completing these training courses or meetings. Typically, refresher training would be conducted at our headquarters (currently, in Hampton, New Hampshire), a designated training location or at your franchise location.

You are responsible for ensuring your **PLANET FITNESS** business complies with all additional training requirements imposed upon you by law or regulation.

Training Program

Subject (See Note 2)	Hours of Classroom Training	Hours of On the Job Training	Location (See Note 1)
Phase 1:			
Owner Orientation (mandatory for all first-time Franchise Owners)			
Philosophy and Vision	2	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
The Planet Fitness Story	1	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.

Subject (See Note 2)	Hours of Classroom Training	Hours of On the Job Training	Location (See Note 1)
Pre-open Site Selection and Construction Legal and Regulatory Compliance Insurance Requirements Planet Fitness Requirements Getting Ready to Open Presale Presale Location Equipment and Supplies Marketing and Communications Training (See Note 3) Hire Staff (See Note 3) Train Staff (See Note 3)	6	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Open	1	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Ongoing Operations	2	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Q&A	2	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Total Hours for Owner Orientation	14	0	
<u>Phase 2:</u> Pre-Sale and Operations Training (mandatory for all first time Franchise Owners)			
Day-to-Day Operations	10	20	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Pre-Sale and Grand Opening	4	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.

Subject (See Note 2)	Hours of Classroom Training	Hours of On the Job Training	Location (See Note 1)
Staffing	3	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Q&A	3	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Total Hours for Operations Training	20	20	
Additional Workshops			
Managers workshops (mandatory twice per year for one representative per club)	16	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Regional Manager Workshops (mandatory once per year for franchisees with three or more clubs)	16	0	Franchisor headquarters in New Hampshire and a PLANET FITNESS business we select.
Planet Fitness University e-Learning Platform (mandatory registration for all Responsible Owners, Approved Operators and managers)	8	0	E-Learning courses offered remotely at no cost to Franchisee.
Total Hours for Additional Workshops	40	0	
TOTAL	74	20	

Note 1: As noted in Item 1 and in the above chart, we currently maintain our headquarters in Hampton, New Hampshire. We typically will select a company-owned PLANET FITNESS business that is located near our headquarters.

Note 2: Should you receive any such advice from us, you alone will determine to what extent, if any, you will implement our suggestions. It is the nature of the **PLANET FITNESS** business that all subjects are integrated into the training program, and that there are no clear delineations between the subjects being learned. If you are converting an existing fitness facility into a franchise, then the required initial training program may vary from the above estimate. Instructional materials include the Operations Manual.

Note 3: We neither dictate nor control labor or employment matters for you and your employees. We do not retain any reserved authority to control the terms and conditions of employment for you

and your employees. You are solely responsible for all employment decisions with respect to your personnel, including hiring, firing, scheduling, compensation, training, supervision and discipline, regardless of whether you solicit and/or receive advice from us on any of these subjects.

Our team of training instructors includes Bill Bode, Chris Holmes, Reggie Beatty, and Katin Keirstead. Mr. Bode is Senior Vice President of Franchise Operations. He has been with Planet Fitness since 2016 and has over 20 years of experience in the field of franchising operations. Chris Holmes is Senior Director of Franchise Operations (East). He has worked for Planet Fitness for more than 8 years and has 8 years of experience in franchise operations. Reggie Beatty is Senior Director of Franchise Operations (West). He has been with Planet Fitness since 2017 and has over 20 years of experience in franchise operations. Ms. Keirstead is Senior Director of Operations Systems. She joined Planet Fitness in May 2014, and has 12 years of experience in the field of training and professional development.

Operations Manual

We will provide you with a copy of our Operations Manual, or on-line access to a copy of our Operations Manual, which is a collection of materials that describe our Methods of Operations, pursuant to a specific timeline. As of the issuance date of this Disclosure Document, our Operations Manual contains a total of 114 pages. In addition, our Operations Manual includes alternative or supplemental means of communicating such information by other media which specifically reference that they are to be considered part of the Operations Manual, including bulletins, e-mails, videotapes, audio tapes, compact discs, computer diskettes, items posted online using the designated franchise portal, and or other electronic media. Our Operations Manual contains proprietary information that you must keep confidential, as stated in Item 14 of this Disclosure Document. The table of contents to the collection of materials that comprises the Operations Manual is attached as Exhibit "L".

ITEM 12 TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

The Franchise Agreement grants to you the right to own and operate a single **PLANET FITNESS** business at a specific location. You may not conduct the business of your **PLANET FITNESS** business at any site other than the approved premises, or relocate your **PLANET FITNESS** business without receiving our prior written consent and paying a \$5,000 relocation fee. Relocation will be approved if the proposed site meets our then-current site selection criteria, which include such factors as the general location and neighborhood, demographic information, traffic patterns, access, visibility, location of other competing facilities, size, configuration, appearance, and other physical characteristics of the site. The Franchise Agreement does not provide you with any options, rights of first refusal or similar rights to acquire additional franchises, or any protected territory.

Except for rights expressly granted to you under the Franchise Agreement, we retain all of our rights with respect to the Marks, the System and **PLANET FITNESS** businesses anywhere in the world, including the right to, without compensation to you:

1. operate, and grant others the right to operate, **PLANET FITNESS** businesses and other marks, systems or businesses at locations and on terms and conditions we deem appropriate;
2. offer to sell, or sell and distribute, any products or services under any tradenames, trademarks, service marks or trade dress, including the Marks, through any distribution channels or methods, which may include retail stores, wholesale, and the Internet (or any other existing or future form of electronic commerce);
3. operate, and grant to others the right to operate, fitness facilities, gyms, health related establishments and any other business(es) whatsoever identified by trademarks, service marks or trade dress, other than the Marks, under terms and conditions we deem appropriate which may include locations in close proximity to your **PLANET FITNESS** location;
4. develop or become associated with other concepts (including dual branding or other franchise systems), whether or not using the **PLANET FITNESS** System, Brand or the Marks, and award franchises under these other concepts for locations anywhere;
5. acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere or business conducted anywhere. These transactions may include arrangements involving competing businesses or outlets and dual branding or brand conversions. These transactions are expressly permitted under the Franchise Agreement, and you must participate at your expense in any conversions as instructed by us; and
6. enter into agreements or arrangements with other local, regional, national or international companies or organizations by which we offer memberships or other products and services to the personnel, customers or members of such companies or organizations on commercially reasonable terms (including, but not limited to, fee structures and reimbursement arrangements) that may be different from our then-current membership offerings. You must participate in and honor the terms of such partnerships upon being notified thereof.

Because you are not granted a territory, there are no restrictions on soliciting or accepting orders outside any specific territory. You may use the Internet, or other direct marketing to solicit new members, but only as permitted by law and our approved marketing methods as described in the Operations Manual and other System communications. You may not use the Internet, catalog sales or other direct marketing for the sale of **PLANET FITNESS** branded merchandise or any products or services other than memberships to your fitness facility. In addition, you may not use, reference or promote the **PLANET FITNESS** Marks or System, without our consent, in connection with any current or future form of social media networks or platforms, including

Facebook, Instagram, YouTube, Twitter, LinkedIn and so on. You are not authorized to grant any third party permission to use the Marks.

If you are qualified and choose to acquire area development rights under an Area Development Agreement, we may grant you the right to develop multiple facilities in a specified Development Area. During the term of the Area Development Agreement, we, our parent and our affiliates will not develop, operate or franchise a **PLANET FITNESS** facility in the Development Area except as follows:

1. If there are open and operating **PLANET FITNESS** Business(es) owned by someone other than you or your affiliates within the specified Development Area at the time you sign an Area Development Agreement, those business will be specifically excluded from the Development Area (“Excluded Businesses”). An Excluded Business may be relocated to another location in the Development Area as long as (a) the new location is in close proximity to and in the same trade area as the previous location, as determined by us in our reasonable discretion, (b) the new location meets the criteria of our then-current site review process, and (c) you are notified no less than ten (10) days prior to our final approval of the new location and provided an opportunity to share with us any information you deem relevant before we make a final site approval decision for an Excluded Business. In the event an Excluded Business is relocated to another location in the Development Area, and, in our reasonable discretion, we mutually agree that such relocation will impair your ability to meet your Development Schedule, we agree to discuss with you whether an amendment to your Development Schedule and/or Development Area is appropriate.
2. We may enter into commercially reasonable agreements or arrangements with other local, regional, national or international companies or organizations for the development and operation of **PLANET FITNESS** Businesses (“Non-traditional Business”) (i) physically located within airports, military installations (including their adjacent housing and support areas), hotels, resorts, universities and schools, corporate offices, housing complexes, and similar locations within the Development Area (“Non-traditional Locations”) and (ii) intended to primarily serve individuals associated with the Non-traditional Location (e.g., guests, students, patrons, employees, personnel, residents, or members). Depending on the nature and scope of the Non-traditional Business agreement or arrangement, we may grant the right to develop the Non-traditional Business to the owner or operator of the Non-traditional Location. However, if and to the extent it is commercially reasonable to do so, we will provide you the right and option, through written notice (“Non-traditional Notice”), to develop such Non-traditional Business on the terms of the agreement or arrangement we have entered into. You will have sixty (60) days from the date of receipt of our notice and proposed terms for such agreement(s) to enter into a franchise agreement for such Non-traditional Business. If you fail to enter into any such franchise agreement, then your right of first refusal with respect to the Non-traditional Businesses described in the Non-traditional Notice will expire and be of no force or effect and we, our parents, subsidiaries, and our affiliates may develop and operate or grant others the right to develop and

operate the Non-traditional Businesses described in the Non-traditional Notice. Non-traditional Businesses will not count towards your Development Schedule; however, if, in our reasonable discretion, we mutually agree that a Non-traditional Business will impair your ability to meet your Development Schedule, we agree to discuss with you whether an amendment to your Development Schedule and/or Development Area is appropriate. The development of Non-traditional Businesses will be subject to the criteria of our then-current site review process.

In addition, except for rights expressly granted to you under the Area Development Agreement, we retain all of our rights with respect to the Marks, the System and **PLANET FITNESS** businesses anywhere in the world, including the right, without compensation to you, to do the following:

1. operate, and grant to others the right to operate, **PLANET FITNESS** businesses at such locations and on such terms as we deem appropriate outside of the Development Area;
2. offer to sell, or sell and distribute, inside and outside the Development Area, any products or services associated with the **PLANET FITNESS** system (now or in the future) or identified by the **PLANET FITNESS** Marks, or any other tradenames, trademarks or service marks, through any distribution channels or methods, which may include retail stores, wholesale, and the Internet (or any other existing or future form of electronic commerce);
3. operate, and grant to others the right to operate, fitness facilities, gyms, health related establishments, and any other business(es) whatsoever identified by tradenames, trademarks, service marks or trade dress, other than the Trademarks, both inside and outside of the Development Area and pursuant to such terms and conditions as we deem appropriate, which may include locations in close proximity to your **PLANET FITNESS** location(s) and your Development Area;
4. develop or become associated with other concepts (including dual branding or other franchise systems), whether or not using the **PLANET FITNESS** System, brand or Trademarks, and award franchises under these other concepts or locations anywhere, including into the Development Area;
5. acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere or business conducted anywhere, including in the Development Area. These transactions may include arrangements involving competing businesses or outlets and dual branding or brand conversions. You must participate at your expense in any conversion as instructed by us; and
6. enter into agreements or arrangements with other local, regional, national or international companies or organizations by which we offer memberships or other products and services to the personnel, customers or members of such companies or organizations, inside and outside of the Development Area, on commercially

reasonable terms (including, but not limited to, fee structures and reimbursement arrangements) that may be different from our then-current membership offerings. You must participate in and honor the terms of such partnerships upon being notified thereof.

If you acquire area development rights under an Area Development Agreement, you will have a limited right of first refusal in the Development Area after the expiration or termination of the Development Agreement. Specifically, if we are proposing or considering development in the Development Area and if (1) you have fully complied with the Development Schedule in the Area Development Agreement and all **PLANET FITNESS** businesses required by the Area Development Agreement remain open and operating; (2) none of your or your affiliates' agreements with us have been terminated by us; and (3) you and your affiliates are in substantial compliance with all the terms and conditions of your and their Franchise Agreements, we will provide you the right and option, to enter into a development agreement (and/or franchise agreement, as appropriate) with us on the then-current terms (including fees) we are then offering to new franchisees for our proposed additional development.

We require in our Franchise Agreement that, upon our written request, you lease or sublease to us, an affiliate or our designee, at the then-current fair market value rate in your geographic area for like-leased real estate, 10% or less of the total square footage of the franchise location for us or our affiliate or designee to use in any way we deem appropriate.

We do not currently operate, or franchise the operation of any other business selling under different trademarks any products or services similar to the products and services offered by **PLANET FITNESS** businesses, and we presently do not have any plans to do so. As noted in Item 1, we have affiliates who operate fitness facility locations under the **PLANET FITNESS** trademark, and affiliates that franchise fitness facilities under the **PLANET FITNESS** trademark.



ITEM 13 TRADEMARKS

The Franchise Agreement licenses you to use certain Marks, including **PLANET FITNESS®**. You do not have the right to sublicense or otherwise give any third party permission to use any Mark (or any portion of any Mark). Any such permission must come directly from us.

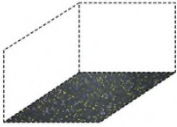

Listed below are the principal Marks that franchisees are currently licensed to use. The principal Marks have been registered on the Principal Register or are the subject of pending applications at the U.S. Patent and Trademark Office (“USPTO”). We or our affiliate PFIP have filed or intends to file all required affidavits and renewals for the Marks listed below. This is not an exhaustive list of all Marks we own.

Trademark	U.S. Registration Number	Registration Date
PLANET FITNESS (apparel & fitness centers)	2438677	March 27, 2001
PLANET FITNESS (physical fitness instruction)	2698976	March 25, 2003

Trademark	U.S. Registration Number	Registration Date
PLANET FITNESS (health spa services)	5086738	November 22, 2016
JUDGEMENT FREE ZONE	4353472	June 18, 2013
JUDGEMENT FREE	4020552	August 30, 2011
LUNK ALARM	2693142	March 4, 2003
	3840195	August 31, 2010
	3387627	February 26, 2008
	3566626	January 27, 2009
planet fitness	3546881	December 16, 2008
	3566624	January 27, 2009
BAGEL MORNING	3758325	March 9, 2010
BLACK CARD	5399551	February 13, 2018
	5221857	June 13, 2017
I LIFT THINGS UP AND PUT THEM DOWN (fitness services)	4015427	August 23, 2011
I LIFT THINGS UP AND PUT THEM DOWN (apparel)	Pending Application 87680092	Pending (Application Date November 10, 2017)

Trademark	U.S. Registration Number	Registration Date
LEAVE EGOS HERE	3584435	March 3, 2009
PF PERKS	5539265	August 14, 2018
	Pending Application 87206566	Pending Application Date October 18, 2016
NO CRITICS	2654980	November 26, 2002
NO EGOS	3828818	August 3, 2010
NO GYMTIMIDATION	4358141	June 25, 2013
PF	3614927	May 5, 2009
PE@PF (apparel)	4041448	October 18, 2011
PE@PF (fitness services)	Pending Application 87789472	Pending Application Date February 8, 2018
PF BLACK CARD	3569191	February 3, 2009
PF EXPRESS	3793766	May 25, 2012
PIZZA NIGHT	3758327	March 9, 2010
PLANET OF TRIUMPHS (stickers, bags, water bottles, apparel & fitness services)	4910171	March 1, 2016
PLANET OF TRIUMPHS (online community website)	4772621	July 14, 2015
 (stickers, bags, water bottles, apparel & fitness services)	4893758	January 26, 2016
RELAXATION ZONE	3842055	August 31, 2010

Trademark	U.S. Registration Number	Registration Date
THE JUDGEMENT FREE GENERATION	5341595	November 21, 2017
WE'RE NOT A GYM. WE'RE PLANET FITNESS.	4492327	March 4, 2014
YOU BELONG	3584434	March 3, 2009
 <p>PURPLE & YELLOW FOR WALLS, SIGNAGE AND FITNESS EQUIPMENT</p>	4142746	May 15, 2012
 <p>PURPLE FOR WALLS, SIGNAGE & FITNESS EQUIPMENT</p>	4200286	August 28, 2012
 <p>YELLOW FOR WALLS, SIGNAGE & FITNESS EQUIPMENT</p>	4203868	September 4, 2012
 <p>PURPLE & YELLOW FOR EQUIPMENT</p>	3665723	August 11, 2009
 <p>RUBBER FLOORING (PURPLE ONLY)</p>	4294662	February 26, 2013

Trademark	U.S. Registration Number	Registration Date
 <p data-bbox="233 474 841 506">RUBBER FLOORING, PURPLE & YELLOW</p>	3936371	March 29, 2011
	3756275	March 2, 2010

You must follow our operating procedures when you use the Marks. You cannot use the Marks or any other of our trademarks as part of your corporate name. You may not use the Marks to advertise the sale of your franchise.

The Operations Manual identifies the Marks you are licensed to use and the conditions and limitations of your licensed use. We have the right to change the licensed Marks periodically. Your use of the Marks and any goodwill is to our and our affiliates' exclusive benefit and does not grant you any ownership rights in the Marks. You also retain no rights in or to the Marks upon termination or expiration of your Franchise Agreement. You are not permitted to make any changes or substitutions to the Marks, or use any Mark in conjunction with any other materials to create a combination mark, except as we direct in writing.

We or PFIP have filed trademark applications for the trademarks designated as "Pending" in the chart above (collectively, the "Pending Marks"). However, we do not yet have federal registrations for the Pending Marks. Therefore, the Pending Marks do not have many legal benefits and rights as federally registered trademarks. If our right to use the Pending Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective material determinations of the Patent and Trademark Office or Trademark Trial and Appeal Board. There are no pending infringements, oppositions or cancellations concerning the principal trademarks. There is no pending material litigation involving the principal trademarks.

We own the principal trademarks. We have no actual knowledge of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where your **PLANET FITNESS** franchise may be located. No agreements currently exist that significantly limit our rights to use or license the principal Marks in a manner material to the franchise.

If it becomes advisable at any time for us and/or you to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks, service marks or trade dress, you must comply with our directions within a reasonable time after notice. You must bear all costs and expenses applicable to your **PLANET FITNESS** business should we decide to modify the Marks

or adopt new marks. We will have no liability or obligation whatsoever with respect to any required modification or discontinuance of any Mark or the promotion of a substitute trademark, service mark or trade dress.

You must immediately notify us of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights to any Mark, and you must not communicate with any person other than your legal counsel, us, and our respective legal counsel in connection with any infringement, challenge or claim. We or our affiliate(s) will have the right to take any action deemed appropriate and will have the right to control exclusively any litigation or PTO or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign any and all instruments and documents, provide assistance and do all acts and things as, in the opinion of our legal counsel, may be necessary or advisable to protect our or our affiliate(s)' interests in any litigation or PTO or other administrative proceeding or otherwise to protect its interests in the Marks.

We will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark under the Franchise Agreement and, except as provided in the Franchise Agreement, for all costs you reasonably incur in defending any infringement claim brought by a third party against you or any proceeding in which you are named as a party, if you have timely notified us of the claim or proceeding and you and your owners are in compliance with the Franchise Agreement and all other agreements entered into with us and our affiliates. We or our affiliate(s) will be entitled to prosecute, defend or settle any proceeding arising out of your use of any Mark, and, if we or our affiliate(s) decide to prosecute, defend or settle any matter, we will have no obligation to indemnify or reimburse you for any fees or disbursements of counsel you retain.

You may not use any Mark (or portion of any Mark) as part of your URL, social media, e-mail address, personal website unrelated to our business or System, or in selling any product or service that we have not authorized ("Unauthorized Use"). Specifically, you may not use the words "Planet Fitness," nor may you use our initials "PF." Similarly, except for the word "Fitness," your use of any Mark (or portion of any Mark as noted above) as part of your corporate, limited liability company or partnership name will constitute Unauthorized Use. You must properly attribute ownership of the Marks to us and/or our affiliate, as appropriate, and use the notices of trademark and service mark registrations that we specify. You also may be required to obtain fictitious or assumed name registrations (also sometimes called "dba") if required by local law.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no registered patents, pending patent applications, or copyrights that are material to the franchise, although we do claim copyright ownership and protection for our **PLANET FITNESS** Franchise Agreement, Operations Manual and for various sales promotional and other materials published periodically and we obtain copyright registration for certain marketing materials.

There are no currently effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences,

or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. Except as noted below, there are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

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

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

You must promptly disclose to us all ideas, concepts, procedures, techniques or processes that you or your employees develop concerning your **PLANET FITNESS** business and they will be considered our sole and exclusive property, part of the System, and works made-for-hire for us. If an item does not qualify as a “work made-for-hire” for us, you are required to assign ownership of that item, and all related rights to that item, to us.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are, or at any time become, a business corporation, partnership, limited liability company or other legal entity, you must designate in Appendix A to the Franchise Agreement or Exhibit B to the Area Development Agreement a “Responsible Owner,” who is an individual approved by us who: (a) has an ownership interest in you; (b) has the authority to accept all official notices from us, and when signing on your behalf, legally bind you with respect to all contracts and commercial documents related to your **PLANET FITNESS** business; and (c) has completed our training program to our satisfaction.

You may also request approval of an operator who has completed our training program to whom you can delegate your obligation to develop and operate your business (an “Approved Operator”). You must require that any Approved Operator sign a non-disclosure agreement and non-competition agreement. All approvals are given in our sole discretion. We do not guarantee that you will be allowed to delegate your responsibility.

Unless we approve an Approved Operator for your **PLANET FITNESS** business, you (or your Responsible Owner) agree to personally manage and operate the franchise as your primary occupation and will not, without our prior consent, delegate your (or one of your owner's) authority and responsibility with respect to management and operation. You (or your Responsible Owner) agree that you will at all times faithfully, honestly and diligently perform your obligations hereunder, continuously exert your best efforts to promote and enhance the franchise and not engage in any other business or activity that conflicts with your obligations to operate the franchise in compliance with the Franchise Agreement. Specifically, you (or one of your owners or an Approved Operator): (a) must exert your best efforts to the development and operation of your **PLANET FITNESS** business and all other **PLANET FITNESS** businesses you own; and (b) absent our prior approval, may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations under the Franchise Agreement. Your **PLANET FITNESS** business must, at all times, be managed by you, one of your owners, an Approved Operator, or by a manager or shift supervisor who has completed our training program to our satisfaction. Your manager need not have an equity interest in the franchise. You or your management must also log in to Designated Franchise Portal at least once per week in connection with the development and operation of your **PLANET FITNESS** business.

As more fully described in the Franchise Agreement, you must implement all reasonable procedures we periodically prescribe to prevent unauthorized use or disclosure of confidential information. These procedures include the use of nondisclosure agreements with your owners, Approved Operator, officers, directors, managers, and assistant managers. You, your owners, and your Approved Operator must deliver these agreements to us. At the end of the term of a Franchise Agreement, you must deliver to us all confidential information.

If you or one of your affiliates have entered into an Area Development Agreement with us and are entering into a Franchise Agreement under that Area Development Agreement, and you are a business corporation, partnership, limited liability company or other legal entity, you must be at least 51% owned or controlled by a person or group of people that has at least a 51% ownership interest in and voting control of the entity that signed the Area Development Agreement, except as we approved in writing in our business judgment. We have the right to approve in advance your ownership structure.

If you are a partnership, corporation, limited liability company or other legal entity, any person who has a ten percent (10%) or greater interest in you must undertake to be personally bound, jointly and severally, by your obligations under the Franchise Agreement, personally guarantee your performance by signing the Owners' Personal Guaranty of Franchisee's Obligations. Every person who has an interest in you must sign a confidentiality and non-competition agreement, or be designated a silent investor, unless we agree otherwise. If (a) an approved affiliate maintains a majority interest in at least five (5) **PLANET FITNESS** businesses which are open and operating; or (b) an approved affiliate entity has a majority interest in **PLANET FITNESS** businesses which collectively have maintained annual EFT revenues for at least two (2) consecutive years of at least One Million Two Hundred Thousand U.S. Dollars (\$1,200,000); such approved affiliate entity may sign an Affiliate Guaranty of Franchisee's Obligations in lieu of your owners signing the Owners' Personal Guaranty of Franchisee's Obligations.

Copies of these guarantees are contained in Appendix B-1 and B-2 of the Franchise Agreement which are attached to this Disclosure Document. We do not currently require the spouses of owners to sign a personal guaranty. Copies of the confidentiality and non-competition agreements are contained in Appendix C of the Franchise Agreement and Exhibit C of the Area Development Agreement.

**ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

Item 8 of this Disclosure Document describes our requirements for approved supplies and suppliers. You may offer only the products and services we have approved in writing. You must offer all services and products that we designate as required for franchisees. There are no limits on our right to make modifications to the approved products and services periodically as set forth in the Operations Manual or Designated Franchise Portal. Any failure to comply with our Methods of Operations, Means & Methods or Operations Manual may result in termination of your Franchise Agreement (See Item 17).

You may use only marketing and promotional materials that we have approved.

You are not limited in the type of customers to whom you may sell approved products or services except to the extent limited by applicable law or regulation. All members must be properly accounted for in our POS system as well as other member records.

**ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP**

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

Provision	Article in FA ¹	Article in AA ¹	Article in SA ¹	Article in CA ¹	Summary
a. Length of the franchise term	3.1	3	3	2	We offer franchises with a term of ten (10) years from the date you commence operations. However, upon written request we may grant you up to a nine (9) month extension or up to a two (2) year reduction of the term to match the expiration of your lease term. Successor Amendment: We offer successor franchises with the term

¹ “FA” refers to the Franchise Agreement, “AA” refers to the Acquisition Amendment, “SA” refers to the Successor Amendment, and “CA” refers to the Conversion Amendment.

Provision	Article in FA ¹	Article in AA ¹	Article in SA ¹	Article in CA ¹	Summary
					<p>required by your initial franchise agreement.</p> <p>Acquisition Amendment: We offer franchises for the remainder of the term of the franchise that you are acquiring.</p> <p>Conversion Amendment: We offer franchises with a term of ten (10) years.</p>
b. Renewal or extension of the term	14	10	10	N/A	A successor franchise may be granted if you meet our then-current requirements.
c. Requirements for franchisee to renew or extend	14	10	10	N/A	To be granted a successor franchise you must: (1) have substantially complied with the franchise agreement during its term, (2) cure all deficiencies we identify, (3) remodel the leasehold as we require, (4) pay a successor franchise fee equal to fifty percent (50%) of our then-current initial franchise fee for new franchises, provided that such fee will not exceed \$40,000, (5) execute our then-current form of successor franchise agreement, (6) establish that you can maintain possession of the BUSINESS for the length of the successor term, and/or that you can secure a substitute premises we approve, (7) comply with our then-current qualification and training requirements, and (8) sign a general release. You may be required to sign a new franchise agreement with materially different terms than your original contract.
d. Termination by franchisee	15.1	N/A	N/A	N/A	You may terminate the agreement on any grounds available by law. You may also terminate the agreement: (1) effective thirty (30) days after you deliver written notice to us of termination if you and your owners are in compliance with the Franchise Agreement, we materially fail to comply with the Franchise Agreement and we do not correct such failure within sixty (60) days after written notice of the material failure, or (2) effective ninety

Provision	Article in FA¹	Article in AA¹	Article in SA¹	Article in CA¹	Summary
					(90) days after you deliver written notice to us of termination if you and your owners are in compliance with the Franchise Agreement, the BUSINESS has been open and operating for three (3) years or more, and the EFT Dues Draft of the BUSINESS has remained in the lowest fifteen (15%) percent of similarly-sized PLANET FITNESS businesses for twelve (12) consecutive months immediately preceding the date of such termination.
e. Termination by franchisor without cause	N/A	N/A	N/A	N/A	We will not terminate the Franchise Agreement without cause.
f. Termination by franchisor with cause	15.2 and 15.3	11	11	7	Material, uncured breaches of the Franchise Agreement.
g. “Cause” defined – curable defaults	15.3	N/A	N/A	N/A	You may cure certain defaults in the operation of your franchise upon notice.
h. “Cause” defined – non-curable defaults	15.2	N/A	N/A	N/A	Certain defaults are inherently incurable and will result in termination.
i. Franchisee’s obligations on termination/no renewal	16	N/A	N/A	N/A	Pay us what you owe us, cease using the Marks, and follow our termination procedures.
j. Assignment of contract by franchisor	13.1	N/A	N/A	N/A	Fully transferable by us.
k. “Transfer” by franchisee - defined	13.2	N/A	N/A	N/A	A transfer includes the transfer of the Franchise Agreement, any interest in the Franchise Agreement, any ownership or other interest in you or the BUSINESS, and any arrangement where you sell accounts receivable or EFT or any other assets of the BUSINESS.
l. Franchisor’s approval of transfer by you	13.2, 13.3, 13.4 and 13.5	9	9	5	All transfers require our prior written approval.

Provision	Article in FA ¹	Article in AA ¹	Article in SA ¹	Article in CA ¹	Summary
m. Conditions for franchisor approval of transfer	13.3	9	9	6	<p>If Transferee is (a) one of your owners, (b) a family member of one your owners or an employee of the business and such transfer is of a non-controlling interest in you, or (c) an entity controlled by one of your owners and for estate planning purposes, Transferee must sign Appendix B-1 (if applicable) and C of the Franchise Agreement; you must pay all amounts owed; provide material terms and conditions of the transfer; disclose any trust that will become an owner; pay our reasonable out-of-pocket expenses; sign a general release; and agree to be bound by the confidentiality and non-competition covenants.</p> <p>If the transfer is other than as described above, Transferee must meet our character requirements, complete our franchise application and initial training, and sign our then-current version of transferee franchise agreement; you must pay all amounts owed; provide material terms and conditions of the transfer; disclose any trust that will become an owner; pay a transfer fee of \$10,000 (except in the case of a transfer of a five percent (5%) or smaller ownership interest in you) and our reasonable out-of-pocket expenses; sign a general release; agree to be bound by the confidentiality and non-competition covenants; and agree to subordinate your security interest (if any) in the business to our right to receive payment under the Franchise Agreement.</p> <p>Successor Amendment: Transferor must have complied with all requirements imposed as a condition to obtaining a successor term.</p>

Provision	Article in FA ¹	Article in AA ¹	Article in SA ¹	Article in CA ¹	Summary
					<p>Acquisition Amendment: Transferor must have complied with all requirements imposed as a condition to acquisition of the franchise.</p> <p>Conversion Amendment: Transferor must have complied with all requirements imposed as a condition to conversion of a location to a franchise.</p>
n. Franchisor’s right of first refusal to acquire franchisee’s business	13.8 and 13.9	N/A	N/A	N/A	For all third party <i>bona fide</i> offers.
o. Franchisor’s option to purchase franchisee’s business	16.14	N/A	N/A	N/A	Sixty (60) day option upon termination or expiration of the Franchise Agreement.
p. Death or disability of franchisee	13.5	N/A	N/A	N/A	Treated as a transfer.
q. Non-competition covenants during the term of the franchise	16.5	N/A	N/A	N/A	No direct or indirect involvement in the operation of any men’s, women’s, children’s, or co-ed fitness, exercise, athletic, or wellness facility of any kind, including a health club, gym, physical fitness club, personal training studio, weight loss, weight training or resistance training studio, or aerobics center (“Competitive Business”) other than a PLANET FITNESS business.
r. Non-competition covenants after the franchise is terminated or expires	16.6	N/A	N/A	N/A	No direct or indirect involvement in the operation of any Competitive Business for two (2) years after termination, expiration, or transfer at the Location, within fifteen (15) miles of the Location, or within fifteen (15) miles of any other PLANET FITNESS business.

Provision	Article in FA¹	Article in AA¹	Article in SA¹	Article in CA¹	Summary
s. Modification of the agreement	19.16	N/A	N/A	8	Must be in writing signed by us and you.
t. Integration / merger clause	19.25	15	15	9	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the Franchise Agreement and this Disclosure Document may not be enforceable.
u. Dispute resolution by arbitration or mediation	19.12	N/A	N/A	N/A	All disputes resolved by mediation and arbitration. However, each party will have the right to request injunctive relief from any court of competent jurisdiction. Requests for injunctive relief will not constitute a waiver of the moving party's right to demand arbitration or mediation of any dispute.
v. Choice of forum	19.14	N/A	N/A	N/A	Portsmouth, New Hampshire (or in the city of our then current headquarters, if our headquarters is no longer in New Hampshire), unless superseded by State law.
w. Choice of law	19.13	N/A	N/A	N/A	New Hampshire (unless superseded by state law), except for arbitration which is covered by the Federal Arbitration Act.

If you purchase a company-owned location, you must sign the form of Franchise Agreement contained in this Disclosure Document, which we may amend to incorporate any mutually agreed terms that may vary from those identified in the table above.

AREA DEVELOPMENT AGREEMENT

This table lists certain important provisions of the Area Development Agreement. You should read these provisions in the Area Development Agreement attached to this Disclosure Document.

Provision	Section in Agreement	Summary
a. Length of the term of the franchise	3	The ADA term expires on the earlier of (a) the date the last PLANET FITNESS location must be opened under a development schedule (the “Development Schedule”), or (b) the date you open the last PLANET FITNESS location required by the Development Schedule.
b. Renewal or extension of the term	N/A	You do not have the right to renew or extend the ADA.
c. Requirement for franchisee to renew or extend	N/A	You do not have the right to renew or extend the ADA.
d. Termination by franchisee	9.2.1	You may terminate the Area Development Agreement at the end of your Development Grace Period if you have not yet cured your Development Default.
e. Termination by franchisor without cause	N/A	We will not terminate the Area Development Agreement without cause.
f. Termination by franchisor with cause	9	We can terminate the Area Development Agreement if you default or fail to comply with your obligations.
g. “Cause” defined – curable defaults	9	Where you fail to comply with the terms of the Area Development Agreement or fail on three separate occasions to cure a noticed default related to any franchise agreement, the Area Development Agreement will terminate, following our giving you thirty (30) days’ notice and opportunity to cure, without further recourse to you.

Provision	Section in Agreement	Summary
h. "Cause" defined – non-curable defaults	9	Non-curable defaults include a failure to pay us amounts due within ten (10) days following receipt of written notice or if at the end of a Paid Grace Period, you have not cured development defaults.
i. Franchisee obligations on termination/non-renewal	13 and 14	All development rights revert to us.
j. Assignment of contract by franchisor	15	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	16	A transfer includes the transfer of the Area Development Agreement, any interest in the Area Development Agreement, any ownership or other interest in you.
l. Franchisor approval of transfer by you	16	You may only transfer your rights and interests under the Area Development Agreement if you obtain our prior written consent and transfer equivalent rights and interest under all Franchise Agreements to the same transferee.
m. Conditions for franchisor's approval of transfer	16	<p>If Transferee is (a) one of your owners, (b) a family member of one your owners or an employee of one of the PLANET FITNESS businesses developed under the Area Development Agreement and such transfer is of a non-controlling interest in you, or (c) an entity controlled by one of your owners and for estate planning purposes, Transferee must sign Exhibit C of the Area Development Agreement; you must pay all amounts owed; provide material terms and conditions of the transfer; disclose any trust that will become an owner; pay our reasonable out-of-pocket expenses; sign a general release; and agree to be bound by the confidentiality and non-competition covenants.</p> <p>If the transfer is other than as described above, Transferee must meet our character requirements, complete our franchise application and initial training, and sign our then-current version of development agreement; you must pay all amounts owed; provide material terms and conditions of the transfer; disclose any trust that will become an owner; pay a transfer fee of</p>

Provision	Section in Agreement	Summary
		<p>\$5,000 for each unmet development obligation (except in the case of a transfer of a five percent (5%) or smaller ownership interest in you) and our reasonable out-of-pocket expenses; sign a general release; and agree to be bound by the confidentiality and non-competition covenants. In addition, unless the transfer is of a non-controlling interest (as we determine), you must have at least two (2) BUSINESSES (excluding pre-existing BUSINESSES) open and operating in the Development Area or the closing date of the transfer must be at least two years after the date of the Area Development Agreement. Alternatively, if the Area Development Agreement has been amended to add one (1) or more or BUSINESSES to the Development Schedule, or the Area Development Agreement has been amended and restated, you must have at least one (1) BUSINESS (excluding pre-existing BUSINESSES) open and operating in the Development Area or the closing date of the transfer must be at least one (1) year after the date of the amendment or the date of the amended and restated Area Development Agreement, as applicable.</p>
n. Franchisor's right of first refusal to acquire franchisee's business	16.5	For any proposed transfer which would constitute a transfer of a controlling interest in you, we have the right, by written notice to you, to purchase that interest for the price and terms and conditions contained in your <i>bona fide</i> offer.
o. Franchisor's option to purchase franchisee's business	N/A	Not Applicable.
p. Death or disability of franchisee	16	Upon death of an owner of a controlling interest, the owner's interest must be transferred to a third party within six (6) months.
q. Non-competition covenants during the term of the franchise	13.1 and 13.3	No direct or indirect involvement in the operation of any Competitive Business other than the business authorized in the Area Development Agreement.

Provision	Section in Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	13.2 and 13.3	No direct or indirect involvement in a Competitive Business for two (2) years (i) within the Development Area, (ii) within fifteen (15) miles of any PLANET FITNESS business developed by your, or (iii) within fifteen (15) miles of any other PLANET FITNESS franchised or company-owned business.
s. Modification of the Agreement	26	Any modification must be in writing and signed by both parties
t. Integration/merger clause	25	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises made outside the Area Development Agreement and this Disclosure Document may not be enforceable.
u. Dispute resolution by arbitration or mediation	19	All disputes resolved by mediation and arbitration except for actions for actions for declaratory or equitable relief and actions in ejectment or for possession of any interest in real or personal property.
v. Choice of forum	19 and 21	Portsmouth, New Hampshire (or in the city of our then current headquarters, if our headquarters is no longer in New Hampshire), unless superseded by State law.
w. Choice of law	20	New Hampshire (unless superseded by state law), except for arbitration which is covered by the Federal Arbitration Act.

**ITEM 18
PUBLIC FIGURES**

There are no public figures involved in the sale of this franchise.

**ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be

given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

EFT Revenue

Gross EFT revenue is revenue on recurring monthly and annual membership fees that are collected from club members via EFT . This does not include any prepaid membership fees, revenue from retail sales or other sources of revenue, excludes returns and is calculated on a cash basis. The following charts show average annual gross EFT revenue for 56 corporate and 1,221 Pla-Fit Franchise franchised clubs in the United States and its territories that have been open and operating for at least twelve (12) months as of December 31, 2017. Of the 1,285 clubs that were open and operating in the United States and its territories at the beginning of January 1, 2017, six (6) were excluded because they ceased operations during the year, and eight (8) Puerto Rico clubs were excluded because they were not in operation all twelve (12) months. All of the clubs that were excluded because they ceased operation had been in operation for more than twelve (12) months. The remaining clubs were segregated into three groups, or thirds, based on annual gross EFT revenue (i.e., bottom third, middle third, and upper third). The earnings claim figures in the following three charts do not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in this Disclosure Document may be one source of information.

FRANCHISED ONLY

	BOTTOM THIRD	MIDDLE THIRD	UPPER THIRD
Average Annual Gross EFT Revenue*	\$1,115	\$1,620	\$2,361
Median Annual Gross EFT Revenue*	\$1,158	\$1,620	\$2,245
High Annual Gross EFT Revenue*	\$1,400	\$1,862	\$5,311
Low Annual Gross EFT Revenue*	\$485	\$1,400	\$1,862
Club samples	410	409	410

*In thousands; represents electronic funds presented for draft for the twelve (12) months of calendar year 2017.

Of the 410 locations in the bottom third, 227 (or 55%) exceeded the total average annual gross EFT revenue of \$1,115,137. Of the 409 locations in the middle third, 205 (or 50%) exceeded the total average annual gross EFT revenue of \$1,619,579. Of the 410 locations in the upper third, 151 (or 37%) exceeded the total average annual gross EFT revenue of \$2,360,835.

CORPORATE ONLY

	BOTTOM THIRD	MIDDLE THIRD	UPPER THIRD
Average Annual Gross EFT Revenue*	\$1,281	\$1,821	\$2,585
Median Annual Gross EFT Revenue*	\$1,344	\$1,827	\$2,300
High Annual Gross EFT Revenue*	\$1,655	\$2,012	\$4,309
Low Annual Gross EFT Revenue*	\$778	\$1,673	\$2,034
Club samples	19	18	19

*In thousands; represents electronic funds presented for draft for the twelve (12) months of calendar year 2017.

Of the 19 locations in the bottom third, 11 (or 58%) exceeded the total average annual gross EFT revenue of \$1,281,484. Of the 18 locations in the middle third, 10 (or 56%) exceeded the total average annual gross EFT revenue of \$1,821,292. Of the 19 locations in the upper third, 7 (or 37%) exceeded the total average annual gross EFT revenue of \$2,585,470.

CORPORATE & FRANCHISED

	BOTTOM THIRD	MIDDLE THIRD	UPPER THIRD
Average Annual Gross EFT Revenue*	\$1,119	\$1,629	\$2,372
Median Annual Gross EFT Revenue*	\$1,161	\$1,629	\$2,251
High Annual Gross EFT Revenue*	\$1,411	\$1,871	\$5,311
Low Annual Gross EFT Revenue*	\$485	\$1,411	\$1,879
Club sample	428	428	429

*In thousands; represents electronic funds presented for draft for the twelve (12) months of calendar year 2017.

Of the 428 locations in the bottom third, 237 (or 55%) exceeded the total average annual gross EFT revenue of \$1,119,274. Of the 428 locations in the middle third, 214 (or 50%) exceeded the total average annual gross EFT revenue of \$1,629,102. Of the 429 locations in the upper third, 155 (or 36%) exceeded the total average annual gross EFT revenue of \$2,371,811.

Revenue and Operations Statement

At December 31, 2017, there were 56 corporate **PLANET FITNESS** U.S. locations owned and operating for at least twelve (12) months. Each of these corporate locations is listed as a “Corporate Location” in Exhibit “I” to the Disclosure Document. These clubs were ranked, by annual net revenue, in order from lowest to highest, then segregated into three groups, or thirds. There are 19 clubs in the bottom third, 18 clubs in the middle third, and 19 clubs in the upper third. The following table provides the revenue and operations statement, which is calculated on an accrual basis, which represents the average results of the clubs within each third, which are derived from our books and records, which are maintained in accordance with U.S generally accepted accounting principles.

We have not included any franchisee expense information in the following table because we do not receive complete expense information from our franchisees. As noted in more detail below, your results may differ.

	BOTTOM THIRD		MIDDLE THIRD		UPPER THIRD	
	Average	Median	Average	Median	Average	Median
Revenue¹						
Membership Sales - EFT	\$1,276,209	\$1,331,932	\$1,819,954	\$1,819,322	\$2,572,735	\$2,289,588
Other Membership Sales	\$35,548	\$33,831	\$31,493	\$33,546	\$25,248	\$30,710
Net Revenue	\$1,311,757	\$1,365,763	\$1,851,447	\$1,852,868	\$2,597,983	\$2,320,298
<i>Net Revenue \$/Sq.Ft.</i>	<i>\$82.06</i>	<i>\$81.34</i>	<i>\$98.11</i>	<i>\$97.32</i>	<i>\$125.91</i>	<i>\$110.49</i>
Operating Costs and Expenses²						
Payroll Related	\$266,799	\$267,554	\$295,303	\$292,951	\$349,944	\$351,415
Marketing Expenses ³	\$134,947	\$131,565	\$152,721	\$154,657	\$205,070	\$186,482
Imputed Royalties ⁴	\$89,704	\$94,089	\$127,675	\$127,882	\$180,808	\$160,970
Utilities ⁵	\$56,283	\$53,007	\$69,900	\$71,153	\$95,675	\$87,053
Supplies and Maintenance ⁶	\$70,450	\$71,532	\$94,849	\$88,908	\$129,322	\$114,482
Miscellaneous ⁷	\$38,112	\$29,805	\$62,690	\$62,659	\$87,455	\$78,688
Total Operating Costs and Expenses, Excluding Rent	\$656,295	\$647,552	\$803,138	\$798,209	\$1,048,274	\$979,091
EBITDAR⁹	\$655,462	\$718,211	\$1,048,309	\$1,054,659	\$1,549,709	\$1,341,208
<i>EBITDAR % of Net Revenue</i>	<i>50%</i>	<i>53%</i>	<i>57%</i>	<i>57%</i>	<i>60%</i>	<i>58%</i>
<i>EBITDAR \$/Sq.Ft.</i>	<i>\$41.00</i>	<i>\$42.78</i>	<i>\$55.55</i>	<i>\$55.40</i>	<i>\$75.11</i>	<i>\$63.87</i>
Rent Expense ⁸	\$228,041	\$234,484	\$340,867	\$356,583	\$409,536	\$374,785
Total Operating Costs and Expenses	\$884,336	\$882,036	\$1,144,004	\$1,154,793	\$1,457,811	\$1,353,876
EBITDA⁹	\$427,421	\$483,727	\$707,442	\$698,075	\$1,140,172	\$966,423
<i>EBITDA % of Net Revenue</i>	<i>33%</i>	<i>35%</i>	<i>38%</i>	<i>38%</i>	<i>44%</i>	<i>42%</i>
<i>EBITDA \$/Sq.Ft.</i>	<i>\$26.74</i>	<i>\$28.81</i>	<i>\$37.49</i>	<i>\$36.67</i>	<i>\$55.26</i>	<i>\$46.02</i>
Average of Sq.Ft.	15,985	16,790	18,871	19,038	20,633	21,000

Notes to Revenue and Operations Statement: The performance results included in the above Revenue and Operations Statement are corporate locations only and do not include any franchised locations. Please also keep in mind the following as you review the above table:

1. Revenue – The principal source of revenue for a **PLANET FITNESS** club is membership fees. Membership monthly and annual fees are usually paid through electronic

transfer of funds (EFT). Annual fees are billed to a member once per year, the time of which is dependent on their join date and membership type, as detailed in their membership agreement. A fitness facility will also earn additional revenue through enrollment fees, prepaid memberships, food and beverage sales, tanning goggles and lotions, **PLANET FITNESS** apparel and headphones.

A \$10 membership and a Black Card membership must be offered at all times. Certain promotions are required or offered at different times during the year and a franchisee may have the ability to tailor the promotion to their club. During 2017, the price of the Black Card membership increased from \$19.99 to \$21.99/month for new members for most locations. The Black card generally has an annual fee of \$39 and generally requires a twelve (12) month commitment, unless otherwise permitted by us or mandated by state or local law. Generally included with the Black Card is use of tanning, half-priced beverages, massage chair/bed usage, access to any other **PLANET FITNESS** club, ability to bring a guest for free to your home club and affinity program discounts.

Your ability to sell monthly memberships will depend upon a variety of factors including, but not limited to, factors related to your market, how much time and effort you spend on sales, advertising and your sales ability.

Membership fees billed by EFT are subject to returns and declines during the electronic payment process. Your ability to collect monthly and annual membership fees by EFT will depend upon a variety of factors including, but not limited to, the accuracy of the billing information provided by a member, your employees' ability to properly accept billing information, the member's credit worthiness, and the expiration or cancellation of a member's credit card. Our affiliates experience monthly declines and returns ranging from 1% to 13% of gross membership EFT at our corporate clubs. The returns and declines are included in "Other Membership Sales" in the above table.

The square footage of a club does not necessarily correlate to the revenue results. Revenue results depend upon many independently variable factors including the location and visibility of the club, local traffic patterns, the demographic composition and trends of the market area served by the club, the competitive environment, the region and market area in which the club is located, the length of time the club has been in operation, the quality of the management and service at the center, the individual skills of the franchisee and other factors.

Of the 19 locations in the bottom third, 11 (or 58%) exceeded the total Average Annual Net Revenue of \$1,311,757. Of the 18 locations in the middle third, 8 (or 44%) exceeded the total Average Annual Net Revenue of \$1,851,447. Of the 19 locations in the upper third, 7 (or 37%) exceeded the total Average Annual Net Revenue of \$2,597,983.

2. Costs and Expenses – The expense information included in the Operations Statement reflect the costs and expenses of the corporate locations included in the statement plus an amount equal to the royalty the location would have paid if it were a franchised club. In comparing the three columns above, some of the expenses are fixed and do not change with any fluctuation in memberships. Others are not fixed and will increase as memberships increase. You may incur other expenses. Some expenses may be higher for clubs that are not part of a large,

integrated ownership group (currently more than 98% of clubs are owned by a multi-unit ownership group). All expenses are based largely on factors within your control, for which you can obtain information through your own research. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in this Disclosure Document may be one source of information. Note that costs to replace equipment and remodel the premises are not included as expenses, but rather are accounted for as depreciating assets.

3. Marketing – The marketing expenses listed above reflect the average of actual amounts these corporate locations spent on local advertising (LAF), contributions to National Advertising Fund (NAF), as well as promotional items (i.e. t-shirts, pens, stickers).

Franchisees must spend the greater of \$15,000 or 7% of the total gross quarterly EFT Dues Draft on approved local advertising each quarter, and the greater of \$5,000 or 3% of the total gross quarterly EFT Dues Draft each month. The amount a club spends on advertising above the required minimum varies depending on the club. The advertising is primarily performed through preferred corporate vendors.

The NAF creates and develops marketing, advertising and related programs and materials, including electronic, print and internet media, as well as the planning and purchasing of national and/or regional network advertising. Franchisees must contribute 2% of the monthly gross EFT membership fees to the NAF.

4. Royalty – Royalty is 7% of the total gross monthly and annual membership fees due and payable to you from or on behalf of your members each month and annually, as applicable, through EFT. The expense category in the above table reflects the payment of an imputed “Royalty” based on the 7% of the total gross monthly and annual membership fees that you will pay, rather than the reduced fixed royalty actually paid by our affiliates’ U.S. corporate clubs.

5. Utilities – Your utilities can vary significantly depending on the size and location of your club. Certain markets have substantially higher utility costs than others and any prospective franchisee is urged to investigate local market utility costs prior to making any assumption about what their costs will be.

6. Supplies and Maintenance – The Supplies and Maintenance amounts listed above reflect the average of actual amounts these corporate locations spent on cleaning supplies, club supplies, repairs and maintenance.

7. Miscellaneous – Miscellaneous expense includes cost of goods sold, insurance, billing charges, bank and credit card charges, equipment rental, office expense, sales and use tax, and other miscellaneous expenses.

Insurance costs vary on a club-by-club basis. The insurance costs noted in the above statement are based on bulk buy pricing for multiple clubs. Your rates may differ based on various factors.

Bank and credit card charges will vary based on the banking institution used and type of club membership draft. Drafting membership fees from credit cards will result in higher fees than membership fees drafted from bank accounts.

Sales and use tax will vary based on the location of the club. Every state will have different rules applying to sales and use tax.

Other miscellaneous expense includes pizza, bagels, filing fees, licenses, permits, gifts, travel/meals, postage, internet membership fees and professional fees. Many of these costs can vary significantly depending on your location and the time you spend looking for the best possible cost on these items.

8. Rent – Your rent can vary significantly depending on the size and location of your club. Certain markets have substantially higher real estate costs than others and any prospective franchisee is urged to investigate local market real estate costs prior to making any assumption about what their costs will be.

9. EBITDAR & EBITDA – EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) does not include any provision for income taxes or for non-cash expenses such as depreciation or amortization. It also does not include any expense assumption related to the capital structure of the franchisee entity or any reserve for future capital expenditures. The statement also does not factor in your initial franchise fee or other initial investment expenses including expenses for a lease/purchase of equipment. We anticipate that every franchisee will fund its initial investment differently, and we therefore cannot make any assumptions on how you would account for these items. EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortization and Rent) does not include rent expense.

Of the 19 corporate locations in the bottom third: 12 (or 63%) exceeded average EBITDAR of \$655,462; Of the 18 corporate locations in the middle third: 8 (or 44%) exceeded average EBITDAR of \$1,048,309; and of the 19 corporate locations in the upper third: 6 (or 32%) exceeded average EBITDAR of \$1,549,709.

Of the 19 corporate locations in the bottom third: 10 (or 53%) exceeded average EBITDA of \$427,421; Of the 18 corporate locations in the middle third: 12 (or 67%) exceeded average EBITDA of \$707,442; and of the 19 corporate locations in the upper third: 7 (or 37%) exceeded average EBITDA of \$1,140,172.

General Notes to Item 19:

1. Some locations have earned or sold the amounts set forth in this section. There is no assurance that you will earn and/or sell as much.

2. If you rely upon our figures, you must accept the risk of not doing as well. A new franchisee's individual financial results may differ from the results stated in this section. The square footage of a club does not necessarily correlate to revenue results. Certain markets have substantially higher labor costs than others and you are urged to investigate local labor costs prior to making any assumptions about what your costs will be. Sales, expenses, and operating revenue results depend upon many independently variable factors including the location and visibility of

the club, local traffic patterns, the demographic composition and trends of the market area served by the club, the competitive environment, the region and market area in which the club is located, the length of time the club has been in operation, the quality of the management and service at the center, the individual skills of the franchisee and other factors.

3. You have the sole responsibility for developing your own business plan for your proposed center or territory, including capital budgets, pro forma financial statements, sales and expense projections and other elements appropriate to the particular circumstances you anticipate for your center. In developing the business plan, you are cautioned to make necessary allowance for changes in financial results that may occur due to any of the factors listed above, for any and all ranges of general economic conditions that may exist now or in the future, or for any other circumstances that may impact the operation and performance of the business.

4. Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Candace Couture, our Vice President of Franchise Sales at 4 Liberty Lane West, Hampton, NH 03842 and (603) 750-0001, the Federal Trade Commission, and the appropriate state regulatory agencies.

5. We recommend that you make your own independent investigation to determine whether the franchise may be profitable to you. You should use the above information only as a reference in conducting your analysis and preparing your own projected revenue statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a **PLANET FITNESS** business.

Written substantiation of all data presented in this Item 19 will be made available to you on reasonable request.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary For Years 2015 to 2017*

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2015	863	1,066	+203
	2016	1,066	1,255	+189
	2017	1,255	1,456	+201
Company-Owned	2015	55	58	+3
	2016	58	58	+0
	2017	58	62	+4
Total Outlets	2015	918	1,124	+206
	2016	1,124	1,313	+189
	2017	1,313	1,518	+205

*These figures were as of the prior 3 fiscal years (December 31, 2015, 2016 and 2017) for Pla-Fit Franchise. Company-owned locations include locations operated by our affiliates and partnership locations.

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2015 to 2017*

State / Province	Year	Number of Transfers
Alabama	2015	0
	2016	6
	2017	7
Arizona	2015	0
	2016	0
	2017	12
Arkansas	2015	0
	2016	4
	2017	0
California	2015	0
	2016	0
	2017	9
Connecticut	2015	0
	2016	0
	2017	22
Florida	2015	1
	2016	2
	2017	40
Georgia	2015	0
	2016	0
	2017	7
Idaho	2015	0
	2016	0
	2017	1
Illinois	2015	2
	2016	0

State / Province	Year	Number of Transfers
	2017	9
Indiana	2015	0
	2016	3
	2017	11
Iowa	2015	0
	2016	2
	2017	9
Kansas	2015	0
	2016	5
	2017	0
Louisiana	2015	0
	2016	6
	2017	5
Maine	2015	0
	2016	0
	2017	4
Massachusetts	2015	1
	2016	3
	2017	0
Michigan	2015	12
	2016	6
	2017	0
Minnesota	2015	2
	2016	4
	2017	0
Mississippi	2015	5
	2016	2
	2017	0
Missouri	2015	7
	2016	0
	2017	0
Nebraska	2015	0
	2016	5
	2017	0
Nevada	2015	0
	2016	0
	2017	1
New Mexico	2015	0
	2016	0
	2017	15
New York	2015	1
	2016	0
	2017	30
North Carolina	2015	3
	2016	0
	2017	18
North Dakota	2015	0
	2016	0
	2017	2
Oklahoma	2015	4
	2016	13
	2017	0

State / Province	Year	Number of Transfers
Pennsylvania	2015	1
	2016	15
	2017	0
Rhode Island	2015	1
	2016	1
	2017	1
South Carolina	2015	0
	2016	0
	2017	2
South Dakota	2015	0
	2016	0
	2017	2
Texas	2015	5
	2016	38
	2017	0
Utah	2015	0
	2016	0
	2017	8
Virginia	2015	1
	2016	0
	2017	2
West Virginia	2015	0
	2016	6
	2017	0
Total	2015	23
	2016	133
	2017	228

* These figures were as of the prior 3 fiscal years (December 31, 2015, 2016 and 2017) for Pla-Fit Franchise. States not listed had no transfer activity to report.

**Table No. 3
Status of Franchised Outlets For Years 2015 to 2017***

State / Province	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alabama	2015	15	4	0	0	0	0	19
Alabama	2016	19	1	0	0	0	0	20
Alabama	2017	20	5	0	0	0	0	25
Alaska	2015	4	0	0	0	0	0	4
Alaska	2016	4	0	0	0	0	0	4
Alaska	2017	4	0	0	0	0	0	4
Arizona	2015	14	4	0	0	0	0	18
Arizona	2016	18	5	0	0	0	0	23
Arizona	2017	23	4	0	0	0	0	27
Arkansas	2015	6	1	0	0	0	0	7
Arkansas	2016	7	5	0	0	0	0	12
Arkansas	2017	12	3	0	0	0	0	15
California	2015	31	21	0	0	0	0	52
California	2016	52	22	0	0	0	0	74
California	2017	74	21	0	0	0	0	95
Colorado	2015	9	1	0	0	0	0	10
Colorado	2016	10	3	0	0	0	0	13
Colorado	2017	13	3	0	0	0	0	16
Connecticut	2015	30	0	0	0	0	-2	28
Connecticut	2016	28	0	0	0	0	0	28
Connecticut	2017	28	0	0	0	0	-1	27
Delaware	2015	1	0	0	0	0	0	1
Delaware	2016	1	1	0	0	0	0	2
Delaware	2017	2	1	0	0	0	0	3
District of Columbia	2015	0	1	0	0	0	0	1
District of Columbia	2016	1	0	0	0	0	0	1
District of Columbia	2017	1	0	0	0	0	0	1
Florida	2015	68	18	0	0	0	0	86
Florida	2016	86	5	-1	0	0	0	90
Florida	2017	90	8	0	0	0	0	98
Georgia	2015	20	9	0	0	0	0	29
Georgia	2016	29	9	0	0	0	0	38
Georgia	2017	38	6	0	0	0	0	44
Hawaii	2015	0	0	0	0	0	0	0
Hawaii	2016	0	0	0	0	0	0	0
Hawaii	2017	0	1	0	0	0	0	1
Idaho	2015	2	0	0	0	0	0	2
Idaho	2016	2	0	0	0	0	0	2
Idaho	2017	2	1	0	-1	0	0	2
Illinois	2015	33	5	0	0	0	0	38
Illinois	2016	38	9	0	0	0	0	47
Illinois	2017	47	3	0	0	0	0	50
Indiana	2015	23	6	0	0	0	0	29
Indiana	2016	29	7	0	0	0	0	36
Indiana	2017	36	6	0	0	0	0	42
Iowa	2015	7	3	0	0	0	0	10

State / Province	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Iowa	2016	10	0	0	0	0	0	10
Iowa	2017	10	4	0	0	0	0	14
Kansas	2015	4	0	0	0	0	0	4
Kansas	2016	4	6	0	0	0	0	10
Kansas	2017	10	1	0	0	0	0	11
Kentucky	2015	7	5	0	0	0	0	12
Kentucky	2016	12	6	0	0	0	0	18
Kentucky	2017	18	5	0	0	0	0	23
Louisiana	2015	12	4	0	0	0	0	16
Louisiana	2016	16	3	0	0	0	0	19
Louisiana	2017	19	5	0	0	0	0	24
Maine	2015	9	1	0	0	0	0	10
Maine	2016	10	0	0	-1	0	0	9
Maine	2017	9	1	0	0	0	0	10
Maryland	2015	25	5	0	0	0	0	30
Maryland	2016	30	1	0	0	0	0	31
Maryland	2017	31	7	0	0	0	0	38
Massachusetts	2015	50	1	0	0	0	0	51
Massachusetts	2016	51	6	0	0	0	0	57
Massachusetts	2017	57	5	0	0	0	0	62
Michigan	2015	44	7	0	0	0	0	51
Michigan	2016	51	7	0	0	0	0	58
Michigan	2017	58	7	0	0	0	0	65
Minnesota	2015	8	1	0	0	0	0	9
Minnesota	2016	9	3	0	0	0	0	12
Minnesota	2017	12	2	0	0	0	0	14
Mississippi	2015	5	1	0	0	0	0	6
Mississippi	2016	6	3	0	0	0	0	9
Mississippi	2017	9	1	0	0	0	0	10
Missouri	2015	10	5	0	0	0	0	15
Missouri	2016	15	2	0	0	0	0	17
Missouri	2017	17	5	0	0	0	0	22
Montana	2015	0	0	0	0	0	0	0
Montana	2016	0	1	0	0	0	0	1
Montana	2017	1	0	0	0	0	0	1
Nebraska	2015	4	1	0	0	0	0	5
Nebraska	2016	5	2	0	0	0	0	7
Nebraska	2017	7	0	0	0	0	0	7
Nevada	2015	7	1	0	0	0	0	8
Nevada	2016	8	2	0	0	0	0	10
Nevada	2017	10	2	0	0	0	0	12
New Hampshire	2015	2	1	0	0	0	0	3
New Hampshire	2016	3	0	0	-1	0	0	2
New Hampshire	2017	2	0	0	0	0	0	2
New Jersey	2015	30	4	0	0	0	0	34
New Jersey	2016	34	6	0	0	0	0	40
New Jersey	2017	40	10	0	0	0	0	50
New Mexico	2015	11	1	0	0	0	0	12
New Mexico	2016	12	4	0	0	0	0	16
New Mexico	2017	16	1	0	0	0	0	17

State / Province	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
New York	2015	77	7	0	0	0	0	84
New York	2016	84	3	0	0	0	-3	84
New York	2017	84	5	-1	0	0	-1	87
North Carolina	2015	29	11	0	0	0	0	40
North Carolina	2016	40	6	0	0	0	0	46
North Carolina	2017	46	4	0	0	0	0	50
North Dakota	2015	2	0	0	0	0	0	2
North Dakota	2016	2	0	0	0	0	0	2
North Dakota	2017	2	0	0	0	0	0	2
Ohio	2015	38	12	0	0	0	-1	49
Ohio	2016	49	10	0	0	0	0	59
Ohio	2017	59	12	0	0	0	0	71
Oklahoma	2015	9	2	0	0	0	0	11
Oklahoma	2016	11	6	0	0	0	0	17
Oklahoma	2017	17	2	0	0	0	0	19
Oregon	2015	4	1	0	0	0	0	5
Oregon	2016	5	1	0	0	0	0	6
Oregon	2017	6	3	0	0	0	0	9
Pennsylvania	2015	48	8	0	0	0	0	56
Pennsylvania	2016	56	5	0	0	0	0	61
Pennsylvania	2017	61	9	0	0	0	0	70
Puerto Rico	2015	5	3	0	0	0	0	8
Puerto Rico	2016	8	2	0	0	0	0	10
Puerto Rico	2017	10	1	0	0	0	0	11
Rhode Island	2015	10	1	0	0	0	0	11
Rhode Island	2016	11	1	0	0	0	0	12
Rhode Island	2017	12	0	0	0	0	0	12
South Carolina	2015	14	3	0	0	0	0	17
South Carolina	2016	17	6	0	0	0	0	23
South Carolina	2017	23	2	0	0	0	0	25
South Dakota	2015	1	1	0	0	0	0	2
South Dakota	2016	2	0	0	0	0	0	2
South Dakota	2017	2	0	0	0	0	0	2
Tennessee	2015	19	6	0	0	0	0	25
Tennessee	2016	25	2	0	0	0	0	27
Tennessee	2017	27	5	0	0	0	0	32
Texas	2015	58	18	0	0	0	0	76
Texas	2016	76	11	0	0	0	0	87
Texas	2017	87	16	0	0	0	-1	102
Utah	2015	10	3	0	0	0	0	13
Utah	2016	13	0	0	0	0	0	13
Utah	2017	13	0	0	0	0	-1	12
Vermont	2015	2	1	0	0	0	0	3
Vermont	2016	3	0	0	0	0	0	3
Vermont	2017	3	0	0	0	0	0	3
Virginia	2015	17	5	0	0	0	0	22
Virginia	2016	22	8	0	0	0	0	30
Virginia	2017	30	4	0	0	0	0	34
W. Virginia	2015	5	1	0	0	0	0	6
W. Virginia	2016	6	0	0	0	0	0	6

State / Province	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
W. Virginia	2017	6	0	0	0	0	0	6
Washington	2015	6	2	0	0	0	0	8
Washington	2016	8	5	0	0	0	0	13
Washington	2017	13	10	0	0	0	0	23
Wisconsin	2015	18	5	0	0	0	0	23
Wisconsin	2016	23	3	0	0	0	0	26
Wisconsin	2017	26	3	0	0	0	0	29
Wyoming	2015	0	0	0	0	0	0	0
Wyoming	2016	0	0	0	0	0	0	0
Wyoming	2017	0	1	0	0	0	0	1
British Columbia (CAN)	2015	0	0	0	0	0	0	0
British Columbia (CAN)	2016	0	0	0	0	0	0	0
British Columbia (CAN)	2017	0	3	0	0	0	0	3
Dominican Republic	2015	0	1	0	0	0	0	1
Dominican Republic	2016	1	0	0	0	0	0	1
Dominican Republic	2017	1	1	0	0	0	0	2
Ontario (CAN)	2015	0	4	0	0	0	0	4
Ontario (CAN)	2016	4	7	0	0	0	0	11
Ontario (CAN)	2017	11	6	0	0	0	0	17
Panama	2015	0	0	0	0	0	0	0
Panama	2016	0	0	0	0	0	0	0
Panama	2017	0	1	0	0	0	0	1
Saskatchewan (CAN)	2015	0	0	0	0	0	0	0
Saskatchewan (CAN)	2016	0	0	0	0	0	0	0
Saskatchewan (CAN)	2017	0	1	0	0	0	0	1
Total	2015	863	206	0	0	0	-3	1,066
Total	2016	1,066	195	-1	-2	0	-3	1,255
Total	2017	1,255	207	-1	-1	0	-4	1,456

* These figures were as of December 31, 2015, 2016 and 2017 for Pla-Fit Franchise, Pla-Fit Canada Franchise, Inc., and Planet Fitness International Franchise. If multiple events occurred affecting an outlet, this table shows the event that occurred last in time. States not listed had no activity to report.

Table No. 4
Status of Company-Owned Outlets For Years 2015 to 2017*

State / Province	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
California	2015	2	1	0	0	0	3
	2016	3	0	0	0	0	3
	2017	3	0	0	0	0	3
Colorado	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Delaware	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	1	0	0	0	2
Massachusetts	2015	2	1	0	0	0	3
	2016	3	0	0	0	0	3
	2017	3	0	0	0	0	3
New Hampshire	2015	14	0	0	0	0	14
	2016	14	0	0	0	0	14
	2017	14	0	0	0	0	14
New Jersey	2015	3	0	0	0	0	3
	2016	3	0	0	0	0	3
	2017	3	0	0	0	0	3
New York	2015	16	0	0	0	0	16
	2016	16	0	0	0	0	16
	2017	16	0	0	0	0	16
Ontario	2015	1	1	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	0	0	0	2
Pennsylvania	2015	15	0	0	0	0	15
	2016	15	0	0	0	0	15
	2017	15	2	0	0	0	17
Vermont	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	1	0	0	0	1
Total	2015	55	3	0	0	0	58
	2016	58	0	0	0	0	58
	2017	58	4	0	0	0	62

* These figures were as of the prior 3 fiscal years (December 31, 2015, 2016 and 2017) for Pla-Fit Franchise. States not listed had no company-owned outlets to report. (See the list of company-owned units attached as Exhibit "I".)

**Table No. 5
Projected Openings as of December 31, 2017**

State/Province	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	3	4	0
Alaska	0	0	0
Alberta	0	0	0
Arizona	9	11	0
Arkansas	1	1	0
British Columbia	0	1	0
California	22	28	0
Colorado	2	2	0
Connecticut	0	0	0
Delaware	1	1	0
District of Columbia	0	0	0
Dominican Republic	0	1	0
Florida	13	19	0
Georgia	8	10	0
Hawaii	1	1	0
Idaho	0	4	0
Illinois	12	14	0
Indiana	2	2	0
Iowa	0	0	0
Kansas	2	2	0
Kentucky	1	1	0
Louisiana	2	2	0
Maine	1	1	0
Manitoba	1	1	0
Maryland	1	1	0
Massachusetts	4	5	0
Mexico	1	1	0
Michigan	2	4	0
Minnesota	0	0	0
Mississippi	3	4	0
Missouri	2	2	0
Montana	1	1	0
Nebraska	0	0	0
Nevada	2	2	0
New Brunswick	0	0	0
New Hampshire	0	0	1
New Jersey	8	10	0
New Mexico	0	0	0
New York	3	8	4
Newfoundland and Labrador	0	0	0
North Carolina	5	6	0
North Dakota	0	0	0
Nova Scotia	0	0	0
Ohio	5	6	0
Oklahoma	0	0	0
Ontario	1	1	0

State/Province	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Oregon	2	2	0
Prince Edward Island	0	0	0
Pennsylvania	2	4	0
Puerto Rico	0	0	0
Quebec	0	0	0
Rhode Island	0	0	0
Saskatchewan	0	0	0
South Carolina	4	5	0
South Dakota	0	0	0
Tennessee	3	4	0
Texas	7	8	0
Utah	0	0	0
Vermont	0	1	0
Virginia	4	7	0
Washington	1	2	0
West Virginia	1	1	0
Wisconsin	1	2	0
Wyoming	2	2	0
Total	146	195	5

Attached as Exhibit “I” to this Disclosure Document is a list of the **PLANET FITNESS** franchisees as of December 31, 2017 and a list of franchisees who have been terminated, cancelled or otherwise voluntarily ceased doing business under the Franchise Agreement during 2017 or who have not communicated with us within 10 weeks of the date of this Disclosure Document. Also listed in Exhibit “I” are our corporate locations. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, some franchisees have signed confidentiality clauses with our predecessor Pla-Fit Franchise. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may want to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We have created a Franchise Advisory Council which is endorsed by us. Please contact us for more information.

The following independent franchisee organization has asked to be included in this disclosure document:

Planet Fitness Independent Franchisee Association
1701 Barrett Lakes Boulevard NW, Suite 180
Kennesaw, GA 30144
Telephone: 678-797-5160
Website: www.pffranchisee.org

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit “H” are the following:

- (1) our audited opening balance sheet as of August 1, 2018;
- (2) a guarantee of performance by which Planet Fitness, Inc. guarantees the obligations of our Manager, Planet Fitness Holdings, LLC; and
- (3) the audited consolidated balance sheets of Planet Fitness, Inc. and its subsidiaries as of December 31, 2017 and 2016 and the related consolidated statements of operations, comprehensive income, cash flows, and changes in equity for each of the years in the three-year period ended December 31, 2017.

ITEM 22

CONTRACTS

Attached to this Disclosure Document as Exhibit “B” is our form of Nondisclosure & Non-Use Agreement.

Attached to this Disclosure Document as Exhibit “C” is our Franchise Agreement with Appendices (A) Ownership Addendum, (B-1) Owners’ Personal Guaranty, (B-2) Affiliate Guaranty (C) Personal Covenants, (D) Silent Investors, (E) Addendum to Lease, and (F) Area Development Agreement Addendum.

Attached to this Disclosure Document as Exhibit “D” is our Acquisition Amendment to the Franchise Agreement.

Attached to this Disclosure Document as Exhibit “E” is our Successor Amendment to the Franchise Agreement.

Attached to this Disclosure Document as Exhibit “F” is our Conversion Amendment to the Franchise Agreement.

Attached to this Disclosure Document as Exhibit “G”: is our Area Development Agreement with Exhibits (A) Map of Development Area, (B) Ownership Addendum, (C) Personal Covenants, and (D) Silent Investors.

Attached to this Disclosure Document as Exhibit “J” is our Form of Release Agreement.

Attached to this Disclosure Document as Exhibit “K” are the POS Agreements described in Item 11.

Attached to this Disclosure Document as Exhibit “M” are certain State Addenda which may amend your Franchise Agreement or Area Development Agreement in certain states.

ITEM 23

RECEIPTS

The Receipts to be signed by all prospective franchisees are attached in duplicate to this Disclosure Document (identified as Exhibit “N”). You will sign and date one copy and give it to us at the time we present it to you. Your copy of the receipt is attached at the end of this Disclosure Document. This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

PLANET FITNESS

**EXHIBIT "A"
TO THE DISCLOSURE DOCUMENT**

LIST OF STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS

Exhibit A

**LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
<u>CALIFORNIA</u>	Department of Business Oversight 1515 K Street Suite 200 Sacramento, CA 95814 (866) 275-2677	Commissioner of Business Oversight Department of Business Oversight 1515 K Street Suite 200 Sacramento, CA 95814 (866) 275-2677
<u>HAWAII</u>	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Honolulu, HI 96813	Commissioner of Securities Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Honolulu, HI 96813
<u>ILLINOIS</u>	Office of the Attorney General Franchise Division 500 South Second Street Springfield, IL 62706	Illinois Attorney General 500 South Second Street Springfield, IL 62706
<u>INDIANA</u>	Secretary of State Franchise Section Indiana Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204	Indiana Secretary of State 302 West Washington Street, Room E-111 Indianapolis, IN 46204
<u>MARYLAND</u>	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
<u>MICHIGAN</u>	Michigan Department of Attorney General Consumer Protection Division Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913	Michigan Department of Attorney General Consumer Protection Division Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913
<u>MINNESOTA</u>	Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101	Minnesota Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101
<u>NEW YORK</u>	Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax	Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
<u>NORTH DAKOTA</u>	North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Bismarck, ND 58505-0510	North Dakota Securities Commissioner Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Bismarck, ND 58505-0510

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
<u>RHODE ISLAND</u>	Securities Division Department of Business Registration John O. Pastore Center, Building 69-1 1511 Pontiac Avenue Cranston, RI 02920	Director of Department of Business Regulation Department of Business Regulation John O. Pastore Center, Building 69-1 1511 Pontiac Avenue Cranston, RI 02920
<u>SOUTH DAKOTA</u>	Department of Labor and Regulation Division of Securities State of South Dakota 124 S. Euclid Ave., Suite 104 Pierre, South Dakota 57501	Director of South Dakota Division of Securities Department of Labor and Regulation 124 S. Euclid Ave., Suite 104 Pierre, South Dakota 57501
<u>VIRGINIA</u>	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, Ninth Floor Richmond, VA 23219	Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219
<u>WASHINGTON</u>	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501	Director, Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501
<u>WISCONSIN</u>	Division of Securities Department of Financial Institutions 201 W. Washington Avenue, Suite 300 Madison, WI 53703	Administrator Division of Securities Department of Financial Institutions 201 W. Washington Avenue, Suite 300 Madison, WI 53703

PLANET FITNESS®
EXHIBIT “B”
TO THE DISCLOSURE DOCUMENT
NONDISCLOSURE & NON-USE AGREEMENT

Exhibit B

Planet Fitness Franchising LLC

NONDISCLOSURE & NON-USE AGREEMENT

This Nondisclosure Agreement is made and entered into as of _____, 20__, (the “**Effective Date**”) by and between Planet Fitness Franchising LLC, a Delaware limited liability company and its parents, subsidiaries and affiliates (collectively “Planet Fitness”) and the individuals identified below and acknowledged by their signature (“Potential Franchisee”).

1. **Purpose.** Potential Franchisee wishes to explore the possibility of franchising, opening and operating one or more Planet Fitness health clubs in which Planet Fitness will disclose to the Potential Franchisee certain technical information, methods of operations and business information which Planet Fitness desires the Potential Franchisee treat as confidential and agree not to use such information except in conjunction with its operation of a Planet Fitness health club.
2. **“Confidential Information”** shall mean any information disclosed by or on behalf of Planet Fitness, either directly or indirectly, in writing, orally or by inspection of tangible objects (including, without limitation, research, product plans, products, services, customers, markets, software, computer programs, know-how, ideas, inventions (whether or not patentable), processes, designs, drawings, engineering, hardware configuration information, marketing or finance documents and other technical, business, financial, customer and product development plans, forecasts, strategies and information. Information communicated orally shall also be considered Confidential Information. Confidential Information includes any analyses, compilations, studies or other documents prepared by Potential Franchisee which reflect, are based on, or contain the Confidential Information. Without limiting the foregoing, the term “Confidential Information” shall also include the fact that the Parties are in discussions or negotiations regarding a potential franchise agreement, the fact that Confidential Information has been received and the terms and conditions of any proposal in connection with any such potential business relationship. Notwithstanding the foregoing, Confidential Information shall not include any information which (i) is or becomes generally available to the public other than as a result of a breach of this Agreement by Potential Franchisee or any Potential Franchisee representative, (ii) becomes available to Potential Franchisee on a nonconfidential basis from a source (other than Fitness or one of Fitness Representatives) which has represented to Potential Franchisee that such source is entitled to disclose it without restriction or condition, or (iii) was known by Potential Franchisee on a nonconfidential basis prior to its disclosure by Fitness, provided that such knowledge is documented, or (iv) was independently developed by Potential Franchisee without use of or reference to the Confidential Information and without violation hereof.
3. **Non-use and Non-disclosure.** Potential Franchisee acknowledges that any discussions/negotiations are extremely sensitive and/or confidential and further agrees not to use any Confidential Information or any other information Planet Fitness may share related in any way to its operations or brand for any purpose except to evaluate and engage

in discussions concerning a potential business relationship with Planet Fitness; Potential Franchisee specifically agrees not to use any Confidential Information or any such other information for any purpose which is competitive with or detrimental to Planet Fitness. Potential Franchisee agrees not to disclose any Confidential Information to third parties or to employees, except to those employees, advisors or partners of Potential Franchisee who are required to have the Confidential Information in order to evaluate or engage in discussions concerning the contemplated business relationship with Planet Fitness. Potential Franchisee shall be responsible for any breach of this agreement by any person to whom it discloses Confidential Information.

4. **Maintenance of Confidentiality.** Potential Franchisee agrees that it shall take all reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information. Without limiting the foregoing, Potential Franchisee shall take at least those measures that it takes to protect its own most highly confidential information and shall ensure that its employees, advisors and partners who have access to Confidential Information of Planet Fitness have executed a written non-use and non-disclosure agreement in content similar to the provisions hereof, prior to any disclosure of Confidential Information to such employees, advisors and partners. Potential Franchisee shall not make any copies of the Confidential Information unless the same are previously approved in writing by Planet Fitness.
5. **Non-Solicitation.** Until the earlier of (i) two (2) years from the date of this agreement or (ii) entry by the parties into a Franchise Agreement or Area Development Agreement, Potential Franchisee agrees that: (x) it will not, directly or indirectly, initiate or maintain contact (except for those contacts made in the ordinary course of business) with any officer, director, employee, customer or supplier of Planet Fitness regarding its business, operations, prospects or finances; and (y) it will not, directly or indirectly, solicit or offer to hire or hire any officer, director or employee of Planet Fitness or any of its subsidiaries.
6. **Return of Materials.** All documents and other tangible objects containing or representing Confidential Information which have been disclosed and all copies thereof which are in the possession of Potential Franchisee or its agents shall be and remain the sole property of Planet Fitness and shall be promptly returned to Planet Fitness if Potential Franchisee does not enter into a Franchise Agreement or Area Development Agreement with Planet Fitness.
7. **No License.** Nothing in this Agreement is intended to grant any rights to Potential Franchisee under any patent, copyright, trade secret or other intellectual property right nor shall this Agreement grant Potential Franchisee of any rights in or to Planet Fitness' Confidential Information.
8. **Term.** The obligations of Potential Franchisee shall survive until such time as all Confidential Information disclosed hereunder becomes publicly known and made generally available through no action or inaction of the receiving party, or until Potential Franchisee enters into a Franchise Agreement or Area Development Agreement with Planet Fitness.

9. **Remedies.** Potential Franchisee agrees that its obligations hereunder are necessary and reasonable in order to protect Planet Fitness and Planet Fitness’ business, and expressly agrees that monetary damages would be inadequate to compensate Planet Fitness for any breach by Potential Franchisee of any covenants and agreements set forth herein. Accordingly, Potential Franchisee agrees and acknowledges that any such violation or threatened violation will cause irreparable injury to the other party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Planet Fitness shall be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages. Potential Franchisee further agrees that it will indemnify Planet Fitness with respect to, and hold it harmless from and against, any and all losses, damages, claims, costs and expenses that may be incurred as a result of or arising from any failure by Potential Franchisee or any party to whom it discloses Confidential Information to comply with the terms of this agreement.
10. **Miscellaneous.** This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. This Agreement shall be governed by the laws of the State of New Hampshire, without reference to conflict of laws principles. This document contains the entire agreement between the parties with respect to the subject matter hereof, and neither party shall have any obligation, express or implied by law, with respect to trade secret or proprietary information of the other party except as set forth herein. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto.

(Signature)

(Print Name)

PLANET FITNESS®
EXHIBIT “C”
TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

PLANET FITNESS®
FRANCHISE AGREEMENT

1.	PREAMBLES, ACKNOWLEDGMENTS AND REPRESENTATION.....	1
1.1	<u>PREAMBLES</u>	1
1.2	<u>ACKNOWLEDGMENTS</u>	1
1.3	<u>REPRESENTATION</u>	1
1.4	<u>CERTAIN DEFINITIONS</u>	2
2.	YOUR ORGANIZATION AND MANAGEMENT.....	6
2.1	<u>ORGANIZATIONAL DOCUMENTS</u>	6
2.2	<u>DISCLOSURE OF OWNERSHIP INTERESTS</u>	6
2.3	<u>RESPONSIBLE OWNER/MANAGEMENT OF BUSINESS</u>	6
2.4	<u>OWNERSHIP GROUP</u>	7
2.5	<u>FACILITY ORGANIZATION</u>	7
3.	GRANT OF RIGHTS.....	7
3.1	<u>GRANT OF FRANCHISE</u>	7
3.2	<u>OUR RESERVATION OF RIGHTS</u>	8
4.	LOCATION SELECTION, LEASE OR PURCHASE OF LOCATION AND LOCATION DEVELOPMENT.....	8
4.1	<u>LOCATION SELECTION AND APPROVAL</u>	8
4.2	<u>PURCHASE OR LEASE OF THE LOCATION</u>	9
4.3	<u>RESERVED AREA OF THE LOCATION</u>	9
4.4	<u>LOCATION DEVELOPMENT</u>	9
4.5	<u>YOUR OBLIGATIONS</u>	11
4.6	<u>FIXTURES, FURNISHINGS, EQUIPMENT AND SIGNS</u>	11
4.7	<u>START-UP INVENTORY, FURNITURE, FIXTURES, SOFTWARE, EQUIPMENT AND SUPPLIES</u>	11
4.8	<u>PRE-SALE/GRAND OPENING MARKETING</u>	11
4.9	<u>MEMBERSHIP PRE-SALE</u>	12
4.10	<u>BUSINESS COMMENCEMENT</u>	12
4.11	<u>BUSINESS COMMENCEMENT DEADLINE</u>	13
4.12	<u>OPENING ASSISTANCE</u>	13
5.	FEES.....	13
5.1	<u>INITIAL FRANCHISE FEE</u>	13
5.2	<u>ROYALTY</u>	13
5.3	<u>DESIGNATED ACCOUNT AND AUTHORIZED EFT</u>	14
5.4	<u>INTEREST ON LATE PAYMENTS</u>	14
5.5	<u>APPLICATION OF PAYMENTS</u>	14
5.6	<u>PREFERRED VENDOR PAYMENTS</u>	14
5.7	<u>INTERNET MEMBERSHIP AND BALANCE PAYMENT ADMINISTRATION FEE</u>	14
5.9	<u>INSPECTION AND COMPLIANCE REIMBURSEMENT</u>	14
5.8	<u>EFT AUTHORIZATION</u>	16
6.	TRAINING, ASSISTANCE, AND METHODS OF OPERATION.....	16
6.1	<u>TRAINING</u>	16
6.2	<u>REFRESHER TRAINING</u>	16
6.3	<u>GENERAL GUIDANCE</u>	16
6.4	<u>ON-SITE CONSULTATION AND ADDITIONAL GUIDANCE</u>	17
6.5	<u>OPERATIONS MANUAL</u>	17
6.6	<u>COMPLIANCE WITH METHODS OF OPERATION</u>	17
6.7	<u>WORKS MADE-FOR-HIRE</u>	18
6.8	<u>GENERAL CONDUCT</u>	18
6.9	<u>DATA SECURITY</u>	18
6.10	<u>TECHNOLOGY</u>	19
7.	MARKS.....	19

7.1	<u>OWNERSHIP AND GOODWILL OF MARKS</u>	19
7.2	<u>LIMITATIONS ON YOUR USE OF MARKS</u>	19
7.3	<u>NOTIFICATION OF INFRINGEMENTS AND CLAIMS</u>	20
7.4	<u>DISCONTINUANCE OF USE OF MARKS</u>	20
7.5	<u>INDEMNIFICATION OF FRANCHISEE</u>	20
8.	CONFIDENTIAL INFORMATION.....	20
8.1	<u>CONFIDENTIAL INFORMATION</u>	20
8.2	<u>FOR BUSINESS USE ONLY</u>	21
8.3	<u>IDEAS, CONCEPTS, TECHNIQUES OR MATERIALS</u>	21
9.	PLANET FITNESS METHODS OF OPERATION.....	22
9.1	<u>COMPLIANCE WITH METHODS OF OPERATION</u>	22
9.2	<u>PROVISIONS OF THIS AGREEMENT</u>	23
9.3	<u>MODIFICATION OF METHODS OF OPERATION</u>	23
9.4	<u>CONDITION OF YOUR BUSINESS</u>	23
9.5	<u>UNIFORM IMAGE</u>	24
9.6	<u>PURCHASE OF OTHER PRODUCTS</u>	24
9.7	<u>COMPLIANCE WITH LAWS</u>	25
9.8	<u>PERSONNEL</u>	25
9.9	<u>INSURANCE</u>	25
9.10	<u>QUALITY CONTROL</u>	26
9.11	<u>PRICING POLICIES</u>	26
9.12	<u>MEMBER DUES POLICIES</u>	26
9.13	<u>RECIPROCAL MEMBERSHIP</u>	26
9.14	<u>MEMBER TRANSFER POLICY</u>	27
9.15	<u>FRANCHISE MANAGEMENT</u>	27
10.	MARKETING.....	27
10.1	<u>NATIONAL ADVERTISING</u>	27
10.2	<u>ACCOUNTING</u>	28
10.3	<u>NO PROPORTIONALITY</u>	28
10.4	<u>DEFERRALS OR REDUCTIONS</u>	28
10.5	<u>LOCAL ADVERTISING</u>	28
10.6	<u>ADVERTISING COOPERATIVES</u>	30
10.7	<u>SPECIAL MARKETING PROGRAMS</u>	31
10.8	<u>PARTICIPATION IN INTERNET WEB SITE OR OTHER ON-LINE COMMUNICATIONS</u>	31
10.9	<u>TRUTHFUL ADVERTISING, MARKETING AND PROMOTION</u>	31
10.10	<u>NATIONAL OFFERS AND CAMPAIGNS</u>	32
11.	RECORDS, REPORTS AND FINANCIAL STATEMENTS.....	32
11.1	<u>RECORDS</u>	32
11.2	<u>PERIODIC REPORTS</u>	32
11.3	<u>VERIFICATION</u>	32
11.4	<u>OWNERSHIP OF DATA</u>	33
12.	INSPECTIONS AND AUDITS.....	33
12.1	<u>OUR RIGHT TO INSPECT THE BUSINESS</u>	33
12.2	<u>COOPERATION</u>	33
12.3	<u>OUR RIGHT TO AUDIT</u>	33
13.	TRANSFER.....	34
13.1	<u>BY US</u>	34
13.2	<u>BY YOU</u>	34
13.3	<u>CONDITIONS FOR APPROVAL OF TRANSFER</u>	34
13.4	<u>TRANSFER TO A WHOLLY OWNED CORPORATION</u>	37
13.5	<u>TRANSFER UPON YOUR DEATH OR DISABILITY</u>	37

13.6	<u>OPERATION UPON YOUR DEATH OR DISABILITY</u>	38
13.7	<u>BONA FIDE OFFERS</u>	38
13.8	<u>OUR RIGHT OF FIRST REFUSAL</u>	38
13.9	<u>NON-EXERCISE</u>	39
14.	EXPIRATION OF THIS AGREEMENT	39
14.1	<u>ACQUISITION OF A SUCCESSOR FRANCHISE</u>	39
15.	TERMINATION OF AGREEMENT	40
15.1	<u>BY YOU</u>	40
15.2	<u>IMMEDIATE TERMINATION</u>	41
15.3	<u>TERMINATION UPON NOTICE</u>	41
15.4	<u>OUR RIGHT TO OPERATE THE BUSINESS</u>	44
15.5	<u>ALTERNATIVES TO TERMINATION</u>	44
16.	OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT	45
16.1	<u>PAYMENT OF AMOUNTS OWED TO US</u>	45
16.2	<u>MARKS</u>	45
16.3	<u>DE-BRANDING</u>	46
16.4	<u>CONFIDENTIAL INFORMATION</u>	47
16.5	<u>IN-TERM COVENANT NOT TO COMPETE</u>	47
16.6	<u>POST-TERM COVENANT NOT TO COMPETE</u>	48
16.7	<u>OWNER AND OPERATOR COVENANTS</u>	48
16.8	<u>APPLICATION TO SECURITIES</u>	48
16.7	<u>REASONABLE SCOPE OF COVENANTS</u>	48
16.10	<u>REDUCTION OF SCOPE OF COVENANTS</u>	48
16.11	<u>COVENANT NOT TO COMPETE UPON EXERCISE OF RIGHT OF FIRST REFUSAL</u>	49
16.12	<u>COMMENCEMENT BY ORDER</u>	49
16.13	<u>OUR RIGHT TO PURCHASE BUSINESS</u>	49
16.14	<u>CONTINUING OBLIGATIONS</u>	50
16.15	<u>FUTURE ROYALTIES</u>	50
17.	SECURITIES OFFERINGS	50
17.1	<u>SECURITIES OFFERINGS</u>	50
18.	RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION	51
18.1	<u>INDEPENDENT CONTRACTORS</u>	51
18.2	<u>NO LIABILITY FOR ACTS OF OTHER PARTY</u>	52
18.3	<u>TAXES</u>	52
18.4	<u>INDEMNIFICATION</u>	52
18.5	<u>MITIGATION NOT REQUIRED</u>	53
18.6	<u>NOTIFICATION OF ADVERSE ACTION</u>	53
19.	ENFORCEMENT AND MISCELLANEOUS MATTERS	53
19.1	<u>SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS</u>	53
19.2	<u>LESSER COVENANT ENFORCEABLE</u>	54
19.3	<u>GREATER NOTICE</u>	54
19.4	<u>WAIVER OF OBLIGATIONS</u>	54
19.5	<u>NON-WAIVER</u>	54
19.6	<u>FORCE MAJEURE</u>	55
19.7	<u>EXTEND PERFORMANCE</u>	55
19.8	<u>OUT-OF-STOCK AND DISCONTINUED</u>	55
19.9	<u>COSTS AND ATTORNEYS' FEES</u>	55
19.10	<u>YOU MAY NOT WITHHOLD PAYMENTS DUE TO US</u>	55
19.11	<u>RIGHTS OF PARTIES ARE CUMULATIVE</u>	55
19.12	<u>DISPUTE RESOLUTION</u>	55
19.13	<u>GOVERNING LAW</u>	58

19.14	<u>CONSENT TO JURISDICTION</u>	58
19.15	<u>WAIVER OF PUNITIVE DAMAGES, JURY TRIAL AND CLASS ACTIONS</u>	58
19.16	<u>BINDING EFFECT</u>	58
19.17	<u>LIMITATIONS OF CLAIMS</u>	58
19.18	<u>CONSTRUCTION</u>	59
19.19	<u>WITHHOLD APPROVAL</u>	59
19.20	<u>HEADINGS</u>	59
19.21	<u>JOINT AND SEVERAL OWNERS' LIABILITY</u>	59
19.22	<u>ANTI-TERRORISM LAWS</u>	59
19.23	<u>RIGHT TO INFORMATION</u>	59
19.24	<u>MULTIPLE COPIES AND ELECTRONIC RECORDS</u>	59
19.25	<u>ENTIRE AGREEMENT BETWEEN THE PARTIES</u>	60
19.26	<u>AREA DEVELOPMENT AGREEMENT ADDENDUM</u>	60
20.	NOTICES AND PAYMENTS.....	60
20.1	<u>NOTICES</u>	60
20.2	<u>PAYMENTS</u>	61
APPENDIX A	OWNERSHIP ADDENDUM	
APPENDIX B-1	OWNERS' PERSONAL GUARANTY OF FRANCHISEE'S OBLIGATIONS	
APPENDIX B-2	AFFILIATE GUARANTY OF FRANCHISEE'S OBLIGATIONS	
APPENDIX C	PERSONAL COVENANTS REGARDING CONFIDENTIALITY AND NON-COMPETITION	
APPENDIX D	SILENT INVESTORS	
APPENDIX E	ADDENDUM TO LEASE	
APPENDIX F	AREA DEVELOPMENT AGREEMENT ADDENDUM	
	ACKNOWLEDGEMENT ADDENDUM	

**PLANET FITNESS®
FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into as of the Effective Date (as defined herein) by and between Planet Fitness Franchising LLC, a limited liability company formed under Delaware law, with its principal business address at 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842 (referred to in this Agreement as “Franchisor”, “we,” “us” or “our”), and the Franchisee listed on the signature page hereto (referred to in this Agreement as “Franchisee”, “you” or “your”).

1. PREAMBLES, ACKNOWLEDGMENTS AND REPRESENTATION.

1.1 PREAMBLES. This Agreement governs your ownership and operation of one (1) **PLANET FITNESS** business offering fitness training facility services, including exercise machines and free weights, fitness training services, tanning services, and related services and ancillary merchandise as we may authorize from time to time. These businesses operate under the **PLANET FITNESS** name and under business formats, methods, procedures, designs, layouts, standards and specifications, all of which we may improve, further develop or otherwise modify from time to time. We use, promote and license certain trademarks, service marks and other commercial symbols in the operation of **PLANET FITNESS** businesses, including the **PLANET FITNESS** trademarks and service marks and associated logos. We have a license to use the Marks and to sublicense the Marks to franchisees. We grant franchises to persons who meet our qualifications and are willing to undertake the investment and effort required to own and operate a **PLANET FITNESS** business offering the products and services we authorize and approve and utilizing our business formats, methods, procedures, signs, designs, layouts, equipment, standards and specifications and the Marks. You have indicated to us by your actions and statements that you desire a franchise to own and operate a **PLANET FITNESS** business.

1.2 ACKNOWLEDGMENTS. You acknowledge that you have read this Agreement and our Franchise Disclosure Document (“FDD”) and understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at each **PLANET FITNESS** business and thereby to protect and preserve the goodwill of the Marks. You acknowledge that you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by a **PLANET FITNESS** business may evolve and change over time, that an investment in a **PLANET FITNESS** business involves business risks and that your business abilities and efforts are vital to the success of the venture. You acknowledge and agree that we and you are and will be independent contractors and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner or employee of the other for any purpose. You agree to always indicate your status as an independent contractor and franchisee on any document or information released by you in connection with the BUSINESS. Further, you will display the following notice in a prominent place at the BUSINESS: *“This Planet Fitness is a franchise of Planet Fitness Franchising LLC and is independently owned and operated.”* Any information you acquire from other **PLANET FITNESS** franchisees or third party vendors relating to the sales, profits or cash flows of other **PLANET FITNESS** businesses does not constitute information obtained from us, nor do we make any representation as to the accuracy of any such information. You acknowledge that, in all of their dealings with you, our officers, directors, employees and agents act only in a representative, and not in an individual, capacity. All business dealings between you and such persons as a result of this Agreement are solely between you and us. You further acknowledge that we have advised you to seek franchise counsel to review and evaluate this Agreement.

1.3 REPRESENTATION. You represent to us, as an inducement to our entry into this Agreement, that all statements you have made and all materials you have submitted to us in connection with your purchase of the franchise are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise. We have approved of your purchasing a franchise in reliance upon all of your representations. We reserve the right to terminate this Agreement if you

made any material representation to us that was false or there were any material omissions in information provided to us in inducing us to enter into this Agreement with you.

1.4 CERTAIN DEFINITIONS. The terms listed below have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

“ADA” - Defined in Article 2.4.

“Ad Fee” - Defined in Article 10.1.

“Affiliate” - Any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction, of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

“ALMP” - Defined in Article 10.5.

“Annual Membership Accounting Period” - Each yearly period for each membership sold during the Term of this Agreement.

“Annual Membership Billing Day” – The day or days of the year that we designate that we or our authorized designee are authorized by you to withdraw via electronic funds transfer from your Designated Account all annual Royalty fees and other amounts then due to us under the terms of this Agreement.

“Approved Supplier” - Any supplier, including us, an Affiliate of ours or an independent third party, whom we authorize to act as an approved supplier of services or goods.

“Approved Operator” – Defined in Article 2.3.

“Black Card” – Our then-current black card membership in effect from time to time as described in the Operations Manual.

“BUSINESS” - The PLANET FITNESS business operated by you at the Location under the terms of this Agreement.

“Business Data” – Defined in Article 11.4.

“Business Commencement Date” – The date on which the Location is first open to members for business, excluding pre-sale marketing and other similar pre-opening activities.

“Capital Modifications” – Defined in Article 9.3.

“Competitive Business” - Any men’s, women’s, children’s, or co-ed fitness, exercise, athletic, or wellness facility of any kind, including, but not limited to, a health club, gym, physical fitness club, personal training studio, weight loss, weight training or resistance training studio, aerobics center (other than a PLANET FITNESS business). Notwithstanding the foregoing definition, the parties acknowledge and agree that a med-spa business is not a “Competitive Business.”

“Confidential Information” - Defined in Article 8.1.

“Construction Development Plan” – Defined in Article 4.4.

“Corporation or Partnership” - The term “corporation or partnership” as used herein to describe your business entity shall, if applicable, include reference to your formation as a limited liability company, limited liability partnership, or any other type of limited liability entity.

“Cyber Event” – Defined in Article 6.9.

“Designated Account” – Defined in Article 5.3.

“Effective Date” – The date that we enter into this Agreement as noted on the signature page.

“EFT” – The term “EFT” means the electronic transfer of funds (including without limitation from a credit card, debit card, or bank account) and payment by check or any other means (including without limitation any other current or future form of pre-authorized payment).

“EFT Dues Draft” - Defined in Article 5.2.

“Designated Franchise Portal” – Our online portal or portals that provide information, resources, and support to Planet Fitness franchisees and their PLANET FITNESS businesses.

“FDD” – Franchise Disclosure Document, as defined in Article 1.2.

“Immediate Family” - Spouse, parents (including step parents), siblings (including half siblings), and children (including step children), whether natural or adopted.

“Internet” - All communications between computers and between computers and television, telephone, facsimile and similar communications devices, including the World Wide Web, proprietary online services, E-mail, news groups and electronic bulletin boards, including but not limited to all forms of social media developed during the Term of this Agreement.

“Internet Membership Administration Fee” – The fee you pay to us for establishing customer memberships and providing balance payment options for your BUSINESS through membership applications submitted to the PLANET FITNESS Internet web site.

“LAF” - Local Advertising Funds, as defined in Article 10.5.

“Location” - _____. If no site is approved at the time this Agreement is signed, this Agreement will be updated and amended when a location has been designated by you and approved by us. The location must be designated and leased, subleased, or purchased by the deadline provided in Article 4.2. If the address for the Location changes due to the designation of a new address for or renumbering of the premises, without any change to the physical location of the premises, you may update the address of the Location by providing written notice to us. Such notice may be delivered by electronic transmission, without subsequent physical delivery, provided that we confirm receipt.

“Marks” - The current and future tradenames, trademarks, service marks and trade dress used to identify the services and/or products offered by PLANET FITNESS businesses, including the mark “PLANET FITNESS” and the distinctive building design and color scheme of PLANET FITNESS businesses.

“Material Offense” – Defined in Article 15.3.6.

“Monthly Membership Billing Day” - The day each calendar month that we designate that we or our authorized designee are authorized by you to withdraw via electronic funds transfer from your Designated Account all monthly Royalty fees and other amounts then due to us under the terms of this Agreement.

“Methods of Operation” - The Operations Manual we provide to you containing mandatory and suggested specifications, standards, operating procedures and rules that we prescribe from time to time for the operation of a PLANET FITNESS business and any other information we provide to you during the Term of the Agreement relating to your operation of the franchise business or to any other of your obligations under this Agreement and related agreements.

“Monthly Membership Accounting Period” - Each monthly period during the Term of the Agreement.

“NAF” - Our National Advertising Fund, as defined in Article 10.1.

“Operations Manual” – The term “Operations Manual” means the confidential PLANET FITNESS Methods of Operation, which may include, without limitation, any information, documents and materials that describe our mandatory and suggested standards, specifications, marketing strategies and policies, and operating procedures relating to the development and operation of PLANET FITNESS businesses and your obligations under this Agreement, as well as all other written materials, documents or information that we designate as a Method of Operation or specifically as part of the Operations Manual. The term “Operations Manual” also includes alternative or supplemental means of communicating such information by other media which specifically reference that they are to be considered part of the Operations Manual including, but not limited to, bulletins, newsletters, emails, audio and video files, and other similar items posted on the Designated Franchise Portal. The Operations Manual (and each component thereof) constitutes a confidential trade secret and will remain our property.

“Owner” – Each person that has any direct or indirect legal or beneficial ownership interest in you, if you are a business corporation, partnership, limited liability company or other legal entity. Each Owner that has ten percent (10%) or greater interest in you, if you are a business corporation, partnership, limited liability company or other legal entity, must sign Appendix B-1 to this Agreement (Owners’ Personal Guaranty of Franchisee’s Obligations). However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns ten percent (10%) or less interest in the franchisee, we have the right to designate that person as an Owner who must sign Appendix B-1 to this Agreement. In addition, if the franchisee is a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is deemed an Owner who must sign Appendix B-1, regardless of the percentage ownership interest. If the franchisee is one or more individuals, each individual is an Owner. Each franchisee must have at least one Owner. Your Owner(s) is/are identified on Appendix A to this Agreement. Every time we approve a change in the persons or entities who are your Owners (as required under Article 13.2 hereof), you must, within seven (7) calendar days from the date of such change, cooperate with us in amending Appendix A. As used in this Agreement, any reference to Owner includes all Owners.

Notwithstanding the foregoing, if (a) an affiliate entity that we approve in our reasonable discretion, maintains a majority interest in at least five (5) PLANET FITNESS businesses which are open and operating; or (b) an affiliate entity that we approve in our reasonable discretion has a majority interest in PLANET FITNESS businesses which collectively have maintained annual EFT revenues for at least two (2) consecutive years of at least One Million Two Hundred Thousand U.S. Dollars (\$1,200,000); such approved affiliate entity may sign Appendix B-2 to this Agreement (Affiliate Guaranty of Franchisee’s Obligations) in lieu of your Owners signing Appendix B-1 to this Agreement (Owners’ Personal Guaranty of Franchisee’s Obligations).

“Ownership Group” - Defined in Article 2.4.

“Personnel” - All persons employed by you in connection with the development, management or operation of your BUSINESS, including persons in general and district management positions for your PLANET FITNESS BUSINESS, crew trainers, unit general and assistant managers, shift supervisors, hourly employees and all other persons who work in or for your BUSINESS.

“Preferred Vendor” - Any supplier of goods or services to your BUSINESS that we designate under our Methods of Operation as a “Preferred Vendor.”

“Pre-Sale” - Defined in Article 4.9.

“Pre-Sale/Grand Opening Marketing Expense” - Defined in Article 4.8.

“Pre-Sale/Grand Opening Marketing Period” - Defined in Article 4.8.

“Pre-Sale/Grand Opening Marketing Plan” - Defined in Article 4.8.

“POS” – Point of Sale, as defined in Article 4.6.

“Relocation” – The moving of the Location for the BUSINESS and developing a new PLANET FITNESS business in close proximity at a new location, approved by us, and transferring all members from the BUSINESS to the new PLANET FITNESS business. A Relocation may include a consolidation of two PLANET FITNESS businesses operated by you for business reasons if approved by us in our sole discretion.

“Reserved Area” - Defined in Article 4.3.

“Responsible Owner” - Defined in Article 2.3.

“Royalty” - Defined in Article 5.2.

“Silent Investor” - All individuals and/or entities identified in Appendix D.

“System” - The business methods, designs and arrangements for developing and operating PLANET FITNESS businesses, which include the Marks, building design and layouts, equipment, training, and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time.

“Telephone Companies” – Defined in Article 16.2.

“Telephone Numbers” – Defined in Article 16.2.

“Term” – Defined in Article 3.1.

“Total Net Membership Revenues” - The total receipts from all membership fees that are received by you. Total Net Membership Revenues does not include the fair market value of goods delivered and services rendered to you or others in consideration for activity, goods or services delivered by Franchisee (and/or any affiliated party) nor does it include sales taxes charged to customers.

“Transfer” - The voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter vivos transfer, testamentary disposition or other disposition of this Agreement, any interest in or right under this Agreement, or any form of ownership interest in you or the assets, revenues or income of your BUSINESS including: (1) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or a partnership interest in, you or of any interest convertible to or exchangeable for capital stock of, or a partnership interest in, you; (2) any merger or consolidation between you and another entity, whether or not you are the surviving corporation; (3) any transfer in, or as a result of, a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; (4) any transfer upon your death or the death of any of your Owners by will, declaration of or transfer in trust or under the laws of intestate succession; or (5) any foreclosure upon

your BUSINESS or the transfer, surrender or loss by you of possession, control or management of your BUSINESS.

“Vendor Revenue” – Defined in Article 5.9.

“White Card” – Our then-current white card membership in effect from time to time as described in the Operations Manual.

2. YOUR ORGANIZATION AND MANAGEMENT.

2.1 ORGANIZATIONAL DOCUMENTS. If you are, or at any time become a corporation, limited liability company, partnership, or other legal entity, you and each of your Owners agree and represent that:

- (1) you are duly organized and validly existing under the laws of the state of your organization, and, if a foreign business corporation, partnership, limited liability company or other legal entity, you are duly qualified to transact business in the state in which your BUSINESS is located;
- (2) you have the authority to execute and deliver this Agreement (including, without limitation, the ownership information contained in Appendix A hereto) and to perform your obligations hereunder;
- (3) your activities are restricted to those necessary solely for the development, ownership and operation of a **PLANET FITNESS** business in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates;
- (4) you shall, within five (5) business days of our request, provide us with copies of the articles or certificate of incorporation, partnership agreement or other organizational documents and such documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; and
- (5) all certificates representing direct or indirect legal or beneficial ownership interests in you now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions.

2.2 DISCLOSURE OF OWNERSHIP INTERESTS. You and each of your Owners represent, warrant and agree that attached Appendix A is current, complete and accurate. You agree that, subject to Article 13 requirements regarding proposed Transfers, any proposed updates to Appendix A will be furnished promptly to us, so that Appendix A (as so amended) is at all times current, complete and accurate. Unless your approved affiliate has signed Appendix B-2 to this Agreement (Affiliate Guaranty of Franchisee’s Obligations), each person who is or becomes an Owner of 10% or more of an interest in you must sign Appendix B-1 to this Agreement (Owners’ Personal Guaranty of Franchisee’s Obligations) undertaking to be bound jointly and severally by the terms of this Agreement. Each Owner signing such Appendix must be an individual acting in such Owner’s individual capacity. Each person who is or becomes an Owner, with the exception of Silent Investors, must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in this Agreement, the current form of which is attached hereto as Appendix C. In addition, if you have one or more Silent Investors, each such Silent Investor must be listed on Appendix D, which is hereby incorporated by reference.

2.3 RESPONSIBLE OWNER/MANAGEMENT OF BUSINESS. If you are, or at any time become, a business corporation, partnership, limited liability company or other legal entity, you must designate in Appendix A as the “Responsible Owner” an individual approved by us. Your Responsible Owner must be an Owner and must have the authority to, and must, in fact, actively

direct your business affairs related to the BUSINESS. Your Responsible Owner must have the authority to accept all official notices from us and, when signing on your behalf, to legally bind you with respect to all contracts and commercial documents related to the BUSINESS. Your Responsible Owner must have completed our training program to our satisfaction. You (or your Responsible Owner) may request our approval of an operator that has completed our training program to our satisfaction (an "Approved Operator") to whom you may delegate your obligations to develop and operate your BUSINESS. Such a request must be made in writing, and you must cooperate with us to provide all information we reasonably request to approve or reject the proposed individual. Such approval shall be given in our sole discretion. If we approve an Approved Operator, you must amend Appendix A to include that individual, and require that the Approved Operator sign Appendix C (Owner's Personal Covenants Regarding Confidentiality and Non-Competition). We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, made under this Article on account of our approval thereof or otherwise, and you agree to indemnify and hold us harmless with respect thereto. You must notify us of any proposed change of the Responsible Owner or Approved Operator and receive our written approval prior to such change. If such change results from the death or incapacitation of the Responsible Owner or Approved Operator, you must submit a new proposed Responsible Owner or Approved Operator within thirty (30) days after such death or incapacitation. You and your Approved Operator (or if there is no Approved Operator, the Responsible Owner) shall exert your best efforts to the development and operation of your BUSINESS and all other **PLANET FITNESS** businesses you own; and absent our prior approval may not engage in any other business or activity, directly or indirectly, which requires you or such individual to have substantial management responsibility or substantial time commitments or otherwise may conflict with your obligations hereunder. Your BUSINESS at all times must be managed by you (or your Responsible Owner or Approved Operator) or by an on-site general or assistant manager or a shift supervisor who has completed the appropriate training programs.

2.4 **OWNERSHIP GROUP.** If you or one of your Affiliates have entered into an Area Development Agreement ("ADA") with us and are entering into this Agreement pursuant thereto, you represent and warrant that the Area Developer's Ownership Group (as defined in the Area Development Agreement) has, directly or indirectly, 51% or more ownership interest in you, and voting control over you. Furthermore, you acknowledge and agree that we have the right to approve, in advance, your ownership structure.

2.5 **FACILITY ORGANIZATION.** Your BUSINESS must be staffed by at least one (1) trained general manager and appropriate numbers of assistant managers, shift supervisors and personnel so that all shifts are staffed by at least one assistant manager or shift supervisor.

3. GRANT OF RIGHTS.

3.1 **GRANT OF FRANCHISE.** You desire a franchise to own and operate a **PLANET FITNESS** business. Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a franchise (the "Franchise") to operate a **PLANET FITNESS** business solely at the Location, and a license to use the Marks and the System in the operation thereof, for a term commencing on the Effective Date and expiring on the tenth (10th) anniversary of the Business Commencement Date ("Term") unless sooner terminated in accordance with Article 15 hereof. Upon your written request to us received no later than three (3) months after the Business Commencement Date and in substance acceptable to us on the form made available to you, we will, in our reasonable discretion, agree to grant you in writing an extension of the Term of up to nine (9) months, or a reduction of the Term of up to two (2) years, to match the expiration of your lease term. This Agreement grants to you a "site only" Franchise for a single **PLANET FITNESS** business, which means that you receive no protected, territorial or other rights beyond the physical premises of the Location. We and our affiliates have the unlimited right to compete with you and license others to compete with you. You may not operate the BUSINESS from any site other than the Location without our prior written consent. If we consent to the BUSINESS' Relocation, we have the right to charge you a Five Thousand U.S. Dollar (\$5,000) relocation fee, payable prior to the

Relocation. In the event of an approved Relocation, the Term shall remain unaffected. You shall operate your BUSINESS throughout the Term, except as otherwise specifically provided for herein. Notwithstanding the foregoing, if you sign an Area Development Agreement with us, you will receive limited protection from competition in a specified geographic area, as outlined in the ADA.

3.2 OUR RESERVATION OF RIGHTS. Except as otherwise expressly provided in this Agreement, we and all of our Affiliates (and our and their respective successors and assigns, by purchase, merger, consolidation or otherwise) retain all of our rights with respect to the Marks, the System and **PLANET FITNESS** businesses anywhere in the world, and the right to engage in any business whatsoever, including the right to:

- (1) operate, and grant to others the right to operate, **PLANET FITNESS** businesses at such locations and on such terms and conditions as we deem appropriate;
- (2) offer to sell, or sell and distribute, any products or services under any tradenames, trademarks, service marks or trade dress, including the Marks, through any distribution channels or methods, which may include, without limitation, retail stores, wholesale, and the Internet (or any other existing or future form of electronic commerce);
- (3) operate, and grant to others the right to operate, fitness facilities, gyms, health related establishments, and any other business(es) whatsoever identified by tradenames, trademarks, service marks or trade dress, other than the Marks, pursuant to such terms and conditions as we deem appropriate which may include locations in close proximity to your **PLANET FITNESS** location;
- (4) develop or become associated with other concepts (including dual branding or other franchise systems), whether or not using the **PLANET FITNESS** System, brand or Marks, and award franchises under these other concepts for locations anywhere;
- (5) acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere or business conducted anywhere. These transactions may include arrangements involving competing businesses or outlets and dual branding or brand conversions. You must participate at your expense in any conversion as instructed by us; and
- (6) enter into agreements or arrangements with other local, regional, national or international companies or organizations by which we offer memberships or other products and services to the personnel, customers or members of such companies or organizations on commercially reasonable terms (including, but not limited to, fee structures and reimbursement arrangements) that may be different from our then-current membership offerings. You must participate in and honor the terms of such partnerships upon being notified thereof.

4. LOCATION SELECTION, LEASE OR PURCHASE OF LOCATION AND LOCATION DEVELOPMENT.

4.1 LOCATION SELECTION AND APPROVAL. You acknowledge that, it is your responsibility (with or without our assistance) to find and submit to us for our approval a location for your BUSINESS. You acknowledge and agree that our recommendation or approval of the Location, and any information regarding the Location communicated to you regarding our standard site selection criteria for **PLANET FITNESS** businesses, do not constitute a representation or warranty of any kind, express or implied, as to the suitability of the Location for a **PLANET FITNESS** business or for any other purpose. Our recommendation or approval of the Location indicates only that we believe that the Location falls within the acceptable criteria for locations that we have established as of the time of our recommendation or approval of the Location. You acknowledge and agree that

your selection of the Location is based on your own independent investigation of the suitability of the Location. We do not endorse any predictive analysis as to the potential financial performance of the Location nor do we make any representation or warranty as to the accuracy of any such predictive analysis or the accuracy of any underlying information on which such predictive analysis may be based. We have the right to grant or withhold approval of any proposed location in our business judgment.

- 4.2 PURCHASE OR LEASE OF THE LOCATION.** If this Agreement is being executed pursuant to an ADA with us, you must lease, sublease or purchase the Location within three (3) months after signing this Agreement. If this Agreement is not being executed pursuant to an ADA with us, you must lease, sublease or purchase the Location within six (6) months after signing this Agreement. Your failure to lease, sublease or purchase the Location within this timeframe constitutes grounds for termination of this Agreement under Article 15.3 and the loss of your non-refundable Initial Franchise Fee. We have the right, but not the obligation, to review the terms of any lease, sublease, lease renewal, or purchase contract for the Location, and you agree to deliver a copy to us for our review before you sign it. You agree that any lease, sublease or lease renewal for the Location must, in form and substance satisfactory to us, include all of the provisions set forth on Appendix E (Addendum to Lease) attached hereto. You may not execute a lease, sublease, lease renewal, purchase contract or any modification thereof for the Location without our approval. Our approval of the lease, sublease, lease renewal or purchase contract does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms. We do not, by virtue of approving the lease, sublease, lease renewal, or purchase contract, assume any liability or responsibility to you or to any third parties. Such approval indicates only that we believe that the Location and certain terms of the lease, sublease or purchase contract fall within the acceptable criteria we have established as of the time of our approval. You further acknowledge that we have advised you to seek legal counsel to review and evaluate the lease, sublease, lease renewal or purchase contract. You must deliver a copy of the fully signed lease, sublease, lease renewal, or purchase contract to us within five (5) days after its execution.
- 4.3 RESERVED AREA OF THE LOCATION.** You acknowledge and agree that, at any time during the Term of the Agreement and upon our reasonable written request, you must lease or sublease to us, our Affiliate, or our designee, at the then-current fair market rate in your geographic area for like-leased real estate space, a portion of the total square footage of the Location that shall not exceed ten (10%) percent of the total square footage of the Location (the "Reserved Area"). You acknowledge and agree that we, our Affiliate, or our designee may use the Reserved Area in any reasonable manner we deem to be appropriate, provided however, that our, our Affiliate's, or our designee's use of the Reserved Area shall not materially alter your fundamental rights under this Agreement. Further, you acknowledge and agree that we or our Affiliate have the unrestricted right to sublease the Reserved Area to a third party designee. You acknowledge and agree that any lease or sublease for the Location must reference, in form and substance satisfactory to us, our right to sublease the Reserved Area. Notwithstanding anything contained herein to the contrary: (a) we will pay you the pro rata portion of the actual rental amount paid by you to the landlord under the master lease (or the pro rata portion of the mortgage payment paid by you, as applicable) for the space that we actually occupy; and (b) in no event will the Reserved Area be used to offer, sell or provide personal training services. If we ever exercise our rights pursuant to this Article 4.3, you and we agree to (a) use your and our best reasonable commercial efforts to agree on a location that will fulfill both our business interests in exercising our rights under this Article 4.3, and your interests as owners and operators of the Location; (b) negotiate and reach a reasonable arrangement to share in the revenues generated from our use, or our designee's use, of the Reserved Area; and (c) indemnify you from any losses or damages arising from our use, or our designee's use, of the Reserved Area to the extent that such loss or damage is caused by such use.
- 4.4 LOCATION DEVELOPMENT.** You are solely responsible for developing the BUSINESS, for all expenses associated with it and for compliance with the requirements of any applicable federal, state or local law, code or regulation, including those concerning the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities. We will furnish

you with mandatory specifications and layouts for a **PLANET FITNESS** business, including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings and color scheme and other suggestions. The mandatory specifications and layouts we provide will not contain the requirements of any federal, state or local laws, codes or regulations. You are obligated to have prepared, at your expense, all required construction plans and specifications to suit the shape and dimensions of the Location and to ensure that such plans and specifications comply with all applicable federal, state or local laws, codes, regulations, ordinances, building codes and permit requirements and with lease requirements and restrictions. You acknowledge that design quality is important to us. We reserve the right to require that you use our (1) designated third party project management company to prepare all project management plans for the BUSINESS, and (2) designated architect to prepare all architectural plans and drawings (together with project management plans, "Construction Development Plans") for the BUSINESS. You must submit all Construction Development Plans, including design specifications, to us for our prior, written approval before starting to develop the Location. In the event that you do not use our designated architect to prepare all architectural plans and drawings for the BUSINESS, you must pay us a Construction Development Plan review fee of Four Thousand U.S. Dollars (\$4,000) at the time you submit your initial set of architectural plans or drawings to us. At our request, you must submit all revised or "as built" plans and specifications. Our review and approval of your Construction Development Plans is not designed to assess compliance with federal, state or local laws and regulations, including the Americans with Disabilities Act, as compliance with such laws is your sole responsibility. All development and any signage must be in accordance with the Construction Development Plans and specifications we have approved and must comply with all applicable laws, ordinances, local rules and regulations. We will furnish such guidance to you in developing the Location as we deem appropriate. We do not, by approving your Construction Development Plans or specifications or inspecting the Location, assume any liability or responsibility to you or to any third parties. Such approvals and inspections shall be solely for the purpose of assuring compliance with our standards and shall not be construed as any express or implied representation or warranty that your BUSINESS complies with any applicable laws, codes or regulations (including the Americans with Disabilities Act or any other federal, state, or local law or ordinance regulating standards for the access to, use of, or modifications of buildings for any by persons whose disabilities are protected by law) or that the construction thereof is sound or free from defects. All prototype and modified Construction Development Plans and specifications for your BUSINESS remain our sole and exclusive property, and you may claim no interest therein. You must start construction of your BUSINESS within one hundred twenty (120) days after you have leased, subleased or acquired the Location, unless a longer period of time is approved by us. You must employ a general contractor acceptable to us. You must procure all applicable construction insurance in amounts and coverages acceptable to us. You must complete construction of your BUSINESS within one-hundred and twenty (120) days after the start of construction, provided, however, that if you demonstrate to us that you are working in good faith and earnestly toward this end, we may grant you an extension beyond the applicable timeframe described above. You must provide us with weekly progress reports during construction in a format acceptable to us. We have the right to visit and inspect the site during the construction phase. Such visits shall be at our expense, except for visits made upon your request, which shall be at your expense. The requirement to complete construction of your BUSINESS includes obtaining all required construction and occupancy licenses and permits, developing the Location (including all outdoor features and landscaping of the Location, if applicable), installing all required fixtures, furnishings, equipment and signs, and doing all other things as may be required pursuant to this Agreement or by practical necessity to have your Location ready to open for business. Your BUSINESS may not be opened for business until we have notified you that your BUSINESS meets our requirements for opening. Notwithstanding anything to the contrary contained in this Article 4.4., you shall not be deemed to be in breach of this Article 4.4. if your failure to start construction, finish construction or open your BUSINESS as above provided results solely from windstorms, rains, floods, earthquakes, typhoons, tornados, mudslides, fires or other natural disasters. Any delay resulting from any of such causes shall extend performance accordingly, in whole or in part, as may be reasonable, except that no such cause, alone or in combination with other causes, shall extend performance more than ninety

(90) days without our prior written consent, which consent may be withheld in our reasonable business judgment.

4.5 YOUR OBLIGATIONS. You agree, at your own expense, to do the following with respect to developing the BUSINESS at the Location:

- (1) secure all financing required to develop and operate the BUSINESS;
- (2) obtain all permits and licenses required to construct and operate the BUSINESS;
- (3) construct all required improvements to the Location and decorate the BUSINESS in compliance with plans and specifications we have approved, and which comply with all governmental requirements;
- (4) purchase or lease and install all required fixtures, furniture, equipment, furnishings and signs required for the BUSINESS; and
- (5) purchase an initial inventory of authorized and approved products, materials and supplies.

4.6 FIXTURES, FURNISHINGS, EQUIPMENT AND SIGNS. You agree to use in developing and operating the BUSINESS only those fixtures, furnishings, equipment (including cash registers and/or point of sale (“POS”) systems, telecopiers and computer hardware and software) and signs that we have approved for **PLANET FITNESS** businesses as meeting our specifications and standards for quality, design, appearance, function and performance. You agree to place or display at the Location (interior and exterior) only such signs, emblems, lettering, logos and display materials that we approve from time to time. You agree to purchase or lease approved brands, types or models of fixtures, furnishings, equipment and signs only from suppliers we have designated or approved (which may include us and/or our Affiliates). You will pay the then-current price in effect for all such purchases you make from us and/or our Affiliates. You agree, at your own expense, to upgrade all cash registers and/or POS systems, computer hardware and software, as necessary, in order to bring the BUSINESS into compliance with our Methods of Operation. You acknowledge and agree that from time to time, we may modify the list of approved types, brands, models and/or suppliers, and you may not, after receipt of notice of such modification, reorder any type, brand or model, or from any supplier, which is no longer approved. If you propose to purchase any fixtures, furniture, equipment, signs or supplies of a type, brand or model that is not currently approved, or propose to purchase an approved type, brand, or model of fixtures, furniture, equipment, signs, or supplies from a supplier that we have not previously approved, you must notify us in advance of any such purchase and submit to us such information as we may request. We may impose reasonable inspection and supervision fees on Approved Suppliers to cover our costs.

4.7 START-UP INVENTORY, FURNITURE, FIXTURES, SOFTWARE, EQUIPMENT AND SUPPLIES. Subsequent to your execution of this Agreement and prior to your commencement of operations hereunder, we will give you lists of the start-up inventory, furniture, fixtures, software, equipment and supplies we require you to obtain prior to commencing operations hereunder. You will establish independent commercial relationships with our Approved Suppliers for specific items. You will establish independent commercial relationships with other suppliers for the goods and services for which we only provide specifications. Our list of Approved Suppliers and specifications for goods and services will be set forth in the Operations Manual or in other materials we give you from time to time.

4.8 PRE-SALE/GRAND OPENING MARKETING. You agree to conduct pre-sale and grand opening marketing for the BUSINESS.

- (1) You agree to collaborate with your area marketing manager on developing a plan for your pre-sale and grand opening marketing, which shall contain your proposed marketing

tactical mix, targeting, promotional calendar, and budget (collectively, the “Pre-Sale/Grand Opening Marketing Plan”). You shall submit a draft of the Pre-Sale/Grand Opening Marketing Plan to your area marketing manager for approval no less than thirty (30) days before you commence your Pre-Sale described in Article 4.9. Our approval, which shall be based on whether the Pre-Sale/Grand Opening Marketing Plan complies with brand standards and our Methods of Operations, shall not be unreasonably withheld, conditioned or delayed. We will either approve or disapprove the Pre-Sale/Grand Opening Marketing Plan within fourteen (14) days of you submitting the Pre-Sale/Grand Opening Marketing Plan, and, in the case of our disapproval, we will provide feedback on the plan submitted. You may not commence Pre-Sale until your Pre-Sale/Grand Opening Marketing Plan has been approved. If there is a material delay in the commencement of BUSINESS operations, the Pre-Sale/Grand Opening Marketing Plan must, upon our request, be resubmitted for our re-approval.

- (2) The pre-sale/grand opening marketing period begins no less than forty-five (45) days immediately preceding the date that you intend to commence BUSINESS operations, and it may last as long as one hundred eighty (180) days after commencing BUSINESS operations (“Pre-Sale/Grand Opening Marketing Period”). You must spend an amount set by us, which must be no less than Twenty Thousand U.S. Dollars (\$20,000) per every thirty (30) days and may be up to Thirty Thousand U.S. Dollars (\$30,000) per every thirty (30) days, during the Pre-Sale/Grand Opening Marketing Period on your pre-sale/grand opening marketing obligations (the “Pre-Sale/Grand Opening Marketing Expense”), provided that the cumulative Pre-Sale/Grand Opening Marketing Expense shall not exceed One Hundred and Twenty Thousand U.S. Dollars (\$120,000) absent a material delay in the commencement of BUSINESS operations, and further provided that you will not be in default of this Agreement if you substantially comply with this Pre-Sale/Grand Opening Marketing Expense requirement and cure any default of this provision within thirty (30) days of our written notice to you. We will determine, after consultation with you, the amount of the Pre-Sale/Grand Opening Marketing Expense and the length and start date of the Pre-Sale/Grand Opening Marketing Period based upon the location of the BUSINESS, demographics and other factors. Such pre-sale/grand opening marketing (i) will utilize only marketing and public relations programs and media and advertising materials we have approved, and (ii) will not include interior or exterior signage, preparing the physical location of the Pre-Sale described in Article 4.9, the start-up inventory, furniture, fixtures, software, equipment and supplies we require you to obtain prior to commencing operation of the BUSINESS. Notwithstanding anything contained in this Agreement to the contrary, upon written request from you, we may, in our sole discretion, reduce the length of the Pre-Sale/Grand Opening Marketing Period and the monetary amount of the Pre-Sale/Grand Opening Marketing Expense actually required to be committed during the Pre-Sale/Grand Opening Marketing Period, based on, among other things, market saturation and the existence of any Cooperative (if one exists in your region).

4.9 **MEMBERSHIP PRE-SALE.** In conjunction with your pre-sale and grand opening marketing described in Article 4.8, you agree to begin selling memberships online and at a physical location, unless we otherwise approve, at least forty-five (45) days immediately preceding the date that you intend to commence BUSINESS operations (“Pre-Sale”). You may not begin Pre-Sale until (1) we have approved your Pre-Sale/Grand Opening Marketing Plan and (2) you have complied with your obligations under this Agreement and under our Methods of Operations that are required to be completed prior to Pre-Sale, including, but not limited to, training requirements and development of the BUSINESS in accordance with our specifications and standards.

4.10 **BUSINESS COMMENCEMENT.** You agree not to commence operation of the BUSINESS until:

- (1) we approve the BUSINESS as developed in accordance with our specifications and standards;

- (2) preopening training has been completed by you, your Responsible Owner, your Approved Operator, and/or your employees to our satisfaction as provided in Article 6.1;
- (3) you have given us a copy of your lease, sublease or purchase contract for the Location;
- (4) the Initial Franchise Fee and all other amounts then due to us have been paid;
- (5) you have conducted Pre-Sale for at least forty-five (45) days, unless we otherwise approve, and have complied in all material respects with your approved Pre-Sale/Grand Opening Marketing Plan;
- (6) we have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept; and
- (7) you have obtained all required permits, licenses and certifications for operating the BUSINESS, and the Location is in compliance with all laws, rules and regulations.

4.11 BUSINESS COMMENCEMENT DEADLINE. You agree to commence BUSINESS operations within three hundred and thirty (330) days after the execution of this Agreement, or, in the case of a ground-up build, four hundred and fifty (450) days after the execution of this Agreement, and, in either case, within five (5) days after we notify you that the conditions set forth in this Article have been satisfied. If you lease, sublease, or purchase the Location and are working in good faith in a commercially reasonable manner toward commencing BUSINESS operations, we may, in our sole discretion, grant you additional time to commence BUSINESS operations.

4.12 OPENING ASSISTANCE. If you (or any of your affiliates) have not previously owned or operated a **PLANET FITNESS** business, we may provide you with such opening operational assistance as we deem appropriate to assist you in starting your operations, including on-site opening assistance for not more than five (5) days, as scheduled by us. We also may offer additional opening assistance for a fee.

5. FEES.

5.1 INITIAL FRANCHISE FEE. You agree to pay us a nonrecurring and nonrefundable initial franchise fee in the amount of Twenty Thousand U.S. Dollars (\$20,000), that shall be due when you execute the Agreement (“Initial Franchise Fee”).

5.2 ROYALTY. You agree to pay us a nonrefundable royalty (“Royalty”) per Monthly Membership Accounting Period and Annual Membership Accounting Period via EFT. The Royalty currently is equal to seven percent (7%) of the total gross monthly and annual membership fees for the BUSINESS that are due and payable to you each month and annually, as applicable, by or on behalf of your members through authorized EFT withdrawals (the “EFT Dues Draft”), regardless of the amount of membership fees you actually collect. We will collect the Royalty on the Monthly Membership Billing Day and Annual Membership Billing Day, as applicable, pursuant to our Methods of Operation, via the EFT initiated by us or by a third party authorized by us from the EFT Dues Draft, the designated account identified in Article 5.3 below, or by such other means as we may authorize and approve. As used in this Agreement, the term “total gross monthly and annual membership fees” means the total amount of such fees and payments that are due and payable to you by or on behalf of your members exclusive of any federal, state or local tax deductions or offsets. For the avoidance of doubt, total gross monthly and annual membership fees includes any payments by EFT or other means, made by or on behalf of members, including payments made by any third party on a member’s behalf, for recurring membership dues or fees, with the exception of paid-in-full memberships, which are addressed separately in Article 9.12. Notwithstanding the foregoing,

we reserve the right, on sixty (60) days' prior written notice to you, to calculate the Royalty with reference to the Total Net Membership Revenues of the BUSINESS.

- 5.3 DESIGNATED ACCOUNT AND AUTHORIZED EFT.** Prior to the opening of the PLANET FITNESS BUSINESS, and as a condition thereof, you shall establish a designated bank account ("Designated Account") from which we or our authorized designee shall be authorized to withdraw in any manner which we prescribe, which may include wire transfer, any amounts due to us, our Affiliates or any Preferred Vendor related to the BUSINESS or this Agreement, including, without limitation, Royalty fees, LAF fees, Ad Fees, training fees, consultation fees, or any other fees or monies payable by you and related to the BUSINESS or this Agreement. We have the right to review your sales numbers on a daily basis. On the days designated as your Monthly Membership Billing Day and Annual Membership Billing Day, we or our authorized designee shall calculate the Royalty due for that Monthly Membership Accounting Period and Annual Membership Accounting Period and withdraw such amount, along with any other amounts then due and owing under this Agreement including, without limitation, LAF fees, Ad Fees, training fees, consultation fees, or any other fees or monies, directly from the EFT Dues Draft or the Designated Account. All costs and expenses of establishing and maintaining such Designated Account, including transaction fees and wire transfer fees, shall be paid by you. You agree to maintain at all times sufficient funds in the Designated Account for such withdrawals.
- 5.4 INTEREST ON LATE PAYMENTS.** All amounts which you owe us and do not pay us when due will bear interest after their due date at the lesser of: (a) the highest contract rate of interest permitted by law; or (b) eighteen (18%) percent per annum. You acknowledge that this Article does not constitute our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the BUSINESS.
- 5.5 APPLICATION OF PAYMENTS.** Notwithstanding any designation you might make, we have the right to apply any of your payments to any of your past due indebtedness to us. You acknowledge and agree that we have the right to set off any amounts you or your owners owe us against any amounts we might owe you or your owners.
- 5.6 PREFERRED VENDOR PAYMENTS.** You acknowledge and agree that in order to insure quality and consistency at all PLANET FITNESS businesses, we may require that you obtain goods or services from certain designated suppliers. Pursuant to our Methods of Operation, we may identify certain suppliers that may include us or any affiliate, as a Preferred Vendor. You hereby acknowledge and agree that designated suppliers may periodically share your account information with us, and in the event we receive notice from any Preferred Vendor that you are over sixty (60) days past due on any payment to such Preferred Vendor, and you have not provided any notice to the Preferred Vendor disputing such overdue amount prior to our receipt of notice from the Preferred Vendor concerning any such past due amount, you hereby authorize us to make payment on your behalf of any such overdue amount to the Preferred Vendor.
- 5.7 INTERNET MEMBERSHIP AND BALANCE PAYMENT ADMINISTRATION FEE.** You agree to pay us an Internet membership and balance payment administration fee (the "Internet Membership Administration Fee") for each customer online membership application and for each balance payment for declined transactions that we process on your behalf that identifies your Location as the principle location for the customer membership. The Internet Membership Administration Fee shall be in an amount we shall specify to you under our Methods of Operation, and that reasonably we may amend from time to time during the Term of the Agreement, in our business judgment. The Internet Membership Administration Fee shall be payable monthly in the same manner as the Royalty due hereunder.
- 5.8 INSPECTION AND COMPLIANCE REIMBURSEMENT.** You agree to reimburse us for our actual costs if, after an inspection of your PLANET FITNESS business, we determine (in our business judgment) that additional follow up inspections or assessments are required. Our actual costs may include (but are not necessarily limited to) travel, meal and hourly wage expenses.

5.9 CONSIDERATION FROM VENDORS.

(1)

- (a) This subsection (1) of Article 5.9 is only applicable if (i) this Agreement contains a Royalty of seven percent (7%) of the total gross monthly and annual membership fees, or (ii) you are contractually entitled to a Royalty of less than seven percent (7%) of the total gross monthly and annual membership fees but have agreed, as set forth in Appendix F, to an additional Royalty of one and fifty-nine hundredths percent (1.59%) of the total gross monthly and annual membership fees.
- (b) we and our affiliates may, from time to time, (i) receive commissions or other consideration from certain System suppliers in connection with your purchases of goods, products, services and equipment, and (ii) receive or derive commission, revenue, or other similar payments or consideration, directly or indirectly, in connection with your purchase or use of goods, products, services, and equipment (collectively, "Vendor Revenue"). Notwithstanding the preceding sentence or anything else to the contrary, we hereby agree that we and our affiliates will only derive Vendor Revenue with respect to:
 - (i) the sale and placement of fitness equipment, whether sold or placed by us or by a third party;
 - (ii) goods, products and services sold directly to you by a vendor in which we have a material ownership interest (whether by acquisition, joint venture or otherwise), provided such goods, products and services are sold to you for no greater than fair market value and the margin on the goods, products, and services sold to you are reasonable, in accordance with industry standards, if any; or
 - (iii) goods, products and services we can require or permit you to purchase in connection with your PLANET FITNESS business which are directly revenue-generating to your PLANET FITNESS business (*i.e.*, not giveaway goods, products or services for which no incremental revenue may be earned by you) and you are not otherwise required to pay a Royalty on the revenue directly generated from such goods, products or services.
- (c) Notwithstanding this limitation on our ability to earn Vendor Revenue, we reserve the right to earn Vendor Revenue (in addition to the Vendor Revenue earned pursuant to (i), (ii), or (iii) above) on certain goods, products and services we may identify in the future if, and to the extent, one hundred percent (100%) of such Vendor Revenue (excluding Vendor Revenue earned pursuant to (i), (ii), or (iii) above) is contributed directly to the NAF ("NAF Contribution"), provided (i) the NAF Contribution is not derived from otherwise available price reductions on such goods, products or services (e.g., vendor offers marketing funds to us but is unable or unwilling to further reduce price), or (ii) we determine, in our commercially reasonable discretion, that the price reductions on such goods, products or services on a per PLANET FITNESS Business basis are *de minimis*. We will consult with the elected franchisee advisory council (or the appropriate subcommittee thereof) and seek their input in advance in the event that we are offered a NAF Contribution pursuant to subsection (i) or (ii) above.

(2) You agree to purchase goods, products and services for the PLANET FITNESS BUSINESS in the manner set forth in our Operations Manual, which may include, among other

requirements, the obligation to place all such orders via our Designated Franchise Portal or another system and to specify the Planet Fitness location for which you are placing an order.

5.10 EFT AUTHORIZATION. You hereby authorize us to withdraw via EFT or any other manner we prescribe the amounts owed described in Articles 5.2, 5.3, 5.6, 5.7, 6.6, 9.4, 9.12, 10.1, 10.5, and 15.5(2) hereof from (1) the EFT Dues Draft, as collected and settled by your payment processor or by such other means as we may specify and/or (2) your Designated Account, as described by such identifying information that you provide in response to our request. You shall execute such documents as we require from time to time for such purpose.

6. TRAINING, ASSISTANCE, AND METHODS OF OPERATION.

6.1 TRAINING. Before the BUSINESS begins operating, we will furnish initial training on the operation of a **PLANET FITNESS** business to you (or, if you are a corporation or partnership, your Responsible Owner and Approved Operator), and up to two (2) additional Owners or managers you elect to enroll in the training program, that we approve. Initial training consists of a minimum of two (2) working days of training for you (or your Responsible Owner), and your Owners or managers to be furnished at our training location or at an operating **PLANET FITNESS** business. You (or your Responsible Owner), and your Owners or managers are required to complete the initial training to our satisfaction. If you are an existing franchisee and you have previously completed our initial training program, you will not be required to attend the initial training program again, however, we may require that certain of your management-level employees and that any new general manager complete the initial training program. You also are required to participate in all other activities required to operate the BUSINESS. Although we will furnish initial training to you (or your Responsible Owner and Approved Operator), and up to two (2) additional Owners or managers at no additional fee or other charge, you will be responsible for all travel and living expenses and compensation which you (or your Responsible Owner) and your Owners and managers incur in connection with training. If we determine that you (or your Responsible Owner and Approved Operator) are unable to complete initial training to our satisfaction, we have the right to terminate this Agreement pursuant to Article 15 hereof.

6.2 REFRESHER TRAINING. We may require you (or your Responsible Owner and Approved Operator) and/or previously trained and experienced management-level employees to attend periodic refresher training courses at such times and locations that we designate, and we may charge reasonable fees for such courses. We also may require you to pay us fees for training additional employees or your new employees hired after your BUSINESS commences operations.

6.3 GENERAL GUIDANCE. We may advise you from time to time regarding operating issues concerning the BUSINESS disclosed by reports you submit to us or on-site inspections we make from time to time. Such guidance may be furnished in our Operations Manual, bulletins, newsletters, emails or other written materials and/or during telephone consultations and/or consultations at our office or the BUSINESS. In addition, we may furnish guidance to you with respect to:

- (1) standards, specifications and operating procedures and methods utilized by the BUSINESS;
- (2) purchasing required fixtures, furnishings, equipment, signs, products, materials and supplies;
- (3) advertising and marketing programs;
- (4) administrative, bookkeeping and accounting procedures; and
- (5) use of authorized and approved computer systems.

6.4 **ON-SITE CONSULTATION AND ADDITIONAL GUIDANCE.** During the Term of this Agreement, additional guidance may be provided in any of the following ways:

- (1) Internet and telephone consultation during such times as are outlined in the Operations Manual;
- (2) wholesaling services whereby we may ourselves act as an approved or designated source for products, merchandise, accessories, fixtures, furnishings, equipment, signs, etc.;
- (3) manufacturing services whereby we may manufacture, package and ship products, merchandise, accessories, fixtures, furnishings, equipment, signs, etc. to you;
- (4) ongoing marketing programs to fulfill our obligations in Article 10 of this Agreement;
- (5) meetings, seminars or conventions whereby we may get together with you and other **PLANET FITNESS** franchisees for business or social purposes;
- (6) research and development regarding Methods of Operation; and/or
- (7) at your request, we may furnish additional guidance and assistance and, in such a case, may charge the *per diem* fees and charges we establish from time to time. If you request, or if we require, additional or special training, all of the expenses that we incur in connection with such training, including *per diem* charges and travel and living expenses for our personnel, will be your responsibility.

6.5 **OPERATIONS MANUAL.** During the Term of this Agreement, we will allow you to use one (1) copy of our Operations Manual, consisting of such materials (possibly including, but not limited to, audio tapes, videotapes, magnetic media, computer software and written materials) that we furnish to franchisees from time to time for use in operating a **PLANET FITNESS** business. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures and rules that we prescribe from time to time for the operation of a **PLANET FITNESS** business and information relating to your other obligations under this Agreement and related agreements (“Methods of Operation”). The Operations Manual may be modified from time to time to reflect changes in the law, marketplace or Methods of Operation. You agree to keep your copy of the Operations Manual current and in a secure location at the BUSINESS. In the event of a dispute relating to its contents, the master copy of the Operations Manual we maintain at our principal office will be controlling. You may not at any time copy, duplicate, download, record or otherwise reproduce any part of the Operations Manual without our express written permission. The Operations Manual and the Methods of Operation communicated to you shall be deemed to be a part of this Agreement. You acknowledge and agree that in the future, the Operations Manual and other System communications may only be available on the Internet, the Designated Franchise Portal, our intranet system or other online or computer data transfer communications. The Operations Manual (and each component thereof) constitutes a confidential trade secret and will remain our property. You agree that these requirements are reasonable and necessary to preserve the identity, reputation, value and goodwill of the system. The Operations Manual, as amended, is intended to further the purposes of this Agreement and is specifically incorporated into this Agreement.

6.6 **COMPLIANCE WITH METHODS OF OPERATION.** You acknowledge and agree that your operation and maintenance of the BUSINESS in accordance with our Methods of Operation is essential to preserve the goodwill of the Marks and all PLANET FITNESS businesses. Therefore, at all times during the Term of this Agreement, you agree to operate and maintain the BUSINESS strictly in accordance with our Methods of Operation, as we periodically modify and supplement them during the Term of this Agreement. Further, if you fail to cure any default under this Agreement that relates (in whole or in part) to the Methods of Operation, after receiving written

notice of such default and after the expiration of any applicable cure period, then without waiving any of our rights under Article 15 herein, we may, in our business judgment, provide you with written notice that we have temporarily elected not to terminate this Agreement and allow you additional time to cure the default(s), provided that you pay to us via EFT, during the additional cure period via the EFT Dues Draft or otherwise as specified in our written notice, an additional two percent (2%) of the total gross membership fees that are due and payable to you by or on behalf of your members, as provided in Article 15.5 hereof. Our collection of the two percent (2%) fee and temporary extension of the applicable cure period does not waive our right to require your full compliance with this Agreement.

- 6.7** **WORKS MADE-FOR-HIRE.** All ideas, concepts, procedures, techniques or processes concerning the **PLANET FITNESS BUSINESS**, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you will assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.
- 6.8** **GENERAL CONDUCT.** You will not, and will not allow your employees to, engage in conduct that, in our sole determination, may result in or tends to (a) degrade, offend, shock or insult the community, (b) ridicule public morals or decency, or (c) prejudice us, our affiliates, the Trademarks or the System generally. Notwithstanding the foregoing, the above requirement is not intended to prohibit or restrict any activity which prohibition or restriction violates your employees’ right to engage in protected concerted activity under the National Labor Relations Act.
- 6.9** **DATA SECURITY.** You shall use your best efforts to protect your customers against a cyber-event including, without limitation, a data breach or other identity theft or theft, misuse, or disposal of personal or healthcare information (collectively, a “Cyber Event”). If a Cyber Event occurs, regardless of whether such event affects only the BUSINESS, we reserve the right to perform and/or control all aspects of the response to such event including, without limitation, the investigation, containment and resolution of the event and all communications with the franchise system, vendors and suppliers, members, law enforcement agencies, federal and state regulatory authorities, and the general public. Our control of the response may potentially affect or interrupt operations of the BUSINESS but does not create any additional rights for you, entitle you to damages or relieve you of your indemnification obligations pursuant to Article 18.4. You shall pay us an amount equal to our out of pocket costs and expenses incurred in responding to and remedying any Cyber Event due to any Cyber Event caused solely by you, your agents or your employees. Notwithstanding our right to perform and/or control all aspects of the response to a Cyber Event, we agree to make commercially reasonable efforts to coordinate such response with you and your insurance carrier(s) and to cooperate with your insurance carrier(s) regarding insurance coverage of such Cyber Event to the extent reasonably practicable under the circumstances. You shall at all times be compliant with: (a) the Payment Card Industry Data Security Standards (“PCI DSS”), (b) the NACHA ACH Security Framework, (c) Payment Rules (as defined below), (d) state and federal laws and regulations relating to data privacy, data security and security breaches and (e) our security policies and guidelines, all as may be amended from time to time (collectively, “Data Security Safeguards”). We may designate certain third-party consultant(s) to administer our data security program and evaluate your compliance with the aforementioned standards. You are required to meet promptly the reasonable requirements of the designated consultant(s) and maintain those certifications of compliance that we deem appropriate in our reasonable discretion. For purposes of this Agreement: “Payment Rules” means the operating rules and regulations of Payment Processors and any applicable Payment Network, as in effect from time to time; “Payment Processors” means all credit card, debit card and/or ACH processors whose services we may require you to utilize, as well as payment gateway service providers; and “Payment Network” means Visa, MasterCard, and any credit or debit card network issuing credit or debit cards or their duly authorized entities, agents, or affiliates, together with NACHA. You are expected to obtain advice from appropriate legal and

security consultants to ensure that you operate your **PLANET FITNESS** business at all times in full compliance with the Data Security Safeguards.

6.10 **TECHNOLOGY.** In addition to the requirements in Articles 4.6 and 4.7, you agree to purchase or lease, at your expense, such computer hardware, software, POS systems, related accessories, network accessories, peripheral equipment, and services as we may specify for the purpose of, among other functions, recording financial and customer data, communicating with us, and operating your **PLANET FITNESS** business. You agree, at your expense, to establish the information technology infrastructure and processes that we require regarding, without limitation, your computers systems, payment systems, customer systems, internal and external networks, mobile devices, and any other network access points. You agree, at your expense, to purchase such installation and support services as we may reasonably require, to keep all equipment, systems, and devices in good maintenance and repair, and to promptly update or install such additions, changes, modifications, substitutions or replacements as we direct. You agree that you will comply strictly with our standards and specifications for all equipment and processes associated with your computer systems and technology. Finally, you acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, and to protect against new and emerging technological risks, you and we agree that we shall have the right to establish, through our Methods of Operations, reasonable new standards and initiatives for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards established by us, at your expense. You further acknowledge and agree that such new standards and initiatives may require an investment in, without limitation, new hardware, software, training, procedures, vendors, and/or services. We agree that the requirements in this Article 6.10 and the standards and specifications referenced hereunder also are applicable to the **PLANET FITNESS** businesses owned by our Affiliates and by us.

7. MARKS.

7.1 **OWNERSHIP AND GOODWILL OF MARKS.** Your right to use the Marks is derived solely from this Agreement and limited to your operation of the BUSINESS pursuant to and in compliance with this Agreement and Methods of Operation, which we prescribe from time to time during the Term. Your unauthorized use of the Marks may be a material breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that your usage of the Marks and any goodwill established by such use will be exclusively for our and our Affiliates' benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the BUSINESS in compliance with this Agreement). All provisions of this Agreement applicable to the Marks apply to any additional proprietary trademarks and service marks and commercial symbols we authorize you to use. You will not represent in any manner that you have any ownership in the Marks or the right to use the Marks except as provided in the Agreement and in the Operations Manual. For the avoidance of doubt, you may not authorize any third party to use the Marks in any manner whatsoever without our prior express written approval, except pursuant to and in compliance with this Agreement and Methods of Operation.

7.2 **LIMITATIONS ON YOUR USE OF MARKS.** You agree to use the Marks as the sole identification of the BUSINESS, except that you agree to identify yourself as the independent owner and operator thereof in the manner we prescribe. You may not use any Marks as part of any corporate or legal business name or as part of an Internet domain name, mobile application or Internet e-mail address or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you hereunder), or in any modified form, nor may you use any Marks in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing. No Marks may be used in any advertising concerning the transfer, sale or other disposition of the BUSINESS or an ownership interest in you. You agree to display the Marks in the manner we prescribe at the BUSINESS, on supplies or materials we designate and in connection with forms and advertising and marketing materials. You agree to give such notices of trademark and service marks registrations; i.e., "®", "™", as we specify and to

obtain any fictitious or assumed name registrations required under applicable law. You agree to withdraw any fictitious or assumed name registrations immediately upon termination or expiration, without your acquisition of a successor franchise, of this Agreement.

7.3 NOTIFICATION OF INFRINGEMENTS AND CLAIMS. You agree to notify us immediately of any apparent infringement or challenge to your use of any Marks, or of any claim by any person of any rights in any Marks, and agree not to communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We have the right to take such action as we deem appropriate and the right to control exclusively any litigation, United States Patent and Trademark Office (“USPTO”) proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Marks. You agree to sign any and all instruments and documents, render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or USPTO proceeding or other proceeding or otherwise to protect and maintain our interests in the Marks.

7.4 DISCONTINUANCE OF USE OF MARKS. If it becomes advisable at any time for us and/or you to modify or discontinue the use of any Marks and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice thereof. We will not be obligated to reimburse you for any expenses or loss of revenue attributable to any modified or discontinued Marks or for any expenditures you make to promote a modified or substitute trademark or service mark.

7.5 INDEMNIFICATION OF FRANCHISEE. We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs you reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your owners and affiliates are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. We are entitled to prosecute, defend and/or settle any proceeding arising out of your use of any Mark pursuant to this Agreement and, if we undertake to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you.

8. CONFIDENTIAL INFORMATION.

8.1 CONFIDENTIAL INFORMATION. We possess (and will continue to develop and acquire), and may disclose to you, certain confidential information (the “Confidential Information”) relating to the development and operation of **PLANET FITNESS** businesses, which may include (without limitation):

- (1) location selection criteria and plans and specifications for the development of **PLANET FITNESS** businesses;
- (2) methods, formats, specifications, standards, systems, procedures, the Operations Manual, any other proprietary materials, the sales and marketing techniques used, and knowledge of and experience in developing and operating **PLANET FITNESS** businesses;
- (3) sales, marketing and advertising programs and techniques for **PLANET FITNESS** businesses;
- (4) knowledge of specifications and pricing for and suppliers of certain fixtures, furnishings, equipment, products, materials and supplies;

- (5) knowledge of the operating results and financial performance of **PLANET FITNESS** businesses other than the **BUSINESS**;
- (6) information concerning the specific selection and development of potential future **PLANET FITNESS** business locations by third parties;
- (7) methods of training and management relating to **PLANET FITNESS** businesses;
- (8) computer system and software programs used or useful in **PLANET FITNESS** businesses; and
- (9) any and all other information related to the **BUSINESS** or **PLANET FITNESS** businesses generally that is labeled proprietary or confidential. This includes, without limitation, all customer and membership lists and information for the **BUSINESS** and **PLANET FITNESS** businesses generally.

8.2 **FOR BUSINESS USE ONLY.** We will disclose our Confidential Information to you solely for your use in the operation of your **BUSINESS**. The Confidential Information is proprietary and includes our trade secrets. During the Term and thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you and your Owners acknowledge such use is an unfair method of competition); (b) you and your Owners must exert your best efforts to maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, managers, assistant managers and shift supervisors, and you and your Owners must deliver such agreements to us upon request. At the end of the Term, you and your Owners must deliver to us all Confidential Information in your possession. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the fitness industry (other than through your own disclosure), provided you obtain our prior written consent to such disclosure or use. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to utilize Confidential Information disclosed to you in operating the **BUSINESS** during the Term of this Agreement, and that the use or duplication of any Confidential Information in any other business will constitute an unfair method of competition and a violation of this Agreement. You acknowledge you are aware that (i) the Confidential Information may relate to publicly traded securities, and (ii) the restrictions imposed by applicable securities laws restrict trading in securities while in possession of material non-public information and on communication of such information when it is reasonably foreseeable that the recipient is likely to trade such securities, in reliance on such information. You and your Owners agree not to trade, either directly or through other persons or entities, based on Confidential Information in a manner that would violate the securities law of any applicable jurisdiction including, without limitation, the United States securities laws, provided, however, that a breach of this provision shall be subject to the right to cure set forth in Article 15.3.6.

8.3 **IDEAS, CONCEPTS, TECHNIQUES OR MATERIALS.** All processes, ideas, concepts, methods, techniques or materials relating to a **PLANET FITNESS** business, whether or not constituting protectable intellectual property, and whether created by or on behalf of you or your Owners in connection with the development or operation of your **BUSINESS**, will be promptly disclosed to us. If we adopt any of them as part of the System, they will be deemed to be our sole and exclusive property and part of the System and deemed to be works made for hire for us. You and your Owners agree to sign whatever assignment or other documents we may request from time to time to evidence our ownership or to assist us in securing intellectual property rights in such processes, ideas, concepts, methods, techniques or materials.

9. **PLANET FITNESS METHODS OF OPERATION.**

9.1 **COMPLIANCE WITH METHODS OF OPERATION.** You acknowledge that each and every aspect of the interior and exterior appearance, layout, decor, services and operation of your BUSINESS is important to protect our reputation and goodwill and to maintain uniform operating standards under the Marks. Any required standards exist to protect our interest in the **PLANET FITNESS** system and the Marks, and are not for the purpose of reserving or establishing any control, or the duty to take control, over those matters that are clearly reserved to you, which include employment matters. You agree to comply with all mandatory specifications, standards and operating procedures, as modified from time to time (whether contained in the Operations Manual or any other communication) relating to the appearance, function, cleanliness or operation of a **PLANET FITNESS** business, including:

- (1) design, layout, decor, appearance and lighting; periodic maintenance, cleaning, pest control and sanitation; periodic remodeling; replacement of obsolete or worn out leasehold improvements, fixtures, furnishings, equipment and signs; periodic painting; and use of interior and exterior signs, emblems, lettering and logos and the illumination thereof;
- (2) types, models and brands of required fixtures, furnishings, equipment, signs, materials and supplies;
- (3) required or authorized products and product categories;
- (4) designated or Approved Suppliers (which may be limited to or include us) of fixtures, furnishings, equipment, signs, products, materials, supplies, and services;
- (5) terms and conditions of the sale and delivery of, and terms and methods of payment for products, materials, supplies and services including direct labor, that you obtain from us, our Affiliates or others;
- (6) sales, marketing, advertising and promotional programs and materials and media used in such programs, including mandatory sales and promotions;
- (7) use and display of the Marks;
- (8) compliance with **PLANET FITNESS** philosophy and mission including, without limitation, compliance with the Judgement Free Zone™ philosophy and unlimited free group and other fitness instruction, provided that if such other fitness instruction has a substantial negative impact on the operating results of the BUSINESS we will review and consider (in consultation with the franchise advisory council) discontinuing or making optional such other fitness instruction;
- (9) minimum staffing levels for the BUSINESS and matters relating to managing the BUSINESS; operational training, dress and appearance for both management and hourly employees; and sale procedures and customer service;
- (10) days and hours of operation of the BUSINESS;
- (11) participation in market research and testing and product and service development programs;
- (12) acceptance of credit cards, other payment systems and check verification services;
- (13) bookkeeping, accounting, data processing and record keeping systems and forms; methods, formats, content and frequency of reports to us of sales, revenue, financial performance

and condition; and furnishing tax returns and other operating and financial information to us;

- (14) types, amounts, terms and conditions of insurance coverage required to be carried for the BUSINESS and standards for underwriters of policies providing required insurance coverage; our protection and rights under such policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage for the BUSINESS at your expense if you fail to obtain required coverage; our right to defend claims; and similar matters relating to insured and uninsured claims;
- (15) complying with applicable laws; obtaining required licenses and permits; adhering to good business practices; observing high standards of honesty, integrity, fair dealing and ethical business conduct in all dealings with customers, suppliers and us; and notifying us if any action, suit or proceeding is commenced against you or the BUSINESS; and
- (16) regulation of such other aspects of the operation and maintenance of the BUSINESS including, but not limited to, maximum and minimum prices charged for products and services offered through the BUSINESS, that we determine from time to time to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and **PLANET FITNESS** businesses.

For the avoidance of doubt, mandatory specifications, standards and operating procedures do not include the terms and conditions of employment for your employees. They also do not include personnel policies or procedures, which **PLANET FITNESS** may make available for franchisees' optional use. You alone will determine to what extent, if any, these policies and procedures might apply to your BUSINESS.

9.2 **PROVISIONS OF THIS AGREEMENT.** You agree that the Methods of Operation prescribed from time to time in the Operations Manual, or otherwise communicated to you in writing or other tangible form, constitute provisions of this Agreement as if fully set forth herein. All references to this Agreement include all Methods of Operation as periodically modified.

9.3 **MODIFICATION OF METHODS OF OPERATION.** We may periodically modify Methods of Operation, which may accommodate regional or local variations as we determine, and any such modifications may obligate you to invest additional capital in the BUSINESS ("Capital Modifications") and/or incur higher operating costs; provided, however, that such modifications will not alter your fundamental status and rights under this Agreement. We will not obligate you to make any Capital Modifications when such investment cannot, in our reasonable judgment, be amortized during the remaining Term of this Agreement, unless we agree to extend the Term of this Agreement so that such additional investment, in our reasonable judgment, may be amortized, or unless such investment is necessary in order to comply with applicable laws.

9.4 **CONDITION OF YOUR BUSINESS.** You must maintain your BUSINESS's condition and appearance so that it is attractive, clean and efficiently operated in accordance with the Operations Manual. You agree to maintain your BUSINESS's condition and appearance and to make such modifications and additions to its layout, decor, operations, and general theme as we require from time to time, including replacement of worn-out or obsolete fixtures, equipment, furniture, and signs, repair of the interior and exterior and appurtenant parking areas, and periodic cleaning and redecorating. You may not make any material modification to the BUSINESS premises, including but not limited to, expansions or reductions in size, without our prior written consent. If at any time the general state of repair, appearance or cleanliness of your BUSINESS, or its fixtures, equipment, furniture, or signs, does not meet our standards, we may notify you and specify the action you must take to correct such deficiency. If, within ten (10) days after receiving such notice, you fail or refuse to initiate and thereafter continue in good faith and with due diligence a *bona fide* program to

complete such required maintenance, we have the right (in addition to our rights under Article 13), but not the obligation, to enter the Location and do (or contract a third party to do) such maintenance on your behalf and at your expense. Following completion of such maintenance, we will withdraw from your EFT Dues Draft or your Designated Account an amount equal to the actual cost of the maintenance plus any administrative costs we actually incur.

- (1) We reserve the right to require you to replace and update at your BUSINESS: (a) all cardio equipment not more often than every five (5) years, as we determine, in our reasonable discretion, based on usage and brand standards, and (b) all other exercise equipment not more often than every seven (7) years, as we determine, in our reasonable discretion, based on usage and brand standards, and as further specified in the Operations Manual or otherwise in writing from time to time. You must also periodically upgrade and/or remodel your BUSINESS premises pursuant to our plans and specifications, provided, however, that with the exception of signage, we will not require substantial remodeling more often than every five (5) years. We will advise you at least six (6) months prior to requiring any substantial remodeling or replacement of your exercise or other equipment. If we require you to substantially remodel or substantially replace your exercise or other equipment in the last two (2) years of the Term, and you comply with our requirements, we will not require a substantial remodel of those areas substantially remodeled to our standards and with our approval, or substantial replacement of equipment that has been replaced to our standards and with our approval as a requirement for a successor franchise agreement with you, as described in Article 14.1 hereof. For clarity, replacement or takedown of construction or other items that were in violation of our specifications and brand standards when installed is not considered a remodel. If you have upgraded your cardio equipment and all other equipment as required during the Term of this Agreement, we agree not to require replacement of equipment or substantial remodeling in the last two (2) years of this Agreement, if you have notified us that you do not intend to acquire a successor franchise. All equipment and signage that is replaced or otherwise taken out of service is subject to our then-current de-branding requirements.
- (2) If your BUSINESS is damaged or destroyed by fire or other casualty, you must initiate within thirty (30) days (and continue until completion) all repairs or reconstruction to restore your BUSINESS to its original condition. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct your BUSINESS in accordance with the then-standard **PLANET FITNESS** layout and decor specifications, we may require you to repair or reconstruct your BUSINESS in accordance with those specifications. You may not make any alterations to your BUSINESS, nor any replacements, relocations or alterations of fixtures, equipment, furniture or signs, without our written approval. We have the right at your expense to rectify any replacements, relocations or alterations not previously approved by us.

9.5 **UNIFORM IMAGE.** You agree that your BUSINESS will offer for sale such services, products, and merchandise related to the **PLANET FITNESS** concept that we determine from time to time to be appropriate for your BUSINESS. You further agree that your BUSINESS will not, without our written approval, offer any services or products (including promotional items) not then authorized by us. Your BUSINESS may not be used for any purpose other than the operation of a **PLANET FITNESS** business in compliance with this Agreement. You agree that your BUSINESS will offer courteous and efficient service and a pleasant ambiance, consistent with your acknowledgements in Article 1.2. hereof. You may offer personal training only if permitted by our then-current personal training policies or as we otherwise approve in writing.

9.6 **PURCHASE OF OTHER PRODUCTS.** You acknowledge and agree that the reputation and goodwill of **PLANET FITNESS** businesses are based on, and can be maintained only by, the sale of distinctive high quality services and ancillary merchandise. Therefore, you agree that your BUSINESS will use and/or offer for sale only such services, merchandise, uniforms, forms, labels

and other supplies that conform to our specifications and quality standards and/or are purchased from suppliers approved by us (which may include us and/or any of our Affiliates). You acknowledge that we or our affiliate are and may be the sole supplier for fitness equipment or other products. We may modify the list of approved brands and/or suppliers from time to time. After notice of such modification, you may not re-order any brand or reorder from any supplier which is no longer approved. If you propose to use any brand and/or supplier which is not then approved by us, you must first notify us and submit sufficient information, specifications and samples concerning such brand and/or supplier so that we can decide whether such brand complies with our specifications and standards and/or such supplier meets our Approved Supplier criteria. We have the right to charge reasonable fees to cover our costs. We will notify you of our decision within a reasonable period of time. We may prescribe procedures for the submission of requests for approval and impose obligations on suppliers, which we may require to be incorporated in a written agreement. We may impose limits on the number of suppliers and/or brands for any of the foregoing items including designating us or an affiliate as a sole supplier. You must maintain at all times an inventory of approved merchandise related to the **PLANET FITNESS** concept sufficient in quantity, quality and variety to realize your BUSINESS's full potential. We may conduct market research to determine consumer trends and salability of new services and products. You agree to cooperate by participating in our market research programs; by test marketing new services, and merchandise in your BUSINESS and providing us timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them.

- 9.7** **COMPLIANCE WITH LAWS.** You must maintain in force in your name all required licenses, permits and certificates relating to the operation of your BUSINESS. You must operate your BUSINESS in full compliance with all applicable laws, ordinances and regulations. You must notify us in writing immediately upon the commencement of any legal or administrative action, or the issuance of an order of any court, agency or other governmental instrumentality, which may adversely affect the development, occupancy or operation of your BUSINESS or your financial condition; or the delivery of any notice of violation or alleged violation of any law, ordinance or regulation, including those relating to health or sanitation at your BUSINESS. All of your advertising and promotional materials must be completely factual and must conform to the highest standards of ethical advertising. In all dealings with us, as well as your customers, suppliers, lessors and the public, you must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business, to the business of other **PLANET FITNESS** businesses or to the goodwill associated with the Marks.
- 9.8** **PERSONNEL.** **PLANET FITNESS** neither dictates nor controls labor or employment matters for franchisees and/or their employees. **PLANET FITNESS** does not retain any reserved authority to control the terms and conditions of employment for franchisees and/or their employees. You are responsible for taking such measures as are needed to ensure that your employees understand and acknowledge that they are not employees of **PLANET FITNESS**, including without limitation, requiring your employees to sign a written acknowledgement that you are an independently owned and operated franchisee and their employer in a form we specify in the Operations Manual or otherwise in writing from time to time. You are solely responsible for all employment decisions with respect to your personnel, including hiring, firing, scheduling, compensation, training, supervision and discipline, and regardless whether you receive advice from us on any of these subjects. Should you receive any such advice from us, you alone will determine to what extent, if any, you will implement our suggestions.
- 9.9** **INSURANCE.** You must procure and maintain in force from an insurance company with an "A-" or better rating by AM Best and a Financial Rating of "VIII" or better primary insurance coverage as follows: commercial general liability insurance (including coverage for any consolidated claims against us and our Affiliates); Special Form property insurance, including fire and extended coverage, vandalism and malicious mischief insurance for one hundred percent (100%) of the replacement value of your BUSINESS and its contents; and such other insurance policies, such as

business interruption insurance, abuse and molestation insurance, tanning insurance, employment practices liability insurance, automobile insurance, unemployment insurance, cyber liability insurance, excess umbrella insurance and workers' compensation insurance (with a broad form all-states endorsement) as we specify from time to time and as required by law. For any interruption in the operation of the BUSINESS due to a security breach, whether or not you have sufficient insurance coverage, you shall continue to pay us, during such period of interruption, continuing Royalty fees based on the average monthly Royalty fees paid by you during the twelve (12) months immediately preceding the period of interruption. For any interruption in the operation of the BUSINESS for any other reason, you shall continue to pay us, during such period of interruption, continuing Royalty fees based on the average monthly Royalty fees paid by you during the twelve (12) months immediately preceding the period of interruption. Your insurance must also cover identity theft and theft of personal information, including the costs of notifying members whose information has been compromised. All insurance policies must be issued by carriers approved by us (as set forth in the Operations Manual or otherwise in writing); contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time in our current Operations Manual or otherwise in writing from time to time; name us and our Affiliates, through a blanket additional insured endorsement, as additional insureds; provide for thirty (30) days prior written notice for any reduction in insurance limits, downgraded insurance paper or, cancellation or expiration of such policy; and include such other provisions as we may require from time to time. At our request, you must furnish us with a Certificate of Insurance on an annual basis. We reserve the right to request schedules of insurance and/or insurance policy copies to review for compliance. You will have a reasonable period of time, and in no event less than thirty (30) days, within which to comply with any changes in our insurance coverage requirements. If you fail or refuse to maintain any required insurance coverage, or to furnish satisfactory evidence thereof, we, at our option and in addition to our other rights and remedies hereunder, may obtain such insurance coverage on your behalf. If we do so, you must fully cooperate with us in our effort to obtain such insurance policies and pay us any costs and premiums we incur. Your obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance we may choose to maintain, nor does it relieve you of your indemnification obligations under this Agreement.

- 9.10** **QUALITY CONTROL.** We have the right to establish “quality control” programs, such as a “secret shopper” program, a customer satisfaction measurement program, and/or a “customer intercept” program, to ensure the highest quality of service and products in all **PLANET FITNESS** businesses. You shall participate in any such quality control programs, and bear your pro-rata share, as determined by us, of the costs of any such program.
- 9.11** **PRICING POLICIES.** We reserve the right to establish prices for the products and services you sell, both minimum and maximum, subject to applicable law.
- 9.12** **MEMBER DUES POLICIES.** Subject to applicable law, you shall require at least ninety percent (90%) of your members to pay their membership dues on a monthly basis by EFT and shall not permit more than ten percent (10%) of your members during any month to be paid-in-full members. Subject to applicable law, all memberships other than White Card memberships shall be paid on a monthly basis and may never be paid-in-full. All rates, discounts, and promotions are subject to our prior written approval. You shall pay us a Royalty on the membership dues if, and to the extent, your current paid-in-full members exceed ten percent (10%) of your members. Such additional Royalty shall be paid in the manner and amount we determine (but such Royalty shall not exceed seven percent (7%) and is a non-exclusive remedy). We retain all other rights and remedies hereunder; provided, however, that you shall not be deemed to be in default under this provision in the event that the only time you actively market paid-in-full memberships is through a program or promotion that we require.
- 9.13** **RECIPROCAL MEMBERSHIP.** You must participate fully in any reciprocal access program (currently the Black Card program, as we may modify from time to time) and/or customer loyalty program(s) we may establish (collectively, “Reciprocal Membership”), in accordance with the

policies and procedures set forth in the Operations Manual, through communications from us and as modified from time to time. You agree and acknowledge that for any reciprocal usage by **PLANET FITNESS** members of other franchisees and us or when a person redeems any membership benefits or other customer loyalty program benefits at your BUSINESS, you are not entitled to reimbursement for membership fees or the cost of goods or services provided to the member as a reciprocal access member or under any customer loyalty program. Currently, reciprocal access members of other **PLANET FITNESS** franchise locations each have access to your location up to ten (10) times per month and your reciprocal access members will each have access to other locations up to ten (10) times per month.

9.14 **MEMBER TRANSFER POLICY.** You agree to comply with the member transfer policy as we establish from time to time. You acknowledge and agree that upon a transfer, the member's ongoing monthly dues and annual fees shall be transferred to the new location. If a membership is prepaid and is permitted to transfer pursuant to the member transfer policy, you agree to service the remaining prepaid term.

9.15 **DESIGNATED FRANCHISE PORTAL.** You agree to actively use and monitor our then current designated franchise portal ("Designated Franchise Portal") in connection with the development and operation of your BUSINESS. You shall be deemed to be "actively using and monitoring" the Designated Franchise Portal if you, or any of your Owners, Responsible Owners, Approved Operators, and/or managers log in to the Designated Franchise Portal at least once per week.

10. MARKETING.

10.1 **NATIONAL ADVERTISING.** Recognizing the value of advertising and marketing to the goodwill and public image of **PLANET FITNESS** businesses and the **PLANET FITNESS** brand, we have established and administer a National Advertising Fund ("NAF") for the creation and development of marketing, advertising and related programs and materials, including electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising to promote and enhance the **PLANET FITNESS** brand in such manner and media as we determine. You agree to contribute to the NAF such amounts that we prescribe from time to time, not to exceed two (2%) percent of the EFT Dues Draft (the "Ad Fee"), payable monthly via EFT in the same manner as the Royalty due hereunder. We reserve the right to change the two (2%) percent maximum limit on NAF contributions (as well as the maximum limit on Local Advertising Funds contributions) in the future by gaining an approval vote by either (i) sixty six (66%) percent of all then existing company and franchised **PLANET FITNESS** businesses, or (ii) fifty one (51%) percent of all then existing franchised **PLANET FITNESS** businesses. Voting will be accomplished through a system of one (1) vote per eligible **PLANET FITNESS** business. We will direct all programs financed by the NAF and retain the right to determine the creative concepts, materials and endorsements used therein and the geographic market and media placement and allocation thereof. You agree that the NAF may be used to pay the costs of preparing and producing video, audio and written advertising materials; website design, development and updating; electronic advertising efforts, including search engine optimization and social media networks and related platforms; administering regional and multiregional advertising programs; including, without limitation, purchasing direct mail and other media advertising; administrative and other costs associated with all NAF efforts; and employing advertising, promotion and marketing agencies to assist therewith and supporting public relations, market research and other advertising promotion and marketing activities and amounts expended pursuant to Article 10.2. below. The NAF will furnish you with samples of advertising, marketing formats, promotional formats and other materials at no additional cost to you when we deem appropriate. Multiple copies of such materials will be furnished to you at our direct cost of producing them plus any related shipping, handling and storage charges. We will seek the advice of owners of **PLANET FITNESS** businesses by formal or informal means with respect to the creative concepts and media used for programs financed by the NAF. All marketing or other materials the NAF creates itself or has created for its use shall be owned by us. We have established a marketing subcommittee of the Franchisee Advisory Council to serve only in an advisory capacity. The final authority on all programs financed by the NAF rests with us, and we

have sole decision making authority over all aspects of such programs, including national or regional media, creative, concepts, materials, endorsements, agencies and suppliers.

- 10.2** **ACCOUNTING.** The NAF will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the NAF and its programs including, without limitation, conducting market research, preparing advertising promotion and marketing materials, and collecting and accounting for contributions to the NAF. Commissions, rebates or other similar payments from suppliers of marketing or other materials or products may only be received by the NAF in accordance with Article 5.9. While we intend to spend the entirety of the NAF each fiscal year, we may spend, on behalf of the NAF, in any fiscal year, an amount that is greater or less than the aggregate contribution of all PLANET FITNESS businesses to the NAF in that year and the NAF may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the NAF will be used to pay advertising costs before other assets of the NAF are expended. We will prepare an annual statement of monies collected and costs incurred by the NAF within one hundred twenty (120) days following the close of the fiscal year and furnish the statement for the prior fiscal year to you upon written request. We have the right to cause the NAF to be incorporated or operated through a separate entity at such time as we deem appropriate and such successor entity will have all of the rights and duties specified herein.
- 10.3** **NO PROPORTIONALITY.** You acknowledge that the NAF is intended to maximize recognition of the Marks and patronage of PLANET FITNESS businesses. Although we will endeavor to utilize the NAF to develop advertising and marketing materials and programs and to place advertising that will benefit all PLANET FITNESS businesses, we undertake no obligation to ensure that expenditures by the NAF in or effecting any geographic area are proportionate or equivalent to the contributions to the NAF by PLANET FITNESS businesses operating in that geographic area. Nor are we under any obligation to ensure that any PLANET FITNESS business will benefit directly or in proportion to its NAF contributions paid to the NAF from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Article, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to, or maintaining, directing or administering the NAF. We do not act as trustee or in any other fiduciary capacity with respect to the NAF.
- 10.4** **DEFERRALS OR REDUCTIONS.** We reserve the right to defer or reduce contributions of a PLANET FITNESS business franchisee and, upon thirty (30) days' prior written notice to you, to reduce or suspend your payment of contributions to the NAF and suspend operations of the NAF for one (1) or more periods of any length and to terminate (and if terminated, to reinstate) the NAF. If the NAF is terminated, all unspent monies on the date of termination will be distributed to our franchisees in proportion to their respective contributions to the NAF during the preceding three (3) month period, and amounts required to be paid pursuant to Article 10.1. above shall be added to amounts required to be expended pursuant to Article 10.5. below.
- 10.5** **LOCAL ADVERTISING.** In addition to the contributions you pay to the NAF and the Pre-Sale/Grand Opening Marketing Expense, you agree to spend each quarter (any consecutive three month period approved by us) the greater of Fifteen Thousand U.S. Dollars (\$15,000) or seven percent (7%) of the amount that is the total in that quarter of the total gross monthly membership fees for your BUSINESS that are due and payable to you each month, by or on behalf of your members through authorized EFT withdrawals for said quarter, for locally advertising and promoting your BUSINESS provided, however, you must spend each month at least the greater of Five Thousand U.S. Dollars (\$5,000) or three percent (3%) of the total gross monthly membership fees for the BUSINESS that are due and payable to you each month by or on behalf of your members through authorized EFT withdrawals for locally advertising and promoting your BUSINESS. These amounts spent on local advertising and promotion will be designated as Local Advertising Funds ("LAF"). In the event you and/or your affiliates own and operate multiple BUSINESSES in the same market area, as defined by us, and the LAF spending for those BUSINESSES are not separated,

so long as the BUSINESSES spend an amount that would satisfy the LAF obligations for all of the BUSINESSES in the aggregate, you shall be deemed in compliance with this provision. Notwithstanding the foregoing sentence, we reserve the right to require you to spend the greater of Fifteen Thousand U.S. Dollars (\$15,000) or seven percent (7%) of the amount that is the total in that quarter of the total gross monthly membership fees for your BUSINESS that are due and payable to you each month, by or on behalf of your members through authorized EFT withdrawals for said quarter for the BUSINESSES during (a) the Pre-Sale/Grand Opening Marketing Period, (b) your BUSINESSES' first year of operation, and (c) if, in our reasonable business judgment, hyper-marketing for the BUSINESS is necessary due to market conditions (for example, competition or a relocation of the BUSINESS). At our request, you shall furnish us with copies of invoices and other documentation evidencing your compliance with this Article 10.5. If, in our business judgment we determine that you are under-performing or not spending the LAF on appropriate media placement, we may collect the LAF from you and administer it on your behalf. Moreover, if we determine, at some later date, that you have spent an amount less than five percent (5%) of the total gross monthly membership fees for the BUSINESS that are due and payable to you each month by or on behalf of your members through authorized EFT withdrawals during the then most recently completed two calendar quarters for locally advertising and promoting your BUSINESS, unless such lower expenditures were permitted pursuant to Article 10.7, we may, after providing you with written notice and a ninety (90) day opportunity to cure, (1) collect LAF contributions from the EFT Dues Draft directly and administer it on your behalf and (2) withdraw from your EFT Dues Draft or your Designated Account an amount equal to the administrative costs we actually incur, based on a reasonable allocation of personnel salaries, benefits, and overhead for the time spent by our employees to administer the LAF on your behalf. If you believe that your BUSINESS should not be required to spend the LAF at the levels specified above, you may request approval for an alternative local marketing plan with a lower proposed LAF ("ALMP") by submitting a proposed ALMP and specifying the reasons therefor, for approval by us. We will use our best efforts to respond to such request within sixty (60) days of your request and such decision, in our reasonable business discretion, will be based on such factors as market saturation, competition and participation in an approved Cooperative, among other factors. If such ALMP is approved by us in writing, your compliance with the ALMP shall constitute compliance with this Article 10.5. For the avoidance of doubt, the approval of an ALMP shall not grant you an automatic right to any future ALMP. We may collect the LAF from you and other franchisees if, in our business judgment, we determine such conduct is appropriate. We shall provide you with not less than thirty (30) days' notice of any determination by us which changes the amount of the LAF you must spend or the method of its expenditure, with any increase to the required LAF spend being subject to the voting requirements of Article 10.1. LAF contributions will be payable on the first business day following the immediately preceding Accounting Period together with the Royalty Fees due hereunder. Said funds may be electronically drafted from your EFT Dues Draft or your Designated Account. The LAF monies will be used to pay for the cost of implementing local marketing plans developed by you and approved by us or, if we collect LAF contributions from you, to reimburse you (up to an amount not to exceed the LAF contributions so collected) for the costs incurred by you in implementing local marketing plans developed by you and approved by us. For these purposes, advertising expenditures include: (x) amounts contributed to advertising cooperatives; and (y) amounts spent by you for advertising media such as television, radio, Internet, newspaper, billboards, posters, direct mail, collateral and promotional items, advertising on public vehicles (transit and aerial) and, if not provided by us, cost of producing approved materials necessary to participate in these media. Advertising expenditures do not include amounts spent for items which we, in our reasonable judgment, deem inappropriate for meeting the minimum advertising requirement, including permanent on-premises signs, promotional club expenses for items to be distributed onsite (such as T-shirts, pens, stickers, pizza, bagels, and member identification, but excluding other mandatory giveaway items), lighting, personnel salaries or administrative costs, transportation vehicles (even though such vehicles may display the Marks), Yellow Pages advertising, discounts, free offers and employee incentive programs. We reserve the right to modify the list of such advertising expenditures in the Operations Manual from time to time. You must submit to us for our prior approval, a marketing plan and samples of all advertising and promotional materials not prepared or previously approved by us and which vary from our standard advertising and promotional

materials. You may not use any advertising or promotional materials or programs that we have not approved. Unless we agree otherwise in writing, you must work with an advertising agency that is an Approved Supplier to administer your LAF spending.

10.6 ADVERTISING COOPERATIVES. We have the right to establish, reconfigure, or approve local and/or regional advertising cooperatives for **PLANET FITNESS** businesses in your local or regional areas, covering such geographical areas as we may designate from time to time. You must participate in any such cooperative and its programs and abide by its by-laws. If your BUSINESS is within the territory of an existing Cooperative as of the Business Commencement Date, you agree to immediately become a member of the Cooperative. If a Cooperative applicable to your BUSINESS is established during the Term of this Agreement, you agree to become a member no later than thirty (30) days after the date approved by us for the Cooperative to commence operation. The following provisions shall apply to each Cooperative:

- (1) Each Cooperative shall utilize a voting system approved by us.
- (2) Each Cooperative shall be organized and governed in a form and manner, and shall commence continuous operations on a date approved in advance by us in writing. No changes in the by-laws or other governing documents of a Cooperative shall be made without our prior written consent.
- (3) Each Cooperative shall be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in the Cooperative on a continuous, year-round basis.
- (4) No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without prior approval by us pursuant to Article 10.6(6) below.
- (5) You and each other member of the Cooperative shall contribute to the Cooperative, using a collection structure selected and established by us, the amount determined in accordance with the Cooperative's by-laws. Any **PLANET FITNESS** businesses owned by us or any of our Affiliates located in such designated local or regional area(s) will contribute to the Cooperative on the same basis. Contributions to such local and/or regional advertising cooperatives are credited towards the advertising expenditures required by Article 10.5; however, if we provide you and your Cooperative ninety (90) days' notice of a special promotion, including any regional promotions, you must participate in such promotion and pay to us any special promotion advertising fees assessed in connection therewith, beginning on the effective date of such notice and continuing until such special promotion is concluded. Any such special promotion advertising fees shall be in addition to, and not credited towards, the other advertising expenditures and commitments required of you by this Article 10.
- (6) All advertising and promotion by you and the Cooperatives shall be in such media and of such type and format as we may approve, shall be conducted in a dignified manner, and shall conform to such standards and requirements as we may specify. You or the Cooperative shall submit written samples of all proposed advertising and promotional plans and materials to us for our approval (except with respect to prices to be charged) at least thirty (30) days before their intended use, unless such plans and materials were prepared by us or have been approved by us to be used in your marketing area (as defined by us) within the previous twelve (12) months. Proposed advertising plans or materials shall be deemed to have been approved if they have not been disapproved by us within fifteen (15) business days after their receipt by us.
- (7) At our request, you shall furnish us with copies of such information and documentation evidencing your Cooperative contributions as we may require in order to evidence your compliance with this Article 10.6.

10.7 SPECIAL MARKETING PROGRAMS. You must participate in and contribute funds to special marketing programs and campaigns that we develop and administer from time to time; provided that in no event will your required contribution to the special marketing program equal more than the then-current collective required monthly NAF and LAF payments (currently, 9%). If we require you to pay the special marketing program fee, we will reduce your NAF payment by a corresponding amount for the corresponding month. If the required special marketing program fee is greater than your NAF payment, then the excess shall reduce your LAF payment by a corresponding amount for the corresponding month.

10.8 PARTICIPATION IN INTERNET WEB SITES OR OTHER ON-LINE COMMUNICATIONS. You must have internet access and an e-mail address. You will use an e-mail address to send and receive e-mail and attachments on the Internet. You may be required to invest in and implement new technology initiatives at your own expense, which may include, but will not be limited to, the Black Card program, acceptance of credit and debit cards, monitors, music, Internet TV broadcast, software management applications, surveillance system, e-learning, and software applications designed to better manage business functions and control costs. We may designate the supplier you use for any goods and services associated with these initiatives. Further, you must at your expense, participate in designated PLANET FITNESS web sites on the Internet or other on-line communications, including without limitation any intranet system we may develop in the future and third-party websites that we designate, unless we provide otherwise. You may not separately register any domain name or develop or operate any web sites or mobile applications containing any of the Marks or that will be used in connection with the BUSINESS, without our written approval. We determine the content and use of the web sites and have the sole right to establish the rules under which franchisees may or must participate in the web sites or separately use the internet or other on-line communications. We retain all rights relating to the PLANET FITNESS web sites and may alter or terminate the web sites. Your general conduct on the web sites or other authorized on-line communications, and specifically your use of the Marks or any advertising on the web sites or other authorized on-line communications (including the domain name and any other Marks we may develop as a result of participation in the web sites or other on-line communications), is subject to the provisions of this Agreement and the related standards and restrictions we specify from time to time in the Methods of Operation. Without our consent, you may not use, reference or otherwise promote the Marks or System in connection with any current or future form of social media networks or platforms, including, without limitation, Facebook, Instagram, Twitter, LinkedIn, and so on, except in accordance with the related standards and restrictions we specify from time to time in the Methods of Operation. For any of your social media accounts (whether authorized or not) that utilize or promote the Marks or System, you shall, upon our request, either remove all references to the Marks and/or System or provide us with access to such social media accounts.

You shall not use or download any software on your computer unless it has been authorized by us in writing. In the event that you use or download any unauthorized software, you shall be liable for all damages and problems caused by the unauthorized software in addition to the other remedies provided under this Agreement. You acknowledge that certain information obtained through your participation in the PLANET FITNESS web sites may be considered Confidential Information, including access codes and identification codes. Your right to participate in the PLANET FITNESS web sites or any intranet system we may develop or otherwise use the Marks or System on the internet or other on-line communicators terminates when this Agreement expires, without your acquisition of a successor franchise, or terminates.

10.9 TRUTHFUL ADVERTISING, MARKETING AND PROMOTION. You agree that any advertising, promotion and marketing you conduct will be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and the promotion policies which we prescribe from time to time. Samples of all advertising, promotional and marketing materials which we have not prepared or previously approved must be submitted to us for approval before you use them. If you do not receive written disapproval within fifteen (15) days after our receipt of such materials, we will be deemed to have given the required approval provided that such

materials are otherwise in compliance with our Methods of Operation and this Agreement. You may not use any advertising or promotional materials that we have disapproved. We own the copyrights to anything so submitted, whether approved by us or not.

10.10 NATIONAL OFFERS AND CAMPAIGNS. Subject to applicable law, you must participate in all required national promotional offers we designate from time to time. You may be required to participate in a promotional offer that requires your donation to a charity, provided that 1) the **PLANET FITNESS** businesses owned by our Affiliates and by us also participate in such offer and 2) your required donations are limited to member enrollment (or then-equivalent) fees, or a portion thereof. During national promotional offers or national campaigns with paid search support, you may not purchase competing search terms.

11. RECORDS, REPORTS AND FINANCIAL STATEMENTS.

11.1 RECORDS. You agree to establish and maintain at your own expense a bookkeeping, accounting and record keeping system conforming to the requirements and formats we prescribe from time to time. You agree to prepare and to maintain for three (3) years complete and accurate books, records (including invoices and records relating to your advertising expenditures) and accounts (using our then-current standard chart of accounts) for your BUSINESS, copies of your sales tax returns and such portions of your state and federal income tax returns as relate to your BUSINESS. All such books and records shall be kept at your principal address indicated on the first page of this Agreement, unless we otherwise approve. You must record all sales on the POS systems we designate. We may require you to use proprietary software and any other computer systems which we may prescribe from time to time and you agree to execute such agreements as we may require in connection therewith. You must provide such assistance as may be required to connect your computer system and technology with our network. We have the right, without prior notice to you, to retrieve such data and information from your computer system as we deem necessary or desirable, including the right to obtain such information from vendors, and you agree to fully cooperate with such efforts.

11.2 PERIODIC REPORTS. You must, upon receipt of written notice from us, furnish us:

- (1) within thirty (30) days after the end of each fiscal quarter, a quarterly balance sheet, income statement and statement of cash flow of your BUSINESS for such quarter, reflecting any adjustments and accruals;
- (2) within ninety (90) days after the end of each fiscal year, a year-end balance sheet, income statement and statement of cash flow of your BUSINESS for such year, reflecting all year-end adjustments and accruals; and
- (3) within thirty (30) days of our request, such other information as we may require from time to time, including sales data and labor cost reports and sales and income tax statements. All such reports shall use our then-current standard chart of accounts.

11.3 VERIFICATION. You agree to verify and sign each report and financial statement in the manner we prescribe. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us. We reserve the right to publish or disclose information that we obtain under this Article in any data compilations, collections or aggregations that we deem appropriate so long as we do not disclose information relating to performance of your individual BUSINESS, unless such disclosure is required by law or order of a court. Moreover, we reserve the right, as often as we deem appropriate, including on a daily basis, to access the computer systems that you are required to maintain in connection with the operation of the BUSINESS and to retrieve all information relating to the BUSINESS's operations.

11.4 OWNERSHIP OF DATA. All data pertaining to your BUSINESS, and all data you create or collect in connection with the System, or in connection with your operation of the BUSINESS (including, without limitation, data pertaining to or otherwise concerning your members) or otherwise provided by you (including, without limitation, data collected by, uploaded to, or downloaded from your computer or POS systems) (“Business Data”) is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. We hereby license use of such Business Data back to you for the Term of this Agreement, at no additional cost, solely for your use in connection with the BUSINESS, and subject to any limitations that we may impose in writing from time to time. You agree to make all such data accessible to us upon our request. Notwithstanding the foregoing, you may, after the Term of this Agreement, keep and retain any and all Business Data and records related to the same to the extent required for tax, accounting, and legal purposes. We may, at our option, provide you with financial and other information derived from the System, including information contained in or resulting from information, data, materials, statements and reports related, directly or indirectly, to the BUSINESS. You agree that you shall use any data or other information described in this Article 11.4 only in the manner that we direct, and subject to any and all restrictions or limitations that we may impose in writing from time to time.

12. INSPECTIONS AND AUDITS.

12.1 OUR RIGHT TO INSPECT THE BUSINESS. To determine whether you and the BUSINESS are complying with this Agreement and Methods of Operation, we and our designated agents have the right at any time during your operating hours, and without prior notice to you, to:

- (1) inspect the BUSINESS;
- (2) observe, photograph and videotape the operations of the BUSINESS for such consecutive or intermittent periods as we deem necessary;
- (3) remove samples of any products, materials or supplies for testing and analysis;
- (4) interview personnel and customers of the BUSINESS;
- (5) inspect and copy any books, records (whether electronic or hard copy) and documents relating to your operation of the BUSINESS, including member and membership information; and
- (6) retrieve such data and information from your computer system or computer systems which are licensed by you, such as the dues processing platform or accounting platform, including obtaining such information from third parties or vendors.

12.2 COOPERATION. You agree to cooperate with us fully in connection with any such inspections, observations, photographing, videotaping, product removal and interviews. You agree to present to your customers such evaluation forms that we periodically prescribe and to participate and/or request your customers to participate in any surveys performed by us or on our behalf.

12.3 OUR RIGHT TO AUDIT. We have the right at any time during your operating hours, and without prior notice to you, to inspect and audit, or cause to be inspected and audited, your (if you are a corporation or partnership) and the BUSINESS’s business, bookkeeping and accounting records, sales and income tax records and returns and other records. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. In the event such inspection or audit is made necessary by your failure to furnish reports, supporting records or other information as herein required, or to furnish such items on a timely basis, you agree to reimburse us for the reasonable cost of such inspection or audit including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and

compensation of our employees. In the event an inspection or audit reveals that any payments have been understated in any report to us, then you shall immediately pay to us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the highest contract rate of interest permitted by law. If an inspection or audit discloses an understatement in any report of two (2%) percent or more, you shall, in addition to repayment of monies owed with interest, reimburse us for any and all costs and expenses connected with the inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

13. **TRANSFER.**

13.1 BY US. We have the right to sell or assign, in whole or in part, our interests in this Agreement, and any such sale or assignment will inure to the benefit of any assignee or other legal successor to our interests herein.

13.2 BY YOU. You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a corporation, partnership, or other entity, to your Owners) and that we have granted the Franchise to you in reliance upon our perceptions of your (or your Owners') individual or collective character, skill, aptitude, attitude, business ability, acumen and financial capacity. Accordingly, neither this Agreement (or any interest therein) nor any ownership or other interest in you or the BUSINESS, including any arrangement whereby you sell or pledge accounts receivable, EFT, or any other assets of the BUSINESS, may be transferred without our prior written approval. Any Transfer without such approval constitutes a breach of this Agreement and is void and of no effect.

13.3 CONDITIONS FOR APPROVAL OF TRANSFER. If you (and your Owners) are in substantial compliance with this Agreement and the conditions of this Article 13.3 are met, we will not unreasonably withhold our consent to a proposed Transfer. The proposed transferee and its direct and indirect owners must be individuals of good moral character and otherwise meet our then applicable standards for **PLANET FITNESS** business franchisees. A Transfer of ownership, possession or control of the BUSINESS may be made only in conjunction with a Transfer of this Agreement.

(1) If the proposed Transfer is (i) of a non-controlling interest in you (and is not one of a series of Transfers which, in the aggregate with other Transfers, would constitute or result in the transfer of a controlling interest in you) and the Transfer is to one of your Owners listed in Appendix A, an immediate family member of one of your Owners listed in Appendix A, or an employee of the BUSINESS; (ii) of a controlling interest in you and solely among your Owners listed in Appendix A; or (iii) of any interest in you and solely among entities that are controlled by your Owners listed in Appendix A for estate planning purposes; all of the following conditions must be met prior to or concurrently with the effective date of the proposed Transfer:

- (a) you have paid all Royalties, Ad Fees, amounts owed for purchases from us and all other amounts owed to us, our affiliates, or our Preferred Vendors, and have submitted all required reports and statements;
- (b) you shall reimburse us for any reasonable external (*i.e.*, not in-house) legal and administrative costs we incur in connection with the Transfer;
- (c) you (and your transferring Owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

- (d) you have provided us with the material terms and conditions of such Transfer including, but not limited to, payment terms and the proposed post-Transfer ownership and control of the BUSINESS, and we approve of such terms and conditions, with such approval not being unreasonably withheld, conditioned, or delayed;
 - (e) we have determined that the price and terms of payment will not cause a material and unreasonably adverse impact on the transferee's operation of the BUSINESS;
 - (f) you and/or any transferring Owner(s) have executed an agreement in favor of us agreeing to remain bound by the restrictions contained in Articles 16.5, 16.6, 16.7 and 18.4 hereof as if this Agreement had terminated. You agree that the restrictions referenced in the immediately preceding sentence will continue to apply regardless of whether you and/or any transferring Owner(s) actually execute an agreement confirming the survival of these restrictions. This Article 13.3.1(f) applies equally to partial Transfers of interest by any one or more Owners;
 - (g) your new Owners sign Appendices B-1 and C as required by this Agreement and an affiliate entity that we approve, in our sole discretion, shall also sign Appendix B-2;
 - (h) you have disclosed to us any trust which will become an Owner pursuant to the Transfer, any such trust instrument has been reviewed by us and our external legal counsel, if necessary, at your expense, and the material terms of such trust have been approved by us, with such approval not being unreasonably withheld, conditioned, or delayed; and
 - (i) this Agreement is amended to reflect the post-Transfer ownership.
- (2) If the proposed Transfer is (i) of a controlling interest in you (or is one of a series of proposed Transfers which in the aggregate would constitute or result in the transfer of a controlling interest in you) to a third party, (ii) of a non-controlling interest in you to a third party other than any party described in Article 13.3(1)(i), (ii), or (iii) above, or (iii) a transfer of this Agreement or substantially all the assets of the BUSINESS to a third party, all of the following conditions must be met prior to or concurrently with the effective date of the proposed Transfer:
- (a) the transferee has the moral character, aptitude, attitude, experience, references, acumen and financial capacity to operate the BUSINESS, and the proposed transferee may not be an entity, or be affiliated with an entity, that is required to comply with reporting and information requirements of the Securities Exchange Act of 1934, as amended;
 - (b) you have paid all Royalties, Ad Fees, amounts owed for purchases from us and all other amounts owed to us, our affiliates, or our Preferred Vendors and have submitted all required reports and statements;
 - (c) the transferee (or its Responsible Owner) and its managers, shift supervisors and personnel must have completed our initial training program or must be currently certified by us to operate and/or manage a **PLANET FITNESS** business to our satisfaction prior to closing;
 - (d) the transferee has agreed to be bound by all of the terms and conditions of this Agreement for the remainder of the Term or, if the proposed Transfer is a transfer: (1) of this Agreement; (2) of a controlling interest in you to a third party; (3) of a

non-controlling interest in you to a third party other than any party described in Article 13.3(1)(i), (ii), or (iii) above and is one of a series of proposed Transfers which in the aggregate would constitute or result in the Transfer of a controlling interest in you; or (4) a Transfer of substantially all the assets of the BUSINESS, then the transferee must execute our then-current standard form of franchise agreement and related documents being offered to new franchisees in the state in which your BUSINESS is located (which may provide for different royalties, advertising contributions and expenditures and other rights and obligations than those provided for in this Agreement, and will, unless otherwise provided below, have a term equivalent to the remainder of the Term), provided, however, that, if this Agreement contains a Royalty of at least 5% of the total gross monthly and annual membership fees, (x) the percentage for the Royalty shall not be greater than the percentage for the Royalty set forth in this Agreement, (y) the franchise agreement shall contain terms at least as favorable to the transferee related to Vendor Revenue as set forth in this Agreement, and (z) if the remaining Term of this Agreement would be, as of the date of the proposed Transfer, three (3) years or less, then the franchise agreement shall be for a term equal to the remaining Term of this Agreement plus ten (10) additional years; provided, however, that (1) such new term shall apply only if there is at least one (1) successor term under Article 14.1 hereunder; (2) under the then-current standard form of franchise agreement you or the transferee executes, (a) the final ten (10) years of such franchise agreement shall be equal to our then current Royalty as of the date of Transfer; and (b) the number of successor terms under such agreement shall be reduced by one (1);

- (e) you shall pay us (i) a transfer fee equal to Ten Thousand U.S. Dollars (\$10,000) in connection with the Transfer, unless the proposed Transfer is a transfer of a five percent (5%) or less ownership interest in you (and is not one of a series of Transfers which, in the aggregate with other Transfers to the same or an affiliated transferee, would constitute or result in the transfer of greater than a five percent (5%) interest in you) or we, in our sole discretion, determine that such transfer is de minimis such that a lesser or no transfer fee may apply, and (ii) our reasonable out of pocket expenses including, without limitation, external (*i.e.* not in-house) legal and administrative costs we incur in connection with the Transfer(s);
- (f) you (and your transferring Owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;
- (g) you have provided us the material terms and conditions of such Transfer including, but not limited to, the payment terms and the proposed post-Transfer ownership and control of the BUSINESS, and we approve of such terms and conditions, with such approval not being unreasonably withheld, conditioned, or delayed;
- (h) we have determined that the price and terms of payment of the Transfer will not adversely affect the transferee's operation of the BUSINESS;
- (i) you have provided us with proof of transferee's right to operate a PLANET FITNESS business at the Location, whether by an assignment of lease, new lease, acquisition or otherwise, and we approve of the material terms of such assignment or acquisition, with such approval not being unreasonably withheld, conditioned, or delayed;
- (j) if you or your Owners finance any part of the sale price of the transferred interest, you and/or your Owners have agreed that all of the transferee's obligations

pursuant to any promissory notes, agreements or security interests that you or your Owners have reserved in the BUSINESS are subordinate to the transferee's obligation to pay Royalties, NAF contributions and other amounts due to us and otherwise to comply with this Agreement;

- (k) you have disclosed to us any trust which will become an Owner pursuant to the Transfer, any such trust instrument has been reviewed by us and our external legal counsel, if necessary, at your expense, and the material terms of such trust have been approved by us, with such approval not being unreasonably withheld, conditioned, or delayed; and
- (l) you and/or any transferring Owner(s) have executed an agreement in favor of us agreeing to remain bound by the restrictions contained in Articles 16.5, 16.6, 16.7 and 18.4 hereof as if this Agreement had terminated. You agree that the restrictions referenced in the immediately preceding sentence will continue to apply regardless of whether you and/or any transferring Owner(s) actually execute an agreement confirming the survival of these restrictions. You and each of your Owners further agree that the provisions of Article 19.13 and 19.14 survive the partial or full Transfer of an Owner's interest in you and that New Hampshire law and jurisdiction will apply to any dispute that arises out of or relates to this Agreement. This Article 13.3.2(l) applies equally to partial Transfers of interest by any one or more Owners.

For purposes of this Article 13.3, we will make the determination as to what constitutes a change in control, which may include, without limitation, any change in control of any entity owning a legal or beneficial interest in you or an effective change in control due to the acquisition by any party of any rights or obligations or voting rights in any agreements related to such transfer, as we shall reasonably determine.

13.4 TRANSFER TO A WHOLLY OWNED CORPORATION. Notwithstanding Article 13.3., if you are in full compliance with this Agreement, you may Transfer this Agreement to a corporation, business trust, limited liability company or similar entity, which conducts no business other than the BUSINESS and, if applicable, other **PLANET FITNESS** businesses, in which you maintain management control and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding capital stock, and further provided that all assets of the BUSINESS are owned, and the entire business of the BUSINESS is conducted, by a single corporation. Transfers of shares in such corporation will be subject to the provisions of Article 13.3. Notwithstanding anything to the contrary herein, you agree to remain personally liable under this Agreement as if the Transfer to such corporation had not occurred.

13.5 TRANSFER UPON YOUR DEATH OR DISABILITY. Upon your death or permanent disability or, if you are a corporation or partnership, the death or permanent disability of the Owner of a controlling interest in you, your or such Owner's executor, administrator, conservator, guardian or other personal representative must Transfer your interest in this Agreement or such Owner's interest in you to a third party. Such disposition of this Agreement or the interest in you (including, without limitation, Transfer by bequest or inheritance) must be completed within a reasonable time, not to exceed six (6) months from the date of death (or if later, such date that such Transfer may be legally completed) or permanent disability, and will be subject to all of the terms and conditions applicable to Transfers contained in this Article. A failure to Transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes hereof, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you or an Owner of a controlling interest in you from managing and operating the BUSINESS for a period of three (3) months from the onset of such disability, impairment or condition.

- 13.6 OPERATION UPON YOUR DEATH OR DISABILITY.** If, upon your death or permanent disability or the death or permanent disability of the Owner of a controlling interest in you, the BUSINESS is not being managed by a Responsible Owner or Approved Operator, your or such Owner's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or permanent disability, appoint an Approved Operator to operate the BUSINESS. Such manager will be required to successfully complete training at your expense within sixty (60) days of being appointed to operate the BUSINESS. Pending the appointment of an Approved Operator as provided above or if, in our judgment, the BUSINESS is not being managed properly any time after your death or permanent disability or after the death or permanent disability of the Owner of a controlling interest in you, we have the right, but not the obligation, to appoint a manager for the BUSINESS. All funds from the operation of the BUSINESS during the management by our appointed manager will be kept in a separate account, and all expenses of the BUSINESS, including compensation, other costs and travel and living expenses of our manager, will be charged to this account. We also have the right to charge a reasonable management fee (in addition to the Royalty and NAF contributions payable under this Agreement) during the period that our appointed manager manages the BUSINESS. Operation of the BUSINESS during any such period will be on your behalf, provided that we only have a duty to utilize reasonable efforts in doing so and will not be liable to you or your Owners for any debts, losses or obligations incurred by the BUSINESS or to any of your creditors for any products, materials, supplies or services the BUSINESS purchases during any period it is managed by our appointed manager.
- 13.7 BONA FIDE OFFERS.** If you (or any of your Owners) at any time determine to sell, assign or Transfer for consideration an interest in this Agreement and the BUSINESS or an ownership interest in you, you (or such Owner) agree to obtain a *bona fide*, executed written offer and a complete franchise application from a fully disclosed offeror including lists of the owners of record and beneficially of any corporate or limited liability company offeror and all general and limited partners of any partnership and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale. To be a valid, *bona fide* offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and the BUSINESS and may not include an offer to purchase any of your (or your Owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your Owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your Owners) for the interest in you or in this Agreement and the BUSINESS must reflect the *bona fide* price offered therefor and not reflect any value for any other property or rights. Any Transfer in violation of our right of first refusal is null and void.
- 13.8 OUR RIGHT OF FIRST REFUSAL.** For any proposed Transfer which would constitute a transfer of this Agreement to a third party, would constitute a Transfer to a third party of a controlling interest in you (or a series of proposed Transfers which in the aggregate would constitute the Transfer to a third party of a controlling interest in you), or would constitute a Transfer of substantially all the assets of the BUSINESS under Article 13.3.2 to a third party, we have the right, exercisable by written notice delivered to you or your selling Owners within thirty (30) days from the date of the delivery to us of both an exact copy of such *bona fide* offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such *bona fide* offer, provided that:
- (1) we may substitute cash for any form of payment proposed in such offer;
 - (2) our credit will be deemed equal to the credit of any proposed purchaser;
 - (3) we will have not less than sixty (60) days after giving notice of our election to purchase to prepare for closing; and

- (4) we are entitled to receive, and you and your Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:
 - (a) ownership and condition of and title to stock or other forms of ownership interest and/or assets;
 - (b) liens and encumbrances relating to the stock or other ownership interest and/or assets; and
 - (c) validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.
- (5) If the proposed Transfer is part of a contemporaneous transfer involving additional PLANET FITNESS businesses or one or more area development agreements (collectively, the "Transfer Group"), then we will refrain from exercising our right of first refusal to purchase less than the entire Transfer Group.

13.9 NON-EXERCISE. If we do not exercise our right of first refusal, you or your Owners may complete the sale to such purchaser pursuant to and on the exact terms of such *bona fide* offer, subject to our approval of the Transfer as provided in Articles 13.2, 13.3 and 13.4. If the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such *bona fide* offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), the sale will be treated as a new sale subject to our right of first refusal as provided in Article 13.8.

14. EXPIRATION OF THIS AGREEMENT.

14.1 ACQUISITION OF A SUCCESSOR FRANCHISE. Subject to the conditions set forth in this Article 14.1, on expiration of the Term of this Agreement, you will have the right to acquire a successor franchise for a term of ten (10) years so long as:

- (1) you provide us notice (which must be in a format reasonably acceptable to us, which would include email to our General Counsel) of your desire to acquire a successor franchise not less than six (6) months nor more than twelve (12) months prior to the expiration of this Agreement. We will give you notice ("Our Notice"), not later than sixty (60) days after receipt of your notice, of our decision, pursuant to Article 14;
- (2) you remodel and/or expand the BUSINESS as we may reasonably require, including, adding or replacing improvements, installing new equipment and renovating signs, furnishings, fixtures, and décor, and otherwise modify the BUSINESS as we require to bring it into compliance with specifications and standards then applicable for PLANET FITNESS businesses; provided, however, if you have completed a substantial remodel or substantial replacement of equipment in the final two (2) years of the Term as described in Article 9.4 you will not be required to substantially remodel the areas substantially remodeled in the final two (2) years of the Term and you will not be required to replace equipment that was replaced in the final two (2) years of the Term as a condition to acquire a successor franchise;
- (3) you are not in default of any provision of this Agreement or any other agreement between you and us or our affiliates and you must have substantially complied with all the terms and conditions of this Agreement during its term(s) (including timely payment of all monies owed) provided that we previously communicated to you any defaults hereunder;

- (4) you establish to our satisfaction that you can maintain possession of the BUSINESS for the length of the successor term, or if you are unable to establish that you can maintain possession of the Location, you secure substitute premises we approve, develop such premises in compliance with specifications and standards then applicable for PLANET FITNESS businesses, and continue to operate the BUSINESS at the Location until operations are transferred to the substitute premises; provided, however, that we reserve the right to require that you relocate the premises of the BUSINESS if, in our reasonable discretion, we determine the BUSINESS should be relocated based on our current brand standards, and so long as we provide you with written notice of this determination at least (a) eighteen (18) months prior to requiring you to relocate and (b) twelve (12) months prior to the end of the Term of this Agreement;
- (5) you and your Owners and affiliates, as applicable, must execute, as it relates to the BUSINESS at the Location, our then-current form of successor franchise agreement and any ancillary agreements which we are then customarily offering for successor franchises, which shall supersede this Agreement in all respects, and the terms of which may differ materially from the terms of this Agreement, including a higher Royalty rate, different Royalty calculation, additional royalty, different LAF advertising expenditure requirements and NAF advertising contribution, except that you will not be required to pay an initial franchise fee and such successor franchise agreement shall provide you with the right to acquire a successor franchise for an additional, successor term of ten (10) years; (For the avoidance of doubt, this Agreement does not guarantee you any rights to acquire a successor franchise beyond such additional, successor term.);
- (6) you and your Owners execute and deliver a mutual general release, in the form we prescribe from time to time, of any and all claims arising out of or related to the PLANET FITNESS business at the Location that we may have against each other, and our respective parents, affiliates and subsidiaries, and their respective officers, directors, shareholders and employees in both their corporate and individual capacities including, without limitation, claims under other agreements between you and us which relate to the PLANET FITNESS business at the Location;
- (7) you comply with our then-current qualification and training requirements;
- (8) you pay us a successor franchise fee in an amount equal to fifty percent (50%) of the initial franchise fee we are then currently customarily charging for new franchises; provided that such amount shall not exceed Forty Thousand U.S. Dollars (\$40,000); and
- (9) you are current with respect to your obligations to us, our affiliates, our Preferred Vendors and your lessor, unless you are, in good faith, contesting such obligations.

15. TERMINATION OF AGREEMENT.

15.1 BY YOU. If:

- (1) you and your Owners are in compliance with this Agreement and we materially fail to comply with this Agreement and do not correct such failure within sixty (60) days after written notice of such material failure is delivered to us, you may terminate this Agreement effective thirty (30) days after delivery to us of written notice of termination, or
- (2) you and your Owners are in compliance with this Agreement, the BUSINESS has been open and operating for three (3) years or more and the EFT Dues Draft of the BUSINESS has remained in the lowest fifteen percent (15%) of similarly-sized PLANET FITNESS businesses (as we determine in our reasonable business judgment) for twelve (12) consecutive months immediately preceding the

date of such termination, you will have a right to terminate this Agreement on ninety (90) days written notice to us.

You agree to comply with all your post-termination obligations described in Article 16 hereof.

Your termination of this Agreement for any other reason or without such notice will be deemed null and void.

15.2 IMMEDIATE TERMINATION. You are in material breach of this Agreement, and this Agreement will automatically terminate without notice, if you:

- (1) become insolvent by reason of your inability to pay your debts as they mature;
- (2) are adjudicated bankrupt or insolvent;
- (3) file a petition in bankruptcy, reorganization or similar proceeding under the bankruptcy laws of the United States or have such a petition filed against you which is not discharged within thirty (30) days;
- (4) have a receiver or other custodian, permanent or temporary, appointed for your business, assets or property;
- (5) request the appointment of a receiver or make a general assignment for the benefit of creditors;
- (6) have bank accounts, property or accounts receivable which are attached;
- (7) have an execution levied against your business or property;
- (8) have suit filed to foreclose any lien or mortgage against any of your assets and such suit is not dismissed within thirty (30) days; or
- (9) voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution and such petition is not dismissed within thirty (30) days.

15.3 TERMINATION UPON NOTICE. In addition to our right to terminate pursuant to other provisions of this Agreement and under applicable law, we have the right to terminate this Agreement, effective upon delivery of notice of termination to you, if you:

- (1) fail to open your BUSINESS and start business, in the time period required under this Agreement, and such failure remains uncured thirty (30) days following your receipt of written notice from us;
- (2) abandon or fail to actively operate your BUSINESS for three (3) consecutive days, except where such failure to actively operate results solely from causes beyond your reasonable control, provided, however, that we shall not have the right to terminate this Agreement if your failure to actively operate the BUSINESS for three (3) consecutive days is due to your completion of a remodel or refurbishment of the BUSINESS that we have approved;
- (3) surrender or transfer control of the operation of your BUSINESS without our prior written consent;
- (4) make or have made any material misrepresentation or omission in connection with your purchase of the Franchise, including any such misrepresentation or omission in the appendices hereto;

- (5) suffer cancellation or termination of the lease or sublease for your BUSINESS;
- (6) are convicted of, or plead no contest to, a felony or other crime or offense that we reasonably believe may adversely affect the System or the goodwill associated with the Marks (each a "Material Offense"). Notwithstanding the foregoing, if any of your Owners is convicted of a felony or Material Offense, we will not have the right to terminate this Agreement if such Owner relinquishes or otherwise disposes of such Owner's interest in the franchisee entity (pursuant to Article 13 of this Agreement) within thirty (30) days following the conviction or plea;
- (7) make or attempt to make an unauthorized Transfer of this Agreement or of an ownership interest in you or the BUSINESS;
- (8) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Operations Manual in violation of this Agreement;
- (9) fail or refuse to comply with any mandatory specification, standard, or operating procedure prescribed by us relating to the cleanliness or sanitation of your BUSINESS or violate any health, safety or sanitation law, ordinance or regulation, that we reasonably believe may pose harm to the public or to your or our reputation, and do not correct such failure, refusal or violation within forty-eight (48) hours after written notice thereof is delivered to you;
- (10) fail to establish, maintain and/or have sufficient funds available in your Designated Account as required by Article 5.3. of this Agreement or fail to make payment of any amounts due us or any of our Affiliates, and do not correct such failure within ten (10) business days after written notice of such failure is delivered to you;
- (11) fail to make a timely payment of any amount related to the BUSINESS due to a lender, supplier or other commercial party unaffiliated with us (other than payments which are subject to bona fide dispute), the cure period, if any, for making such payment has expired, and you do not correct such failure within thirty (30) days after we deliver to you notice of such failure to comply;
- (12)
 - (a) commit a default at another PLANET FITNESS BUSINESS under any other Franchise Agreement, between you (or any of your Owners or affiliates) and us or our affiliates which default is comparable to defaults under Articles 15.3.3; 15.3.4, 15.3.7, or Appendix D (Para. 7) of this Agreement, if such default is deemed, in our reasonable judgment, to affect the brand as a whole (not simply any one PLANET FITNESS BUSINESS), and such default was carried out willfully or negligently; or
 - (b) you or any of your affiliates fail to comply with any three (3) other Franchise Agreements between you (or any of your Owners or affiliates) and us or our affiliates such that we have terminated three (3) or more such agreements, on the basis of such noncompliance;
- (13) you receive three (3) or more notices of default from us on separate occasions within any period of twelve (12) consecutive months including, without limitation, default notices for failure to submit when due reports or other data, information or supporting records or to pay when due Royalties, NAF contributions or other payments due us, any of our Affiliates or any unaffiliated suppliers or otherwise fail to comply with this Agreement, whether or not such failures are corrected after notice is delivered to you;

- (14) fail to pay when due any federal or state income, service, sales, employment related or other taxes due on the operations of the BUSINESS, unless you are, in good faith, legally contesting your liability for such taxes;
- (15) fail to request approval of an Approved Operator and/or Responsible Owner within fifteen (15) days after your death or permanent disability or the death or permanent disability of the Owner of a controlling interest in you or such Approved Operator and/or Responsible Owner fails to complete our training within sixty (60) days after such request;
- (16) if you fail to lease, sublease or purchase the Location in accordance within the timeframe set forth in Article 4.2, and do not cure such failure within thirty (30) days following your receipt of written notice of such default;
- (17) violate Article 6.8 herein and do not cure within seven (7) days;
- (18) fail to comply with the requirements for the condition of your BUSINESS under Article 9.4 hereof and do not cure such failure within thirty (30) days following your receipt of written notice of such default;
- (19) if you made any material misrepresentation to us that was false, or there was any material omission in information you provided to us, as an inducement to our entering into this Agreement;
- (20) if you fail to meet any construction deadline set forth in Article 4 hereof and do not cure such failure within forty-five (45) days following your receipt of written notice of such default;
- (21) fail to provide us with weekly progress reports during construction as set forth in Article 4.4 hereof and do not cure such failure within ten (10) days following your receipt of written notice of such default;
- (22) fail to provide us, if, and to the extent, requested pursuant to Article 10.5, with copies of invoices and other documentation relating to Article 10.5 LAF spending requirements, and do not cure such failure within thirty (30) days following your receipt of written notice of such default;
- (23) fail to spend the monthly or quarterly amounts required by Article 10.5, and do not cure such failure within the next thirty (30) or ninety (90) days, as applicable, following your receipt of any written notice of such default from us;
- (24) fail to comply with any other provision of this Agreement and do not correct such failure to our reasonable satisfaction within thirty (30) days after notice of such failure to comply is delivered to you; or
- (25) If any of your Owners commits a default (each a "Defaulting Owner") or multiple defaults under an agreement between the Defaulting Owner and us or our affiliate(s), and the Defaulting Owner fails to cure such default before the expiration of all applicable notice and cure periods, sufficient to trigger the application of this Article 15.3.25, and we would otherwise have the right to terminate this Agreement, we will not terminate this Agreement if the Defaulting Owner relinquishes or otherwise disposes of the Defaulting Owner's interest in the franchisee entity (pursuant to Article 13 of this Agreement) within thirty (30) days following the date you receive written notice from us informing you of the Defaulting Owner's uncured breach. Notwithstanding the foregoing, failure to comply with the Development Schedule under an ADA with us shall not be the basis for termination under this Article 15.3.25.

We have no obligation whatsoever to refund any portion of the franchise fee upon any termination of this Agreement.

15.4 OUR RIGHT TO OPERATE THE BUSINESS. If we issue you a notice of default and you fail to cure such default within any applicable time period, we have the right, without the obligation, and without waiving our right to terminate this Agreement as a result of such failure, to assume the operation of the BUSINESS for such length of time as we determine in our business judgment. You authorize us to operate the BUSINESS for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the BUSINESS during such period of operation by us shall be accounted for separately and the expenses of the business, including travel, food, lodging, and salaries of our representatives who operate the BUSINESS, shall be charged to such account. You shall indemnify us and our representatives from any and all claims arising from the acts and omissions of us and our representatives pursuant to this Article 15.4.

15.5 ALTERNATIVES TO TERMINATION. In addition to our rights under Article 15.4, if we issue you a notice of default and you fail to cure such default within any applicable time period, we have the right, in our business judgment, without the obligation, and without waiving our right to terminate this Agreement as a result of such failure, to temporarily or permanently limit, curtail or remove certain services or benefits provided or required to be provided to you hereunder, including, but not limited to:

- (1) restricting your or any of your staff's attendance at any training, meetings, workshops, or conventions;
- (2) requiring you to pay to us, via EFT, up to an additional two percent (2%) of the total gross monthly and annual membership fees that are due and payable to you by or on behalf of your members under this Agreement;
- (3) replacing the Royalty in Article 5.2 of this Agreement with the Royalty offered in our then current franchise agreement;
- (4) refusing to sell or furnish to you any advertising or promotional materials;
- (5) refusing to provide you with ongoing advice about the operation of the BUSINESS;
- (6) refusing any of your requests to approve a new supplier or the use of any advertising or promotional materials; and
- (7) refusing to permit you (or any of your Owners) to enter into a new franchise agreement for a **PLANET FITNESS** business at any other location.

Such alternatives to termination as described in this Article 15.5 shall only apply until such time as you have cured the applicable default. You shall hold us harmless with respect to any action we take pursuant to this Article 15.5; and you agree that we shall not be liable for any loss, expense, or damage you incur because of any action we take pursuant to this Article 15.5. Nothing in this Article 15.5 constitutes a waiver of any of our rights or remedies under this Agreement or any other agreement between us and you, including the right to terminate this Agreement. You agree that our exercise of our rights pursuant to this Article 15.5 shall not be deemed a constructive termination of this Agreement or of any other agreement between us and you, and shall not be deemed a breach of any provision of this Agreement. We may, in our business judgment, reinstate any services or benefits removed, curtailed, or limited pursuant to this Article 15.5, and you agree to accept immediately any such reinstatement of services or benefits so removed, curtailed, or limited. If we limit any services or benefits under this Article 15.5, you shall continue to pay timely all fees and payments required under this Agreement and any other agreement between us and you, including

any fees associated with services or benefits limited by us. You shall have no right to a refund of any fees paid in advance for such services or benefits.

16. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

On expiration, without your acquisition of a successor franchise, or termination of this Agreement for any reason whatsoever, you agree to comply with all of the obligations described in this Article 16.

16.1 PAYMENT OF AMOUNTS OWED TO US. You agree to pay us within fifteen (15) days after the effective date of termination, for any reason, or expiration, without your acquisition of a successor franchise, of this Agreement, or on such later date that the amounts due to us are determined, such Royalties, NAF contributions, amounts owed for purchases from us, interest due on any of the foregoing and all other amounts owed to us which are then unpaid.

16.2 MARKS. Upon the termination, for any reason, or expiration, without your acquisition of a successor franchise, of this Agreement:

- (1) you may not directly or indirectly, at any time or in any manner (except with respect to other **PLANET FITNESS** businesses you own and operate), identify yourself or any business as a current or former **PLANET FITNESS** business, or as one of our licensees or franchisees, use any Marks, any colorable imitation thereof or other indicia of a **PLANET FITNESS** business in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with us;
- (2) you agree to take such action as may be required to cancel all fictitious or assumed names or equivalent registrations relating to your use of any Marks;
- (3) if we do not exercise our option to purchase the BUSINESS pursuant to Article 16.14, you agree to deliver to us within thirty (30) days after the Notification Date the Operations Manual, all signs, sign-faces, sign-cabinets, marketing materials, forms, packaging and other materials containing any Marks or otherwise identifying or relating to a **PLANET FITNESS** business and allow us, without liability to you or third parties, to remove all such items from the BUSINESS;
- (4) if we do not exercise our option to purchase the BUSINESS pursuant to Article 16.14, you agree that, after the Notification Date, you will promptly and at your own expense make such alterations as we may specify to distinguish the BUSINESS clearly from its former appearance and from other **PLANET FITNESS** businesses so as to prevent confusion therewith by the public;
- (5) if we do not exercise our option to purchase the BUSINESS pursuant to Article 16.14, you agree that, after the Notification Date, you will promptly notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, telecopy or other numbers and any regular, classified or other telephone directory listings associated with any Marks, authorize the transfer of such numbers and directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify;
- (6) you hereby irrevocably assign to us or our designee the telephone number or numbers and listings issued to you with respect to the BUSINESS ("Telephone Numbers"). This assignment is for collateral purposes only and we have no liability or obligation of any kind whatsoever arising from this assignment, unless we desire to take possession and control over the Telephone Numbers. Upon the termination, for any reason, or expiration, without

your acquisition of a successor franchise, of this Agreement, and without any further notice to you, we hereby are authorized and empowered to notify the telephone company, as well as any other company that publishes telephone directories (“Telephone Companies”), to transfer the Telephone Numbers to us or such other person or entity as we designate. You hereby grant to us an irrevocable power of attorney and appoint us as your attorney-in-fact to take any necessary actions to assign the Telephone Numbers, including but not limited to, executing any forms that the Telephone Companies may require to effectuate the assignment. This assignment is also for the benefit of the Telephone Companies, and the Telephone Companies may accept this assignment and our instructions as conclusive evidence of our rights in the Telephone Numbers and our authority to direct the amendment, termination or transfer of the Telephone Numbers, as if they had originally been issued to us. In addition, you agree to hold the Telephone Companies harmless from any and all claims against them arising out of any actions or instructions by us or our designee in compliance with this Agreement regarding the Telephone Numbers; and

- (7) you agree to furnish us, within thirty (30) days after the Notification Date, with evidence satisfactory to us of your compliance with the foregoing obligations.

16.3 COMMUNICATION TO MEMBERS. In connection with the termination of this Agreement or the expiration of this Agreement without your acquisition of a successor franchise, we may contact your members directly to notify them of the closing and/or de-branding of the BUSINESS and inform them of nearby PLANET FITNESS fitness clubs that they may join. We may make such communication (a) in the case of termination by you or expiration without acquisition of a successor franchise, on or after five (5) business days prior to the date this Agreement would terminate or expire, or such longer period of time in advance of termination or expiration as state law may require you to notify members of the closing and/or de-branding of the BUSINESS or (b) in the case of termination by us, once the cure period for your default has expired (we may, for example, delay the effective date of termination for several days after your cure period expires to make such communication). Notwithstanding any notices we may send to your members, you are solely responsible for compliance with any applicable laws related to notifying members in connection with the closing and/or de-branding of the BUSINESS.

16.4 DE-BRANDING. You agree that, upon termination, for any reason, or expiration, without your acquisition of a successor franchise, of this Agreement or of your rights to conduct the BUSINESS at the Location, you will immediately comply with our then-current de-branding checklist, which shall require you to, among other things:

- (1) remove and destroy all interior and exterior signage, point of sale materials, business forms, and stationery received from us;
- (2) delete from all computer hard drives, all materials, information, communications, manuals, and marketing and promotion materials received from us;
- (3) remove all decals containing the **PLANET FITNESS** name, slogans, purple/yellow color scheme, or Marks;
- (4) repaint or remove all purple and yellow colors from all equipment, walls, doors, floors, and other surfaces;
- (5) remove any coverings containing the **PLANET FITNESS** name, slogans, purple/yellow color scheme, or Marks from all exercise or other equipment;
- (6) immediately cease selling memberships;

- (7) promptly instruct all third-party internet sites and telephone directories to remove all listings identifying the location as a **PLANET FITNESS**;
- (8) post signage approved by us and notify all existing members in a communication approved by us describing the members' rights and options;
- (9) return all uniforms, sales materials, operations manuals, and other items that contain any Confidential Information;
- (10) cancel all fictitious or assumed names or equivalent registrations relating to your use of any of the Marks;
- (11) change your corporate or legal business name, if necessary, so that it does not contain any of the Marks;
- (12) return to us all signs, sign-faces, sign-cabinets, marketing materials, forms, packaging, and other materials that contain any of the Marks;
- (13) remove all total body enhancement booths; and
- (14) remove and cease selling any other items and materials that we determine, in our reasonable judgement, are similar to those used under or in connection with the PLANET FITNESS Methods of Operation, and similarly, immediately cease using any other PLANET FITNESS procedures, systems, and any other information that we designate as proprietary and confidential.

16.5 CONFIDENTIAL INFORMATION. You agree that, upon termination of this Agreement (including the full or partial transfer of rights by Franchisee or any Owner), for any reason, or expiration, without your acquisition of a successor franchise, of this Agreement, unless you own a franchise for another PLANET FITNESS business, you will immediately and forever cease to use any of our Confidential Information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials including, without limitation, computer software and any mechanisms (electronic key) used to access the software, that we have allowed you to use.

16.6 IN-TERM COVENANT NOT TO COMPETE. You specifically acknowledge that, pursuant to this Agreement, you will receive valuable, specialized training, Confidential Information (as defined in Article 8.1 hereof), and other proprietary and specialized information and knowledge that provide a valuable, competitive advantage in operating a men's, women's, children's, or co-ed fitness, exercise, athletic or wellness facility of any kind. You further acknowledge that we would be unable to protect the Confidential Information against unauthorized use or disclosure or to encourage the free exchange of ideas and information among our franchisees if you were permitted to hold interests in or perform services for a Competitive Business, and we have granted you the rights hereunder in consideration of, and in reliance upon, your agreement to deal exclusively with us. You therefore covenant that during the Term of this Agreement (except as otherwise approved in writing by us), you, your Owners, and you and their Immediate Families shall not, either directly, indirectly or through, on behalf of, or in conjunction with any person or legal entity:

- (1) Divert or attempt to divert any present or prospective business or customer of any PLANET FITNESS business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

- (2) Recruit, employ or seek to employ any person who is at that time, or has been within the past six (6) months, employed by us or one of our affiliates, or otherwise directly or indirectly induce such person to leave his or her employment; or
- (3) Own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business.

16.7 POST-TERM COVENANT NOT TO COMPETE. You covenant that, except as otherwise approved in writing by us, you and your Owners shall not, for a continuous, uninterrupted period of two (2) years commencing upon the date of (a) a transfer permitted under Article 13 of this Agreement, (b) expiration, without your acquisition of a successor franchise, of this Agreement, (c) termination or non-renewal of this Agreement (regardless of the cause for termination or non-renewal), or (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Article 16.7, either directly or indirectly, for yourself or your Immediate Family, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business that is, or is intended to be, located (a) at the Location, (b) within fifteen (15) miles of the Location or (c) fifteen (15) miles of any PLANET FITNESS business in operation or under construction as of the date that you are required to comply with this Article 16.7. You agree and acknowledge that the two (2) year period of this restriction shall be tolled during any time period in which you are in violation of this restriction.

16.8 OWNER AND OPERATOR COVENANTS. If you are a business corporation, partnership, limited liability company or other legal entity, Your Responsible Owner, Approved Operator and each person that has any direct or indirect legal or beneficial ownership interest in you is bound by the restrictions in Articles 16.6 and 16.7, and must sign Appendix C to this Agreement (Personal Covenants Regarding Confidentiality and Non-Competition) to acknowledge such restrictions unless such person (excluding your Responsible Owner and Approved Operator) is designated a Silent Investor in Appendix D. If the franchisee is a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is deemed an Owner who must sign Appendix C.

16.9 APPLICATION TO SECURITIES. The restrictions in Articles 16.6.3 and 16.7 do not apply to: (a) interests in or operation of a PLANET FITNESS business under a Franchise Agreement with us; or (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

16.10 REASONABLE SCOPE OF COVENANTS. You acknowledge that the scope of the restrictions in Articles 16.6 and 16.7 are reasonable and necessary to protect us, the Confidential Information, and the System, and that such restrictions are designed solely to prevent you from taking information, materials, training, and know-how that we provided to you and using them to compete with us. In addition, your operation of a Competitive Business in violation of Article 16.6 or 16.7 would necessarily involve your use of Confidential Information that would result in an unfair competitive advantage vis-à-vis other PLANET FITNESS franchisees. You further acknowledge that you and your Owners possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcement of the covenant in Article 16.7 will not deprive you or your Owners of personal goodwill or the ability to engage in a lawful trade or business and earn a living.

16.11 REDUCTION OF SCOPE OF COVENANTS. You understand and acknowledge that we shall have the right, in our business judgment, to reduce the scope of any covenant set forth in Articles 16.6 and 16.7, or any portion thereof, without your consent, effective immediately upon receipt by

you of written notice thereof; and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

16.12 COVENANT NOT TO COMPETE UPON EXERCISE OF RIGHT OF FIRST REFUSAL. If we exercise our right of first refusal pursuant to Article 13.8. above, you and your selling Owner(s) agree that, for a period of two (2) years commencing on the date of the closing, you and they will be bound by the noncompetition covenant contained in Article 16.7 hereof.

16.13 COMMENCEMENT BY ORDER. If any person restricted by this Article refuses voluntarily to comply with the foregoing obligations, the Restriction Period will commence with the entry of an order of an arbitrator, or court if necessary, enforcing this provision.

16.14 OUR RIGHT TO PURCHASE BUSINESS.

- (1) Exercise of Option. Upon termination or expiration, without your acquisition of a successor franchise, of this Agreement in accordance with its terms and conditions, we have the option, exercisable by giving written notice thereof to you (by the later of (a) sixty (60) days from the date of such termination or expiration, without your acquisition of a successor franchise, or (b) seven (7) days after determination of the purchase price), to purchase the BUSINESS from you, including the leasehold rights to the Location, free and clear of all liens, restrictions or encumbrances. (The date on which we notify you whether or not we are exercising our option is referred to in this Agreement as the "Notification Date.") We have the unrestricted right to assign this option to purchase the BUSINESS. We will be entitled to all customary warranties and representations in connection with our asset purchase including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities effecting the assets, contingent or otherwise.
- (2) Leasehold Rights. You agree, at our election, to assign your leasehold interest in the Location to us or to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the prime lease.
- (3) Purchase Price. The purchase price for the BUSINESS will be its fair market value, determined in a manner consistent with reasonable depreciation of the BUSINESS's equipment, signs, inventory, materials and supplies, provided that the BUSINESS will be valued as an independent business and its value will not include any value for the Franchise or any rights granted by this Agreement, the Marks, or participation in the network of PLANET FITNESS businesses.
- (4) Fair Market Value. The BUSINESS's fair market value will include the reasonable goodwill you developed since your commencement of operations that exists independent of the goodwill of the Marks and the System. The length of the remaining term of the lease for the Location will also be considered in determining the BUSINESS's fair market value.
- (5) Exclusions. We may exclude from the assets purchased hereunder cash or its equivalent and any equipment, signs, inventory, materials and supplies that are not reasonably necessary (in function or quality) to the BUSINESS's operation or that we have not approved as meeting standards for PLANET FITNESS businesses, and the purchase price will reflect such exclusions.
- (6) Appraisal. If we and you are unable to agree on the BUSINESS's fair market value, its fair market value will be determined by an appraiser agreeable to both parties. If we and you are unable to agree on an appraiser, then the BUSINESS's fair market value will be determined by three (3) independent appraisers who collectively will conduct one (1) appraisal. We will appoint one appraiser, you will appoint one appraiser and the two (2)

party appointed appraisers will appoint the third appraiser. You and we agree to select our respective appraisers within fifteen (15) days after the date we determine that we are unable to agree on the BUSINESS's fair market value, and the two (2) appraisers so chosen are obligated to appoint the third appraiser within fifteen (15) days after the date on which the last of the two (2) party appointed appraisers was appointed. You and we will bear the cost of our own appraisers and share equally the reasonable fees and expenses of the third appraiser chosen by the two party appointed appraisers. You and we will take reasonable actions to cause the appraisers to complete their appraisal within thirty (30) days after the third appraiser's appointment.

- (7) Closing. The purchase price will be paid at the closing of the purchase, which will take place not later than ninety (90) days after determination of the purchase price. We have the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts you or your Owners owe to us.
- (8) Instruments. At the closing, you agree to deliver instruments transferring:
 - (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us, if any), with all sales and other transfer taxes paid by you;
 - (b) all licenses and permits of the BUSINESS which may be assigned or transferred; and
 - (c) the leasehold interest in the Location and improvements thereon.
- (9) Escrow. If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the closing of the sale will, at our election, be accomplished through an escrow arrangement with an independent escrow agent selected by us.
- (10) Releases. You and your owners agree to execute general releases, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns.

16.15 CONTINUING OBLIGATIONS. All of our and your (and your owners' and affiliates') obligations which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16.16 FUTURE ROYALTIES. If you properly terminate this Agreement pursuant to Article 15.1 and cease operating as required hereunder, we agree to waive any rights we may have to seek future lost Royalties that would have been due to us from your operation of the BUSINESS after you cease operation of the BUSINESS.

17. SECURITIES OFFERINGS

17.1 SECURITIES OFFERINGS. Neither you nor any of your owners may issue or sell, or offer to issue or sell, any of your securities or any securities of any of your affiliates, regardless of whether such sale or offer would be required to be registered pursuant to the provisions of the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction, without obtaining our prior consent, such consent not to be unreasonably withheld, conditioned or delayed, and complying with all of our requirements and restrictions concerning use of information about us and our Affiliates. Neither you nor any of your Owners may issue or sell your securities or the securities of any of your affiliates if: (1) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended, or such securities would be owned by more than thirty five (35) persons; or (2)

after such issuance or sale, you or such affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended. Any proposed private placement of your or of your affiliate's securities must be approved by us. For any proposed securities offering approved in principle by us, you shall submit to us for our prior review all materials required by applicable law for the offering. No such materials shall be submitted to a government agency or to prospective investors unless and until we have furnished our written approval. No offering materials shall imply, by use of the Marks or otherwise, that we, our affiliates, or our respective directors, officers, employees, shareholders, or agents is participating as an underwriter, issuer, or offeror of securities of either you or us, or that we have approved the offering prospectus or any other aspect of the offering. Any review by us of the offering materials or the information included therein shall be conducted solely for our benefit to determine their conformance with our internal policies, and not to benefit or protect any other person. No investor should interpret such review by us, nor shall you or anyone acting on your behalf suggest, that our review constitutes an approval, endorsement, acceptance, or adoption of any representation, warranty, covenant, or projection contained in the materials reviewed; and the offering documents shall include legends and statements, in the form and manner specified by us, disclaiming our liability for, or involvement in, the transaction described in the offering documents. You and other participants in the offering, must fully indemnify, defend and hold harmless us, our affiliates and our respective directors, officers, employees, shareholders, and agents from any and all losses and expenses that arise directly or indirectly from, as a result of, or in connection with the offering. For each proposed offering, you shall pay to us a non-refundable fee of Twenty-Five Thousand U.S. Dollars (\$25,000), at the time that you submit materials for review by us and shall pay additional sums to cover our out-of-pocket costs to review the materials when incurred. You shall give us written notice at least sixty (60) days prior to the date of commencement of any offering or other transaction covered by this Article 17.1. Any such offering shall be subject to our right of first refusal as provided in Article 13.8 hereof.

18. RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION.

18.1 INDEPENDENT CONTRACTORS. Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Franchisor and Franchisee, as between themselves, are and shall be independent contractors. If applicable law shall imply a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such covenant, we and you acknowledge and agree that (a) this Agreement (and the relationship of the parties which arises from this Agreement) grants us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your explicit rights and obligations hereunder that may affect favorably or adversely your interests; (b) we will use our judgment in exercising such rights based on our assessment of our own interests and balancing those interests against the interests of the owners of **PLANET FITNESS** businesses generally (including ourselves, and our Affiliates and other franchisees), and specifically without considering your individual interests or the individual interests of any other particular franchisee; (c) we will have no liability to you for the exercise of our rights in this manner so long as such rights are not exercised in bad faith toward you; and (d) in the absence of such bad faith, no trier of fact in any legal action or arbitration proceeding shall substitute its judgment for our judgment so exercised. Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of your BUSINESS and must provide written notice to all employees identifying yourself as a separate and distinct business from us, with such notice being affirmatively acknowledged by each of your employees in a form we specify in the Operations Manual or otherwise in writing from time to time. You must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time. You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in

our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

18.2 **NO LIABILITY FOR ACTS OF OTHER PARTY.** You agree not to employ any of the Marks in signing any contract or applying for any license or permit, or in a manner that may result in our liability for any of your indebtedness or obligations, and that you will not use the Marks in any way we have not expressly authorized. Neither we nor you will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other, represent that our respective relationship is other than franchisor and franchisee or be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized in writing. We will not be obligated for any damages of any nature whatsoever to any person or property directly or indirectly arising out of the BUSINESS's operation or the business you conduct pursuant to this Agreement.

18.3 **TAXES.** We will have no liability for any sales, use, service, occupation, employment related, excise, gross receipts, income, property or other taxes, whether levied upon you or the BUSINESS, in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your sole responsibility. Further, you will pay all state and local taxes, including, without limitation, sales, use, service, occupation, employment related, excise, gross receipts, income, property or other taxes that may be imposed on us as a result of our receipt or accrual of the Initial Franchise Fee, Royalty fees, advertising fees, extension fees, and all other fees that are referenced in this Agreement or in the Methods of Operation, whether assessed against you through withholding or other means or whether paid by us directly, unless the tax is credited against income tax otherwise payable by us, provided, however, that if the state where your BUSINESS is located imposes any such tax, we will reimburse you for the amount of such tax paid by you the first year such tax goes into effect. In such event, you will pay to us (or to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required. Notwithstanding anything to the contrary in this Agreement, this provision does not apply to taxes imposed on us by the state or municipality where we have our principal place of business.

18.4 **INDEMNIFICATION. YOU, AND EACH OF THE GUARANTORS, AGREE THAT YOU SHALL, AT ALL TIMES, INDEMNIFY, EXCULPATE, DEFEND AND HOLD HARMLESS, TO THE FULLEST EXTENT PERMITTED BY LAW, US, OUR SUCCESSOR, ASSIGNS, AND AFFILIATES (INCLUDING, BUT NOT LIMITED TO, PLANET FITNESS DISTRIBUTION LLC), AND THE RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, SERVANTS, AND EMPLOYEES OF EACH OF THEM (THE "INDEMNIFIED PARTIES") FROM ALL LOSSES AND EXPENSES INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, CLAIM, DEMAND, INVESTIGATION, OR INQUIRY (FORMAL OR INFORMAL), OR ANY SETTLEMENT THEREOF, WHICH ARISES OUT OF OR IS BASED UPON ANY OF THE FOLLOWING: THE INFRINGEMENT, ALLEGED INFRINGEMENT OR ANY OTHER VIOLATION BY YOU, YOUR GUARANTORS OR PRINCIPALS OF ANY PATENT, MARK, COPYRIGHT, OR OTHER PROPRIETARY RIGHT OWNED OR CONTROLLED BY THIRD PARTIES DUE TO YOUR UNAUTHORIZED USE OF ALL OR ANY PORTION OF THE MARKS AND/OR SYSTEM; THE VIOLATION, BREACH, OR ASSERTED VIOLATION OR BREACH BY YOU, YOUR GUARANTORS OR PRINCIPALS OF ANY FEDERAL, STATE, OR LOCAL LAW, REGULATION, RULING OR INDUSTRY STANDARD; LIBEL, SLANDER, OR ANY OTHER FORM OF DEFAMATION BY YOU OR YOUR GUARANTORS OR PRINCIPALS; THE VIOLATION OR BREACH BY YOU OR BY**

YOUR GUARANTORS OR PRINCIPALS OF ANY WARRANTY, REPRESENTATION, AGREEMENT, OR OBLIGATION OF THIS AGREEMENT OR IN ANY OTHER AGREEMENT BETWEEN YOU AND US OR OUR AFFILIATES; ANY CYBER- EVENT, IDENTITY THEFT, OR THEFT, MISUSE, OR DISPOSAL, OF PERSONAL INFORMATION OR HEALTHCARE INFORMATION OF A CUSTOMER DUE SOLELY TO ANY SECURITY BREACH BY YOU, YOUR AGENTS, OR YOUR EMPLOYEES; ACTS, ERRORS, OMISSIONS OF YOU, ANY OF YOUR AFFILIATES, ANY OF YOUR PRINCIPALS, OFFICERS, DIRECTORS, SHAREHOLDERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, AND EMPLOYEES OF YOU AND YOUR AFFILIATES IN CONNECTION WITH THE ESTABLISHMENT AND OPERATION OF THE BUSINESS, INCLUDING, BUT NOT LIMITED TO, ANY ACTS, ERRORS, OR OMISSIONS OF ANY OF THE FOREGOING IN THE OPERATION OF ANY MOTOR VEHICLE OR IN THE ESTABLISHMENT OR IMPLEMENTATION OF SECURITY FOR THE BUSINESS; UNLESS (AND THEN ONLY TO THE EXTENT THAT) THE CLAIMS, OBLIGATIONS, AND DAMAGES ARE DETERMINED TO BE CAUSED SOLELY BY THE INDEMNIFIED PARTY'S NEGLIGENCE OR WILLFUL MISCONDUCT ACCORDING TO A FINAL, UNAPPEALABLE RULING ISSUED BY A COURT OR ARBITRATOR WITH COMPETENT JURISDICTION. FOR PURPOSES OF THIS INDEMNIFICATION, "LOSSES AND EXPENSES" INCLUDE ALL OBLIGATIONS, DAMAGES (ACTUAL, CONSEQUENTIAL OR OTHERWISE) AND COSTS INCURRED IN THE DEFENSE OF ANY CLAIM AGAINST ANY OF THE INDEMNIFIED PARTIES, INCLUDING, WITHOUT LIMITATION, REASONABLE ACCOUNTANTS', ARBITRATORS', ATTORNEYS' AND EXPERT WITNESS FEES, COSTS OF INVESTIGATION AND PROOF OF FACTS, COURT COSTS, OTHER EXPENSES OF LITIGATION, ARBITRATION OR ALTERNATIVE DISPUTE RESOLUTION AND TRAVEL AND LIVING EXPENSES. WE HAVE THE RIGHT TO DEFEND ANY SUCH CLAIM AGAINST US AT YOUR EXPENSE WITH COUNSEL WE SELECT. THIS INDEMNITY WILL CONTINUE IN FULL FORCE AND EFFECT SUBSEQUENT TO AND NOTWITHSTANDING THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

- 18.5** **MITIGATION NOT REQUIRED.** Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.
- 18.6** **NOTIFICATION OF ADVERSE ACTION.** You shall promptly notify us in writing of a material threat that is likely to result in the commencement of any action, suit, or proceeding, the actual commencement of any such action, suit or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, against you, any of your Affiliates or owners, us, or our Affiliate, or that relates to the BUSINESS. Upon our request, you shall furnish to us within five (5) business days after receipt thereof, a copy of any notices, subpoenas, or other initial pleadings served upon or received by you in connection with such proceeding, provide us with updates of substantive developments and otherwise cooperate with us in monitoring the progress of any such proceeding. You shall furnish to us within two (2) business days after receipt thereof, a copy of any material violation or citation which indicates your violation of any local law, regulation, or ordinance in the operation of the BUSINESS or of your lease for the Location, or of any alleged health or safety code violation from any governmental agency.

19. ENFORCEMENT AND MISCELLANEOUS MATTERS.

- 19.1** **SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.** Except as expressly provided to the contrary herein, each provision of this Agreement, and any portion thereof, will be considered severable and if, for any reason, any such provision is held to be invalid or contrary to

or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which we are a party, that ruling will not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which will continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid will be deemed not to be a part of this Agreement from the date the time for appeal expires, if you are a party thereto, otherwise upon your receipt from us of a notice of non-enforcement thereof.

- 19.2 LESSER COVENANT ENFORCEABLE.** If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, you and we agree that such covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law is applicable to the validity of such covenant.
- 19.3 GREATER NOTICE.** If any applicable and binding law or rule of any jurisdiction requires a greater prior notice than is required hereunder of the termination of this Agreement or of our refusal to enter into a successor franchise agreement, or the taking of some other action not required hereunder, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any part of Methods of Operation is invalid or unenforceable the prior notice and/or other action required by such law or rule will be substituted for the comparable provisions hereof, and we will have the right to modify such invalid or unenforceable provision or unenforceable part of this Agreement or the Operations Manual or any part of Methods of Operation to the extent required to be valid and enforceable. You agree to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or any part of Methods of Operation, any portion or portions which a court or arbitrator may hold to be unenforceable in a final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order or arbitration award. Such modifications to this Agreement will be effective only in such jurisdiction, unless we elect to give them greater applicability, and will be enforced as originally made and entered into in all other jurisdictions.
- 19.4 WAIVER OF OBLIGATIONS.** We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver we grant will be without prejudice to any other rights we may have, will be subject to our continuing review and may be revoked at any time and for any reason, effective upon delivery to you of ten (10) days' prior written notice.
- 19.5 NON-WAIVER.** We and you will not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including without limitation the right to demand exact compliance with every term, condition and covenant herein or to declare any breach thereof to be a default and to terminate this Agreement prior to the expiration of its term) by virtue of any custom or practice at variance with the terms hereof; our or your failure refusal or neglect to exercise any right under this Agreement or to insist upon exact compliance by the other with our and your obligations hereunder including without limitation Methods of Operation; our waiver, forbearance, delay, failure, or omission to exercise any right, power or option whether of the same, similar or different nature with respect to other **PLANET FITNESS** businesses; the existence of other franchise agreements for **PLANET FITNESS** businesses which contain different provisions from those contained herein; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will constitute a waiver, compromise, settlement or accord and satisfaction. We are authorized to remove or obliterate any legend or endorsement, and such legend or endorsement will have no effect.

- 19.6 FORCE MAJEURE.** Neither we nor you will be liable for loss or damage or deemed to be in breach of this Agreement if our or your failure to perform our or your obligations is not our or your fault and results from:
- (1) transportation shortages, inadequate supply of equipment, products, merchandise, supplies, labor, material or energy or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof;
 - (2) acts of nature;
 - (3) fires, strikes, embargoes, war or riot;
 - (4) failure to obtain land use or environmental approvals from the applicable government body or agency, so long as you diligently pursue any such required approvals; or
 - (5) any other similar event or cause.
- 19.7 EXTEND PERFORMANCE.** Any delay resulting from any of said causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes will not excuse payments of amounts owed at the time of such occurrence or payment of Royalties and Ad Fees due on any sales thereafter.
- 19.8 OUT-OF-STOCK AND DISCONTINUED.** We are not liable to you for any loss or damage, or deemed to be in breach of this Agreement, if we cannot deliver, or cause to be delivered, or if our Affiliates or designated sources or Approved Suppliers cannot deliver, all of your orders for products, merchandise, equipment, supplies, etc., where such things are out-of-stock or discontinued.
- 19.9 COSTS AND ATTORNEYS' FEES.** If we incur expenses in connection with your failure to pay when due amounts owed to us or to submit when due any reports, information or supporting records or otherwise to comply with this Agreement, you agree to reimburse us for any of the costs and expenses which we incur, including, without limitation, reasonable accounting, attorneys', arbitrators' and related fees.
- 19.10 YOU MAY NOT WITHHOLD PAYMENTS DUE TO US.** You agree that you will not withhold payment of any amounts owed to us on the grounds of our alleged nonperformance of any of our obligations hereunder. You agree that all such claims will, if not otherwise resolved by us, be submitted to arbitration as provided in Article 19.12.
- 19.11 RIGHTS OF PARTIES ARE CUMULATIVE.** Our and your rights hereunder are cumulative, and no exercise or enforcement by us or you of any right or remedy hereunder will preclude our or your exercise or enforcement of any other right or remedy hereunder which we or you are entitled by law to enforce.
- 19.12 DISPUTE RESOLUTION.**
- (1) Mediation. Except as provided in Article 19.12.3, prior to filing any demand for arbitration, the parties agree to mediate any dispute, controversy or claim between and among the parties and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your Business, any loan or other finance arrangement between us or our affiliates and you, the parties' relationship, your Business, or any System Standard in accordance with the following procedures:

- (a) The party seeking mediation must commence mediation by sending the other party, in accordance with Article 20, a written notice of its request for mediation headed "Notification of Dispute." The Notification of Dispute will specify, to the fullest extent possible, the party's version of the facts surrounding the dispute; the amount of damages and the nature of any injunctive or other relief such party claims. The party (or parties as the case may be) receiving a Notification of Dispute will respond within twenty (20) days after receipt thereof, in accordance with Article 20, stating its version of the facts and, if applicable, its position as to damages sought by the party initiating the dispute procedure; provided, however, that if the dispute has been the subject of a default notice given under Article 15 of this Agreement, the other party will respond within ten (10) business days.
 - (b) Upon receipt of a Notification of Dispute and response under Article 19.12.1, the parties will endeavor, in good faith, to resolve the dispute outlined in the Notification of Dispute and response. If the parties have been unable to resolve a dispute outlined in a Notification of Dispute or a response thereto within twenty (20) days after receipt of the response, either party may initiate a mediation procedure with the American Arbitration Association ("AAA"), pursuant to its Commercial Mediation Procedures. The parties must jointly select and share equally in the payment of a mediator.
 - (c) All mediation sessions will occur in Portsmouth, New Hampshire (or in the city of our then-current headquarters, if our headquarters are no longer in New Hampshire), and must be attended by your Responsible Owner (and any other persons with authority to settle the dispute on your behalf) and our representative(s) who is/are authorized to settle the dispute. The parties may be represented by counsel at the mediation. The parties agree to participate in the mediation proceedings in good faith and with the intention of resolving the dispute if at all possible within thirty (30) days of the notice from the party seeking to initiate the mediation procedures. If the dispute is not resolved within thirty (30) days, any party may initiate an arbitration pursuant to Article 19.12.2. In addition, if the party receiving notice of mediation has not responded within five (5) days of delivery of the notice or a party fails to participate in the mediation, this Article 19.12.1 will no longer be applicable and the other party can pursue arbitration. Each party must pay its own fees and expenses incurred in connection with the mediation. The mediation proceeding and any negotiations and results thereof will be treated as a compromise settlement negotiation and the entire process is confidential, except as otherwise expressly provided by applicable law. At least five (5) days prior to the initial mediation session, each party must deliver a written statement of positions.
- (2) Arbitration. Except as provided in Article 19.12.3, any dispute, controversy or claim between you and us and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your Business, any loan or other finance arrangement between us or our affiliates and you, the parties' relationship, your Business, or any System Standard or the scope of validity of the arbitration obligation under this Article not resolved by mediation must be submitted to binding arbitration in accordance with the Federal Arbitration Act. The arbitration will be administered by the AAA pursuant to its Commercial Arbitration Rules then in effect by one arbitrator.
- (a) In connection with any arbitration proceeding, each party will submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred.

- (b) Any arbitration must be on an individual basis only as to a single franchisee (and not as or through an association) and the parties and the arbitrator will have no authority or power to proceed with any claim on a class-wide basis or otherwise to join or consolidate any claim with any claim or any other proceeding involving third parties or any other franchisee. If a court or arbitrator determines that this limitation on joinder of or class-wide claims is unenforceable, then the agreement to arbitrate the dispute will be null and void and the parties must submit all claims to the jurisdiction of the courts, in accordance with Article 19.14.
 - (c) The arbitration must take place in Portsmouth, New Hampshire (or in the city of our then-current headquarters, if our headquarters are no longer in New Hampshire).
 - (d) The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. The arbitrator may not under any circumstance (a) stay the effectiveness of any pending termination of this Agreement, (b) assess punitive or exemplary damages, (c) certify a class or a consolidated action, or (d) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. The arbitrator will decide any factual, procedural, or legal questions relating in any way to the dispute between the parties, including, but not limited to: any decision as to whether Article 19.14 is applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.
 - (e) Other than as may be required by law, the entire arbitration proceedings (including, but not limited to, any rulings, decisions or orders of the arbitrator), will remain confidential and will not be disclosed to anyone other than the parties to this Agreement.
 - (f) We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek recovery of those costs in accordance with Article 19.9 or 19.12.4.
- (3) Injunctive Relief/No Waiver of Arbitration. Notwithstanding Articles 19.1 and 19.2 of this Agreement, either party shall have the right to request injunctive relief (without any requirement to post a bond) from any court of competent jurisdiction, including, without limitation, application for judicial relief to protect against trademark infringement, unauthorized use of trademark, loss of possession of real or personal property, violations of non-competition or confidentiality obligations, termination of this Agreement, or to maintain the efficacy of an ongoing arbitration, and that such request shall not constitute a waiver of the moving party's right to demand arbitration of any dispute pursuant to Article 19.12.2 and its subparts.
- (4) Costs and Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed.
- (5) Survival. The provisions of this Article 19.12 are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

- (6) Tolling of Statute of Limitations. All applicable statutes of limitation and defenses based on the passage of time are tolled while the dispute resolution procedures in this Article 19.12 are pending. The parties will take such action, if any, required to effectuate such tolling.
- (7) Performance to Continue. Each party must continue to perform its obligations under this Agreement pending final resolution of any dispute pursuant to this Article 19.12, unless to do so would be impossible or impracticable under the circumstances.

19.13 GOVERNING LAW. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 *et. seq.*). Except to the extent governed by the Federal Arbitration Act as required hereby, the UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *et seq.*) or other federal law, this Agreement, the franchise and all claims arising from the relationship between us and you will be governed by the laws of New Hampshire, without regard to its conflict of laws principles, except that any law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless jurisdictional requirements are met independently without reference to this Article.

19.14 CONSENT TO JURISDICTION. Subject to Article 19.12., you and your Owners agree that we may institute any action against you or your Owners in any state or federal court of general jurisdiction in New Hampshire and you (and each Owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts.

19.15 WAIVER OF PUNITIVE DAMAGES, JURY TRIAL AND CLASS ACTIONS. EXCEPT WITH RESPECT TO YOUR OBLIGATION TO INDEMNIFY US PURSUANT TO ARTICLES 18.4 AND 18.5 AND CLAIMS WE BRING AGAINST YOU FOR YOUR UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, WE AND YOU AND YOUR RESPECTIVE OWNERS WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US. THIS WAIVER IS EFFECTIVE EVEN IF A COURT OF COMPETENT JURISDICTION DECIDES THAT THE ARBITRATION PROVISION IN THIS ARTICLE 19 IS UNENFORCEABLE. WE EACH WAIVE TO THE FULLEST EXTENT POSSIBLE UNDER THE LAW OUR RESPECTIVE RIGHTS TO BRING AGAINST THE OTHER OR ANY AFFILIATE OR THE OTHER ANY CLAIMS DENOMINATED AS A CLASS ACTION, CONSOLIDATED ACTION, OR JOINT ACTION, WHETHER OR NOT PERMITTED UNDER APPLICABLE COURT RULES. EACH PARTY ACKNOWLEDGES THAT IT HAS HAD A FULL OPPORTUNITY TO CONSULT WITH COUNSEL CONCERNING THIS WAIVER, AND THAT THIS WAIVER IS INFORMED, VOLUNTARY, INTENTIONAL, AND NOT THE RESULT OF UNEQUAL BARGAINING POWER.

19.16 BINDING EFFECT. This agreement is binding upon us and you and our respective executors, administrators, heirs, beneficiaries, assigns and successors in interest and may not be modified except by written agreement signed by you and us.

19.17 LIMITATIONS OF CLAIMS. Except for claims arising from your nonpayment or underpayment of amounts you owe us pursuant to this Agreement, or claims related to your unauthorized use of the Marks, any and all claims arising out of or relating to this Agreement or our relationship with you will be barred unless a judicial proceeding is commenced within one (1) year from the date on

which the party asserting such claim knew or should have known of the facts giving rise to such claims.

- 19.18 CONSTRUCTION.** The preambles and exhibits are a part of this Agreement which, together with the Operations Manual and our other written policies, constitute our and your entire agreement except as provided below, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement, except that you acknowledge that we justifiably have relied on your representations made prior to the execution of this Agreement as set forth in Article 1 hereof. Except as contemplated by the provisions of Article 19.12., nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto.
- 19.19 WITHHOLD APPROVAL.** Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed or effected actions that require our approval.
- 19.20 HEADINGS.** The headings of the several Articles hereof are for convenience only and do not define, limit or construe the contents of such Articles.
- 19.21 JOINT AND SEVERAL OWNERS' LIABILITY.** If two (2) or more persons are at any time the owner of the BUSINESS hereunder, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to "owner" mean any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in you (or a transferee of this Agreement and the BUSINESS or an interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise or the BUSINESS and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets thereof. References to a "controlling interest" in you mean thirty three and one-third (33.33%) percent or more of your voting shares or other voting rights if you are a corporation, limited liability company or partnership owned by three (3) or more persons; otherwise, fifty (50%) percent or more of your voting shares or other voting rights will constitute a "controlling interest." "Person" means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative or other legal or functional entity.
- 19.22 ANTI-TERRORISM LAWS.** You acknowledge that it is our intent to comply with all anti-terrorism laws enacted by the U.S. Government, including but not limited to the USA PATRIOT ACT or Executive Order 13324. You acknowledge that you are not now, nor have you ever been, a suspected terrorist or otherwise associated directly or indirectly with terrorist activity. At any time during the Term of this Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the U.S. Government, then this Agreement may be terminated immediately.
- 19.23 RIGHT TO INFORMATION.** You consent to us obtaining, using and disclosing to third parties (including, without limitation, financial institutions, legal and financial advisors, and prospective franchisees), for any purpose we specify or as may be required by law, all financial and other information (including, without limitation, membership data and customer lists) contained in or resulting from information, data, materials, statements and reports related, directly or indirectly, to the BUSINESS.
- 19.24 MULTIPLE COPIES AND ELECTRONIC RECORDS.** This Agreement may be executed in multiple copies, each of which will be deemed an original, and all of which when taken together shall constitute one and the same document. You expressly consent and agree that we may provide and maintain all disclosures, agreements, amendments, notices, and all other evidence of transactions between us and you in electronic form. You expressly agree that electronic copies of this Agreement and related agreements between us and you are valid. You also expressly agree not

to contest the validity of the originals or copies of this Agreement and related agreements, absent proof of altered data or tampering. You also expressly agree to execution of this Agreement and related agreements by electronic means and that such execution shall be legally binding and enforceable as an “electronic signature” and the legal equivalent of your handwritten signature.

19.25 ENTIRE AGREEMENT BETWEEN THE PARTIES. This Agreement together with any exhibits, addenda and appendices hereto constitute the sole agreement between you and us with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to your BUSINESS authorized hereunder. There are no representations or warranties of any kind, express or implied, except as contained herein or in the FDD provided to you in connection with this Agreement. Except to the extent we have negotiated changes to this Agreement that differ from the FDD, nothing in this Agreement is intended to disclaim representations that were provided to you in the FDD.

19.26 AREA DEVELOPMENT AGREEMENT ADDENDUM. This Article 19.26 is only applicable if you or your affiliate have entered into an ADA with us, as referenced in Appendix F hereto, if applicable. The ADA entered into with us contains certain negotiated provisions which are intended to apply to, and modify, future franchise agreements entered into between the parties. These negotiated provisions are set forth in Appendix F. Therefore, notwithstanding anything to the contrary set forth in this Agreement, to the extent any provision in Appendix F contradicts any provision in this Agreement, or is in addition to any provision of this Agreement, Appendix F shall control to the extent of such inconsistency or addition. Both we and you acknowledge and agree that Appendix F has been added at the request and for the convenience and benefit of all parties and with advice from their counsel. Accordingly, both we and you agree to work in good faith to resolve any disputes regarding the application or intent of Appendix F. Should a dispute arise as to the application or intent of Appendix F to this Agreement, the parties agree to resolve any such dispute pursuant to the dispute resolution procedures set forth in this Agreement.

20. NOTICES AND PAYMENTS.

20.1 NOTICES. All written notices and reports permitted or required to be delivered by the provisions of this Agreement or the Operations Manual to us must be addressed to the General Counsel at the most current principal business address of which you have been notified. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior thereto) will be deemed delinquent. All written notices and reports permitted or required to be delivered by the provisions of this Agreement to you shall be addressed to your Responsible Owner or Approved Operator at your most current principal business address of which we have been notified, or the mailing address listed for your Responsible Owner or Approved Operator as listed on Appendix A. Such notices or reports will be deemed so delivered:

- (1) at the time delivered by hand;
- (2) one (1) business day after transmission by telecopy, facsimile or other electronic system, provided there is evidence of delivery and notice is also promptly provided pursuant to the methods set forth in subsections (1), (3), or (4);
- (3) one (1) business day after being placed in the hands of a commercial courier service for next business day delivery, provided there is evidence of delivery; or
- (4) five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

20.2 **PAYMENTS.** All payments required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered as provided in Article 20.1. above, and will be deemed delivered by EFT or bank-wire transfer upon telephone or electronic confirmation with the receiving bank.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the Effective Date.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

PLANET FITNESS FRANCHISING LLC

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

EFFECTIVE DATE: _____

EACH OF THE UNDERSIGNED PARTIES WARRANTS AND REPRESENTS THAT SUCH PARTY HAS NOT RELIED UPON ANY GUARANTEES CONCERNING REVENUE, PROFIT OR THE SUCCESS OF THIS FRANCHISE IN SO SIGNING.

[OWNER ENTITY]

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

FRANCHISEE ACKNOWLEDGES AND AGREES THAT IT (1) HAS SPECIFICALLY REVIEWED THE COMPLETED VERSION OF APPENDICES A (OWNERSHIP ADDENDUM), D (SILENT INVESTORS), AND F (AREA DEVELOPMENT AGREEMENT ADDENDUM), (2) IS BOUND THEREBY, AND (3) IS BEST POSITIONED, BETWEEN THE PARTIES, TO VERIFY THE ACCURACY OF THE INFORMATION PROVIDED AND CONTAINED THEREIN. AS SUCH, WE ARE ENTITLED TO RELY ON SUCH INFORMATION. FRANCHISEE REPRESENTS AND WARRANTS THAT ALL SUCH INFORMATION IS TRUE, CORRECT AND COMPLETE AS OF THE DATE OF FRANCHISEE'S EXECUTION OF THIS AGREEMENT, PROVIDED, HOWEVER, THAT AN IMMATERIAL INACCURACY IN SUCH INFORMATION SHALL NOT BE A DEFAULT UNDER THIS AGREEMENT.

[OWNER ENTITY]

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

**APPENDIX A
TO THE FRANCHISE AGREEMENT
OWNERSHIP ADDENDUM**

1. **RESPONSIBLE OWNER.** The name, address, and e-mail address of the Responsible Owner is as follows: _____.

2. **APPROVED OPERATOR.** The name, address, and e-mail address of the Approved Operator is as follows: _____.

3. **ENTITY DETAILS.**

Franchisee was organized as a _____ on _____, under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. Its principal business address is _____.

<u>Name of Each Director/Officer/Partner/Manager/Managing Member</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____

4. **OWNERS.**

(a) Franchisee and each of its Owners represent and warrant that the following is a complete and accurate list of all Owners of any direct or indirect ownership interest whatsoever in Franchisee, including the full name, email address, and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Franchisee. Franchisee and each Owner as to such Owner's ownership interest, represents and warrants that each Owner is the sole and exclusive legal and beneficial owner of such Owner's ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

<u>Owner's Name and Contact Information</u>	<u>Percentage and Nature of Ownership Interest</u>
_____	_____
_____	_____
_____	_____

(b) **Ownership Group.** If this Franchise Agreement is executed pursuant to an ADA, you represent and warrant that the following Owner or group of Owners have, directly or indirectly, 51% or more ownership interests and voting rights in you and constitutes your Ownership Group as described in Article 2.4 of the Franchise Agreement.

Owner's Name	Percentage and Nature of Ownership Interest	Voting Interest (%)

**APPENDIX B-1
TO FRANCHISE AGREEMENT**

**OWNERS' PERSONAL GUARANTY OF
FRANCHISEE'S OBLIGATIONS ("Guaranty")**

In consideration of, and as an inducement to, the execution of the Planet Fitness Franchising LLC Franchise Agreement dated as of the Effective Date, (the "Agreement") by and between the Planet Fitness Franchising LLC ("Franchisor"), and _____ ("Franchisee") each of the undersigned Owners hereby personally and unconditionally: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement (and any amendments) and that each and every representation of Franchisee made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by, and personally liable for the breach of, each and every provision in the Agreement (and any amendments), including, without limitation, the confidentiality obligations and non-competition covenants in Articles 8 and 16 of the Agreement, respectively.

Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) notice of any amendment to the agreement; and (f) any and all other notices and legal or equitable defenses to which the undersigned may be entitled.

Each of the undersigned consents and agrees that: (i) the undersigned's direct and immediate liability under this guaranty shall be joint and several; (ii) the undersigned shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses to do so punctually; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) such liability shall not be diminished, relieved or otherwise effected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable until satisfied in full.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of the Guaranty will inure to the benefit of our successors and assigns.

This Guaranty shall be governed by the governing law provisions set forth in Article 19.13 of the Agreement and all disputes related to it shall be resolved in accordance with the dispute resolution provisions set forth in Articles 19.12, 19.14, 19.15, and 19.17 of the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed the undersigned's signature, under seal, as of the Effective Date of the Agreement.

GUARANTOR(S)

(Signature)

(Print Name)

(Signature)

(Print Name)

APPENDIX B-2
TO FRANCHISE AGREEMENT

**AFFILIATE GUARANTY OF
FRANCHISEE'S OBLIGATIONS ("AFFILIATE GUARANTY")**

In consideration of, and as an inducement to, the execution of the Planet Fitness Franchising LLC Franchise Agreement dated as of the Effective Date, (the "Agreement") by and between the Planet Fitness Franchising LLC ("Franchisor"), and _____ ("Franchisee") the undersigned affiliate(s) of Franchisee hereby unconditionally: (1) guarantee to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant of the Franchisee set forth in the Agreement (and any amendments) and that each and every representation of Franchisee made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agree to be bound by, and liable for the breach of, each and every provision in the Agreement (and any amendments) binding on the Franchisee.

The undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) notice of any amendment to the agreement; and (f) any and all other notices and legal or equitable defenses to which it may be entitled.

The undersigned consents and agrees that: (i) its direct and immediate liability under this guaranty shall be joint and several; (ii) it shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses to do so punctually; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) such liability shall not be diminished, relieved or otherwise effected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable until satisfied in full.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of the Affiliate Guaranty will inure to the benefit of our successors and assigns.

This Affiliate Guaranty shall be governed by the governing law provisions set forth in Article 19.13 of the Agreement and all disputes related to it shall be resolved in accordance with the dispute resolution provisions set forth in Articles 19.12, 19.14, 19.15, and 19.17 of the Agreement.

The undersigned represents and warrants that it is duly formed and in good standing in the jurisdiction in which it is organized; and shall promptly provide to Franchisor its organizational documents, shall, upon request by Franchisor, provide its balance sheet and statement of income on an annual basis by March 30 of each year; and shall promptly provide to Franchisor any information regarding any transfers of interest or sale of substantial assets in the undersigned. In the event of a transfer of control of the undersigned or impairment of the financial capacity of the undersigned to act as a guarantor hereunder, in Franchisor's reasonable judgment, Franchisor shall have the right to require a personal guaranty from Franchisee's Owners in substantially the same form as in this Guaranty.

No default or failure to comply with the terms of this Affiliate Guaranty shall constitute a default of any other franchise agreement that the undersigned may have with Franchisor.

IN WITNESS WHEREOF, the undersigned has hereunto affixed its signature, under seal, as of the Effective Date of the Agreement.

[AFFILIATE ENTITY]

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

APPENDIX C
TO FRANCHISE AGREEMENT

**PERSONAL COVENANTS REGARDING
CONFIDENTIALITY AND NON-COMPETITION
(OWNER(S) AND OPERATOR)**

In conjunction with your role in _____ (“Franchisee”), you acknowledge and agree as follows:

1. Franchisee owns and operates, or is developing, a **PLANET FITNESS** business located or to be located at _____ (the “Location”) pursuant to a franchise agreement (“Franchise Agreement”) with Planet Fitness Franchising LLC, which Franchise Agreement requires Responsible Owner, Approved Operator and persons with legal or beneficial ownership interests in Franchisee under certain circumstances to be personally bound by the confidentiality and noncompetition covenants contained in the Franchise Agreement. All capitalized terms contained herein shall have the same meaning set forth in the Franchise Agreement.
2. You own or intend to own a legal or beneficial ownership interest in Franchisee, or you have been designated an Approved Operator (as defined by the Franchise Agreement) of Franchisee, and acknowledge and agree that your execution of this Personal Covenants Regarding Confidentiality and Non-Competition Agreement (“Agreement”) is a condition to such ownership interest or such designation, as applicable, and that you have received good and valuable consideration for executing this Agreement. We may enforce this Agreement directly against you and Your Owners (as defined below).
3. If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Your Owners”) must also execute this Agreement.
4. You and Your Owners, if any, may gain access to parts of our Confidential Information as a result of investing in Franchisee. The Confidential Information is proprietary and includes our trade secrets. Any Confidential Information you receive shall be subject to the provisions of the Franchise Agreement and any other limitations that we may impose in writing from time-to-time, and You and Your owners agree to abide by such limitations. You and Your Owners hereby agree that while you and they have a legal or beneficial ownership interest in Franchisee and thereafter you and they: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition) or in any manner not expressly authorized by us; (b) will exert best efforts to maintain the confidentiality of the Confidential Information; and (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form. If you or Your Owners cease to have an interest in Franchisee, you and Your Owners, if any, must deliver to us any such Confidential Information in your or their possession.
5. You specifically acknowledge that you will receive valuable, specialized training, Confidential Information (as defined in Article 8.1 of the Franchise Agreement), and other proprietary and specialized information and knowledge that provide a valuable, competitive advantage in operating a men’s, women’s, children’s, or co-ed fitness, exercise, athletic or wellness facility of any kind. You further acknowledge that we would be unable to protect the Confidential Information against unauthorized use or disclosure or to encourage the free exchange of ideas and information among our franchisees if you were permitted to hold interests in or perform services for a Competitive Business (as defined in Article 1.4 of the Franchise Agreement), and we have granted you the Franchisee certain rights under the Franchise Agreement in consideration of, and in reliance upon, your agreement to deal exclusively with us. You therefore covenant that during the Term of the Franchise Agreement (except as otherwise approved in writing by us), you, Your Owners, and you and their Immediate Families shall not, either directly, indirectly or through, on behalf of, or in conjunction with any person or legal entity:
 - (a) Divert or attempt to divert any present or prospective business or customer of any PLANET FITNESS business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System;

- (b) Recruit, employ or seek to employ any person who is at that time, or has been within the past six (6) months, employed by us or one of our affiliates, or otherwise directly or indirectly induce such person to leave his or her employment; or
 - (c) Own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business.
- 6. You covenant that, except as otherwise approved in writing by us, you and Your Owners shall not, for a continuous, uninterrupted period of two (2) years commencing upon the date of (a) a transfer permitted under Article 13 of the Franchise Agreement, (b) expiration of the Franchise Agreement, without your acquisition of a successor franchise, (c) termination of the Franchise Agreement (regardless of the cause for termination), or (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Paragraph, either directly or indirectly, for yourself or your Immediate Family, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business that is, or is intended to be, located (a) at the Location of the PLANET FITNESS business, (b) within fifteen (15) miles of the Location, or (c) within fifteen (15) miles of any PLANET FITNESS business in operation or under construction as of the date that you are required to comply with this Paragraph 6. You agree and acknowledge that the two (2) year period of this restriction shall be tolled during any time period in which you are in violation of this restriction.
- 7. You and each of Your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Articles 5 and 6 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy. We may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You and each of Your Owners acknowledges that any violation of Articles 4, 5 or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If we file a claim to enforce this Agreement and prevail in such proceeding, you agree to reimburse us for all its costs and expenses, including reasonable attorneys' fees.

[Remainder of page intentionally blank, signature page follows]

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed the undersigned's signature, under seal, as of the Effective Date of the Franchise Agreement.

RESPONSIBLE OWNER:

Insert Name, Individually
Dated: _____

APPROVED OPERATOR:

Insert Name, Individually
Dated: _____

OTHER INDIVIDUAL OWNER(S):

Insert Name, Individually
Dated: _____

Insert Name, Individually
Dated: _____

Insert Name, Individually
Dated: _____

Insert Name, Individually
Dated: _____

Insert Name, Individually
Dated: _____

Insert Name, Individually
Dated: _____

**APPENDIX D
TO FRANCHISE AGREEMENT**

SILENT INVESTORS

Franchisee owns and operates, or is developing, a PLANET FITNESS business pursuant to the Franchise Agreement. Capitalized terms not defined herein have the meanings set forth in the Franchise Agreement. Franchisee and its Owners each acknowledge and agree as follows:

1. Silent Investor. As used in the Franchise Agreement and herein, the term “Silent Investor” means and refers to the following individuals and/or entities:

<u>Silent Investor Name and Address</u>	<u>Percentage Ownership Interest</u>
Silent Investor: _____ Address: _____	_____ %

2. Additional Silent Investors/Franchisor Approval. The addition of Silent Investors, as well as the equity interest of each such Silent Investor, is subject to the Franchisor’s prior written approval. Specifically, Franchisee Parties may not add any new Silent Investor unless such person or entity, and any other person or entity that directly or indirectly controls such person or entity, first satisfies, to Franchisor’s satisfaction, Franchisor’s then-current character and financial requirements applicable to all **PLANET FITNESS** franchisees at the time including, without limitation, the completion of a satisfactory background check and credit check conducted by (or on behalf of) Franchisor. Franchisee and Responsible Owner (“Franchisee Parties”) must notify Franchisor within seven (7) calendar days of the date that any Silent Investor ceases having an ownership interest in Franchisee.
3. Silent Investor Prohibitions. Franchisee Parties each agree that no Silent Investor will:
 - A. Undertake or exercise an active role in the management or operation of the BUSINESS;
 - B. Have or otherwise acquire access to Confidential Information or other operating information, including information set forth in the Operations Manual (and/or any component thereof); or
 - C. Disclose his/her/its ownership interest in the BUSINESS to any third party, except for professional advisors that need to know or as required by law.
4. Covenants of Franchisee Parties. Franchisee Parties each covenant that they will not give, provide, disseminate, create access to, or otherwise release any of the following to any Silent Investor: Confidential Information, operating information other than financial statements, marketing techniques or materials that are similar to those used under or in connection with the **PLANET FITNESS** Methods of Operations, member rate structures similar to those used under or in connection with the **PLANET FITNESS** Methods of Operations, any of Franchisor’s procedures or systems and any other information that we designate as proprietary or confidential. Franchisee Parties further acknowledge, understand and agree that if a Silent Investor learns Confidential Information or other operating information at any time during or after the term of the Franchise Agreement, Franchisee Parties will be presumed to have disclosed such Confidential Information or other operating information to the Silent Investor(s).
5. Representation and Warranty. Franchisee Parties expressly represent and warrant to Franchisor that the individuals and/or entities identified in Article 1 above constitute all Silent Investors as of the Effective Date, and that no different or additional Silent Investors will acquire or otherwise obtain an interest in Franchisee absent compliance with the conditions described in Article 2 above.
6. Liability for Damages. If any or all of the Franchisee Parties violate the confidentiality or non-competition provisions of the Franchise Agreement and/or Article 4 (above), the Franchisee Parties will be jointly and severally liable for any such breach, including, to the fullest extent possible, all damages and costs resulting

from Franchisor's enforcement or attempted enforcement against any or all Franchisee Parties of any provision of this Appendix or the Franchise Agreement.

7. Cross Default. For the avoidance of doubt, any breach or default under this Appendix D (including, without limitation, Article 4 above) will be deemed an incurable default under the Franchise Agreement. Franchisee Parties acknowledge that a violation of Articles 3 and/or 4 of this Appendix would result in irreparable injury for which no adequate remedy at law may be available. If Franchisor files a claim to enforce the terms of this Appendix D and prevails in such proceeding, Franchisee Parties agree to reimburse Franchisor for all its costs and expenses, including reasonable attorneys' fees.

APPENDIX E
TO FRANCHISE AGREEMENT

LEASE PROVISIONS

1. Landlord shall deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee. Notice shall be sent to Franchisor at 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842, Attn: General Counsel, or such other address as Franchisor shall specify by written notice to Landlord.
2. Franchisee hereby assigns to Franchisor or its affiliate, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interest to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without renewal; and (b) Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.
3. Franchisor or its affiliate shall have the right, but not the obligation, upon giving written notice of its election to Franchisee and Landlord, to cure any breach of the Lease and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder.
4. The Lease may not be amended, renewed, extended, assigned, or materially modified in any manner that will affect Franchisor's rights, without Franchisor's prior written consent.
5. Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Article 2 or 3 above.
6. If Franchisor or its affiliate assumes the lease as provided for in Articles 2 or 3 above, Landlord and Franchisee agree that (i) Franchisee will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption, and (ii) Franchisor or its affiliate will have the right to sublease the Premises to another franchisee, provided the franchisee agrees to operate the Location as a PLANET FITNESS business pursuant to a Franchise Agreement with Franchisor. Franchisor or its affiliate will be responsible for the lease obligations incurred after the effective date of the assignment.
7. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Location for certain purposes. Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its employees or agents. Landlord and Franchisee hereby further acknowledge that in the event the Franchise Agreement or the Lease expires (without renewal) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the location as a PLANET FITNESS business. Landlord agrees to permit Franchisor, its employees or agents, to enter the Location and remove signs, decor and materials displaying any marks, designs or logos owned by Franchisor, provided Franchisor shall bear the expense of repairing any damage to the Location as a result thereof.
8. Landlord agrees to allow Franchisee to remodel, equip, paint and decorate the interior and exterior of the Location pursuant to the terms of the Lease, the Franchise Agreement and any successor Franchise Agreement under which Franchisee may operate the Business at the Location. Subject to applicable law, Landlord agrees to provide Tenant the opportunity to conduct a physical presale at the Location subsequent to Landlord delivering possession of the Location to Franchisee and prior to the opening of the Business.
9. Landlord agrees to allow Franchisee to use ultraviolet tanning devices, massage chairs and similar devices, operate twenty four (24) hours per day and seven (7) days per week and serve food and beverages to its members.
10. Franchisor is a third party beneficiary under this Addendum.
11. References to the Lease and the Franchise Agreement include all amendments, addenda, extensions and renewals to such documents. In the event the terms of the Lease conflict with the terms of this Appendix, this Appendix shall control.
12. References to the Landlord, Franchisee and Franchisor include the successors and assigns of each of the parties.

APPENDIX F
TO FRANCHISE AGREEMENT

AREA DEVELOPMENT AGREEMENT ADDENDUM

Area Developer: _____

Effective Date: _____

ADA-Specific Provisions: In reference to the Area Development Agreement entered into by and between _____ (“Area Developer” or “you”) and Planet Fitness Franchising LLC (“Franchisor,” “we,” or “us”) effective _____, pursuant to Article 19.26 of the Franchise Agreement, the provisions set forth below shall control.

**ACKNOWLEDGMENT ADDENDUM TO
THE PLANET FITNESS® FRANCHISE AGREEMENT**

As you know, you and we are entering into a Franchise Agreement for the operation of a PLANET FITNESS® franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations*:

1. Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least (a) fourteen (14) calendar days prior to signing the Franchise Agreement, or (b) if you are a resident of Iowa, New York, Oklahoma or Rhode Island, at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or payment of any consideration, or (c) if you are a resident of Michigan, Oregon, or Wisconsin, at the earlier of ten (10) business days before the execution of any binding agreement or payment of any consideration? Check one: Yes. No.

2. Have you studied and reviewed carefully our Disclosure Document and Franchise Agreement? Check one: Yes. No.

3. Is the name, address and phone number of any broker and each of our employees or representatives who was involved in offering you this franchise listed on the Disclosure Document receipt you signed (or on any updated receipt we provided to you)? Check one: Yes. No.

4. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise, meaning that any prior oral or written statements not included in the Franchise Agreement or our Disclosure Document will not be binding? Check one: Yes. No.

5. Do you understand that the success or failure of your business will depend in large part on your skills and experience, your business acumen, your location, the local market for products, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Check one: Yes. No.

6. Do you understand that that, unless there exists a currently effective Area Development Agreement between you and us, the franchise granted is for the right to operate a single PLANET FITNESS® fitness facility at the authorized location only and includes no exclusive area or protected territory, and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, near your authorized location? Check one: Yes. No.

7. Do you understand that you will be bound by the non-compete covenants (both in-term and post-term) listed in Article 16 and that an injunction is an appropriate remedy to protect the interests of the PLANET FITNESS® system if you violate the covenant(s)? Further, do you understand that the term “you” for purposes of the non-compete covenants is defined broadly in Article 16, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement? Check one: Yes. No.

8. Do you understand that any changes to the current economic and financial situation could have a negative impact on the fitness industry, the PLANET FITNESS® franchise system and your business? Do you also understand that the economic situation may worsen? Check one: Yes. No.

If you answered “No” to questions 1-8, please explain (attached additional sheets if necessary): _____

9. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: Yes. No.

10. Except as stated in Item 19 of our Disclosure Document, was any oral, written or visual claim or representation made to you which stated, suggested, predicted or projected your sales, income or profit levels? Check one: Yes. No.

11. Except as stated in Item 19 of our Disclosure Document, did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to or different from the information in the Disclosure Document? Check one: Yes. No.

If you answered “Yes” to questions 9-11, please explain in detail the claim, representation or statement (attached additional sheets if necessary): _____

12. You further acknowledge that we have advised you to seek franchise counsel to review and evaluate this Agreement. Yes. No.

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, SUCH ENTITY IS “YOU” FOR PURPOSES OF THIS ADDENDUM, AND THE RESPONSIBLE OWNER OF SUCH ENTITY MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed: _____

Print Name: _____

Date: _____

*Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law, to the extent applicable. In addition, except to the extent we have negotiated changes to the Franchise Agreement and/or Area Development Agreement that differ from the FDD, nothing in this Acknowledgement Addendum or in any related agreement is intended to disclaim representations made in Planet Fitness Franchising LLC’s current FDD that was provided to you.

PLANET FITNESS®
EXHIBIT “D”
TO THE DISCLOSURE DOCUMENT
ACQUISITION AMENDMENT
TO PLANET FITNESS FRANCHISE AGREEMENT

**ACQUISITION AMENDMENT TO PLANET FITNESS
FRANCHISE AGREEMENT**

This Acquisition Amendment (the "Amendment") to the **PLANET FITNESS** Franchise Agreement is made and entered into as of the Effective Date (as set forth on the signature page hereto) by and between Planet Fitness Franchising LLC, a Delaware limited liability company, with a principal business address of 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842 (referred to in this Amendment as "we," "us" or "our"), and the Franchisee set forth on the signature page hereto (referred to in this Amendment as "you" or "your").

BACKGROUND

WHEREAS, we previously entered into a Franchise Agreement with _____ ("Seller") effective _____ (the "Initial Franchise Agreement") pursuant to which we and Seller agreed to certain terms and conditions regarding the development and operation of a **PLANET FITNESS BUSINESS** located at _____ (the "BUSINESS");

WHEREAS, as of the Effective Date, Seller has transferred certain interests in the BUSINESS with our approval (the "Sale");

WHEREAS, as a condition of our approval, we and you are entering into a new franchise agreement (the "Acquisition Agreement") as of the Effective Date which shall govern the continuing operation of the BUSINESS following the Sale; and

WHEREAS, we and you desire to amend the terms of the Acquisition Agreement as set forth herein.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **CONDITIONS FOR GRANT OF FRANCHISE.** You agree to complete the requirements set forth in Attachment A to this Amendment (the "**Conditions for Grant of Franchise**"), and that such conditions are hereby appended to the Acquisition Agreement as Appendix G and incorporated into the Acquisition Agreement.
2. **PREAMBLES, ACKNOWLEDGMENTS AND REPRESENTATIONS.** In Article 1.4 of the Acquisition Agreement under the heading "**Certain Definitions**," the definitions "**Pre-Sale**", "**Pre-Sale/Grand Opening Marketing Expense**", "**Pre-Sale/Grand Opening Marketing Period**", and "**Pre-Sale/Grand Opening Marketing Plan**" are hereby deleted in their entirety.
3. **GRANT OF FRANCHISE.** In Article 3.1 of the Acquisition Agreement under the heading "**Grant of Franchise**," the second sentence is hereby deleted in its entirety and replaced with the following:

Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a franchise (the "Franchise") to operate a **PLANET FITNESS** business solely at the Location, as modified by Appendix G, if applicable, and a license to use the Marks and the System in the operation thereof, for a term commencing on the Effective Date and expiring on _____ ("Term"), unless sooner terminated in accordance with Article 15 hereof.

4. **LOCATION SELECTION, LEASE OR PURCHASE OF LOCATION AND LOCATION DEVELOPMENT.**
 - a. In Article 4.1 of the Acquisition Agreement under the heading "**Location Selection and Approval**," the first sentence is hereby deleted in its entirety.

- b. In Article 4.2 of the Acquisition Agreement under the heading “**Purchase or Lease of the Location,**” the first three sentences are hereby deleted in their entirety and replaced with the following:

You must have leased, subleased, or purchased the Location prior to signing this Agreement, unless otherwise set forth in Appendix G.

- c. In Article 4.4 of the Acquisition Agreement under the heading “**Location Development,**” the four sentences, beginning with “You must start construction of your BUSINESS within one hundred twenty (120) days...”, are hereby deleted in their entirety, and replaced with the following:

You must start remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G. You must employ a general contractor acceptable to us. You must procure all applicable construction insurance in amounts and coverage acceptable to us. You must complete remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G; provided, however, that if you demonstrate to us that you are working in good faith and earnestly toward this end, we may grant you an extension beyond the applicable timeframe described above.

- d. Article 4.7 of the Acquisition Agreement with the heading “**Start Up Inventory, Furniture, Fixtures, Software, Equipment and Supplies,**” including the heading is deleted in its entirety and replaced with the following:

4.7 INVENTORY, FURNITURE, FIXTURES, SOFTWARE, EQUIPMENT AND SUPPLIES. Prior to Seller’s commencement of operations under the Initial Franchise Agreement, we provided Seller with lists of the start-up inventory, furniture, fixtures, software, equipment and supplies that we require you to obtain prior to commencing operations under this Agreement. Seller established and you will continue to establish independent commercial relationships with our Approved Suppliers for specific items. You agree to establish independent commercial relationships with other suppliers for the goods and services for which we only provide specifications. Our list of Approved Suppliers and specifications for goods and services will be set forth in the Operations Manual or in other materials we give you from time to time.

- e. Article 4.8 of the Acquisition Agreement, with the heading “**Pre-Sale/Grand Opening Marketing,**” is hereby deleted in its entirety.

- f. Article 4.9 of the Acquisition Agreement, with the heading “**Membership Pre-Sale,**” is hereby deleted in its entirety.

- g. Article 4.10 of the Acquisition Agreement, with the heading “**Business Commencement,**” is hereby deleted in its entirety.

- h. Article 4.11 of the Acquisition Agreement with the heading “**Business Commencement Deadline,**” is deleted in its entirety and replaced with the following:

4.11 CONTINUANCE OF OPERATIONS. You shall continue BUSINESS operations after the execution of this Agreement, provided that:

- (1) we approve the BUSINESS as developed, remodeled, and/or reequipped in accordance with our specifications and standards and Appendix G;

- (2) initial or refresher training has been completed by you, your Responsible Owner, your Approved Operator, and/or your employees to our satisfaction as provided in Article 6.2;
 - (3) you have given us a copy of your current lease, sublease or purchase contract for the Location;
 - (4) any transfer fee and all other amounts then due to us have been paid;
 - (5) we have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept; and
 - (6) you have obtained all required permits, licenses and certifications for operating the BUSINESS, and the Location is in compliance with all laws, rules and regulations.
- i. Article 4.12 of the Acquisition Agreement with the heading “**Opening Assistance**,” is hereby deleted in its entirety.
5. **FEES.** Article 5.1 of the Acquisition Agreement with the heading “**Initial Franchise Fee**,” is hereby deleted in its entirety.
6. **TRAINING, ASSISTANCE, AND METHODS OF OPERATION.**
 - a. Article 6.1 of the Acquisition Agreement with the heading “**Training**,” is hereby deleted in its entirety and replaced with the following:

If you are a new franchisee, we will furnish initial training on the operation of a **PLANET FITNESS** business to you (or, if you are a corporation or partnership, your Responsible Owner), and up to two (2) additional Owners or managers you elect to enroll in the training program, that we approve. Initial training consists of a minimum of two (2) working days of training for you (or your Responsible Owner), and your Owners or managers to be furnished at our training location or at an operating **PLANET FITNESS** business. If we provide initial training, you (or your Responsible Owner), and your Owners or managers will be required to complete the initial training to our satisfaction. If you are an existing franchisee and you have previously completed our initial training program, you will not be required to attend the initial training program again; however, we may require that certain of your management-level employees and that any new general manager complete the initial training program. You also are required to participate in all other activities required to operate the BUSINESS. Although we will furnish any initial training to you (or your Responsible Owner), and up to two (2) additional Owners or managers at no additional fee or other charge, you will be responsible for all travel and living expenses and compensation which you (or your Responsible Owner) and your Owners or managers incur in connection with training. If we determine that you (or your Responsible Owner) are unable to complete initial training to our satisfaction, we have the right to terminate this Agreement pursuant to Article 15 hereof.

- b. In Article 6.2 of the Acquisition Agreement under the heading “**Refresher Training**,” the following language is hereby inserted at the end of the paragraph:

If we require refresher training and you (or your Responsible Owner) fail to complete additional required training to our satisfaction, we have the right to terminate this Agreement pursuant to Article 15.3 hereof.

7. **PLANET FITNESS METHODS OF OPERATION.**

- a. In Article 9.3 of the Acquisition Agreement under the heading “**Modification of Methods of Operation,**” the first sentence is hereby deleted in its entirety and replaced with the following:

We may periodically modify Methods of Operation, which may accommodate regional or local variations as we determine, and any such modifications may obligate you to invest additional capital in the BUSINESS in addition to any requirements set forth in Appendix G hereto (“Capital Modifications”), and/or incur higher operating costs; provided, however, that such modifications will not alter your fundamental status and rights under this Agreement.

- b. In Article 9.4 of the Acquisition Agreement under the heading “**Condition of Your Business,**” subsection (1) is hereby deleted in its entirety and replaced with the following:

- (1) We reserve the right to require you to replace and update at your BUSINESS: (a) all cardio equipment not more often than every five (5) years from the original equipment purchase date, in addition to the requirements set forth in Appendix G, as we determine, in our reasonable discretion, based on usage and brand standards, and (b) all other exercise equipment not more often than every seven (7) years from the original equipment purchase date, as we determine, in our reasonable discretion, based on usage and brand standards, and as further specified in the Operations Manual and as specifically required by Appendix G or otherwise in writing from time to time. You must also periodically, upgrade and/or remodel your BUSINESS premises pursuant to our plans and specifications, provided, however, that, with the exception of signage, we will not require substantial remodeling more often than every five (5) years except as otherwise set forth in Appendix G. We will advise you at least six (6) months prior to requiring any substantial remodeling or replacement of your exercise or other equipment. If we require you to substantially remodel or substantially replace your exercise or other equipment in the last two (2) years of the Term, and you comply with our requirements, we will not require a substantial remodel of those areas substantially remodeled to our standards and with our approval, or substantial replacement of equipment that has been replaced to our standards and with our approval as a requirement for a successor franchise agreement with you, as described in Article 14.1 hereof. For clarity, replacement or takedown of construction or other items that were in violation of our specifications and brand standards when installed is not considered a remodel. If you have upgraded your cardio equipment and all other equipment as required during the Term of this Agreement, we agree not to require replacement of equipment or substantial remodeling in the last two (2) years of this Agreement, if you have notified us that you do not intend to acquire a successor franchise. All equipment and signage that is replaced or otherwise taken out of service is subject to our then-current de-branding requirements.

8. **MARKETING.**

- a. In Article 10.5 of the Acquisition Agreement under the heading “**Local Advertising,**” the words “and the Pre-Sale/Grand Opening Marketing Expense” in the first sentence are deleted in their entirety.
- b. In Article 10.5 of the Acquisition Agreement under the heading “**Local Advertising,**” the fourth sentence, beginning “Notwithstanding the foregoing sentence, we reserve the right to require you...” is deleted in its entirety and the following language is inserted in its place:

Notwithstanding the foregoing sentence, we reserve the right to require you to spend the greater of Fifteen Thousand U.S. Dollars (\$15,000) or seven percent (7%) of the amount that is the total in that quarter of the total gross monthly membership fees for your BUSINESS that are due and payable to you each month, by or on behalf of your members through authorized EFT withdrawals for said quarter for the BUSINESSES during (a) your BUSINESSES' first year of operation and (b) if, in our reasonable business judgment, hyper-marketing for the BUSINESS is necessary due to market conditions (for example, competition or a relocation of the BUSINESS).

- c. In Article 10.6 of the Acquisition Agreement under the heading "**Advertising Cooperatives**," the third sentence is deleted in its entirety and replaced with the following:

If your BUSINESS is within the territory of an existing Cooperative, you agree to immediately become a member of the Cooperative.

9. **TRANSFER.**

- a. In Article 13.3 of the Acquisition Agreement under the heading "**Conditions for Approval of Transfer**," the following language is hereby inserted at the end of the first paragraph as new subsection 13.3(1)(j):

(j) you have completed all requirements set forth in Appendix G, to our satisfaction.

- b. In Article 13.3 of the Acquisition Agreement under the heading "**Conditions for Approval of Transfer**," the following language is hereby inserted at the end of the second paragraph as new subsection 13.3(2)(m):

(m) you have completed all requirements set forth in Appendix G, to our satisfaction.

10. **TERMINATION OF AGREEMENT.** In Article 15.3 of the Acquisition Agreement under the heading "**Termination upon Notice**," the following language is hereby as new subsection (26):

(26) fail to comply with the requirements set forth in Appendix G hereof and do not cure such failure within thirty (30) days following your receipt of written notice of such default.

11. **FEE REFERENCES.** In Article 18.3 under the heading "**Taxes**," the phrase "Initial Franchise Fee" is hereby deleted.

12. **DEFINED TERMS.** All defined terms are used herein as defined in the Acquisition Agreement, unless otherwise herein indicated. If there is any conflict between the Acquisition Agreement and this Amendment, this Amendment shall govern. Except as specifically amended herein, all of the other terms and conditions of the Franchise Agreement are hereby ratified and confirmed.

13. **ENTIRE AGREEMENT.** This Amendment, the Acquisition Agreement, and any other documents referred to herein constitute the complete understanding of the parties regarding the subject of this Amendment. Except for those specifically permitted to be made unilaterally by you or us hereunder, no amendment, change, or variance from this Amendment shall be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

[Signature Page Following]

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have executed and delivered this Amendment as of the Effective Date.

PLANET FITNESS FRANCHISING LLC

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

EFFECTIVE DATE: _____

[OWNER CORPORATION OR PARTNERSHIP]

A [STATE AND ENTITY TYPE]

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

Principal Business Address:

ATTACHMENT A

[This space intentionally left blank.]

APPENDIX G
CONDITIONS FOR GRANT OF FRANCHISE

You agree to fully comply with each of the conditions checked below as a condition of acquiring a franchise:

- Remodel Requirements:** You agree to complete, to our satisfaction and in accordance with the then-current **PLANET FITNESS** Operations Manual, within [INSERT TIME FRAME] from the Effective Date of this Agreement, the remodel requirements attached hereto (the “Remodel Requirements”), which are hereby incorporated by reference.

- Recommended Relocation Requirements:** You agree to work in good faith to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to require, in our sole discretion, that the premises be remodeled to our satisfaction within [INSERT TIME FRAME] from the Effective Date of this Agreement.

- Mandatory Relocation Requirements:** You agree to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to terminate the Agreement.

- Re-Equipment Requirements:** You agree to fully comply with the re-equipment requirements attached hereto (the “Re-Equipment Requirements”), which are hereby incorporated by reference, and you shall, within [thirty (30)] days from the Effective Date of this Agreement, purchase equipment that satisfies the requirements and obligations therein, as we determine, in our sole discretion, and as further specified in the Operations Manual. You further agree to place the equipment in your BUSINESS, as we determine, in our sole discretion, within [_____ ()] days from the Effective Date of this Agreement.

- Operations Requirements:** You agree to fully comply with the additional operations requirements attached hereto (the “Operations Requirements”), which are hereby incorporated by reference.

- Marketing Requirements:** You agree to fully comply with the additional marketing requirements attached hereto (the “Marketing Requirements”), which are hereby incorporated by reference.

FRANCHISEE:

(Name of corporation,
limited liability company or partnership)

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____

FRANCHISOR:

PLANET FITNESS FRANCHISING LLC
A Delaware Limited Liability Company

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

Date: _____

RE-EQUIPMENT REQUIREMENTS

You agree to purchase equipment for the **PLANET FITNESS** Business location listed below in accordance with the terms set forth below. You agree to either (i) pay for such orders in cash or immediately available funds at the time of order, or (ii) provide satisfactory proof of third party financing, determined in our reasonable discretion, in an amount no less than the minimum purchase order price set forth below. You further agree to dispose of all replaced equipment in accordance with our then current Methods of Operations. For the sake of clarity and notwithstanding the Re-Equipment Requirements outlined herein, you acknowledge that you must comply with the terms of the Acquisition Agreement at all times. Minimum purchase orders set forth below do not include delivery, placement, taxes and other ancillary costs.

[PFHQ to provide]

REMODEL REQUIREMENTS

You agree to complete the required work identified in the “Scope of Work” section (the “Required Work”) within [TIMEFRAME] from the Effective Date of this Agreement. For the avoidance of doubt, the amounts set forth below represent an estimate of the cost of the Required Work and the actual cost may be more or less than this amount. The Required Work must be completed in accordance with our **PLANET FITNESS** Operations Manual and ancillary documents.

[PFHQ to provide]

PLANET FITNESS®
EXHIBIT “E”
TO THE DISCLOSURE DOCUMENT
SUCCESSOR AMENDMENT
TO PLANET FITNESS FRANCHISE AGREEMENT

**SUCCESSOR AMENDMENT TO PLANET FITNESS
FRANCHISE AGREEMENT**

This Successor Amendment (the “Amendment”) to the **PLANET FITNESS** Franchise Agreement is made and entered into as of the Effective Date (as set forth on the signature page hereto) by and between Planet Fitness Franchising LLC, a Delaware limited liability company, with a principal business address of 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842 (referred to in this Amendment as “we,” “us” or “our”), and the Franchisee set forth on the signature page hereto (referred to in this Amendment as “you” or “your”).

BACKGROUND

WHEREAS, we and you entered into an initial franchise agreement effective _____ (the “Initial Franchise Agreement”) pursuant to which we and you agreed to certain terms and conditions regarding the development and operation of a **PLANET FITNESS BUSINESS** located at _____ (the “BUSINESS”);

WHEREAS, we and you are entering into a new franchise agreement (the “Successor Agreement”) as of the Effective Date which shall govern the continuing operation of the BUSINESS for a successor term; and

WHEREAS, we and you desire to amend the terms of the Successor Agreement as set forth herein.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **CONDITIONS FOR GRANT OF SUCCESSOR AGREEMENT.** You agree to complete the requirements set forth in Attachment A to this Amendment (the “**Conditions for Grant of Successor Agreement**”), and that such conditions are hereby appended to the Successor Agreement as Appendix G and incorporated into the Successor Agreement.
2. **CERTAIN DEFINITIONS.** In Article 1.4 of the Successor Agreement under the heading “**Certain Definitions,**” the definitions “**Pre-Sale**”, “**Pre-Sale/Grand Opening Marketing Expense**”, “**Pre-Sale/Grand Opening Marketing Period**”, and “**Pre-Sale/Grand Opening Marketing Plan**” are hereby deleted in their entirety.
3. **GRANT OF FRANCHISE.** In Article 3.1 of the Successor Agreement under the heading “**Grant of Franchise,**” the second sentence is hereby deleted in its entirety and replaced with the following:

Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a successor franchise (the “Franchise”) to operate a **PLANET FITNESS** business solely at the Location, as modified by Appendix G, if applicable, and a license to use the Marks and the System in the operation thereof, for a term commencing on the Effective Date and expiring on the tenth (10th) anniversary of the Effective Date (“Term”) unless sooner terminated in accordance with Article 15 hereof.
4. **LOCATION SELECTION, LEASE OR PURCHASE OF LOCATION AND LOCATION DEVELOPMENT.**
 - a. In Article 4.1 of the Successor Agreement under the heading “**Location Selection and Approval,**” the first sentence is hereby deleted in its entirety.
 - b. In Article 4.2 of the Successor Agreement under the heading “**Purchase or Lease of the Location,**” the first three sentences are hereby deleted in their entirety and replaced with the following:

You must have leased, subleased or purchased the Location prior to signing this Agreement, unless otherwise set forth in Appendix G.

- c. In Article 4.4 of the Successor Agreement under the heading “**Location Development**,” the four sentences, beginning with “You must start construction of your BUSINESS within one hundred twenty (120) days...”, are hereby deleted in their entirety, and replaced with the following:

You must start remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G. You must employ a general contractor acceptable to us. You must procure all applicable construction insurance in amounts and coverage acceptable to us. You must complete remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G; provided, however, that if you demonstrate to us that you are working in good faith and earnestly toward this end, we may grant you an extension beyond the applicable timeframe described above.

- d. Article 4.7 of the Successor Agreement with the heading “**Start Up Inventory, Furniture, Fixtures, Software, Equipment and Supplies**,” including the heading is deleted in its entirety and replaced with the following:

4.7 INVENTORY, FURNITURE, FIXTURES, SOFTWARE, EQUIPMENT AND SUPPLIES. Prior to your commencement of operations under the Initial Franchise Agreement, we provided you with lists of the start-up inventory, furniture, fixtures, software, equipment and supplies that we required you to obtain prior to commencing operations under the Initial Franchise Agreement. You established and will continue to establish independent commercial relationships with our Approved Suppliers for specific items. You agree to establish independent commercial relationships with other suppliers for the goods and services for which we only provide specifications. Our list of Approved Suppliers and specifications for goods and services will be set forth in the Operations Manual or in other materials we give you from time to time.

- e. Article 4.8 of the Successor Agreement, with the heading “**Pre-Sale/Grand Opening Marketing**,” is hereby deleted in its entirety.
- f. Article 4.9 of the Successor Agreement, with the heading “**Membership Pre-Sale**,” is hereby deleted in its entirety.
- g. Article 4.10 of the Successor Agreement, with the heading “**Business Commencement**,” is hereby deleted in its entirety.
- h. Article 4.11 of the Successor Agreement with the heading “**Business Commencement Deadline**,” is deleted in its entirety and replaced with the following:

4.11 CONTINUANCE OF OPERATIONS. You shall continue BUSINESS operations after the execution of this Agreement, provided that:

- (1) we approve the BUSINESS as developed, remodeled, and/or reequipped in accordance with our specifications and standards and Appendix G;
- (2) refresher training has been completed by you, your Responsible Owner, your Approved Operator, and/or your employees to our satisfaction as provided in Article 6.2;

- (3) you have given us a copy of your current lease, sublease or purchase contract for the Location;
 - (4) the Successor Franchise Fee and all other amounts then due to us have been paid;
 - (5) we have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept; and
 - (6) you have obtained all required permits, licenses and certifications for operating the BUSINESS, and the Location is in compliance with all laws, rules and regulations.
- i. Article 4.12 of the Successor Agreement with the heading “**Opening Assistance**,” is hereby deleted in its entirety.

5. **FEES.** Article 5.1 of the Successor Agreement with the heading “**Initial Franchise Fee**,” is deleted in its entirety and replaced with the following:

5.1 SUCCESSOR FRANCHISE FEE. You agree to pay us a one-timer nonrecurring successor franchise fee in the amount of _____ (\$_____) U.S. Dollars, due when you execute this Agreement (“Successor Franchise Fee”). The Successor Franchise Fee is non-refundable.

6. **TRAINING, ASSISTANCE, AND METHODS OF OPERATION.**

- a. Article 6.1 of the Successor Agreement with the heading “**Training**,” is hereby deleted in its entirety.
- b. In Article 6.2 of the Successor Agreement under the heading “**Refresher Training**,” the following language is hereby inserted at the end of the paragraph:

If we require refresher training and you (or your Responsible Owner) fail to complete additional required training to our satisfaction, we have the right to terminate this Agreement pursuant to Article 15.3 hereof.

7. **PLANET FITNESS METHODS OF OPERATION.**

- a. In Article 9.3 of the Successor Agreement under the heading “**Modification of Methods of Operation**,” the first sentence is hereby deleted in its entirety and replaced with the following:

We may periodically modify Methods of Operation, which may accommodate regional or local variations as we determine, and any such modifications may obligate you to invest additional capital in the BUSINESS in addition to any requirements set forth in Appendix G hereto (“Capital Modifications”), and/or incur higher operating costs; provided, however, that such modifications will not alter your fundamental status and rights under this Agreement.

- b. In Article 9.4 of the Successor Agreement under the heading “**Condition of Your Business**,” subsection (1) is hereby deleted in its entirety and replaced with the following:

(1) We reserve the right to require you to replace and update at your BUSINESS: (a) all cardio equipment not more often than every five (5) years from the original

equipment purchase date, in addition to the requirements set forth in Appendix G, as we determine, in our reasonable discretion, based on usage and brand standards, and (b) all other exercise equipment not more often than every seven (7) years from the original equipment purchase date, as we determine, in our reasonable discretion, based on usage and brand standards, and as further specified in the Operations Manual and as specifically required by Appendix G or otherwise in writing from time to time. You must also periodically, upgrade and/or remodel your BUSINESS premises pursuant to our plans and specifications, provided, however, that, with the exception of signage, we will not require substantial remodeling more often than every five (5) years except as otherwise set forth in Appendix G. We will advise you at least six (6) months prior to requiring any substantial remodeling or replacement of your exercise or other equipment. If we require you to substantially remodel or substantially replace your exercise or other equipment in the last two (2) years of the Term, and you comply with our requirements, we will not require a substantial remodel of those areas substantially remodeled to our standards and with our approval, or substantial replacement of equipment that has been replaced to our standards and with our approval as a requirement for a successor franchise agreement with you, as described in Article 14.1 hereof. For clarity, replacement or takedown of construction or other items that were in violation of our specifications and brand standards when installed is not considered a remodel. If you have upgraded your cardio equipment and all other equipment as required during the Term of this Agreement, we agree not to require replacement of equipment or substantial remodeling in the last two (2) years of this Agreement, if you have notified us that you do not intend to acquire a successor franchise. All equipment and signage that is replaced or otherwise taken out of service is subject to our then-current de-branding requirements.

8. **MARKETING.**

- a. In Article 10.5 of the Successor Agreement under the heading “**Local Advertising,**” the words “and the Pre-Sale/Grand Opening Marketing Expense” in the first sentence are deleted in their entirety.
- b. In Article 10.5 of the Successor Agreement under the heading “**Local Advertising,**” the fourth sentence, beginning “Notwithstanding the foregoing sentence, we reserve the right to require you....” is deleted in its entirety and the following language is inserted in its place:

Notwithstanding the foregoing sentence, we reserve the right to require you to spend the greater of Fifteen Thousand U.S. Dollars (\$15,000) or seven percent (7%) of the amount that is the total in that quarter of the total gross monthly membership fees for your BUSINESS that are due and payable to you each month, by or on behalf of your members through authorized EFT withdrawals for said quarter for the BUSINESSES if, in our reasonable business judgment, hyper-marketing for the BUSINESS is necessary due to market conditions (for example, competition or a relocation of the BUSINESS).

- c. In Article 10.6 of the Successor Agreement under the heading “**Advertising Cooperatives,**” the third sentence is deleted in its entirety and replaced with the following:

If your BUSINESS is within the territory of an existing Cooperative, you agree to immediately become a member of the Cooperative.

9. **TRANSFER.**
- a. In Article 13.3 of the Successor Agreement under the heading “**Conditions for Approval of Transfer,**” the following language is hereby inserted at the end of the first paragraph as new subsection 13.3(1)(j):
- (j) you have completed all requirements set forth in Appendix G, to our satisfaction.
- b. In Article 13.3 of the Successor Agreement under the heading “**Conditions for Approval of Transfer,**” the following language is hereby inserted at the end of the second paragraph as new subsection 13.3(2)(m):
- (m) you have completed all requirements set forth in Appendix G, to our satisfaction.
10. **TERMINATION OF AGREEMENT.** In Article 15.3 of the Successor Agreement under the heading “**Termination upon Notice,**” the following language is hereby as new subsection (26):
- (26) fail to comply with the requirements set forth in Appendix G hereof and do not cure such failure within thirty (30) days following your receipt of written notice of such default.
11. **FEE REFERENCES.** Each remaining instance of the defined term “Initial Franchise Fee” in the Successor Agreement is hereby deleted and replaced with the term “Successor Franchise Fee.
12. **RELEASE.** You and your owners, for yourselves and your successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, and subsidiaries (jointly and severally, the “Releasors”), irrevocably and absolutely release and forever discharge us and our successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the “Releasees”), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Initial Franchise Agreement, the business operated under the Initial Franchise Agreement, and/or any other existing agreement between any of the Releasees and any of the Releasors that relate to the business operated under the Initial Franchise Agreement. The Releasors, and each of them, also covenant not to sue or otherwise bring a claim against any of the Releasees regarding any of the claims being released under this Release. This Release does not apply to the Successor Agreement or any offer, grant or sale of franchise or development rights to you or owners from this day forward.] **ALTERNATIVE IF REQUIRED BY THE INITIAL FRANCHISE AGREEMENT: MUTUAL RELEASE.** In consideration of our grant and your acceptance of a successor term, and in consideration of the mutual promises contained herein, you and your owners, for yourselves and your successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, and subsidiaries (jointly and severally, the “Franchisee Releasors”), irrevocably and absolutely release and forever discharge us and our successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the “Franchisor Releasees”), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Initial Franchise Agreement or the business operated under the Initial Franchise Agreement; and we, for ourselves and our successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, and subsidiaries (jointly and severally, the “Franchisor Releasors”), irrevocably and absolutely release and forever discharge you and your successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and

affiliates (jointly and severally, the “Franchisee Releasees”), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Initial Franchise Agreement or the business operated under the Initial Franchise Agreement. The Franchisee Releasors and Franchisor Releasors (collectively, the “Releasors”), and each of them, also covenant not to sue or otherwise bring a claim against any of the Franchisee Releasees or Franchisee Releasees (collectively, the “Releasees”) regarding any of the claims being released under this Release. This Release does not apply to the Successor Agreement or any offer, grant or sale of franchise or development rights to you or owners from this day forward.]

13. **ACKNOWLEDGEMENT OF RELEASE OF UNKNOWN CLAIMS.** The Releasors hereby acknowledge that the release of claims set forth in Section 13 of this Amendment is intended to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasors against the Releasees. In making this voluntary express waiver, the Releasors acknowledge that claims or facts in addition to or different from those which are now known to exist may later be discovered and that it is the Releasors’ intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. Each of the Releasors expressly acknowledges that it is familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing a release, which if known by him or her must have materially affected his or her settlement with the debtor.

Each of the Releasors hereby specifically and expressly waives all rights that it may have under Section 1542 of the California Civil Code or any similar provision of law in any other jurisdiction. This Release is and shall be and remain a full, complete and unconditional general release. The Releasors further acknowledge and agree that no violation of this Release shall void the releases set forth in this Release.

14. **DEFINED TERMS.** All defined terms are used herein as defined in the Successor Agreement, unless otherwise herein indicated. If there is any conflict between the Successor Agreement and this Amendment, this Amendment shall govern. Except as specifically amended herein, all of the other terms and conditions of the Franchise Agreement are hereby ratified and confirmed.
15. **ENTIRE AGREEMENT.** This Amendment, the Successor Agreement, and any other documents referred to herein constitute the complete understanding of the parties regarding the subject of this Amendment. Except for those specifically permitted to be made unilaterally by you or us hereunder, no amendment, change, or variance from this Amendment shall be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

[Signature Page Following]

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have executed and delivered this Amendment as of the Effective Date.

PLANET FITNESS FRANCHISING LLC

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

EFFECTIVE DATE: _____

[OWNER CORPORATION OR PARTNERSHIP]

A [STATE AND ENTITY TYPE]

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

Principal Business Address:

ATTACHMENT A

[This space intentionally left blank.]

APPENDIX G
CONDITIONS FOR GRANT OF SUCCESSOR AGREEMENT

You agree to fully comply with each of the conditions checked below as a condition of receiving a successor term:

- Remodel Requirements:** You agree to complete, to our satisfaction and in accordance with the then-current PLANET FITNESS Operations Manual, within [INSERT TIME FRAME] from the Effective Date of this Agreement, the remodel requirements attached hereto (the “Remodel Requirements”), which are hereby incorporated by reference.

- Recommended Relocation Requirements:** You agree to work in good faith to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to require, in our sole discretion, that the premises be remodeled to our satisfaction within [INSERT TIME FRAME] from the Effective Date of this Agreement.

- Mandatory Relocation Requirements:** You agree to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to terminate the Agreement.

- Re-Equipment Requirements:** You agree to fully comply with the re-equipment requirements attached hereto (the “Re-Equipment Requirements”), which are hereby incorporated by reference, and you shall, within [thirty (30)] days from the Effective Date of this Agreement, purchase equipment that satisfies the requirements and obligations therein, as we determine, in our sole discretion, and as further specified in the Operations Manual. You further agree to place the equipment in your BUSINESS, as we determine, in our sole discretion, within [_____ ()] days from the Effective Date of this Agreement.

- Operations Requirements:** You agree to fully comply with the additional operations requirements attached hereto (the “Operations Requirements”), which are hereby incorporated by reference.

- Marketing Requirements:** You agree to fully comply with the additional marketing requirements attached hereto (the “Marketing Requirements”), which are hereby incorporated by reference.

FRANCHISEE:

(Name of corporation,
limited liability company or partnership)

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____

FRANCHISOR:

PLANET FITNESS FRANCHISING LLC
A Delaware Limited Liability Company

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

Date: _____

PLANET FITNESS®
EXHIBIT “F”
TO THE DISCLOSURE DOCUMENT
CONVERSION AMENDMENT
TO PLANET FITNESS FRANCHISE AGREEMENT

**CONVERSION AMENDMENT
TO PLANET FITNESS FRANCHISE AGREEMENT**

This Conversion Amendment (the "Amendment") to the **PLANET FITNESS** Franchise Agreement is made and entered into as of the Effective Date (as set forth on the signature page hereto) by and between Planet Fitness Franchising LLC, a Delaware limited liability company, with a principal business address of 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842 (referred to in this Amendment as "we," "us" or "our"), and the Franchisee set forth on the signature page hereto (referred to in this Amendment as "you" or "your").

BACKGROUND

WHEREAS, you have acquired, or are in the process of acquiring, an existing fitness business located at _____ (the "Location") which you desire to operate as a **PLANET FITNESS** business (the "BUSINESS");

WHEREAS, we have agreed, subject to the terms and conditions of the Franchise Agreement entered into with us effective as of the Effective Date (the "Franchise Agreement") and this Amendment, to grant you the right to convert the Location to a **PLANET FITNESS** business; and

WHEREAS, we and you desire to amend the terms of the Franchise Agreement as set forth herein.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **CONDITIONS FOR GRANT OF FRANCHISE AGREEMENT.** You agree to complete the requirements set forth in Attachment A to this Amendment (the "**Conditions for Grant of Conversion Franchise**"), and that such conditions are hereby appended to the Franchise Agreement as Appendix G and incorporated into the Franchise Agreement.
2. **GRANT OF FRANCHISE.** In Article 3.1 of the Franchise Agreement under the heading "**Grant of Franchise,**" the second sentence is hereby deleted in its entirety and replaced with the following:

Subject to the terms of and upon the conditions contained in this Agreement, we hereby grant you a franchise (the "Franchise") to operate a **PLANET FITNESS** business solely at the Location, as modified by Appendix G, if applicable, and a license to use the Marks and the System in the operation thereof, for a term commencing on the Effective Date and expiring on the tenth (10th) anniversary of the Effective Date ("Term") unless sooner terminated in accordance with Article 15 hereof.

3. **LOCATION SELECTION, LEASE OR PURCHASE OF LOCATION AND LOCATION DEVELOPMENT.**
 - a. In Article 4.1 of the Franchise Agreement under the heading "**Location Selection and Approval,**" the first sentence is hereby deleted in its entirety.
 - b. In Article 4.2 of the Franchise Agreement under the heading "**Purchase or Lease of the Location,**" the first three sentences are hereby deleted in their entirety and replaced with the following:

You must have leased, subleased, or purchased the Location prior to signing this Agreement, unless otherwise set forth in Appendix G.
 - c. In Article 4.4 of the Franchise Agreement under the heading "**Location Development,**" the four sentences, beginning with "You must start construction of your BUSINESS within one

hundred twenty (120) days...”, are hereby deleted in their entirety, and replaced with the following:

You must start remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G. You must employ a general contractor acceptable to us. You must procure all applicable construction insurance in amounts and coverage acceptable to us. You must complete remodeling or construction of your BUSINESS if applicable, within the time frame set forth in Appendix G; provided, however, that if you demonstrate to us that you are working in good faith and earnestly toward this end, we may grant you an extension beyond the applicable timeframe described above.

- d. In Article 4.8 of the Franchise Agreement with the heading “**Pre-Sale/Grand Opening Marketing**,” the first sentence of the second paragraph is hereby deleted in its entirety and replaced with the following:

The pre-sale/grand opening marketing period begins on the Effective Date and it may last as long as one hundred eighty (180) days thereafter (“Pre-Sale/Grand Opening Marketing Period”), unless otherwise approved by us in writing.

- e. In Article 4.10 of the Franchise Agreement, with the heading “**Business Commencement**,” subsection (1) is hereby deleted in its entirety and replaced with the following:

- (1) you have completed any preopening development, remodeling, and/or re-equipping requirements set forth in Appendix G in accordance with our specifications and standards;

4. **PLANET FITNESS METHODS OF OPERATION.**

- a. In Article 9.3 of the Franchise Agreement under the heading “**Modification of Methods of Operation**,” the first sentence is hereby deleted in its entirety and replaced with the following:

We may periodically modify Methods of Operation, which may accommodate regional or local variations as we determine, and any such modifications may obligate you to invest additional capital in the BUSINESS in addition to any requirements set forth in Appendix G hereto (“Capital Modifications”), and/or incur higher operating costs; provided, however, that such modifications will not alter your fundamental status and rights under this Agreement.

- b. In Article 9.4 of the Franchise Agreement under the heading “**Condition of Your Business**,” subsection (1) is hereby deleted in its entirety and replaced with the following:

- (1) We reserve the right to require you to replace all existing equipment at the location that we determine to be unacceptable to our System standards. Furthermore, we reserve the right to require you to replace and update at your BUSINESS: (a) all cardio equipment not more often than every five (5) years from the original equipment purchase date, in addition to the requirements set forth in Appendix G, as we determine, in our reasonable discretion, based on usage and brand standards, and (b) all other exercise equipment not more often than every seven (7) years from the original equipment purchase date, as we determine, in our reasonable discretion, based on usage and brand standards, and as further specified in the Operations Manual and as specifically required by Appendix G or otherwise in writing from time to time. You must also periodically, upgrade and/or remodel your BUSINESS premises pursuant to our plans and specifications, provided, however, that, with the exception of signage, we will not require substantial

remodeling more often than every five (5) years except as otherwise set forth in Appendix G. We will advise you at least six (6) months prior to requiring any substantial remodeling or replacement of your exercise or other equipment. If we require you to substantially remodel or substantially replace your exercise or other equipment in the last two (2) years of the Term, and you comply with our requirements, we will not require a substantial remodel of those areas substantially remodeled to our standards and with our approval, or substantial replacement of equipment that has been replaced to our standards and with our approval as a requirement for a successor franchise agreement with you, as described in Article 14.1 hereof. For clarity, replacement or takedown of construction or other items that were in violation of our specifications and brand standards when installed is not considered a remodel. If you have upgraded your cardio equipment and all other equipment as required during the Term of this Agreement, we agree not to require replacement of equipment or substantial remodeling in the last two (2) years of this Agreement, if you have notified us that you do not intend to acquire a successor franchise. All equipment and signage that is replaced or otherwise taken out of service is subject to our then-current de-branding requirements.

5. **MARKETING.**

- a. In Article 10.6 of the Franchise Agreement under the heading “**Advertising Cooperatives,**” the third sentence is deleted in its entirety and replaced with the following:

If your BUSINESS is within the territory of an existing Cooperative, you agree to immediately become a member of the Cooperative.

6. **TRANSFER.**

- a. In Article 13.3 of the Franchise Agreement under the heading “**Conditions for Approval of Transfer,**” the following language is hereby inserted at the end of the first paragraph as new subsection 13.3(1)(j):

(j) you have completed all requirements set forth in Appendix G, to our satisfaction.

- b. In Article 13.3 of the Franchise Agreement under the heading “**Conditions for Approval of Transfer,**” the following language is hereby inserted at the end of the second paragraph as new subsection 13.3(2)(m):

(m) you have completed all requirements set forth in Appendix G, to our satisfaction.

7. **TERMINATION OF AGREEMENT.** In Article 15.3 of the Franchise Agreement under the heading “**Termination upon Notice,**” the following language is hereby as new subsection (26):

(26) fail to comply with the requirements set forth in Appendix G hereof and do not cure such failure within thirty (30) days following your receipt of written notice of such default.

8. **DEFINED TERMS.** All defined terms are used herein as defined in the Franchise Agreement, unless otherwise herein indicated. If there is any conflict between the Franchise Agreement and this Amendment, this Amendment shall govern. Except as specifically amended herein, all of the other terms and conditions of the Franchise Agreement are hereby ratified and confirmed.

9. **ENTIRE AGREEMENT.** This Amendment, the Franchise Agreement, and any other documents referred to herein constitute the complete understanding of the parties regarding the subject of this

Amendment. Except for those specifically permitted to be made unilaterally by you or us hereunder, no amendment, change, or variance from this Amendment shall be binding on either party, unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

[Remainder of page intentionally blank, signature page follows]

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have executed and delivered this Amendment as of the Effective Date.

PLANET FITNESS FRANCHISING LLC

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

EFFECTIVE DATE: _____

[OWNER CORPORATION OR PARTNERSHIP]

A [STATE AND ENTITY TYPE]

By: _____

(Authorized Representative)

Print Name: _____

Title: _____

Dated: _____

Principal Business Address:

ATTACHMENT A

[This space intentionally left blank.]

APPENDIX G
CONDITIONS FOR GRANT OF CONVERSION FRANCHISE

You agree to fully comply with each of the conditions checked below as a condition of converting the Location to a PLANET FITNESS business:

- Remodel Requirements:** You agree to complete, to our satisfaction and in accordance with the then-current PLANET FITNESS Operations Manual, within [INSERT TIME FRAME] from the Effective Date of this Agreement, the remodel requirements attached hereto (the “Remodel Requirements”), which are hereby incorporated by reference.

- Recommended Relocation Requirements:** You agree to work in good faith to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to require, in our sole discretion, that the premises be remodeled to our satisfaction within [INSERT TIME FRAME] from the Effective Date of this Agreement.

- Mandatory Relocation Requirements:** You agree to relocate the BUSINESS to a location approved by us, in our sole discretion, based on our current brand standards. If you fail to relocate the BUSINESS within [INSERT TIME FRAME] from the Effective Date of this Agreement, then we reserve the right to terminate the Agreement.

- Re-Equipment Requirements:** You agree to fully comply with the re-equipment requirements attached hereto (the “Re-Equipment Requirements”), which are hereby incorporated by reference, and you shall, within [thirty (30)] days from the Effective Date of this Agreement, purchase equipment that satisfies the requirements and obligations therein, as we determine, in our sole discretion, and as further specified in the Operations Manual. You further agree to place the equipment in your BUSINESS, as we determine, in our sole discretion, within [()] days from the Effective Date of this Agreement.

- Operations Requirements:** You agree to fully comply with the additional operations requirements attached hereto (the “Operations Requirements”), which are hereby incorporated by reference.

- Marketing Requirements:** You agree to fully comply with the additional marketing requirements attached hereto (the “Marketing Requirements”), which are hereby incorporated by reference.

FRANCHISEE:

(Name of corporation,
limited liability company or partnership)

By: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____

FRANCHISOR:

PLANET FITNESS FRANCHISING LLC
A Delaware Limited Liability Company

By: _____

Print Name: Christopher J. Rondeau

Title: Chief Executive Officer

Date: _____

PLANET FITNESS®
EXHIBIT “G”
TO THE DISCLOSURE DOCUMENT
AREA DEVELOPMENT AGREEMENT

PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT

Table of Contents

		Page
1.	<u>Development Area</u>	1
2.	<u>Grant of Development Rights</u>	2
3.	<u>Term</u>	3
4.	<u>Initial Services and Ongoing Obligations</u>	3
5.	<u>Our Reservation of Rights</u>	3
6.	<u>Area Development Fee</u>	4
7.	<u>Execution of Franchise Agreements</u>	4
8.	<u>Ownership Group: Responsible Owner</u>	4
9.	<u>Default, Termination, Extensions and Modifications</u>	5
10.	<u>Franchise Agreements May Not be Affected</u>	7
11.	<u>Future Development</u>	7
12.	<u>Compliance with Applicable Laws</u>	7
13.	<u>Your Non-Competition Obligations</u>	7
14.	<u>Development in Development Area Upon Termination or Expiration</u>	8
15.	<u>Assignment by Us</u>	9
16.	<u>Transfer by You</u>	9
17.	<u>Severability</u>	13
18.	<u>Waivers</u>	13
19.	<u>Dispute Resolution</u>	13
20.	<u>Governing Law</u>	15
21.	<u>Consent to Jurisdiction</u>	15
22.	<u>Notices</u>	15
23.	<u>Waiver of Punitive Damages, Jury Trial and Class Actions</u>	16
24.	<u>Multiple Copies</u>	16
25.	<u>Entire Agreement</u>	16
26.	<u>Modification</u>	16
27.	<u>Other Franchisees/Area Developers</u>	16
28.	<u>Binding Effect</u>	16

EXHIBIT A	MAP OF DEVELOPMENT AREA
EXHIBIT B	OWNERSHIP ADDENDUM
EXHIBIT C	PERSONAL COVENANTS REGARDING CONFIDENTIALITY AND NON-COMPETITION
EXHIBIT D	SILENT INVESTORS

**PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT**

THIS AREA DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into as of the Effective Date (as defined herein) by and between Planet Fitness Franchising LLC, a limited liability company formed under Delaware law, with its principal business address at 4 Liberty Lane West, Floor 2, Hampton, New Hampshire 03842 (referred to in this Agreement as “Franchisor”, “we,” “us” or “our”), and the Area Developer listed on the signature page hereto (referred to in this Agreement as “Area Developer”, “you” or “your”).

We and our affiliates, as the result of the expenditure of time, skill, effort, and money, have developed, and continue to develop, a distinctive system relating to the development and operation of **PLANET FITNESS** fitness facilities (“**PLANET FITNESS** Businesses”), which includes building design and layouts, equipment, training, and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time (collectively, the “System”). The System is identified by the current and future tradenames, trademarks, service marks and trade dress that we designate to identify the services and/or products offered by **PLANET FITNESS** businesses including the mark “**PLANET FITNESS**” and the distinctive building design and color scheme of **PLANET FITNESS** businesses (collectively, the “Marks”).

You desire to develop, own and operate, through yourself or an affiliate in which your Ownership Group (as defined in Article 8 below) owns at least 51% or more of an interest, **PLANET FITNESS** Businesses using the System and the Marks in the Development Area defined below.

You have provided us with any and all financial and other information we request about your shareholders, partners, officers, directors, managers, members, guarantors, investors and other persons who will have an ownership interest in your **PLANET FITNESS** Business.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby mutually agree as follows:

1. Development Area. The development area is the geographical area described as follows, and illustrated on the map attached hereto as Exhibit A (map provided for illustrative purposes only, description controls) (the “Development Area”):

The addresses for the following open and operating **PLANET FITNESS** Business(es) (“Excluded Businesses”) are specifically excluded from the Development Area, unless or until you or your affiliates acquire such Excluded Businesses:

Political and street boundaries described above shall be considered fixed as of the Effective Date of this Agreement and shall not change for the purpose hereof, notwithstanding a political reorganization or change to such streets, boundaries or regions. All street boundaries shall be deemed to end at the street center line unless otherwise specified above. In case of inconsistency between the description above and Exhibit A, the above description of the Development Area controls. Exhibit A is provided for illustrative purposes only.

2. Grant of Development Rights.

2.1 We grant you, subject to the terms and conditions of this Agreement, the right and license to establish and operate for your own account or for an affiliated entity (which is at least 51% owned by your Ownership Group (as provided in Article 8 below)), a specified number of **PLANET FITNESS** Businesses in compliance with our standards. This personal license granted to you is limited to the right to operate the **PLANET FITNESS** Businesses at locations only within the Development Area and may not be used elsewhere or in any other manner. You have no right to sublicense any of the rights granted to you herein. You must open and maintain in continuous operation in the Development Area, pursuant to Franchise Agreements, that number of **PLANET FITNESS** Businesses set forth below during each of the following periods (“Development Schedule”):

At least [*insert number ()*] **PLANET FITNESS** Business[es] open and operating in the Development Area by [*insert date*];

[Etc. as needed]

Notwithstanding the above Development Schedule, you agree that for the period beginning on the Effective Date and ending upon expiration or termination of this Agreement, you will open at least one (1) new **PLANET FITNESS** Business in any seven hundred and thirty (730) day period and that failure to do so will constitute a Development Default as defined in Article 9.2 hereof.

[AS APPLICABLE: The following *PLANET FITNESS* Businesses currently owned and operated by you or your affiliates as of the Effective Date (“Existing Businesses”) shall count toward the Development Schedule for so long as each is open and in operation:]

Franchisee Entity	Club Address	Date Opened

You represent that you conducted your own independent investigation and analysis of the prospects for the establishment of **PLANET FITNESS** Businesses within the Development Area, approve the Development Schedule as being reasonable and viable, and recognize that failure to achieve the results described in the Development Schedule will constitute material breach of this Agreement.

2.2 During the term of this Agreement and provided that you are in compliance with the Development Schedule set forth below, we, our parents, subsidiaries, and our affiliates will not operate or license or franchise third parties to operate a **PLANET FITNESS** Business physically located within the Development Area, except as provided below.

2.2.1 An Excluded Business may be relocated to another location in the Development Area as long as (a) the new location is in close proximity to and in the same trade area as the previous location, as determined by us in our reasonable discretion, (b) the new location meets the criteria of our then-current site review process, and (c) you are notified no less than ten (10) days prior to our final approval of the new location and provided an opportunity to share with us any information you deem relevant before we make a final site approval decision for an Excluded Business. In the event an Excluded Business is relocated to another location in the Development Area, and, in our reasonable discretion, we mutually agree that such relocation will impair your ability to meet your Development Schedule, we agree to discuss with you whether an amendment to your Development Schedule and/or Development Area is appropriate.

2.2.2 We may enter into commercially reasonable agreements or arrangements with other local, regional, national or international companies or organizations for the development and operation of **PLANET FITNESS** Businesses (“Non-traditional Business”) (i) physically located within airports, military installations (including their adjacent housing and support areas), hotels, resorts, universities and schools, corporate offices, housing complexes, and similar locations within the Development Area (“Non-traditional Locations”) and (ii) intended to primarily serve individuals associated with the Non-traditional Location (e.g., guests, students, patrons, employees, personnel,

residents, or members). Depending on the nature and scope of the Non-traditional Business agreement or arrangement, we may grant the right to develop the Non-traditional Business to the owner or operator of the Non-traditional Location. However, if and to the extent it is commercially reasonable to do so, we will provide you the right and option, through written notice (“Non-traditional Notice”), to develop such Non-traditional Business on the terms of the agreement or arrangement we have entered into. You shall have sixty (60) days from the date of receipt of our notice and proposed terms for such agreement(s) to enter into a franchise agreement for such Non-traditional Business. If you fail to enter into any such franchise agreement, then your right of first refusal with respect to the Non-traditional Businesses described in the Non-traditional Notice shall expire and be of no force or effect and we, our parents, subsidiaries, and our affiliates may develop and operate or grant others the right to develop and operate the Non-traditional Businesses described in the Non-traditional Notice. Non-traditional Businesses shall not count towards your Development Schedule; however, if, in our reasonable discretion, we mutually agree that a Non-traditional Business will impair your ability to meet your Development Schedule, we agree to discuss with you whether an amendment to your Development Schedule and/or Development Area is appropriate. The development of Non-traditional Businesses will be subject to the criteria of our then-current site review process.

3. Term. Except as otherwise provided under Articles 9 and 14 hereof, the term of this Agreement and all rights granted hereunder will expire on the earlier of: (a) the last date specified in the Development Schedule above; or (b) the date when you have open and in operation all of the **PLANET FITNESS** Businesses required by the Development Schedule pursuant to the terms of this Agreement.
4. Initial Services and Ongoing Obligations. You acknowledge and agree that our initial service under the Area Development Agreement is solely to identify the Development Area and that we have no ongoing obligations such as providing training or operational assistance to you under this Agreement. All ongoing and further obligations to you in opening your locations shall be provided pursuant to the Franchise Agreement between you and us.
5. Our Reservation of Rights. Except as otherwise provided in Article 2.2, we, our parents, subsidiaries and our affiliates (and our and their respective successors and assigns, by purchase, merger, consolidation or otherwise) retain all rights with respect to the Marks, the System and **PLANET FITNESS** businesses anywhere in the world, and the right to engage in any business whatsoever, including the right to:
 - 5.1 operate, and grant to others the right to operate, **PLANET FITNESS** businesses at such locations and on such terms as we deem appropriate outside of the Development Area;
 - 5.2 offer to sell, sell and distribute, inside and outside the Development Area, any products or services associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisees or area developers. These distribution channels or methods include, without limitation, retail stores, wholesale and the Internet (or any other existing or future form of electronic commerce);
 - 5.3 operate, and grant to others the right to operate, fitness facilities, gyms, and health related establishments identified by tradenames, trademarks, service marks or trade dress, other than the Marks, inside and outside of the Development Area and pursuant to such terms and conditions as we deem appropriate, which may include locations in close proximity to your **PLANET FITNESS** business locations;
 - 5.4 develop or become associated with other concepts (including dual branding or other franchise systems), whether or not using the **PLANET FITNESS** System, brand or Marks, and award franchises under these other concepts or locations anywhere, including in the Development Area; and
 - 5.5 acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere or business conducted anywhere, including in the Development Area. These transactions may include arrangements involving competing businesses or outlets and dual branding or brand conversions. You must participate at your expense in any conversion as instructed by us; and

5.6 enter into agreements or arrangements with other local, regional, national or international companies or organizations by which we offer memberships or other products and services to the personnel, customers or members of such companies or organizations, inside and outside of the Development Area, on commercially reasonable terms (including, but not limited to, fee structures and reimbursement arrangements) that may be different from our then-current membership offerings. You must participate in and honor the terms of such partnerships upon being notified thereof.

6. Area Development Fee. For the rights we grant you under the terms of this Agreement, you agree to pay us an Area Development Fee of _____ (\$_____) U.S. Dollars upon execution of this Agreement. Upon our receipt of the Area Development Fee, you will receive all of the rights to develop, and will be obligated to develop, the number of locations set forth in the Development Schedule. The Area Development Fee is fully earned on receipt and is not refundable for any reason.

7. Execution of Franchise Agreements.

7.1 You (or an affiliate which is at least 51% owned by your Ownership Group, as described in Article 8 below) must execute a separate Franchise Agreement in our then-current form (“Franchise Agreement”) for each **PLANET FITNESS** Business to be established by you in the Development Area. We agree that:

7.1.1 the initial franchise fee under such Franchise Agreement shall be Twenty Thousand U.S. Dollars (\$20,000) for Franchise Agreements entered into within four (4) years of the Effective Date of this Area Development Agreement (“Rate Lock Period”). For Franchise Agreements entered into after the Rate Lock Period and Franchise Agreements entered into pursuant to any development obligations the parties agree to add to the Development Schedule after the Effective Date, this initial franchise fee shall be the initial franchise fee in effect for new franchises as of the date of execution of such Franchise Agreement; and

7.1.2 the Royalty under such Franchise Agreement shall not exceed seven percent (7%) of the EFT Dues Draft (as defined in Article 9.2.3 below) for Franchise Agreements entered into within the Rate Lock Period. For Franchise Agreements entered into after the Rate Lock Period, this Royalty shall be the Royalty in effect for new franchises as of the date of execution of such Franchise Agreement.

7.2 If you fail to provide us with an executed then-current form of Franchise Agreement (as modified consistent with Article 7.1), and pay us the required initial franchise fee at least sixty (60) days prior to the date scheduled as the opening date for a particular location, your failure will be deemed a material breach of this Agreement and we will have the right to terminate this Agreement as provided herein.

8. Ownership Group; Responsible Owner. Any person holding a direct or indirect ownership interest in you is an “Owner” for purposes of this Agreement. We have granted the rights in Article 1 above to you, based on the experience and qualifications of you, your Owner or the group of Owners submitted to us for approval of this Agreement and described in Exhibit B hereof (“Ownership Group”). The Ownership Group must own and have voting control of at least 51% of you and of any franchisee entity executing a Franchise Agreement pursuant hereto. You shall provide us with the ownership structure of any such franchisee entity to the individual or trust level, unless we otherwise approve, prior to the execution of a Franchise Agreement pursuant hereto. Such franchisee ownership structure is subject to our approval, (a) in our sole discretion, with respect to the Owners included and (b) in our reasonable discretion, with respect to the structuring of such Owners’ ownership interests.

You acknowledge and agree that any person who holds an ownership interest in you but is not part of the Ownership Group is not required to be an owner under any Franchise Agreement executed pursuant hereto and that we shall have no responsibility, liability or obligation to ensure that any person who holds an ownership interest in you but is not part of the Ownership Group is an owner under any Franchise Agreement executed pursuant hereto.

You must designate one (1) individual approved by us, who shall be set forth in Exhibit B hereto, who has the authority to, and does in fact, actively direct your business affairs related to your obligations under this Agreement and has authority to accept all official notices from us, and, when signing on your behalf, to legally bind you with respect to all contracts and commercial documents related to this Agreement (“Responsible Owner”). Your Responsible Owner must have completed our training program to our satisfaction. You (or your Responsible Owner) may request our approval of an operator who has completed our training program to our satisfaction to whom you may delegate your obligations to develop and operate your **PLANET FITNESS** Businesses (an “Approved Operator”). Such a request must be made in writing, and you must cooperate with us to provide all information we reasonably request to approve or reject the proposed individual. Such approval shall be given in our sole discretion. If we approve an Approved Operator, you and we must amend Exhibit B to include that individual, and require the Approved Operator to sign Exhibit C to this Agreement (Personal Covenants Regarding Confidentiality and Non-Competition). **WE SHALL HAVE NO RESPONSIBILITY, LIABILITY OR OBLIGATION TO ANY PARTY TO ANY SUCH ARRANGEMENT, AGREEMENT OR CONTRACT, OR ANY AMENDMENTS THERETO, MADE UNDER THIS ARTICLE ON ACCOUNT OF OUR APPROVAL THEREOF OR OTHERWISE, AND YOU AGREE TO INDEMNIFY AND HOLD US HARMLESS WITH RESPECT THERETO.** You must notify us of any proposed change of the Responsible Owner or Approved Operator and receive our written approval prior to such change. If such change results from death or incapacitation, you must submit a new proposed Responsible Owner or Approved Operator, as applicable, within thirty (30) days after such death or incapacitation. Neither you nor your Owners will, directly or indirectly, take any actions to avoid or restrict the authority requirement for the Responsible Owner.

Your Responsible Owner, Approved Operator and other Owners are identified in Exhibit B and Exhibit D to this Agreement. You represent, warrant and agree that the attached Exhibit B and Exhibit D are each current, complete and accurate, and you agree that any changes to Exhibit B and Exhibit D will be communicated promptly to us, so that such exhibits (as so amended and signed by you and us) are at all times current, complete and accurate.

You and your Approved Operator (or if there is no Approved Operator, your Responsible Owner) shall exert your best efforts to the development of your **PLANET FITNESS** Businesses; and absent our prior approval may not engage in any other business or activity, directly or indirectly, which requires you or such individual to have substantial management responsibility or substantial time commitments or otherwise may conflict with your obligations hereunder.

9. Default, Termination, Extensions and Modifications

9.1 Default and Termination. Except as otherwise provided in Article 9.2, where you (a) fail to comply with any term of this Agreement, or (b) fail on three (3) separate occasions to cure, to our reasonable satisfaction, a noticed default related to any Franchise Agreement (for the avoidance of doubt, such three (3) separate occasions do not have to relate to the same Franchise Agreement) with us to which you or a related entity have an interest, then we shall have the right, at our option, to terminate this Agreement, following our giving you thirty (30) days’ notice and opportunity to cure, without further recourse to you.

9.2 Extensions, Termination, Modification. If you fail to comply with the Development Schedule, we will send you written notice of such failure (“Development Default”).

9.2.1 If a Development Default relates to two (2) or fewer **PLANET FITNESS** Businesses and you have undertaken commercially reasonable good faith efforts to develop **PLANET FITNESS** Businesses in the Development Area, then we agree to refrain, for a six (6) month period after notice of your Development Default, from exercising our right to terminate this Agreement by allowing you an additional six (6) months from the date of your Development Default, to meet your Development Schedule obligation (such extension, a “Development Grace Period”). Examples of commercially reasonable good faith efforts could include, among other things, (i) submitting for our review potential development locations that are generally consistent with our standards, as the same may be updated from time to time, (ii) diligently pursuing the development of sites we have

approved within the Development Area, (iii) engaging in substantive discussions with real estate brokers and/or potential landlords within the Development Area, (iv) engaging in market planning with our real estate/development teams, and/or (v) regularly communicating with us regarding the status and ongoing efforts of your development of the Development Area. If, at the end of the Development Grace Period, you still have not cured the Development Default, you have the right to voluntarily terminate this Agreement. If you do not exercise your right to voluntarily terminate this Agreement, we will refrain from exercising our termination right pursuant to Article 9.1 above for an additional six (6) months (the “Paid Grace Period” and together with the Development Grace Period, the “Grace Period”) to enable you to cure the Development Default so long as you have worked and continue to work in good faith to develop the Development Area and pay us Two Thousand Five Hundred U.S. Dollars (\$2,500) per month for each **PLANET FITNESS** Business you were required to have open and operating under the Development Schedule.

9.2.2 You are eligible to use a Grace Period for up to two (2) separate Development Defaults, subject to the terms of Article 9.2.1. If you have utilized a Grace Period (as described in Article 9.2.1) for two (2) Development Defaults, you are not eligible for an additional Grace Period for any subsequent Development Default. However, if, as of the date of a subsequent Development Default, (a) you have open and in continuous operation at least fifty percent (50%) of the total number of **PLANET FITNESS** Businesses required under the Development Schedule and (b) you continue to meet the requirements set forth in Article 9.2.1, then we will grant you one (1) additional Grace Period.

9.2.3 You hereby authorize us, following expiration of the Development Grace Period, to withdraw the Paid Grace Period fee from the EFT Dues Draft (as defined below) of any open **PLANET FITNESS** Business developed under this Agreement. Provided you have at least one (1) currently open and operating **PLANET FITNESS** Business under this Agreement, it is our sole obligation to timely collect the Paid Grace Period fee from the EFT Dues Draft of an open **PLANET FITNESS** Business and our failure to do so will not result in a default of this Agreement. If our attempt to withdraw the Paid Grace Period fee from an EFT Dues Draft is unsuccessful or you do not have at least one (1) currently open and operating **PLANET FITNESS** Business developed under this Agreement, we will invoice you in the amount of Two Thousand Five Hundred U.S. Dollars (\$2,500) per month for each **PLANET FITNESS** Business you were required to have open and operating under the Development Schedule, but you have failed to have open and operating by the deadline set forth in the Development Schedule and such payment will be due within ten (10) days of the date of such invoice. Payments shall be billed or collected, as applicable, each month during the Paid Grace Period until such time that you have met your Development Schedule obligation(s). You may use up to a total of three (3) Grace Periods during the term of this Area Development Agreement in accordance with Article 9.2.1 and Article 9.2.2 above; provided, however, that you acknowledge and agree that (a) no more than one (1) Grace Period may be used to cure the same Development Default under Article 9.2.1 hereunder; and (b) you shall cure such Development Default within twelve (12) months of the date of our notice as detailed in Article 9.2.1 hereof. “EFT Dues Draft” means the total gross monthly and annual membership fees for a **PLANET FITNESS** Business that are due and payable to the franchisee of such **PLANET FITNESS** Business each month and annually, by or on behalf of its members through authorized EFT withdrawals. “EFT” means the electronic transfer of funds (including without limitation any transfer from a credit card, debit card, or bank account) and payment by check or any other means (including without limitation any other current or future form of pre-authorized payment).

9.2.4 This Area Development Agreement shall terminate: (a) if you fail to pay us promptly when due any monies payable to us under this Article 9.2 hereof and do not cure that failure to pay within ten (10) days following our giving you written notice, or (b) effective immediately upon written notice to you if, at the end of the Paid Grace Period, you have

not cured the Development Default. You acknowledge and agree that the notice and opportunity to cure any Development Default under this Article 9.2 shall be deemed sufficient notice and opportunity to cure under this Agreement and is intended to satisfy any applicable state franchise relationship law. We retain the right, in our sole discretion, at our option, and without any obligation to you, in lieu of exercising any such termination right we may have (subject to any opportunity you may have to cure), to: (a) reduce the size of the Development Area; (b) modify the Development Schedule (in terms of timing and/or number of units to be opened); (c) require you to execute our then-current form of general release; (d) require you to execute our then-current form of Area Development Agreement, which shall replace this Agreement and which may contain materially different terms and conditions; and/or (e) remove the territorial protection described in Article 5. If we exercise our rights in the preceding sentence in lieu of exercising our right to terminate you, you acknowledge that we are not obligated to grant you any subsequent or additional extensions on the Development Schedule, that notwithstanding this Article 9.2, you will no longer be eligible for Grace Periods, and that any extension granted by us will not affect any other Development Schedule obligations (i.e., all other development obligations shall remain unchanged).

9.3 Development Schedule. Failure to comply with the Development Schedule shall not, by itself, be the basis for a default under any Franchise Agreement executed hereunder.

10. Franchise Agreements May Not be Affected. Upon termination of this Agreement, (i) you will continue to pay all required fees and operate the **PLANET FITNESS** Businesses that you own in the Development Area pursuant to the terms of the applicable Franchise Agreement that we executed prior to the termination of this Agreement, and (ii) your and our rights and obligations with respect to your existing **PLANET FITNESS** Businesses will be governed by the terms of the applicable Franchise Agreements unless there also exists a basis to terminate the applicable Franchise Agreement(s) for your **PLANET FITNESS** Business(es).

11. Future Development. You recognize and acknowledge that this Agreement requires you to open **PLANET FITNESS** Businesses in the future pursuant to the Development Schedule. You further acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our Franchise Disclosure Document are subject to increase over time, and that future **PLANET FITNESS** Businesses likely will involve greater initial investment and operating capital requirements than those stated in the Franchise Disclosure Document provided to you prior to the execution of this Agreement. You must execute all the Franchise Agreements and open all of the **PLANET FITNESS** Businesses in accordance with the dates set forth on the Development Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your prior **PLANET FITNESS** Businesses, or (iii) any other circumstances, financial or otherwise. The foregoing will not be interpreted as imposing any obligation upon us to execute the Franchise Agreements under this Agreement if you have not complied with each and every condition necessary to develop the **PLANET FITNESS** Businesses, or if you do not meet our then-current requirements for franchisees at the time you are scheduled to execute a Franchise Agreement.

12. Compliance with Applicable Laws. You must, at your expense, comply with all federal, state, city, municipal and local laws, ordinances, rules and regulations in the Development Area pertaining to the operation of your **PLANET FITNESS** Businesses. You must, at your expense, be absolutely and exclusively responsible for determining all licenses and permits required by law for your **PLANET FITNESS** Businesses, for qualifying for and obtaining all such licenses and permits, and maintaining all such licenses and permits in full force and effect.

13. Your Non-Competition Obligations.

13.1 During Term. You will not, during the term of this Agreement, directly, indirectly or through, on behalf of, or in conjunction with any person or legal entity:

13.1.1 Divert or attempt to divert any present or prospective business or customer of any **PLANET FITNESS** business to any men's, women's, children's, or co-ed fitness, exercise, athletic, or wellness

facility of any kind, including, but not limited to, a health club, gym, physical fitness club, personal training studio, weight loss, weight training or resistance training studio, or aerobics center (other than a PLANET FITNESS business) (collectively, "Competitive Business"), by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System. Notwithstanding the foregoing definition, the parties acknowledge and agree that a med-spa business is not a "Competitive Business";

13.1.2 Recruit, employ or seek to employ any person who is at that time, or has been within the past six (6) months, employed by us or one of our affiliates, or otherwise directly or indirectly induce such person to leave his or her employment; or

13.1.3 Own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business.

13.2 After Term. You covenant that, except as otherwise approved in writing by us, you, your Approved Operator and your Owners shall not, for a continuous, uninterrupted period of two (2) years commencing upon the date of (a) a transfer permitted under Article 16 of this Agreement, (b) expiration of this Agreement, (c) termination of this Agreement (regardless of the cause for termination), or (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Article 13.2, either directly or indirectly, for yourself or your spouse, parent (including step parents), sibling (including half siblings), or child (including step children), whether natural or adopted, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business that is, or is intended to be, located within (a) the Development Area, (b) fifteen (15) miles of any **PLANET FITNESS** Business developed hereunder, or (c) fifteen (15) miles of any **PLANET FITNESS** business in operation or under construction as of the date that you are required to comply with this Article 13.2. You agree and acknowledge that the two (2) year period of this restriction shall be tolled during any time period in which you are in violation of this restriction.

13.3 Owners and Operators. If you are a business corporation, partnership, limited liability company or other legal entity, each Responsible Owner, Approved Operator and Owner that has an interest in you, is bound by the restrictions in Articles 13.1 and 13.2, and must sign Exhibit C to this Agreement (Personal Covenants Regarding Confidentiality and Non-Competition) to acknowledge such restriction, with the exception of any Owner designated a Silent Investor pursuant to Exhibit D hereof. If we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns you, we have the right to designate that person as an Owner who shall be bound by the restrictions in Articles 13.1 and 13.2 and must sign Exhibit C to this Agreement. In addition, if you are a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is deemed an Owner, shall be bound by the restrictions in Articles 13.1 and 13.2, and must sign Exhibit C, regardless of the percentage ownership interest.

13.4 Exception. The restrictions in Articles 13.1 and 13.2 do not apply to the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

13.5 Injunctive Relief. You agree that damages alone cannot adequately compensate us if there is a violation of these noncompetitive covenants and that injunctive relief is essential for our protection. You therefore agree that in case of any alleged breach or violation of this Article, we may seek injunctive relief without posting any bond or security, in addition to all other remedies that may be available to us at equity or law.

14. Development in Development Area Upon Termination or Expiration.

14.1 You acknowledge and agree that after the expiration or termination of this Agreement for any reason, any and all rights you had in and to the Development Area shall cease and we will have the absolute and unrestricted right to develop the Development Area and to contract with other franchisees for the future development of the Development Area. You acknowledge and agree that such right includes the development of new **PLANET**

FITNESS Businesses and relocation of existing **PLANET FITNESS** Businesses in the same trade area as, and in close proximity to, the locations of **PLANET FITNESS** Businesses developed under this Agreement.

14.2 In the event that, after the expiration or termination of this Agreement, we wish (ourselves or through our affiliates) to develop or enter into a development agreement or franchise agreement(s) with a third party to develop any additional **PLANET FITNESS** businesses in the Development Area, we will provide you a right of first refusal to develop **PLANET FITNESS** businesses in the Development Area on the terms and conditions described in this Article 14.2. You shall have this right of first refusal only (1) if you have fully complied with the Development Schedule in the Development Area as required under Article 2 above and all **PLANET FITNESS** Businesses required by the Development Schedule remain open and operating; (2) if none of your or your affiliates' agreements with us have been terminated by us; and (3) if you and your affiliates are in substantial compliance with all the terms and conditions of your and their Franchise Agreements, provided that we previously communicated to the respective franchisee any defaults thereunder at the time of such default and, if applicable, afforded you and your affiliates the required opportunity to cure. In the event of any such proposed development of additional **PLANET FITNESS** businesses in the Development Area, we will provide you the right and option, through written notice, to enter into a development agreement (and/or franchise agreement, as appropriate) with us on the then-current terms (including fees) we are then offering for such agreements to new franchisees. Such agreements shall include such additional terms as may be proposed to us by a third party or, if there is no third party, on such terms as we propose to you, based on our proposed additional development in the Development Area, including without limitation a development schedule. You shall have sixty (60) days from the date of receipt of our notice and proposed terms for such agreement(s) to enter into such development agreement and/or franchise agreement. If you fail to enter into any such agreement, then any right and option you have under this Article 14.2 shall expire and be of no force or effect.

15. Assignment by Us. We have the right to sell or assign, in whole or in part, our interests in this Agreement, and any such sale or assignment shall inure to the benefit of any assignee or other legal successor to our interest.

16. Transfer by You. You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a corporation, partnership, or other entity, to your Owners) and that we have granted the development rights and obligations herein to you in reliance upon our perceptions of your (or your Owners') individual or collective character, skill, aptitude, attitude, business ability, acumen and financial capacity. Accordingly, neither you nor any Owners in you may transfer any of your rights or obligations under this Agreement, any ownership interest in you, or substantially all the assets of the business operated hereunder, unless you obtain our prior written consent, and transfer equivalent rights and interests under all Franchise Agreements in the Development Area to the same transferee. Any transfer without such approval constitutes a breach of this Agreement and is void and of no effect.

16.1 Conditions for Approval of Transfer. If you (and your Owners) are in substantial compliance with this Agreement and the conditions of this Article 16.1 are met, we will not unreasonably withhold our consent to a proposed transfer. The proposed transferee and its direct and indirect owners must be individuals of good moral character and otherwise meet our then applicable standards for **PLANET FITNESS** business area developers. You cannot transfer your rights and interests in this Agreement unless you obtain our prior written consent to such transfer.

16.1.1 If the proposed transfer is (i) of a non-controlling interest in you (and is not one of a series of transfers which, in the aggregate with other transfers, would constitute or result in the transfer of a controlling interest in you) and the transfer is to one of your Owners listed in Exhibit B, an immediate family member of one of your Owners listed in Exhibit B, or an employee of one of the businesses operated under a Franchise Agreement executed pursuant to this Agreement; (ii) of a controlling interest in you and solely among your Owners listed in Exhibit B; or (iii) of any interest in you and solely among entities that are controlled by your Owners listed in Exhibit B for estate planning purposes, all of the following conditions must be met prior to or concurrently with the effective date of the proposed transfer:

16.1.1.1 you and your affiliates have paid all amounts owed to us and our affiliates related to this Agreement or any other area development agreement or franchise agreement entered into between you, your affiliates, or your Owners and us;

16.1.1.2. you shall reimburse us for any reasonable external (*i.e.*, not in-house) legal and administrative costs we incur in connection with the transfer;

16.1.1.3. you (and your transferring Owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

16.1.1.4. you have provided us with the material terms and conditions of such transfer including, but not limited to, payment terms and the proposed post-transfer ownership and control of your business operated hereunder, and we approve of such terms and conditions, with such approval not being unreasonably withheld, conditioned, or delayed;

16.1.1.5. we have determined that the price and terms of payment will not cause a material and unreasonably adverse impact on the transferee's development of Planet Fitness locations hereunder;

16.1.1.6. you and/or any transferring Owner(s) have executed an agreement in favor of us agreeing to remain bound by the restrictions contained in Article 13 hereof and Exhibit C hereto as if this Agreement had terminated. You agree that the restrictions referenced in the immediately preceding sentence will continue to apply regardless of whether you and/or any transferring Owner(s) actually execute an agreement confirming the survival of these restrictions. This Article 16.1.1 applies equally to partial transfers of ownership interest by any one or more Owners;

16.1.1.7. your new Owners sign Exhibit C as required by this Agreement;

16.1.1.8. you have disclosed to us any trust which will become an Owner pursuant to the transfer, any such trust instrument has been reviewed by us and our external legal counsel, if necessary, at your expense, and the material terms of such trust have been approved by us, with such approval not being unreasonably withheld, conditioned, or delayed; and

16.1.1.9. this Agreement is amended to reflect the post-transfer ownership.

16.1.2. If the proposed transfer is (i) of a controlling interest in you (or is one of a series of proposed transfers which in the aggregate would constitute or result in the transfer of a controlling interest in you) to a third party, (ii) of a non-controlling interest in you to a third party, other than any party described in Article 16.1.1(i), (ii), or (iii) above, or (iii) a transfer of this Agreement or substantially all your assets or your business operated hereunder to a third party, all of the following conditions must be met prior to or concurrently with the effective date of the proposed transfer:

16.1.2.1. You transfer all of your rights and interests under all Franchise Agreements for the **PLANET FITNESS** Businesses in the Development Area to the same transferee;

16.1.2.2. the transferee has the moral character, aptitude, attitude, experience, references, acumen and financial capacity to operate the BUSINESS, and the proposed transferee may not be an entity, or be affiliated with an entity, that is required to comply with reporting and information requirements of the Securities Exchange Act of 1934, as amended;

16.1.2.3. you and your affiliates have paid all amounts owed to us and our affiliates;

16.1.2.4. the transferee has agreed to be bound by all of the terms and conditions of this Agreement, or, if the proposed Transfer is a transfer of: (1) this Agreement or substantially all of your assets to a third party; (2) of a controlling interest in you to a third party; or (3) of a non-controlling interest in you to a third party other than any party described in Article 16.1.1 (i), (ii), or (iii) above and is one of a series of proposed Transfers which in the aggregate would constitute or result in the Transfer of a controlling interest in you to a third party, then the transferee must execute our then-current standard form new area development agreement with us on our then-current form, the terms and conditions of which may differ materially from the terms and conditions of this Agreement, including a different development schedule and different fees for franchise agreements executed thereunder; provided,

however, that if the Transfer occurs during the Rate Lock Period, then the new area development agreement shall be modified to provide that, for the development obligations in this Agreement that are unmet as of the date of the Transfer (excluding additional development obligations that are subsequently added to the new area development agreement), the initial fees provided in Article 7.1.1, and royalty rates provided in Article 7.1.2, shall apply to any Franchise Agreement executed prior to the end of the Rate Lock Period;

16.1.2.5. you must pay us (i) a supplemental transfer fee of Five Thousand U.S. Dollars (\$5,000) for each unmet development obligation pursuant to the Development Schedule being transferred unless the transfer is a transfer of a five percent (5%) or less ownership interest in you (and is not one of a series of transfers which, in the aggregate with other transfers to the same or an affiliated transferee, would constitute or result in the transfer of greater than a five percent (5%) interest in you) or we, in our sole discretion, determine that such transfer is de minimis such that a lesser or no transfer fee may apply, and (ii) our reasonable out of pocket expenses including, without limitation, external (*i.e.* not in-house) legal and administrative costs we incur in connection with the Transfer(s);

16.1.2.6. you (and your transferring Owners) have executed a general release, in form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

16.1.2.7. you have provided us the material terms and conditions of such transfer including, but not limited to, the payment terms and the proposed post-transfer ownership and control of your business operated hereunder, and we approve of such terms and conditions, with such approval not being unreasonably withheld, conditioned, or delayed;

16.1.2.8. we have determined that the price and terms of payment of the transfer will not adversely affect the transferee's development of Planet Fitness locations hereunder;

16.1.2.9. you have disclosed to us any trust which will become an Owner pursuant to the transfer, any such trust instrument has been reviewed by us and our external legal counsel, if necessary, at your expense, and the material terms of such trust have been approved by us, with such approval not being unreasonably withheld, conditioned, or delayed;

16.1.2.10. you and/or any transferring Owner(s) have executed an agreement in favor of us agreeing to remain bound by the restrictions contained in Articles 13 hereof and Exhibit C hereto as if this Agreement had terminated. You agree that the restrictions referenced in the immediately preceding sentence will continue to apply regardless of whether you and/or any transferring Owner(s) actually execute an agreement confirming the survival of these restrictions. You and each of your Owners further agree that the provisions of Article 19 and 20 survive the partial or full transfer of an Owner's interest in you and that New Hampshire law and jurisdiction will apply to any dispute that arises out of or relates to this Agreement. This Article 16.1.2.10 applies equally to partial transfers of interest by any one or more Owners; and

16.1.2.11. Unless the proposed transfer is as described in Article 16.1.2 (ii) above, in which case this Article 16.1.2.11 shall not apply, at least one of the following must be satisfied: (i) you (or your affiliates) have at least two (2) PLANET FITNESS Businesses open and operating in the Development Area (excluding Existing Businesses) or the closing date of the proposed transfer is at least two (2) years after the Effective Date; (ii) if this Agreement is an amended and restated area development agreement, you (or your affiliates) have opened, and are operating, at least one (1) PLANET FITNESS Business in the Development Area (excluding Existing Businesses) since the Effective Date or the closing date of the proposed transfer is at least one (1) year after the Effective Date; or (iii) if this Agreement has been amended to add one (1) or more PLANET FITNESS Businesses to the Development Schedule, you (or your affiliates) have opened, and are operating, at least one (1) PLANET FITNESS Business in the Development Area (excluding Existing Businesses) since the effective date of such amendment or the closing date of the proposed transfer is at least one (1) year after the effective date of such amendment.

For purposes of this Article 16.1.2 we will make the determination as to what constitutes a change in control, which may include, without limitation, any change in control of any entity owning a legal or beneficial interest in you or an effective change in control due to the acquisition by any party of any rights or obligations or voting rights in any agreements related to such transfer, as we shall reasonably determine.

16.2 Transfer to a Wholly Owned Corporation. Notwithstanding Article 16.1, if you are in full compliance with this Agreement, you may transfer this Agreement to a corporation, business trust, limited liability company or similar entity, which conducts no business other than the business operated hereunder and, if applicable, other PLANET FITNESS businesses, in which you maintain management control and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding capital stock, and further provided that all assets of such business are owned, and all of such business is conducted, by a single corporation. Transfers of shares in such corporation will be subject to the provisions of Article 16.1. Notwithstanding anything to the contrary herein, you agree to remain personally liable under this Agreement as if the transfer to such corporation had not occurred.

16.3 Transfer Upon your Death or Disability. Upon your death or permanent disability or, if you are a corporation or partnership, the death or permanent disability of the Owner of a controlling interest in you, your or such Owner's executor, administrator, conservator, guardian or other personal representative must transfer your interest in this Agreement or such Owner's interest in you to a third party. Such disposition of this Agreement or the interest in you (including, without limitation, transfer by bequest or inheritance) must be completed within a reasonable time, not to exceed six (6) months from the date of death (or if later, such date that such transfer may be legally completed) or permanent disability, and will be subject to all of the terms and conditions applicable to transfers contained in this Article. A failure to transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes hereof, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you or an Owner of a controlling interest in you from managing and operating the business operated hereunder for a period of three (3) months from the onset of such disability, impairment or condition.

16.4 Bona Fide Offers. If you (or any of your Owners) at any time determine to sell, assign or transfer for consideration an interest in this Agreement, the assets of the business operated hereunder or an ownership interest in you, you (or such Owner) agree to obtain a *bona fide*, executed written offer and a complete franchise application from a fully disclosed offeror including lists of the owners of record and beneficially of any corporate or limited liability company offeror and all general and limited partners of any partnership and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale. To be a valid, *bona fide* offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in you or in this Agreement and the assets of the business operated hereunder, and may not include an offer to purchase any of your (or your Owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your Owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your Owners) for the interest in you or in this Agreement and the business operated hereunder must reflect the *bona fide* price offered therefor and not reflect any value for any other property or rights. Any transfer in violation of our right of first refusal is null and void.

16.5 Our Right of First Refusal. For any proposed transfer which would constitute a transfer of this Agreement to a third party, would constitute a transfer to a third party of a controlling interest in you (or a series of proposed transfers which in the aggregate would constitute the transfer to a third party of a controlling interest in you), or would constitute a transfer of substantially all the assets of your business operated hereunder under Article 16.1.2 to a third party, we have the right, exercisable by written notice delivered to you or your selling Owners within thirty (30) days from the date of the delivery to us of both an exact copy of such *bona fide* offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such *bona fide* offer, provided that:

16.5.1 we may substitute cash for any form of payment proposed in such offer;

16.5.2 our credit will be deemed equal to the credit of any proposed purchaser;

16.5.3 we will have not less than sixty (60) days after giving notice of our election to purchase to prepare for closing; and

16.5.4 we are entitled to receive, and you and your Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

16.5.4.1. ownership and condition of and title to stock or other forms of ownership interest and/or assets;

16.5.4.2. liens and encumbrances relating to the stock or other ownership interest and/or assets; and

16.5.4.3. validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

16.5.5 If the proposed Transfer is part of a contemporaneous transfer involving one or more PLANET FITNESS businesses or one or more area development agreements (collectively, the “Transfer Group”), then we will refrain from exercising our right of first refusal to selectively purchase less than the entire individual Transfer Group.

16.6 Non-Exercise. If we do not exercise our right of first refusal, you or your Owners may complete the sale to such purchaser pursuant to and on the exact terms of such *bona fide* offer, subject to our approval of the transfer as provided in Articles 16.1.1 and 16.1.2, and 16.2. If the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such *bona fide* offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), the sale will be treated as a new sale subject to our right of first refusal as provided in Article 16.5.

17. Severability. To the extent that this Agreement is judicially determined to be unenforceable by virtue of its scope or in terms of area or length of time, but may be made enforceable by reductions of any or all thereof, the same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction where enforcement is sought.

18. Waivers. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted hereunder or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is in a writing signed by or on behalf of both parties.

19. Dispute Resolution.

19.1 Mediation. Except as provided in Article 19.3, prior to filing any demand for arbitration, the parties agree to mediate any dispute, controversy or claim between and among the parties and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your **PLANET FITNESS** Businesses, any loan or other finance arrangement between us or our affiliates and you, the parties’ relationship, any of your **PLANET FITNESS** Businesses, or any System Standard in accordance with the following procedures:

19.1.1 The party seeking mediation must commence mediation by sending the other party, in accordance with Article 22, a written notice of its request for mediation headed “Notification of Dispute”. The Notification of Dispute will specify, to the fullest extent possible, the party’s version of the facts surrounding the dispute; the amount of damages and the nature of any injunctive or other relief such party claims. The party (or parties as the case may be) receiving a Notification of Dispute will respond within twenty (20) days after receipt thereof, in accordance with Article 22, stating its version of the facts and, if applicable, its position as to damages sought by the party initiating the dispute procedure; provided, however, that if the dispute has been the subject of a default notice given under Article 9 of this Agreement, the other party will respond within ten (10) business days.

19.1.2 Upon receipt of a Notification of Dispute and response under Article 19.1.1, the parties will endeavor, in good faith, to resolve the dispute outlined in the Notification of Dispute and response. If the parties

have been unable to resolve a dispute outlined in a Notification of Dispute or a response thereto within twenty (20) days after receipt of the response, either party may initiate a mediation procedure with the American Arbitration Association (“AAA”), pursuant to its Commercial Mediation Procedures. The parties must select a mediator jointly.

19.1.3 All mediation sessions will occur in Portsmouth, New Hampshire (or in the city of our then-current headquarters, if our headquarters are no longer in New Hampshire) and must be attended by your Responsible Owner (and any other persons with authority to settle the dispute on your behalf) and our representative(s) who is/are authorized to settle the dispute. The parties may be represented by counsel at the mediation. The parties agree to participate in the mediation proceedings in good faith and with the intention of resolving the dispute if at all possible within thirty (30) days of the notice from the party seeking to initiate the mediation procedures. If the dispute is not resolved within thirty (30) days, any party may initiate arbitration pursuant to Article 19.2. In addition, if the party receiving notice of mediation has not responded within five (5) days of delivery of the notice or a party fails to participate in the mediation, this Article 19.1 will no longer be applicable and the other party can pursue arbitration. The parties agree that the costs of the mediator will be split equally between the parties. Each party must pay its own fees and expenses incurred in connection with the mediation. The mediation proceeding and any negotiations and results thereof will be treated as a compromise settlement negotiation and the entire process is confidential, except as otherwise expressly provided by applicable law. At least five (5) days prior to the initial mediation session, each party must deliver a written statement of positions.

19.2 Arbitration. Except as provided in Article 19.3, any dispute, controversy or claim between you and us and any of our or your affiliates, officers, directors, shareholders, members, guarantors, employees or owners arising under, out of, in connection with or in relation to this Agreement, any lease or sublease for your **PLANET FITNESS** Businesses, any loan or other finance arrangement between us or our affiliates and you, the parties’ relationship, any of your **PLANET FITNESS** Businesses, or any System Standard or the scope of validity of the arbitration obligation under this Article not resolved by mediation must be submitted to binding arbitration in accordance with the Federal Arbitration Act. The arbitration will be administered by the AAA pursuant to its Commercial Arbitration Rules then in effect by one arbitrator.

19.2.1 In connection with any arbitration proceeding, each party will submit or file any claim which would constitute a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred.

19.2.2 Any arbitration must be on an individual basis only as to a single development agreement (and not as or through an association) and the parties and the arbitrator will have no authority or power to proceed with any claim on a class-wide basis or otherwise to join or consolidate any claim with any claim or any other proceeding involving third parties. If a court or arbitrator determines that this limitation on joinder of or class-wide claims is unenforceable, then the agreement to arbitrate the dispute will be null and void and the parties must submit all claims to the jurisdiction of the courts, in accordance with Article 21.

19.2.3 The arbitration must take place in Portsmouth, New Hampshire (or in the city of our then-current headquarters, if our headquarters are no longer in New Hampshire).

19.2.4 The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. The arbitrator may not under any circumstance (a) stay the effectiveness of any termination of this Agreement, (b) assess punitive or exemplary damages, (c) certify a class or consolidated action, or (d) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. The arbitrator will decide any factual, procedural, or legal questions relating in any way to the dispute between the parties, including, but not limited to: any decision as to whether Article 21 is applicable and enforceable as against the parties, subject matter, timeliness, scope, remedies, unconscionability, and any alleged fraud in the inducement.

19.2.5 Other than as may be required by law, the entire arbitration proceedings (including, but not limited to, any rulings, decisions or orders of the arbitrator), will remain confidential and will not be disclosed to anyone other than the parties to this Agreement.

19.2.6 We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek recovery of those costs in accordance with Article 19.4.

19.3 Injunctive Relief/No Waiver of Arbitration. Notwithstanding Articles 19.1 and 19.2 of this Agreement, either party shall have the right to request injunctive relief (without any requirement to post a bond) from any court of competent jurisdiction, including, without limitation, application for judicial relief to protect against trademark infringement, unauthorized use of trademark, loss of possession of real or personal property, violations of non-competition or confidentiality obligations, termination of this Agreement, or to maintain the efficacy of an ongoing arbitration, and that such request shall not constitute a waiver of the moving party's right to demand arbitration of any dispute pursuant to Article 19 and its subparts.

19.4 Costs and Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed.

19.5 Survival. The provisions of this Article 19 are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

19.6 Tolling of Statute of Limitations. All applicable statutes of limitation and defenses based on the passage of time are tolled while the dispute resolution procedures in this Article 19 are pending. The parties will take such action, if any, required to effectuate such tolling.

19.7 Performance to Continue. Each party must continue to perform its obligations under this Agreement pending final resolution of any dispute pursuant to this Article 19, unless to do so would be impossible or impracticable under the circumstances.

20. Governing Law. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 *et. seq.*). Except to the extent governed by the Federal Arbitration Act as required hereby, the UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *et seq.*) or other federal law, this Agreement, the franchise and all claims arising from the relationship between us and you will be governed by the laws of New Hampshire, without regard to its conflict of laws principles, except that any law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless jurisdictional requirements are met independently without reference to this Article.

21. Consent to Jurisdiction. Subject to Article 19 hereof, you and your Owners agree that we may institute any action against you or your Owners in any state or federal court of general jurisdiction in New Hampshire and you (and each Owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts.

22. Notices. All written notices and reports permitted or required to be delivered by the provisions of this Agreement to us must be addressed to our General Counsel at the most current principal business address of which you have been notified. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days prior thereto) will be deemed delinquent. All written notices and reports permitted or required to be delivered by the provisions of this Agreement to you shall be addressed to your Responsible Owner or Approved Operator at your most current principal business address of which we have been notified, or the mailing address listed for your Responsible Owner or Approved Operator as listed on Exhibit B. Such notices or reports will be deemed so delivered:

22.1 at the time delivered by hand;

22.2 one (1) business day after transmission by telecopy, facsimile or other electronic system, provided there is evidence of delivery and notice is also promptly provided pursuant to the methods set forth in Articles 22.1 and/or 22.3; or

22.3 one (1) business day after being placed in the hands of a commercial courier service for next business day delivery, provided there is evidence of delivery; or five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

23. **WAIVER OF PUNITIVE DAMAGES, JURY TRIAL AND CLASS ACTIONS, EXCEPT WITH RESPECT TO ANY OBLIGATION TO INDEMNIFY US AND CLAIMS WE BRING AGAINST YOU FOR YOUR UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, WE AND YOU AND YOUR RESPECTIVE OWNERS WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US. EACH PARTY ACKNOWLEDGES THAT IT HAS HAD A FULL OPPORTUNITY TO CONSULT WITH COUNSEL CONCERNING THIS WAIVER, AND THAT THIS WAIVER IS INFORMED, VOLUNTARY, INTENTIONAL, AND NOT THE RESULT OF UNEQUAL BARGAINING POWER.**
24. Multiple Copies and Electronic Records. This Agreement may be executed in multiple copies, each of which will be deemed an original, and all of which when taken together shall constitute one and the same document. You expressly consent and agree that we may provide and maintain all disclosures, agreements, amendments, notices, and all other evidence of transactions between us and you in electronic form. You expressly agree that electronic copies of this Agreement and related agreements between us and you are valid. You also expressly agree not to contest the validity of the originals or copies of this Agreement and related agreements, absent proof of altered data or tampering. You also expressly agree to execution of this Agreement and related agreements by electronic means and that such execution shall be legally binding and enforceable as an “electronic signature” and the legal equivalent of your handwritten signature.
25. Entire Agreement. This Agreement together with any exhibits, addenda and appendices hereto, constitute the sole agreement between you and us with respect to the entire subject matter of this Agreement and embodies all prior agreements and negotiations with respect to your **PLANET FITNESS** Businesses authorized hereunder. There are no representations or warranties of any kind, express or implied, except as contained herein or in the Franchise Disclosure Document provided to you in connection with this Agreement.
26. Modification. This Agreement shall not be modified or amended except by an instrument in writing signed by or on behalf of the parties hereto.
27. Other Franchisees/Area Developers. You acknowledge that other **PLANET FITNESS** franchisees/area developers have or will be granted franchises or area development rights at different times and in different situations, and further acknowledge that the provisions of such agreements may vary substantially from those contained in this Agreement.
28. Binding Effect. Except as otherwise provided herein to the contrary, this Agreement shall be binding upon, and shall inure to the benefit of, you and us, and our respective heirs, executors, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the Effective Date.

Franchisor: PLANET FITNESS FRANCHISING LLC
By: _____
Name Printed: Christopher J. Rondeau
Title: Chief Executive Officer
EFFECTIVE DATE: _____

EACH OF THE UNDERSIGNED PARTIES WARRANTS AND REPRESENTS THAT THE AREA DEVELOPER HAS NOT RELIED UPON ANY GUARANTEES CONCERNING REVENUE, PROFIT OR THE SUCCESS OF THIS FRANCHISE IN SO SIGNING.

Area Developer: [AREA DEVELOPER]
By: _____
(Authorized Representative)
Name Printed: _____
Title: _____
Date: _____

AREA DEVELOPER ACKNOWLEDGES AND AGREES THAT IT (1) HAS SPECIFICALLY REVIEWED THE COMPLETED VERSION OF EXHIBITS B (OWNERSHIP ADDENDUM) AND D (SILENT INVESTORS), (2) IS BOUND THEREBY, AND (3) IS BEST POSITIONED, BETWEEN THE PARTIES, TO VERIFY THE ACCURACY OF THE INFORMATION PROVIDED AND CONTAINED THEREIN. AS SUCH, WE ARE ENTITLED TO RELY ON SUCH INFORMATION. AREA DEVELOPER REPRESENTS AND WARRANTS THAT ALL SUCH INFORMATION IS TRUE, CORRECT AND COMPLETE AS OF THE DATE OF AREA DEVELOPER'S EXECUTION OF THIS AGREEMENT, PROVIDED, HOWEVER, THAT AN IMMATERIAL INACCURACY IN SUCH INFORMATION SHALL NOT BE A DEFAULT UNDER THIS AGREEMENT.

Area Developer: [AREA DEVELOPER]
By: _____
(Authorized Representative)
Name Printed: _____
Title: _____
Date: _____

EXHIBIT A
MAP OF DEVELOPMENT AREA

(Attached; if applicable)

EXHIBIT B
OWNERSHIP ADDENDUM

1. **RESPONSIBLE OWNER.** The name, email address and home address of the Responsible Owner is as follows: _____.

2. **APPROVED OPERATOR.** The name, email address and home address of the Approved Operator is as follows: _____.

3. **FORM OF ENTITY OF AREA DEVELOPER.**

Area Developer was organized as a _____ on _____, under the laws of the State/Commonwealth of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. Its principal business address is _____.

<u>Name of Each Director/Officer/Partner/Manager/Managing Member</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____

4. **OWNERS.**

(a) **Ownership Interests.** Area Developer and each of its Owners represent and warrant that the following is a complete and accurate list of all owners of any direct or indirect ownership interest whatsoever in Area Developer, including the full name, e-mail address, and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Area Developer. Area Developer and each Owner, as to his or her ownership interest, represents and warrants that each Owner is the sole and exclusive legal and beneficial owner of his or her ownership interest in Area Developer, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

<u>Owner's Name, Email Address & Address</u>	<u>Percentage and Nature of Ownership Interest</u>
_____	_____
_____	_____
_____	_____

(b) **Ownership Group.** You represent and warrant that the following Owner or group of Owners has, directly or indirectly, 51% or more ownership interest in you and voting control over you and constitutes your Ownership Group as described in Article 8 of the Area Development Agreement.

Owner's Name	Percentage and Nature of Ownership Interest	Voting Interest (%)

EXHIBIT C
PERSONAL COVENANTS REGARDING
CONFIDENTIALITY AND NON-COMPETITION
(OWNER(S) AND APPROVED OPERATOR(S))

In conjunction with your role in _____ (“Area Developer”), you (“Owner” or “you”), acknowledge and agree as follows:

1. Area Developer has the rights, pursuant to an Area Development Agreement (“Area Development Agreement”) with Planet Fitness Franchising LLC (“Franchisor” or “We”) to develop multiple **PLANET FITNESS** businesses in a specific territory. The Area Development Agreement requires persons with certain legal or beneficial ownership interests in Area Developer to be personally bound by confidentiality and noncompetition covenants.
2. You own or intend to own a legal or beneficial ownership interest in Area Developer, or you have been designated an Approved Operator (as defined by the Area Development Agreement) of Area Developer, and acknowledge and agree that your execution of this Personal Covenants Regarding Confidentiality and Non-Competition Agreement (“Agreement”) is a condition to such ownership interest, or such designation, as applicable, and that you have received good and valuable consideration for executing this Agreement. We may enforce this Agreement directly against you and Your Owners (as defined below).
3. If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Your Owners”) must also execute this Agreement.
4. We possess (and will continue to develop and acquire), and may disclose to you, certain confidential information (the “Confidential Information”) relating to the development and operation of **PLANET FITNESS** businesses, which may include, without limitation: (1) location selection criteria and plans and specification for the development of **PLANET FITNESS** businesses; (2) methods, formats, specifications, standards, systems, procedures, the Operations Manual, any other proprietary materials, the sales and marketing techniques used, and knowledge of and experience in developing and operating **PLANET FITNESS** businesses; (3) sales, marketing and advertising programs and techniques for **PLANET FITNESS** businesses; (4) knowledge of specifications for and suppliers of certain fixtures, furnishings, equipment, products, materials and supplies; (5) knowledge of the operating results and financial performance of **PLANET FITNESS** businesses other than the **PLANET FITNESS** businesses developed pursuant to the Area Development Agreement; (6) methods of training and management relating to **PLANET FITNESS** businesses; (7) computer system and software programs used or useful in **PLANET FITNESS** businesses; and (8) other information related to **PLANET FITNESS** businesses generally that is labeled proprietary or confidential. The Confidential Information includes, without limitation, all customer and membership lists and information for the **PLANET FITNESS** businesses developed pursuant to the Area Development Agreement and **PLANET FITNESS** businesses generally.
5. You and Your Owners may gain access to parts of our Confidential Information as a result of investing in Area Developer. The Confidential Information is proprietary and includes our trade secrets. You and Your Owners hereby agree that while you and they have a management role or legal or beneficial ownership interest in Area Developer and thereafter you and they: (a) will not use the Confidential Information in any other business or capacity, such use being an unfair method of competition; (b) will exert best efforts to maintain the confidentiality of the Confidential Information; and (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form. If you or Your Owners cease to have a management role or legal or beneficial ownership interest in Area Developer, you and Your Owners must deliver to us any such Confidential Information in your or their possession.
6. You specifically acknowledge that you may receive valuable, specialized training, Confidential Information, and other proprietary and specialized information and knowledge that provide a valuable, competitive advantage in operating a men’s, women’s, children’s, or co-ed fitness, exercise, athletic or wellness facility of any kind. You further acknowledge that we would be unable to protect the Confidential Information against unauthorized use or disclosure or to encourage the free exchange of ideas and information among our area developers if you were permitted to hold interests in or perform services for a competitive business, such as any men’s, women’s, children’s, or co-ed fitness, exercise, athletic, or wellness facility of any kind, including, but not limited to, a health club, gym, physical fitness club, personal training studio, weight loss, weight

training or resistance training studio, or aerobics center (other than a **PLANET FITNESS** business) (each a “Competitive Business”), and we have granted the Area Developer certain rights under the Area Development Agreement in consideration of, and in reliance upon, your agreement to deal exclusively with us. You therefore covenant that during the term of the Area Development Agreement (except as otherwise approved in writing by us), you, Your Owners, and you and their immediate families shall not, either directly, indirectly or through, on behalf of, or in conjunction with any person or legal entity:

- (a) Divert or attempt to divert any present or prospective business or customer of any **PLANET FITNESS** business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System;
- (b) Recruit, employ or seek to employ any person who is at that time, or has been within the past six (6) months, employed by us or one of our affiliates, or otherwise directly or indirectly induce such person to leave his or her employment; or
- (c) Own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business.

7. You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous, uninterrupted period of two (2) years commencing upon the date of (a) a transfer permitted under Article 16 of the Area Development Agreement, (b) expiration of the Area Development Agreement, (c) termination of the Area Development Agreement (regardless of the cause for termination), or (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Paragraph 7, either directly or indirectly, for yourself or your spouse, parent (including step parents), sibling (including half siblings), or child (including step children), whether natural or adopted, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, act as a consultant for, perform services for, provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business that is, or is intended to be, located within (a) the Development Area, (b) fifteen (15) miles of any **PLANET FITNESS** businesses developed pursuant to the Area Development Agreement, or (c) fifteen (15) miles of any **PLANET FITNESS** business in operation or under construction as of the date that you are required to comply with this Paragraph 7. You agree and acknowledge that the two (2) year period of this restriction shall be tolled during any time period in which you are in violation of this restriction.

The restrictions in this Paragraph 7 do not apply to the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

8. You and each of Your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Paragraphs 6 and 7 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographical area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy. We may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You and each of Your Owners acknowledges that any violation of Paragraphs 4, 5 or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If we file a claim to enforce this Agreement and prevail in such proceeding, you agree to reimburse us for all its costs and expenses, including reasonable attorneys’ fees.

[This space intentionally left blank; signatures to follow.]

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature effective as of the Effective Date of the Area Development Agreement.

OWNER(S):

[Insert Name], Individually
Dated: _____

[Insert Name], Individually
Dated: _____

[Insert Name], Individually
Dated: _____

[Insert Name], Individually
Dated: _____

[Insert Name], Individually
Dated: _____

[Insert Name], Individually
Dated: _____

APPROVED OPERATOR:

[Insert Name], Individually
Dated: _____

EXHIBIT D
SILENT INVESTORS

_____ (“Area Developer”) has the rights, pursuant to the Area Development Agreement to develop multiple **PLANET FITNESS** businesses in a specific territory. The Area Development Agreement requires persons with certain legal or beneficial ownership interests in Area Developer to be personally bound by confidentiality and noncompetition covenants, or to be designated as a “Silent Investor” and comply with certain requirements. Capitalized terms not defined herein have the meanings set forth in the Area Development Agreement. In conjunction with your investment in Area Developer, Area Developer and its Owners acknowledge and agree as follows:

1. Silent Investor. As used in the Area Development Agreement and herein, the term “Silent Investor” means and refers to the following individuals and/or entities:

<u>Silent Investor Name and Address</u>	<u>Percentage Ownership Interest</u>
Silent Investor: _____ Address: _____	_____ %

2. Additional Silent Investors/Franchisor Approval. The addition of Silent Investors, as well as the equity interest of each such Silent Investor, is subject to the Franchisor’s prior written approval. Specifically, Area Developer may not add any new Silent Investor unless such person or entity, and any other person or entity that directly or indirectly controls such person or entity, first satisfies, to Franchisor’s satisfaction, Franchisor’s then-current character and financial requirements applicable to all **PLANET FITNESS** franchisees at the time including, without limitation, the completion of a satisfactory background check and credit check conducted by (or on behalf of) Franchisor. Area Developer and Responsible Owner (“Area Developer Parties”) must notify Franchisor within seven (7) calendar days of the date that any Silent Investor ceases having an ownership interest in Area Developer.
3. Silent Investor Prohibitions. Area Developer Parties each agree that no Silent Investor will:
 - A. Undertake or exercise an active role in the management or operation of any **PLANET FITNESS** Business;
 - B. Have or otherwise acquire access to Confidential Information (as defined in Exhibit C) or other operating information, including information set forth in any operations manual (and/or any component thereof); or
 - C. Disclose his/her/its ownership interest in the Area Developer to any third party, except for professional advisors that need to know or as required by law.
4. Covenants of Area Developer Parties. Area Developer Parties each covenant that they will not give, provide, disseminate, create access to, or otherwise release any or all of the following to any Silent Investor: Confidential Information, operating information other than financial statements, marketing techniques or materials that are similar to those used in the System, member rate structures similar to those used in the System, any of Franchisor’s procedures or systems, and any other information that Franchisor designates as proprietary or confidential. Area Developer Parties further acknowledge, understand and agree that if a Silent Investor learns Confidential Information or other operating information at any time during or after the term of the Area Development Agreement; Area Developer Parties will be presumed to have disclosed such Confidential Information or other operating information to the Silent Investor(s).

5. Representation and Warranty. Area Developer Parties expressly represent and warrant to Franchisor that the individuals and/or entities identified in Paragraph 1 above constitute all Silent Investors as of the Effective Date, and that no different or additional Silent Investors will acquire or otherwise obtain an interest in Area Developer absent compliance with the conditions described in Article 2 above.
6. Liability for Damages. If any or all of the Area Developer Parties violate the confidentiality or non-competition provisions of the Area Development Agreement and/or Paragraph 4 (above), the Area Developer Parties will be jointly and severally liable for any such breach, including, to the fullest extent possible, all damages and costs resulting from Franchisor's enforcement or attempted enforcement against any or all Area Developer Parties of any provision of this Exhibit or the Area Development Agreement.
7. Cross Default. For the avoidance of doubt, any breach or default under this Exhibit D (including, without limitation, Paragraph 4 above) will be deemed an incurable default under the Area Development Agreement. Area Developer Parties acknowledge that a violation of Paragraphs 3 and/or 4 of this Exhibit would result in irreparable injury for which no adequate remedy at law may be available. If Franchisor files a claim to enforce the terms of this Exhibit D and prevails in such proceeding, Area Developer Parties agree to reimburse Franchisor for all its costs and expenses, including reasonable attorneys' fees.

PLANET FITNESS®
EXHIBIT “H”
TO THE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

Audited opening balance sheet of Planet Fitness Franchising LLC, as of August 1, 2018.

PLANET FITNESS FRANCHISING LLC

Balance Sheet as of August 1, 2018
And Independent Auditors' Report

PLANET FITNESS FRANCHISING LLC

Index to Balance Sheet and Notes

INDEPENDENT AUDITORS' REPORT	3
BALANCE SHEET AS OF AUGUST 1, 2018	4
NOTES TO BALANCE SHEET	5
(1) NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	5
(2) GUARANTEES AND OTHER COMMITMENTS AND CONTINGENCIES	8
(3) INTANGIBLE ASSETS	9
(4) DEFERRED REVENUE	9
(5) RELATED PARTY TRANSACTIONS	10



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

The Board of Directors
Planet Fitness Franchising LLC:

Report on the Financial Statement

We have audited the accompanying financial statement of Planet Fitness Franchising LLC, which is comprised of the balance sheet as of August 1, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Planet Fitness Franchising LLC as of August 1, 2018 in accordance with U.S. generally accepted accounting principles.

KPMG LLP

Boston, Massachusetts
September 6, 2018

Planet Fitness Franchising LLC

Balance Sheet as of August 1, 2018

(In Thousands)

August 1, 2018

Assets

Current Assets

Cash and cash equivalents	\$	50
Accounts receivable		<u>745</u>
Total Current Assets		795
Intangible assets		<u>192,485</u>
Total assets	\$	<u><u>193,280</u></u>

Liabilities and Member's Equity

Current Liabilities

Deferred revenue, current	\$	<u>2,467</u>
Total current liabilities		2,467

Non-current deferred revenue

Total liabilities		<u>23,749</u>
		<u>26,216</u>

Member's Equity

Member's contribution		<u>167,064</u>
Total member's equity		<u>167,064</u>
Total liabilities and member's equity	\$	<u><u>193,280</u></u>

See accompanying notes to financial statements.

Planet Fitness Franchising LLC

Notes to Balance Sheet

(In Thousands)

(1) Nature of Business and Summary of Significant Accounting Policies

Organization

Planet Fitness Franchising LLC (the “Company” or “Franchisor”), is a Delaware limited liability company. The Company is a direct, wholly owned subsidiary of Planet Fitness Master Issuer LLC (the “Master Issuer”), a Delaware limited liability company, which is a wholly owned Subsidiary of the holding company guarantor Planet Fitness SPV Guarantor LLC, a Delaware limited liability company (the “Holding Company Guarantor”) which is a wholly owned subsidiary of Planet Fitness Holdings, LLC, a New Hampshire limited liability company (“Planet Fitness”), whose ultimate parent company is Planet Fitness, Inc., a Delaware corporation. The Company was formed on June 13, 2018 in connection with a contemplated financing (the “Securitization Transaction”) which was completed on August 1, 2018 (the “Closing Date”), primarily to serve as the franchisor of Planet Fitness stores in the United States (U.S.). On the Closing Date, Planet Fitness contributed to the Company substantially all of the assets, net of liabilities, presented on the Company’s balance sheet included herein. See “Business and Operations” below and Note 2 for further information.

Business Operations

On the Closing Date, Planet Fitness contributed to the Company all the franchise agreements, area development agreements (“ADAs”), related agreements and authorized vendor contracts and commissions with respect to Planet Fitness stores franchised in the United States (“U.S.”). In addition, Planet Fitness contributed to the Company certain intellectual property (the “Securitization IP”), consisting of substantially all of the existing and after-acquired U.S. and Canadian intellectual property and all future U.S. licensing fees. Following the Closing Date, the Company serves as franchisor of the Planet Fitness brand with respect to and will own (1) new and existing U.S. franchise agreements and all franchisee receipts, excluding payments related to the National Advertising Fund (“NAF”), related thereto; (2) new and existing U.S. ADAs and all franchising receipts related thereto; (3) all rights to enter into new franchising agreements in the U.S.; (4) all rights to enter into new revenue-generating authorized vendor contracts in the U.S.; (5) all online join fees, payment processor rebates and similar revenues; and (6) rights to all the licensing fees and other fees related to the Securitization IP.

The Company, along with Master Issuer, Holding Company Guarantor, and other subsidiaries of Master Issuer, have entered into a management agreement with Planet Fitness, under which Planet Fitness performs certain services related to franchise arrangements and other assets held by the Company, including collecting franchise payments, causing the Company to enter into new franchise arrangements, and providing pre-opening and ongoing support services for franchisees. All revenues generated by the franchise arrangements are recorded by the Company and when collected are deposited into accounts held in the name of the Company. In exchange for providing its services, Planet Fitness is eligible to receive management fees from Master Issuer on behalf of all of Master Issuer’s subsidiaries, including the Company. Neither the expenses incurred by Planet Fitness to fulfill its responsibilities under the management agreement, nor any management fees to compensate Planet Fitness for those services provided, are allocated to Franchisor, because there is no reasonable basis for such allocation. Therefore, no franchising-related liabilities are included in the accompanying balance sheet. Planet Fitness, Inc. consolidates all entities, including Planet Fitness, Holding Company Guarantor, Master Issuer, and Company. Planet Fitness, Inc. is a public company and files periodic reports with the U.S. Securities and Exchange Commission (“SEC”) as required by the rules of the SEC. Consolidated financial information of Planet Fitness, Inc. as of December 31, 2017 and December 31, 2016 and for the fiscal years ended December 31, 2017, 2016, and 2015 is available in Planet Fitness, Inc.’s Annual Report on Form 10-K for fiscal year ended December 31, 2017, as filed with the SEC.

Basis of Presentation

The accompanying balance sheet has been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The accompanying balance sheet includes all accounts of the Company, which has no subsidiaries.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. Significant areas where estimates and judgments are relied upon by management in the preparation of the financial statements include revenue recognition and the evaluation of the recoverability of long-lived assets, including intangible assets.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of 90 days or less to be cash equivalents.

Fair Value of Financial Instruments

The carrying amount of accounts receivables approximate fair value because of their short-term nature.

Accounts Receivable

Accounts receivable is primarily comprised of amounts owed to the Company resulting from commission revenue. The Company evaluates its accounts receivable on an ongoing basis and may establish an allowance for doubtful accounts based on collections and current credit conditions. Accounts are written off as uncollectible when it is determined that further collections efforts will be unsuccessful. Historically, the Company has not had significant amounts of write-offs.

Intangible Assets

Other intangible assets that arise from acquisitions are recorded in accordance with ASC Topic 350, Intangibles – Goodwill and Other. In accordance with this guidance, specifically identified intangible assets must be recorded as a separate asset from goodwill if either of the following two criteria is met: (1) the intangible asset acquired arises from contractual or other legal rights; and (2) the intangible asset is separable.

Indefinite-lived intangible assets are not amortized, but are reviewed annually for impairment or more frequently if impairment indicators arise. Separable intangible assets that are not deemed to have an indefinite life are amortized over their estimated useful lives on either a straight-line or accelerated basis as deemed appropriate, and are reviewed for impairment when events or circumstances suggest that the assets may not be recoverable. The Company determined that no impairment charges exist at the balance sheet date.

The Company applies the provisions of ASC Topic 360, Property, Plant and Equipment, which requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group to be tested for impairment, then assets are required to be grouped and evaluated at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to the undiscounted future net cash flows expected to be generated by the asset or asset group. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no events or changes in circumstances that required the Company to test for impairment at the balance sheet date.

Revenue Recognition

Franchise revenues consist primarily of royalties, initial and renewal franchise fees and upfront fees from ADAs, transfer fees, other fees and commission income.

The Company's primary performance obligation under the franchise license is granting certain rights to use the Company's intellectual property, and all other services the Company provides under the ADA and franchise agreement are highly interrelated, not distinct within the contract, and therefore accounted for under ASC 606 as a single performance obligation, which is satisfied by granting certain rights to use our intellectual property over the term of each franchise agreement.

Royalties, including franchisee contributions to the NAF, are calculated as a percentage of franchise sales over the term of the franchise agreement. Under our franchise agreements, advertising contributions paid by franchisees must be spent on advertising, marketing and related activities which are received and recorded on Planet Fitness NAF, LLC, a subsidiary of Planet Fitness Holdings, LLC and is excluded from the securitization and these financial statements. Initial and renewal franchise fees are payable by the franchisee upon signing a new franchise agreement or renewal of an existing franchise agreement, and transfer fees are paid to the Company when one franchisee transfers a franchise agreement to a different franchisee. Our franchise royalties represent sales-based royalties that are related entirely to our performance obligation under the franchise agreement and are recognized as franchise sales occur.

Additionally, under ASC 606, initial and renewal franchise fees, as well as transfer fees, are recognized as revenue on a straight-line basis over the term of the respective franchise agreement. Our performance obligation under ADAs generally consists of an obligation to grant geographic exclusive area development rights. These development rights are not distinct from franchise agreements, so upfront fees paid by franchisees for exclusive development rights are deferred and apportioned to each franchise agreement signed by the franchisee. The pro-rata amount apportioned to each franchise agreement is accounted for identically to the initial franchise fee.

The Company recognizes commission income from certain of its franchisees' use of certain preferred vendor arrangements. Commissions are recognized when amounts have been earned and collectability from the vendor is reasonably assured.

Online member join fees are paid to the Company by franchisees for processing new membership transactions when a new member signs up for a membership to a franchisee-owned store through the Company's website. These fees are recognized as revenue as each transaction occurs.

Billing transaction fees are paid to the Company by certain of its franchisees for the processing of franchisee membership dues and annual fees through the Company's third-party hosted point-of-sale system and are recognized as revenue as they are earned.

Income Taxes

The Company is a single-member limited liability company and is treated as a disregarded entity for federal and state income tax purposes. As a result, the Company generally does not incur U.S. income taxes. Instead, its earnings and losses flow up to its sole member and are ultimately included in the consolidated income tax returns of Planet Fitness, Inc., the Company's indirect parent. The Company has not entered into a tax sharing agreement with Planet Fitness nor does its limited liability agreement provide for tax distributions. No specific dividends are required for tax payments.

Concentration of credit risk

The credit risk associated with trade receivables is mitigated due to the large number of customers, generally our franchisees, and their broad dispersion over many different geographic areas. We do not have any concentrations with respect to our revenues.

Subsequent Events

In preparing the balance sheet, the Company has evaluated significant events occurring subsequent to August 1, 2018 through September 6, 2018, the date of issuance of the financial statements.

(2) Guarantees and Other Commitments and Contingencies

On August 1, 2018, Master Issuer entered into a base indenture and related supplemental indenture (collectively, the “Indenture”) under which Master Issuer entered into a \$1,275,000 securitized financing facility (the “Series 2018-1 Notes”), comprised of \$1,200,000 aggregate principal amount of notes issued consisting of \$575,000 Series 2018-1 4.262% Fixed Rate Senior Secured Notes, Class A-2-I (the “Class A-2-I Notes”) with an anticipated term of 4 years, and \$625,000 Series 2018-1 4.666% Fixed Rate Senior Secured Notes, Class A-2-II (the “Class A-2-II Notes”) with an anticipated term of 7 years. The Master Issuer also entered into a revolving financing facility that allows for the issuance of up to \$75,000 in Series 2018-1 Variable Funding Senior Notes, Class A-1 (the “Variable Funding Notes”), which were undrawn at Closing.

The Series 2018-1 Senior Notes we issued in connection with the Securitization Transaction, pursuant to which most of Planet Fitness’ domestic revenue-generating assets, consisting principally of franchise-related agreements and intellectual property and license agreements for the use of intellectual property, are held by the Master Issuer and certain other limited-purpose, bankruptcy remote, wholly-owned indirect subsidiaries of Planet Fitness that act as guarantors of the Series 2018-1 Notes and that have pledged substantially all of their assets to secure the Series 2018-1 Notes (the “Guarantor”). The Company guaranteed the obligations of the Master Issuer under the Indenture and the Series 2018-1 Notes and pledged substantially all of its assets to secure such obligations.

The legal final maturity date of the Series 2018 Notes is in September 2048, but it is anticipated that, unless earlier prepaid to the extent permitted under the indenture, the Class A-2-I Notes will be repaid in September 2022 and the Class A-2-II Notes will be repaid in September 2025 (together, the “Anticipated Repayment Dates”). Borrowings under the Variable Funding Notes will accrue interest at a variable rate of LIBOR plus 2.0%. In addition, there is a 2.0% fee for letters of credit amounts outstanding and a 0.5% commitment fee on the unused portion of the Variable Funding Notes.

The Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) that the Master Issuer maintains specified reserve accounts to be used to make required payments in respect of the Series 2018-1 Notes, (ii) provisions relating to optional and mandatory prepayments, including specified make-whole payments in the case of the Series 2018-1 Class A-2 Notes under certain circumstances, (iii) certain indemnification payments in the event, among other things, the assets pledged as collateral for the Series 2018-1 Notes are in stated ways defective or ineffective, and (iv) covenants relating to record keeping, access to information and similar matters. The Series 2018-1 Notes are also subject to customary rapid amortization events provided for in the Indenture, including events tied to failure to maintain a minimum ratio of net cash flows to debt service, failure to maintain an aggregate level of Planet Fitness system wide sales on certain measurement dates, certain manager termination events, an event of default, and the failure to repay or refinance the Series 2018-1 Class A-2 Notes on the applicable scheduled maturity date. The Series 2018-1 Notes are also subject to certain customary events of default, including events relating to non-payment of required interest, principal, or other amounts due on or with respects to the Series 2018-1 Notes, failure to comply with covenants within certain timeframes, certain bankruptcy events, breaches of specified representations and warranties, failure of security interests to be effective, and certain judgements.

As the Company has no employees, the Guarantors, (which includes the Company), and the Master Issuer (the “Securitization Entities”) have entered into a management agreement with Planet Fitness and the indentured trustee (the “Management Agreement”), whereby Planet Fitness will act as the manager (the “Manager”) of the development, franchising and support of Planet Fitness stores. The primary responsibility of the Manager under the Management Agreement will be to administer collection and otherwise manage the pledged assets on behalf of the Securitization Entities, and to perform certain franchising, marketing, intellectual property, operational and reporting services on behalf of the Securitization Entities. As compensation for its obligations under the Management Agreement, the Manager is entitled to receive a management fee. Management fees paid pursuant to the Management Agreement are not allocated to the Company.

(3) Intangible Assets

The following is a summary of the components of intangible assets and the related amortization expense:

	Weighted average amortization period (years)	August 1, 2018		
		Cost	Accumulated Amortization	Net
Indefinite-lived:				
Trade and brand names	N/A	\$ 146,300	\$ -	\$ 146,300
Finite-lived:				
Customer relationships	12	88,400	(42,215)	46,185
		<u>\$ 234,700</u>	<u>\$ (42,215)</u>	<u>\$ 192,485</u>

Aggregate anticipated amortization expense to be recognized in future years as of August 1, 2018:

2018 ⁽¹⁾	\$ 3,069
2019	7,367
2020	7,367
2021	7,367
2022	7,367
Thereafter	13,648
Total	<u>\$ 46,185</u>

(1) Represents anticipated amortization expense for the time period August 1, 2018 through December 31, 2018.

(4) Deferred Revenue

The following represents the balances in deferred revenue as of August 1, 2018:

	Amount
ADAs	\$ 14,444
Franchise Fee	5,720
Transfer Fee	4,915
Grace Period	867
Other	270
Total	<u>\$ 26,216</u>

Aggregate anticipated deferred revenue to be recognized in future years as of August 1, 2018:

2018 ⁽¹⁾	\$ 1,045
2019	2,425
2020	2,303
2021	2,176
2022	2,077
Thereafter	16,190
Total	<u>\$ 26,216</u>

(1) Represents anticipated deferred revenue to be recognized for the time period August 1, 2018 through December 31, 2018.

(5) Related Party Transactions

Advances to affiliates

All cash collections related to the Company's franchise operations are deposited into an account held by the Company. Additionally, substantially all operating expenses of the Company are paid by Master Issuer or Planet Fitness. The net cash collected by the Company, up to the amount of retained earnings for the Company, is recorded as dividends to the parent, net within member's equity. Any excess net cash collected by the Company is deemed an advance of future earnings, and will be recorded as an advance to affiliates in the balance sheet. Such amounts are not expected to be repaid to the Company, but it is anticipated that these amounts will be reflected as dividends to parent in the future periods when the income is recognized. In periods when such income is recognized, the income in excess of cash collections will be reflected as a reduction of advances to affiliates in the balance sheet and included within dividends to parent, net within member's equity.

Assets contributed from affiliates

On August 1, 2018, wholly owned subsidiaries of Pla-Fit Franchise, LLC and Planet Fitness contributed all U.S. ADAs, franchise agreements and certain other agreements held by them to the Company, including any associated accounts receivable, intangible assets, and deferred revenue. These contributions were recorded, net within member's equity. The assets and liabilities are recorded at historical book value and the revenues will be recorded prospectively from the date of transfer.

Advertising Funds

On behalf of the NAF, the Manager collects a fee from each franchisee, which is generally 2% of their monthly membership dues, to be used for purposes of national advertising. As the Company does not control the advertising funds, the financial results of the advertising funds are not consolidated with the results of the Company.

Transactions with affiliated parties

The Company had deferred franchise revenue from related parties of \$781 as of August 1, 2018.

Guarantee of Performance of Planet Fitness Holdings, LLC by Planet Fitness, Inc.

GUARANTEE OF PERFORMANCE

For value received, Planet Fitness, Inc., a Delaware corporation, located at 4 Liberty Lane West, Hampton, NH 03842, absolutely and unconditionally guarantees to assume the duties and obligations of Planet Fitness Holdings, LLC, located at 4 Liberty Lane West Hampton, NH 03842 (the "Manager") which is contractually obligated to fulfill the duties of Planet Fitness Franchising LLC, located at 4 Liberty Lane West, Floor 2 Hampton, NH 03842 (the "Franchisor") under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2018 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at 4 Liberty Lane West, Hampton, NH 03842, on the 6 day of August, 2018.

Guarantor:

PLANET FITNESS, INC.

By: 

Name: Justin Vartanian

Title: General Counsel and Secretary

Planet Fitness Holdings - 2018 Guarantee of Performance
4817-6068-7469.2

Audited consolidated financial statements of Planet Fitness, Inc.,
covering the fiscal years ended December 31, 2017, December 31, 2016, and December 31, 2015.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Planet Fitness, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Planet Fitness, Inc. and subsidiaries (the “Company”) as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income, cash flows and changes in equity for each of the years in the three-year period ended December 31, 2017, and the related notes and financial statement Schedule II-Valuation and Qualifying Accounts (collectively, the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 1, 2018 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company’s auditor since 2012.

Boston, Massachusetts
March 1, 2018

Planet Fitness, Inc. and subsidiaries
Consolidated balance sheets
(Amounts in thousands, except per share amounts)

	December 31, 2017	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 113,080	\$ 40,393
Accounts receivable, net of allowance for bad debts of \$32 and \$687 at December 31, 2017 and 2016, respectively	37,272	26,873
Due from related parties	3,020	2,864
Inventory	2,692	1,802
Restricted assets – NAF (note 4)	499	3,074
Prepaid expenses	3,929	3,591
Other receivables	9,562	7,935
Income tax receivable	6,947	4,693
Total current assets	177,001	91,225
Property and equipment, net	83,327	61,238
Intangible assets, net	235,657	253,862
Goodwill	176,981	176,981
Deferred income taxes	407,782	410,407
Other assets, net	11,717	7,729
Total assets	\$ 1,092,465	\$ 1,001,442
Liabilities and stockholders' deficit		
Current liabilities:		
Current maturities of long-term debt	\$ 7,185	\$ 7,185
Accounts payable	28,648	28,507
Accrued expenses	18,590	19,190
Equipment deposits	6,498	2,170
Restricted liabilities - NAF (note 4)	490	134
Deferred revenue, current	19,083	17,780
Payable pursuant to tax benefit arrangements, current	31,062	8,072
Other current liabilities	474	235
Total current liabilities	112,030	83,273
Long-term debt, net of current maturities	696,576	702,003
Deferred rent, net of current portion	6,127	5,108
Deferred revenue, net of current portion	8,440	8,351
Deferred tax liabilities	1,629	1,238
Payable pursuant to tax benefit arrangements, net of current portion	400,298	410,999
Other liabilities	4,302	5,225
Total noncurrent liabilities	1,117,372	1,132,924
Commitments and contingencies (note 15)		
Stockholders' equity:		
Class A common stock, \$.0001 par value - 300,000 shares authorized, 87,188 and 61,314 shares issued and outstanding as of December 31, 2017 and 2016, respectively	9	6
Class B common stock, \$.0001 par value - 100,000 shares authorized, 11,193 and 37,185 shares issued and outstanding as of December 31, 2017 and 2016, respectively	1	4
Accumulated other comprehensive loss	(648)	(1,174)
Additional paid in capital	12,118	34,467
Accumulated deficit	(130,966)	(164,062)
Total stockholders' deficit attributable to Planet Fitness, Inc.	(119,486)	(130,759)
Non-controlling interests	(17,451)	(83,996)
Total stockholders' deficit	(136,937)	(214,755)
Total liabilities and stockholders' deficit	\$ 1,092,465	\$ 1,001,442

See accompanying notes to consolidated financial statements.

Planet Fitness, Inc. and subsidiaries
Consolidated statements of operations
(Amounts in thousands, except per share amounts)

	For the Year Ended December 31,		
	2017	2016	2015
Revenue:			
Franchise	\$ 131,983	\$ 97,374	\$ 71,762
Commission income	18,172	19,114	16,323
Corporate-owned stores	112,114	104,721	98,390
Equipment	167,673	157,032	144,062
Total revenue	429,942	378,241	330,537
Operating costs and expenses:			
Cost of revenue	129,266	122,317	113,492
Store operations	60,657	60,121	57,485
Selling, general and administrative	60,369	50,008	55,573
Depreciation and amortization	31,761	31,502	32,158
Other (gain) loss	353	(1,369)	(273)
Total operating costs and expenses	282,406	262,579	258,435
Income from operations	147,536	115,662	72,102
Other income (expense), net:			
Interest expense, net	(35,283)	(27,125)	(24,549)
Other income (expense), net	316,928	1,371	(275)
Total other income (expense), net	281,645	(25,754)	(24,824)
Income before income taxes	429,181	89,908	47,278
Provision for income taxes	373,580	18,661	9,148
Net income	55,601	71,247	38,130
Less net income attributable to non-controlling interests	22,455	49,747	19,612
Net income attributable to Planet Fitness, Inc.	\$ 33,146	\$ 21,500	\$ 18,518

Net income per share of Class A common stock (1) :

Basic	\$ 0.42	\$ 0.50	\$ 0.11
Diluted	\$ 0.42	\$ 0.50	\$ 0.11

Weighted-average shares of Class A common stock outstanding (1) :

Basic	78,910	43,300	36,244
Diluted	78,972	43,305	36,244

(1) For the year ended December 31, 2015, represents earnings per share of Class A common stock and weighted-average shares of Class A common stock outstanding for the period from August 6, 2015 through December 31, 2015, the period following the recapitalization transactions and IPO (see Note 13).

See accompanying notes to consolidated financial statements.

Planet Fitness, Inc. and subsidiaries
Consolidated statements of comprehensive income
(Amounts in thousands)

	For the Year Ended December 31,		
	2017	2016	2015
Net income including non-controlling interests	\$ 55,601	\$ 71,247	\$ 38,130
Other comprehensive (loss) income, net:			
Unrealized gain (loss) on interest rate caps, net of tax	1,143	(78)	(1,388)
Foreign currency translation adjustments	26	(72)	314
Total other comprehensive income (loss), net	1,169	(150)	(1,074)
Total comprehensive income including non-controlling interests	56,770	71,097	37,056
Less: total comprehensive income attributable to non-controlling interests	22,707	49,560	19,557
Total comprehensive income attributable to Planet Fitness, Inc.	\$ 34,063	\$ 21,537	\$ 17,499

See accompanying notes to consolidated financial statements.

Planet Fitness, Inc. and subsidiaries
Consolidated statements of cash flows
(Amounts in thousands)

	For the Year Ended December 31,		
	2017	2016	2015
Cash flows from operating activities:			
Net income	\$ 55,601	\$ 71,247	\$ 38,130
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	31,761	31,502	32,158
Amortization of deferred financing costs	1,935	1,544	1,596
Amortization of favorable leases and asset retirement obligations	334	392	478
Amortization of interest rate caps	1,755	797	28
Deferred tax expense	372,422	15,606	6,135
Loss (gain) on re-measurement of tax benefit arrangement	(317,354)	72	(2,549)
Provision for bad debts	(19)	59	667
Gain on disposal of property and equipment	(159)	(514)	(273)
Loss on extinguishment of debt	79	606	—
Third party debt refinancing expense	1,021	3,001	—
Equity-based compensation	2,531	1,728	4,877
Changes in operating assets and liabilities:			
Accounts receivable	(10,481)	(7,754)	(414)
Due from related parties	(604)	1,897	4,210
Inventory	(890)	2,755	(1,545)
Other assets and other current assets	(2,981)	(7,944)	(5,720)
Accounts payable and accrued expenses	4,210	7,428	263
Other liabilities and other current liabilities	(470)	2,747	99
Income taxes	(3,027)	(5,993)	115
Payments pursuant to tax benefit arrangements	(11,446)	(6,922)	—
Equipment deposits	4,328	(3,417)	(1,088)
Deferred revenue	1,276	(652)	2,994
Deferred rent	1,199	632	1,502
Net cash provided by operating activities	131,021	108,817	81,663
Cash flows from investing activities:			
Additions to property and equipment	(37,722)	(15,377)	(19,488)
Proceeds from sale of property and equipment	680	683	327
Net cash used in investing activities	(37,042)	(14,694)	(19,161)
Cash flows from financing activities:			
Proceeds from issuance of Class A common stock sold in initial public offering, net of underwriting discounts and commissions	—	—	156,946
Use of proceeds from issuance of Class A common stock to purchase Holdings Units	—	—	(156,946)
Proceeds from issuance of long-term debt	—	230,000	120,000
Proceeds from issuance of Class A common stock	480	136	—
Principal payments on capital lease obligations	(22)	(46)	(376)
Repayment of long-term debt	(7,185)	(5,621)	(14,800)
Payment of deferred financing and other debt-related costs	(1,278)	(5,220)	(1,698)
Premiums paid for interest rate caps	(366)	—	(880)
Repurchase and retirement of Class B common stock	—	(1,583)	—
Dividend paid to holders of Class A common stock	—	(169,282)	—
Dividend equivalent paid to members of Pla-Fit Holdings	(1,974)	(101,729)	(140,000)
Distributions to members of Pla-Fit Holdings	(11,358)	(31,838)	(36,486)
Net cash used in financing activities	(21,703)	(85,183)	(74,240)
Effects of exchange rate changes on cash and cash equivalents	411	23	(123)
Net increase (decrease) in cash and cash equivalents	72,687	8,963	(11,861)
Cash and cash equivalents, beginning of period	40,393	31,430	43,291
Cash and cash equivalents, end of period	\$ 113,080	\$ 40,393	\$ 31,430
Supplemental cash flow information:			
Net cash paid for income taxes	\$ 3,722	\$ 7,040	\$ 2,834
Cash paid for interest	\$ 31,418	\$ 24,302	\$ 23,220
Non-cash investing activities:			
Non-cash additions to property and equipment	\$ 861	\$ 2,203	\$ 207
Non-cash financing activities:			
Non-cash dividend equivalent payments	\$ —	\$ 3,899	\$ —

See accompanying notes to consolidated financial statements.

Planet Fitness, Inc. and subsidiaries
Consolidated statement of changes in equity
(Amounts in thousands)

	Members' equity	Class A common stock		Class B common stock		Accumulated other comprehensive income (loss)	Additional paid-in capital	Accumulated deficit	Non-controlling interests	Total equity (deficit)
		Shares	Amount	Shares	Amount					
Balance at January 1, 2015	146,156	—	—	—	—	(636)	—	—	6,229	151,749
Distributions to members prior to the recapitalization transactions	(164,693)	—	—	—	—	—	—	—	—	(164,693)
Net income prior to the recapitalization transactions	14,412	—	—	—	—	—	—	—	264	14,676
Other comprehensive loss prior to the recapitalization transactions	—	—	—	—	—	(1,054)	—	—	—	(1,054)
Equity-based compensation expense recorded in connection with recapitalization transactions	4,525	—	—	—	—	—	—	—	—	4,525
Effect of the recapitalization transactions	(400)	26,107	3	72,603	7	—	—	138	252	—
Issuance of Class A common stock in IPO, net of commissions	—	10,491	1	(10,491)	(1)	—	—	—	—	—
Tax benefit arrangement liability and deferred taxes arising from the recapitalization transactions and IPO	—	—	—	—	—	—	—	(18,276)	—	(18,276)
Net income subsequent to the recapitalization transactions	—	—	—	—	—	—	—	4,106	19,348	23,454
Equity-based compensation expense subsequent to the recapitalization transactions	—	—	—	—	—	—	352	—	—	352
Distributions paid to members of Pla-Fit Holdings subsequent to the recapitalization transactions	—	—	—	—	—	—	—	—	(11,793)	(11,793)
Other comprehensive loss subsequent to the recapitalization transactions	—	—	—	—	—	(20)	—	—	—	(20)
Balance at December 31, 2015	\$ —	36,598	\$ 4	62,112	\$ 6	\$ (1,710)	\$ 352	\$ (14,032)	\$ 14,300	\$ (1,080)
Net income	—	—	—	—	—	—	1,749	21,500	49,747	71,247
Equity-based compensation expense	—	—	—	—	—	—	1,749	(21)	—	1,728
Repurchase and retirement of Class B common stock	—	—	—	(222)	—	—	(441)	(1,142)	—	(1,583)
Exchanges of Class B common stock	—	24,705	2	(24,705)	(2)	499	10,976	—	(11,475)	—
Tax benefit arrangement liability and deferred taxes arising from secondary offerings and other exchanges	—	—	—	—	—	—	21,695	—	—	21,695
Exercise of stock options and vesting of restricted share units	—	11	—	—	—	—	136	—	—	136
Dividend paid to holders of Class A common stock	—	—	—	—	—	—	—	(169,282)	—	(169,282)
Dividend equivalents paid or payable	—	—	—	—	—	—	—	(1,085)	(104,543)	(105,628)
Distributions paid to members of Pla-Fit Holdings	—	—	—	—	—	—	—	—	(31,838)	(31,838)
Other comprehensive loss	—	—	—	—	—	37	—	—	(187)	(150)
Balance at December 31, 2016	\$ —	61,314	\$ 6	37,185	\$ 4	\$ (1,174)	\$ 34,467	\$ (164,062)	\$ (83,996)	\$ (214,755)
Net income	—	—	—	—	—	—	—	33,146	22,455	55,601
Equity-based compensation expense	—	—	—	—	—	—	2,565	(34)	—	2,531
Retirement of Class B common stock	—	—	—	(150)	—	—	—	—	—	—
Exchanges of Class B common stock	—	25,842	3	(25,842)	(3)	(391)	(54,042)	—	54,433	—
Tax benefit arrangement liability and deferred taxes arising from secondary offerings and other exchanges	—	—	—	—	—	—	28,648	—	—	28,648
Exercise of stock options and vesting of restricted share units	—	32	—	—	—	—	480	—	—	480
Forfeiture of dividend equivalents	—	—	—	—	—	—	—	32	417	449
Distributions paid to members of Pla-Fit Holdings	—	—	—	—	—	—	—	(48)	(11,012)	(11,060)
Other comprehensive loss	—	—	—	—	—	917	—	—	252	1,169
Balance at December 31, 2017	\$ —	87,188	\$ 9	11,193	\$ 1	\$ (648)	\$ 12,118	\$ (130,966)	\$ (17,451)	\$ (136,937)

See accompanying notes to consolidated financial statements

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(1) Business organization

Planet Fitness, Inc. (the “Company”), through its subsidiaries, is a franchisor and operator of fitness centers, with approximately 10.6 million members and 1,518 owned and franchised locations (referred to as stores) in all 50 states, the District of Columbia, Puerto Rico, Canada, the Dominican Republic and Panama as of December 31, 2017.

The Company serves as the reporting entity for its various subsidiaries that operate three distinct lines of business:

- Licensing and selling franchises under the Planet Fitness trade name;
- Owning and operating fitness centers under the Planet Fitness trade name; and
- Selling fitness-related equipment to franchisee-owned stores.

In 2012 investment funds affiliated with TSG Consumer Partners, LLC (“TSG”), purchased interests in Pla-Fit Holdings.

The Company was formed as a Delaware corporation on March 16, 2015 for the purpose of facilitating an initial public offering (the “IPO”) and related transactions in order to carry on the business of Pla-Fit Holdings, LLC and its subsidiaries (“Pla-Fit Holdings”). As of August 5, 2015, in connection with the recapitalization transactions discussed below, the Company became the sole managing member and holder of 100% of the voting power of Pla-Fit Holdings. Pla-Fit Holdings owns 100% of Planet Intermediate, LLC which has no operations but is the 100% owner of Planet Fitness Holdings, LLC, a franchisor and operator of fitness centers. With respect to the Company, Pla-Fit Holdings and Planet Intermediate, LLC, each entity owns nothing other than the respective entity below it in the corporate structure and each entity has no other material operations.

Initial Public Offering

On August 11, 2015, the Company completed an IPO pursuant to which the Company and selling stockholders sold an aggregate of 15,525,000 shares of Class A common stock at a public offering price of \$16.00 per share. The Company received \$156,946 in proceeds from its sale of 10,491,055 shares of Class A common stock, net of underwriting discounts and commissions, which were used to purchase an equal number of limited liability company units (“Holdings Units”) from existing holders (“Continuing LLC Owners”) of interests in Pla-Fit Holdings, at a purchase price per unit equal to the IPO price per share of Class A common stock, net of underwriting discounts and commissions.

Subsequent to the IPO and the related recapitalization transactions, the Company is a holding company whose principal asset is a controlling equity interest in Pla-Fit Holdings. As the sole managing member of Pla-Fit Holdings, the Company operates and controls all of the business and affairs of Pla-Fit Holdings, and through Pla-Fit Holdings, conducts its business. As a result, the Company consolidates Pla-Fit Holdings’ financial results and reports a non-controlling interest related to the portion of Holdings Units not owned by the Company.

The recapitalization transactions are considered transactions between entities under common control. As a result, the financial statements for periods prior to the IPO and the recapitalization transactions are the financial statements of Pla-Fit Holdings as the predecessor to the Company for accounting and reporting purposes. Unless otherwise specified, “the Company” refers to both Planet Fitness, Inc. and Pla-Fit Holdings throughout the remainder of these notes.

Secondary offerings

In June 2016, the Company completed a secondary offering (“June Secondary Offering”) of 11,500,000 shares of its Class A common stock at a price of \$16.50 per share. All of the shares sold in the June Secondary Offering were offered by certain Continuing LLC Owners and TSG AIV II-A L.P and TSG PF Co-Investors A L.P. (“Direct TSG Investors”). The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating Continuing LLC Owners. The shares sold in the June Secondary Offering consisted of (i) 3,608,840 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 7,891,160 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the June Secondary Offering. Simultaneously, and in connection with the exchange, 7,891,160 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the June Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 7,891,160 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings. Immediately preceding the June Secondary Offering, Planet Fitness, Inc. held 100% of the voting interest and 37.1% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 62.9% economic interest in Pla-Fit Holdings. Immediately following the completion of the June Secondary Offering, Planet Fitness, Inc. held 100% of the voting interest and 45.1% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 54.9% economic interest in Pla-Fit Holdings.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

In September 2016, the Company completed a secondary offering (“September Secondary Offering”) of 8,000,000 shares of its Class A common stock at a price of \$19.62 per share. All of the shares sold in the September Secondary Offering were offered by the Direct TSG Investors and participating Continuing LLC Owners. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the Continuing LLC Owners that participating in the September Secondary Offering. The shares sold in the September Secondary Offering consisted of (i) 2,593,981 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 5,406,019 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the September Secondary offering. Simultaneously, and in connection with the exchange, 5,406,019 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the September Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 5,406,019 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings. Immediately preceding the September Secondary Offering, Planet Fitness, Inc. held 100% of the voting interest and 45.1% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 54.9% economic interest in Pla-Fit Holdings. Immediately following the completion of the September Secondary Offering and as of September 30, 2016, Planet Fitness, Inc. held 100% of the voting interest and 50.6% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 49.4% economic interest in Pla-Fit Holdings.

In November 2016, the Company completed a secondary offering (“November Secondary Offering”) of 15,000,000 shares of its Class A common stock at a price of \$23.22 per share. All of the shares sold in the November Secondary Offering were offered by the Direct TSG Investors and participating Continuing LLC Owners. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the Continuing LLC Owners that participating in the September Secondary Offering. The shares sold in the November Secondary Offering consisted of (i) 4,863,715 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,136,285 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the November Secondary offering. Simultaneously, and in connection with the exchange, 10,136,285 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the November Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,136,285 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings. Immediately preceding the November Secondary Offering, Planet Fitness, Inc. held 100% of the voting interest and 51.5% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 48.5% economic interest in Pla-Fit Holdings. Immediately following the completion of the November Secondary Offering and as of November 22, 2016, Planet Fitness, Inc. held 100% of the voting interest and 61.8% of the economic interest of Pla-Fit Holdings and the Continuing LLC Owners held the remaining 38.2% economic interest in Pla-Fit Holdings.

In March 2017, the Company completed a secondary offering (“March Secondary Offering”) of 15,000,000 shares of its Class A common stock at a price of \$20.44 per share. All of the shares sold in the March Secondary Offering were offered by certain existing holders of Holdings Units and the Direct TSG Investors. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating holders of Holdings Units. The shares sold in the March Secondary Offering consisted of (i) 4,790,758 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,209,242 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the holders of Holdings Units that participated in the March Secondary Offering. Simultaneously, and in connection with the exchange, 10,209,242 shares of Class B common stock were surrendered by the holders of Holdings Units that participated in the March Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,209,242 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

In May 2017, the Company completed a secondary offering (“May Secondary Offering”) of 16,085,510 shares of its Class A common stock at a price of \$20.28 per share. All of the shares sold in the May Secondary Offering were offered by certain existing holders of Holdings Units and the Direct TSG Investors. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating holders of Holdings Units. The shares sold in the May Secondary Offering consisted of (i) 5,215,691 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,869,819 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the holders of Holdings Units that participated in the May Secondary Offering. Simultaneously, and in connection with the exchange, 10,869,819 shares of Class B common stock were surrendered by the holders of Holdings Units that participated in the May Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,869,819 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

In addition to the secondary offering transactions described above, during the years ended December 31, 2017 and 2016, certain Continuing LLC Owners have exercised their exchange rights and exchanged 4,762,943 and 1,271,146 Holdings Units, respectively, for 4,762,943 and 1,271,146 newly-issued shares of Class A common stock, respectively. Simultaneously, and in connection with these exchanges, 4,762,943 and 1,271,146 shares of Class B common stock were surrendered by the Continuing LLC Owners that exercised their exchange rights and canceled during the years ended December 31, 2017 and 2016, respectively. Additionally, in connection with these exchanges, Planet Fitness, Inc. received 4,762,943 and 1,271,146 Holdings Units during the years ended December 31, 2017 and 2016, respectively, increasing its total ownership interest in Pla-Fit Holdings.

As of December 31, 2017, the Company held 100% of the voting interest, and approximately 88.6% of the economic interest in Pla-Fit Holdings and the Continuing LLC Owners held the remaining 11.4% economic interest in Pla-Fit Holdings. As future exchanges of Holdings Units occur, the economic interest in Pla-Fit Holdings held by Planet Fitness, Inc. will increase.

(2) Summary of significant accounting policies

(a) Basis of presentation and consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”). All significant intercompany balances and transactions have been eliminated in consolidation.

As discussed in Note 1, as a result of the recapitalization transactions, Planet Fitness, Inc. consolidates Pla-Fit Holdings and Pla-Fit Holdings is considered to be the predecessor to Planet Fitness, Inc. for accounting and reporting purposes. The Company also consolidates entities in which it has a controlling financial interest, the usual condition of which is ownership of a majority voting interest. The Company also considers for consolidation certain interests where the controlling financial interest may be achieved through arrangements that do not involve voting interests. Such an entity, known as a variable interest entity (“VIE”), is required to be consolidated by its primary beneficiary. The primary beneficiary of a VIE is considered to possess the power to direct the activities of the VIE that most significantly impact its economic performance and has the obligation to absorb losses or the rights to receive benefits from the VIE that are significant to it. The principal entities in which the Company possesses a variable interest include franchise entities and certain other entities. The Company is not deemed to be the primary beneficiary for Planet Fitness franchise entities. Therefore, these entities are not consolidated.

The results of the Company have been consolidated with Matthew Michael Realty LLC (“MMR”) and PF Melville LLC (“PF Melville”) based on the determination that the Company is the primary beneficiary with respect to these VIEs. These entities are real estate holding companies that derive a majority of their financial support from the Company through lease agreements for corporate stores. See Note 3 for further information related to the Company’s VIEs.

(b) Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results. Significant areas where estimates and judgments are relied upon by management in the preparation of the consolidated financial statements include revenue recognition, valuation of equity-based compensation awards, the evaluation of the recoverability of goodwill and long-lived assets, including intangible assets, income taxes, including deferred tax assets and liabilities and reserves for unrecognized tax benefits, and the liability for the Company’s tax benefit arrangements.

(c) Concentrations

Cash and cash equivalents are financial instruments, which potentially subject the Company to a concentration of credit risk. The Company invests its excess cash in several major financial institutions, which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Company maintains balances in excess of these limits, but does not believe that such deposits with its banks are subject to any unusual risk.

The credit risk associated with trade receivables is mitigated due to the large number of customers, generally our franchisees, and their broad dispersion over many different geographic areas. We do not have any concentrations with respect to our revenues.

The Company purchases equipment, both for corporate-owned stores and for sales to franchisee-owned stores from various equipment vendors. For the year ended December 31, 2017 purchases from one equipment vendor comprised 91% of total equipment purchases. For the year ended December 31, 2016 purchases from two equipment vendors comprised 83% and 13%, respectively, of total equipment purchases and for the year ended December 31, 2015 purchases from two equipment vendors comprised 79% and 18%, respectively, of total equipment purchases.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The Company, including Planet Fitness NAF, LLC (“NAF”) uses one primary vendor for advertising services. For the year ended December 31, 2017, purchases from this vendor comprised 63% of total equipment purchases. For the year ended December 31, 2016 purchases from two vendors comprised 25% and 16%, respectively, of total advertising purchases and for the year ended December 31, 2015 purchases from one vendor comprised 49% of total advertising purchases (see Note 4 for further discussion of NAF).

(d) Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of 90 days or less to be cash equivalents. Cash held within the NAF is recorded as a restricted asset (see Note 4).

(e) Revenue recognition

Franchise revenue

The following revenues are generated as a result of transactions with or related to the Company’s franchisees.

Area development fees

Franchisees contractually enter into area development agreements (ADAs) to secure the exclusive right to open franchise stores within a defined geographical area. ADAs establish the timing and number of stores to be developed within the defined geographical area. Pursuant to an ADA, a franchisee is generally required to pay an initial nonrefundable development fee for a minimum number of stores to be developed, as outlined in the respective ADA. ADA fees collected in advance are deferred until the Company provides substantially all required obligations pursuant to the ADA. As the efforts and total cost relating to initial services are affected significantly by the number of stores opened in an area, the respective ADA is treated as a divisible contract. As each new site is accepted under an ADA, a franchisee signs a franchise operating agreement for the respective franchise location. As each store opened under an ADA typically has performance obligations associated with it, the Company recognizes ADA revenue as each individual franchise location is developed in proportion to the total number of stores to be developed under the ADA. These obligations are typically completed once the store is opened or the franchisee executes the individual property lease. As of December 31, 2017 and 2016, the deferred revenue for ADAs was \$10,121 and \$10,026, respectively. ADAs generally have an initial term equal to the number of years over which the franchisee is required to open franchise stores, which is typically 5 to 10 years. There is no right of refund for an executed ADA. Upon default, as defined in the agreement, the Company may reacquire the rights pursuant to an ADA, and all remaining deferred revenue is recognized at that time.

Franchise fees and performance fees

The Company generally charges an initial upfront nonrefundable franchise fee. Nonrefundable franchise fees are typically deferred until the franchisee executes a lease and receives initial training for the location, which is the point at which the Company has determined it has provided all of its material obligations required to recognize revenue. As of December 31, 2017 and 2016, the Company has recorded deferred franchise fees of \$510 and \$260, respectively, relating to stores to be opened in future years. These amounts are included in deferred revenue as of December 31, 2017 and 2016.

The individual franchise agreements typically have a 10-year initial term, but provide the franchisee with an opportunity to enter into successive renewals subject to certain conditions.

Transfer fees

The Company’s current franchise agreement provides that upon the transfer of a Planet Fitness store to a different franchisee, the Company is entitled to a transfer fee in the amount of the greater of \$25, or \$10 per store being transferred, if more than one, in addition to reimbursement of out-of-pocket expenses, including external legal and administrative costs incurred in connection with the transfer. Transfer-related fees and expenses are due, payable, and recognized at the time the transfer is effectuated.

Royalties

Royalties, which represent recurring fees paid by franchisees based on the franchisee-owned stores’ monthly and annual membership billings, are recognized on a monthly basis over the term of the franchise agreement. As specified under certain franchise agreements, the Company recognizes additional royalty fees as the franchisee-owned stores attain contractual monthly membership billing threshold amounts. Beginning in 2010, for all new franchise agreements entered into pursuant to a newly executed ADA or outside an ADA, the Company began charging a fixed royalty percentage based upon gross membership billings.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

Other fees

Online member join fees are paid to the Company by franchisees for processing new membership transactions when a new member signs up for a membership to a franchisee-owned store through the Company's website.

Billing transaction fees are paid to the Company for the processing of franchisee membership dues and annual fees through the Company's third-party hosted point-of-sale system.

Placement

The Company is generally responsible for assembly and placement of equipment it sells to U.S. based franchisee-owned stores. Placement revenue is recognized upon completion and acceptance of the services at the franchise location.

Commission income

The Company recognizes commission income from its franchisees' use of certain preferred vendor arrangements. Commissions are recognized when amounts have been earned and collectability from the vendor is reasonably assured.

Corporate-owned stores revenue

The following revenues are generated from stores owned and operated by the Company.

Membership dues revenue

Customers are offered multiple membership choices varying in length. Membership dues are earned and recognized over the membership term on a straight-line basis.

Enrollment fee revenue

Enrollment fees are charged to new members at the commencement of their membership. The Company recognizes enrollment fees ratably over the estimated duration of the membership life, which is generally two years.

Annual membership fee revenue

Annual membership fees are annual fees charged to members in addition to and in order to maintain low monthly membership dues. The Company recognizes annual membership fees ratably over the 12-month membership period.

Retail sales

The Company sells Planet Fitness branded apparel, food, beverages, and other accessories. The revenue for these items is recognized at the point of sale.

Equipment revenue

The Company sells and delivers equipment purchased from third-party equipment manufacturers to U.S. based franchisee-owned stores. Equipment revenue is recognized upon the equipment being delivered to and assembled at each store and accepted by the franchisee. Franchisees are charged for all freight costs incurred for the delivery of equipment. Freight revenue is recorded within equipment revenue and freight costs are recorded within cost of revenue. The Company recognizes revenue on a gross basis in these transactions as management has determined the Company to be the principal in these transactions. Management determined the Company to be the principal because the Company is the primary obligor in these transactions, the Company has latitude in establishing prices for the equipment sales to franchisees, the Company has supplier selection discretion and is involved in determination of product specifications, and the Company bears all credit risk associated with obligations to the equipment manufacturers.

Equipment deposits are recognized as a liability on the accompanying consolidated balance sheets until delivery, assembly (if required), and acceptance by the franchisee. As of December 31, 2017 and 2016, equipment deposits were \$6,498 and \$2,170, respectively.

Sales tax

All revenue amounts are recorded net of applicable sales tax.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(f) Deferred revenue

Deferred revenue represents cash received from franchisees for ADAs and franchise fees for which revenue recognition criteria has not yet been met and cash received from members for enrollment fees, membership dues and annual fees for the portion not yet earned based on the membership period.

(g) Cost of revenue

Cost of revenue consists of direct costs associated with equipment sales (including freight costs), the cost of retail merchandise sold in corporate-owned stores, and prior to 2016 also included direct costs related to the maintenance and support of the Company's proprietary system-wide point-of-sale system. Costs related to the point-of-sale system were \$0, \$0, and \$1,236 for the years ended December 31, 2017, 2016 and 2015 respectively. Costs related to retail merchandise sales were immaterial in all periods presented. Rebates from equipment vendors where the Company has recognized the related equipment revenue and costs are recorded as a reduction to the cost of revenue.

(h) Store operations

Store operations consists of the direct costs related to operating corporate-owned stores, including our store management and staff, rent expense, utilities, supplies, maintenance, and local advertising.

(i) Selling, general and administrative

Selling, general and administrative expenses consist of costs associated with administrative and franchisee support functions related to our existing business as well as growth and development activities. These costs primarily consist of payroll, IT related, marketing, legal and accounting expenses. These expenses include costs related to placement services of \$4,601, \$3,974, and \$3,452, for the years ended December 31, 2017, 2016 and 2015, respectively.

(j) Accounts receivable

Accounts receivable is primarily comprised of amounts owed to the Company resulting from equipment, placement, and commission revenue. The Company evaluates its accounts receivable on an ongoing basis and may establish an allowance for doubtful accounts based on collections and current credit conditions. Accounts are written off as uncollectible when it is determined that further collection efforts will be unsuccessful. Historically, the Company has not had a significant amount of write-offs.

(k) Leases and asset retirement obligations

The Company recognizes rent expense related to leased office and operating space on a straight-line basis over the term of the lease. The difference between rent expense and rent paid, if any, as a result of escalation provisions and lease incentives, such as tenant improvements provided by lessors, and is recorded as deferred rent in the Company's consolidated balance sheets.

In accordance with ASC Topic 410, Asset Retirement and Environmental Obligations, the Company establishes assets and liabilities for the present value of estimated future costs to return certain leased facilities to their original condition. Such assets are depreciated on a straight-line basis over the lease period into operating expense, and the recorded liabilities are accreted to the future value of the estimated restoration costs.

(l) Property and equipment

Property and equipment is recorded at cost and depreciated using the straight-line method over its related estimated useful life. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related asset, whichever is shorter. Upon sale or retirement, the asset cost and related accumulated depreciation are removed from the respective accounts, and any related gain or loss is reflected in the consolidated statements of operations. Ordinary maintenance and repair costs are expensed as incurred. The estimated useful lives of the Company's fixed assets by class of asset are as follows:

	Years
Buildings and building improvements	20-40
Computers and equipment	3-5
Furniture and fixtures	5
Leasehold improvements	Useful life or term of lease whichever is shorter
Fitness equipment	5-7
Vehicles	5

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(m) Advertising expenses

The Company expenses advertising costs as incurred. Advertising expenses, net of amounts reimbursed by franchisees, are included within store operations and selling, general and administrative expenses and totaled \$9,906, \$8,270, and \$9,349 for the years ended December 31, 2017, 2016 and 2015, respectively. See Note 4 for discussion of the national advertising fund.

(n) Goodwill, long-lived assets, and other intangible assets

Goodwill and other intangible assets that arise from acquisitions are recorded in accordance with ASC Topic 350, Intangibles—Goodwill and Other. In accordance with this guidance, specifically identified intangible assets must be recorded as a separate asset from goodwill if either of the following two criteria is met: (1) the intangible asset acquired arises from contractual or other legal rights; or (2) the intangible asset is separable. Intangibles are typically trade and brand names, customer relationships, noncompete agreements, reacquired franchise rights, and favorable or unfavorable leases. Transactions are evaluated to determine whether any gain or loss on reacquired franchise rights, based on their fair value, should be recognized separately from identified intangibles. Goodwill is the excess of the purchase price over the fair value of identifiable net assets acquired in a business combination.

Goodwill and indefinite-lived intangible assets are not amortized, but are reviewed annually for impairment or more frequently if impairment indicators arise. Separable intangible assets that are not deemed to have an indefinite life are amortized over their estimated useful lives on either a straight-line or accelerated basis as deemed appropriate, and are reviewed for impairment when events or circumstances suggest that the assets may not be recoverable.

The Company performs its annual test for impairment of goodwill and indefinite lived intangible assets on December 31 of each year. For goodwill, the first step of the impairment test is to determine whether the carrying amount of a reporting unit exceeds the fair value of the reporting unit. If the carrying amount of the reporting unit exceeds the reporting unit's fair value, the Company would be required to perform a second step of the impairment test as this is an indication that the reporting unit's goodwill may be impaired. The second step compares the implied fair value of the reporting unit's goodwill with the carrying amount of that goodwill. Any impairment loss would be recognized in an amount equal to the excess of the carrying value of the goodwill over the implied fair value of the goodwill. The Company is also permitted to make a qualitative assessment of whether it is more likely than not that a reporting unit's fair value is less than its carrying amount before applying the two-step goodwill impairment test. If the Company concludes it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, it need not perform the two-step impairment test.

For indefinite lived intangible assets, the impairment assessment consists of comparing the carrying value of the asset to its estimated fair value. To the extent that the carrying value exceeds the fair value of the asset, an impairment is recorded to reduce the carrying value to its fair value. The Company is also permitted to make a qualitative assessment of whether it is more likely than not an indefinite lived intangible asset's fair value is less than its carrying value prior to applying the quantitative assessment. If based on the Company's qualitative assessment it is not more likely than not that the carrying value of the asset is less than its fair value, then a quantitative assessment is not required.

The Company determined that no impairment charges were required during any periods presented.

The Company applies the provisions of ASC Topic 360, Property, Plant and Equipment, which requires that long-lived assets, including amortizable intangible assets, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group to be tested for impairment, then assets are required to be grouped and evaluated at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to the undiscounted future net cash flows expected to be generated by the asset or asset group. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no events or changes in circumstances that required the Company to test for impairment during any of the periods presented.

(o) Income taxes

The Company accounts for income taxes using the asset and liability method. Deferred income taxes are recognized for the expected future tax consequences attributable to temporary differences between the carrying amount of the existing tax assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied in the years in which temporary differences are expected to be recovered or settled. The principal items giving rise to temporary differences are the use of accelerated depreciation and certain basis differences resulting from acquisitions and the recapitalization transactions. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

As a result of the recapitalization transactions, Planet Fitness, Inc. became the sole managing member of Pla-Fit Holdings, which is treated as a partnership for U.S. federal and most applicable state and local income tax purposes. As a partnership, Pla-Fit Holdings is not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by Pla-Fit Holdings is passed through to and included in the taxable income or loss of its members, including Planet Fitness, Inc. following the recapitalization transactions, on a pro rata basis. Planet Fitness, Inc. is subject to U.S. federal income taxes, in addition to state and local income taxes with respect to our allocable share of any taxable income of Pla-Fit Holdings following the recapitalization transactions. The Company is also subject to taxes in foreign jurisdictions.

The Company recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs (see Note 14).

(p) Tax benefit arrangements

The Company's acquisition of Holdings Units in connection with the IPO and future and certain past exchanges of Holdings Units for shares of the Company's Class A common stock (or cash at the option of the Company) are expected to produce and have produced favorable tax attributes. In connection with the IPO, the Company entered into two tax receivable agreements. Under the first of those agreements, the Company generally is required to pay to certain existing and previous equity owners of Pla-Fit Holdings, LLC who are unaffiliated with TSG (the "TRA Holders") 85% of the applicable tax savings, if any, in U.S. federal and state income tax that the Company is deemed to realize as a result of certain tax attributes of their Holdings Units sold to the Company (or exchanged in a taxable sale) and that are created as a result of (i) the sales of their Holdings Units for shares of Class A common stock and (ii) tax benefits attributable to payments made under the tax receivable agreement (including imputed interest). Under the second tax receivable agreement, the Company generally is required to pay to the Direct TSG Investors 85% of the amount of tax savings, if any, that the Company is deemed to realize as a result of the tax attributes of the Holdings Units held in respect of the Direct TSG Investors' interest in the Company, which resulted from the Direct TSG Investors' purchase of interests in Pla-Fit Holdings in 2012, and certain other tax benefits. Under both agreements, the Company generally retains the benefit of the remaining 15% of the applicable tax savings. Also, pursuant to the exchange agreement, to the extent an exchange results in Pla-Fit Holdings, LLC incurring a current tax liability relating to the New Hampshire business profits tax, the TRA Holders have agreed that they will contribute to Pla-Fit Holdings, LLC an amount sufficient to pay such tax liability (up to 3.5% of the value received upon exchange). If and when the Company subsequently realizes a related tax benefit, Pla-Fit Holdings, LLC will distribute the amount of any such tax benefit to the relevant Continuing LLC Owner in respect of its contribution. Due to changes in New Hampshire tax law, the Company no longer expects to incur any such liability under the New Hampshire business profits tax.

Based on current projections, the Company anticipates having sufficient taxable income to utilize these tax attributes and receive corresponding tax deductions in future periods. Accordingly, as of December 31, 2017 the Company has recorded a liability of \$431,360, which includes the impact of remeasurement related to the 2017 Tax Act, payable to the TRA Holders under the tax benefit obligations, representing approximately 85% of the calculated tax savings based on the original basis adjustments the Company anticipates being able to utilize in future years. Changes in the projected liability resulting from these tax benefit arrangements may occur based on changes in anticipated future taxable income, changes in applicable tax rates or other changes in tax attributes that may occur and impact the expected future tax benefits to be received by the Company. Changes in the projected liability under these tax benefit arrangements will be recorded as a component of other income (expense) each period. The projection of future taxable income involves significant judgment. Actual taxable income may differ from estimates, which could significantly impact the liability under the tax benefit arrangements and the Company's consolidated results of operations.

(q) Fair value

ASC 820, Fair Value Measurements and Disclosures, establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

Level 1—Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2—Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The table below presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2017 and December 31, 2016:

	Total fair value at December 31, 2017	Quoted prices in active markets markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Interest rate caps	\$ 340	\$ —	\$ 340	\$ —

	Total fair value at December 31, 2016	Quoted prices in active markets markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Interest rate caps	\$ 306	\$ —	\$ 306	\$ —

(r) Financial instruments

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of the short-term nature of these instruments. The carrying value of debt also approximates fair value as it is variable rate debt.

(s) Derivative instruments and hedging activities

The Company recognizes all derivative instruments as either assets or liabilities in the balance sheet at their respective fair values. For derivatives designated in hedging relationships, changes in the fair value are either offset through earnings against the change in fair value of the hedged item attributable to the risk being hedged or recognized in accumulated other comprehensive income, to the extent the derivative is effective at offsetting the changes in cash flows being hedged until the hedged item affects earnings.

The Company only enters into derivative contracts that it intends to designate as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). For all hedging relationships, the Company formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the hedged transaction, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed prospectively and retrospectively, and a description of the method used to measure ineffectiveness. The Company also formally assesses, both at the inception of the hedging relationship and on an ongoing basis, whether the derivatives that are used in hedging relationships are highly effective in offsetting changes in cash flows of hedged transactions. For derivative instruments that are designated and qualify as part of a cash flow hedging relationship, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings. See Note 8 for further information.

(t) Equity-based compensation

The Company has an equity-based compensation plan under which it receives services from employees and directors as consideration for equity instruments of the Company. The compensation expense is determined based on the fair value of the award as of the grant date. Compensation expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are satisfied. For awards with graded vesting, the fair value of each tranche is recognized over its respective vesting period. The Company accounts for forfeitures as they occur by reversing compensation cost when the award is forfeited. See Note 12 for further information.

(u) Guarantees

The Company, as a guarantor, is required to recognize, at inception of the guaranty, a liability for the fair value of the obligation undertaken in issuing the guarantee. See Notes 3 and 15 for further discussion of such obligations guaranteed.

(v) Contingencies

The Company records estimated future losses related to contingencies when such amounts are probable and estimable. The Company includes estimated legal fees related to such contingencies as part of the accrual for estimated future losses.

(w) Reclassifications

Certain amounts have been reclassified to conform to current year presentation.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(x) Recent accounting pronouncements

The FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, in September 2014. This guidance requires that an entity recognize revenue to depict the transfer of a promised good or service to its customers in an amount that reflects consideration to which the entity expects to be entitled in exchange for such transfer. This guidance also specifies accounting for certain costs incurred by an entity to obtain or fulfill a contract with a customer and provides for enhancements to revenue specific disclosures intended to allow users of the financial statements to clearly understand the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with its customers. This guidance is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2017 for public companies. The Company will adopt this new guidance in fiscal year 2018 utilizing the modified retrospective method. The adoption of the new guidance will change the timing of recognition of ADA and initial franchise fees, transfer fees and other fees. Currently, these fees are generally recognized upfront upon either store opening or upon execution of the property lease for an ADA, and upon execution of a lease and delivery of training for franchise fees. The new guidance will generally require these fees to be recognized over the contractual terms of the franchise license. The Company has evaluated the impact of the adoption of this new guidance as it relates to various forms of franchise fee revenue, including ADA and initial franchise fees, transfer fees and other fees and has concluded that the impact will be approximately \$13,500 of incremental revenue deferred as of January 1, 2018 in connection with the adoption of this guidance. The Company does not expect this new guidance to impact the recognition of royalty income. Additionally, the adoption of this new guidance will change the way the Company reports receipts and expenses of the national advertising fund. Currently, the cash inflows and expenses related to the national advertising fund are not presented on the Company's consolidated statement of operations. This guidance will require the Company to report all national advertising fund cash inflows as revenues and all national advertising fund expenses as expenses on the consolidated statement of operations. Under this guidance, the Company expects approximately \$45,000 of incremental revenues and expenses in 2018 related to the national advertising fund.

The FASB issued ASU No. 2016-02, *Leases*, in February 2016. This guidance is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years for public companies. Early application of the amendments in this update is permitted for all entities. The Company anticipates that adoption of this guidance will bring all current operating leases onto the statement of financial position as a right of use asset and related rent liability, and is currently evaluating the effect that implementation of this guidance will have on its consolidated statement of operations.

The FASB issued ASU No. 2016-09, *Stock Compensation*, in March 2016. This guidance is intended to simplify several aspects of the accounting for share-based payment award transactions, including the recognition of the tax effects resulting from the settlement of stock-based awards, and allowing companies to make an accounting policy election to either estimate the number of awards that are expected to vest or account for forfeitures when they occur. The Company adopted ASU No. 2016-09 as of January 1, 2017 on a prospective basis, noting no material impact to the consolidated financial statements.

The FASB issued ASU No. 2016-15, *Classification of Certain Cash Receipts and Cash Payments*, in August 2016. This guidance is intended to reduce diversity in practice of the classification of certain cash receipts and cash payments. This guidance will be effective for fiscal years beginning after December 15, 2017, including interim periods within that year. The Company does not expect the adoption of the standard to have a material impact on its consolidated financial statements.

The FASB issued ASU No. 2017-04, *Simplifying the Test for Goodwill Impairment*, in January 2017. This guidance eliminates the requirement to calculate the implied fair value, essentially eliminating step two from the goodwill impairment test. The new standard requires goodwill impairment to be based upon the results of step one of the impairment test, which is defined as the excess of the carrying value of a reporting unit over its fair value. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. This guidance will be effective for fiscal years beginning after December 15, 2019, including interim periods within that year. This new guidance is not expected to have a material impact on the Company's consolidated financial statements.

The FASB issued ASU No. 2017-12, *Targeted Improvements to Accounting for Hedging Activities*, in August 2017. The guidance simplifies the application of hedge accounting in certain situations and amends the hedge accounting model to enable entities to better portray the economics of their risk management activities in the financial statements. This guidance will be effective for fiscal years beginning after December 15, 2018, including interim periods within that year. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(3) Variable interest entities

The carrying values of VIEs included in the consolidated financial statements as of December 31, 2017 and December 31, 2016 are as follows:

	December 31, 2017		December 31, 2016	
	Assets	Liabilities	Assets	Liabilities
PF Melville	\$ 4,420	\$ —	\$ 4,071	\$ —
MMR	\$ 3,360	—	\$ 3,156	—
Total	\$ 7,780	\$ —	\$ 7,227	\$ —

The Company also has variable interests in certain franchisees mainly through the guarantee of certain debt and lease agreements as well as financing provided by the Company and by certain related parties to franchisees. The Company's maximum obligation, as a result of its guarantees of leases and debt, is approximately \$979 and \$1,350 as of December 31, 2017 and 2016, respectively.

The amount of the Company's maximum obligation represents a loss that the Company could incur from the variability in credit exposure without consideration of possible recoveries through insurance or other means. In addition, the amount bears no relation to the ultimate settlement anticipated to be incurred from the Company's involvement with these entities, which is estimated at \$0.

(4) National advertising fund

On July 26, 2011, the Company established Planet Fitness NAF, LLC ("NAF") for the creation and development of marketing, advertising, and related programs and materials for all Planet Fitness stores located in the United States and Puerto Rico. On behalf of the NAF, the Company collects 2% of gross monthly membership billings from franchisees, in accordance with the provisions of the franchise agreements. The Company also contributes 2% of monthly membership billings from stores owned by the Company to the NAF. The use of amounts received by NAF is restricted to advertising, product development, public relations, merchandising, and administrative expenses and programs to increase sales and further enhance the public reputation of the Planet Fitness brand. The Company consolidates and reports all assets and liabilities held by the NAF within the consolidated financial statements. Amounts received or receivable by NAF are reported as restricted assets and restricted liabilities within current assets and current liabilities on the consolidated balance sheets. The Company provides administrative services to NAF and charges NAF a fee for providing those services. These services include accounting services, information technology, data processing, product development, legal and administrative support, and other operating expenses, which amounted \$2,150, \$1,700 and \$1,340 for the years ended December 31, 2017, 2016 and 2015, respectively. The fees paid to the Company by NAF are included in the consolidated statements of operations as a reduction in general and administrative expense, where the expense incurred by the Company was initially recorded.

(5) Property and equipment

Property and equipment as of December 31, 2017 and 2016 consists of the following:

	December 31, 2017	December 31, 2016
Land	\$ 910	\$ 910
Equipment	32,403	27,283
Leasehold improvements	60,181	41,249
Buildings and improvements	5,107	5,107
Furniture & fixtures	9,790	3,708
Other	7,923	5,673
Construction in progress	3,241	8,295
	119,555	92,225
Accumulated Depreciation	(36,228)	(30,987)
Total	\$ 83,327	\$ 61,238

The Company recorded depreciation expense of \$13,886, \$12,131, and \$11,088 for the years ended December 31, 2017, 2016 and 2015, respectively.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(6) Goodwill and intangible assets

A summary of goodwill and intangible assets at December 31, 2017 and 2016 is as follows:

December 31, 2017	Weighted average amortization period (years)	Gross carrying amount	Accumulated amortization	Net carrying Amount
Customer relationships	11.1	\$ 171,782	(86,501)	\$ 85,281
Noncompete agreements	5.0	14,500	(14,500)	—
Favorable leases	7.5	2,935	(1,972)	963
Order backlog	0.4	3,400	(3,400)	—
Reacquired franchise rights	5.8	8,950	(5,837)	3,113
		201,567	(112,210)	89,357
Indefinite-lived intangible:				
Trade and brand names	N/A	146,300	—	146,300
Total intangible assets		\$ 347,867	\$ (112,210)	\$ 235,657
Goodwill		\$ 176,981	\$ —	\$ 176,981

December 31, 2016	Weighted average amortization period (years)	Gross carrying amount	Accumulated amortization	Net carrying Amount
Customer relationships	11.1	\$ 171,782	(72,655)	\$ 99,127
Noncompete agreements	5.0	14,500	(12,027)	2,473
Favorable leases	7.5	2,935	(1,643)	1,292
Order backlog	0.4	3,400	(3,400)	—
Reacquired franchise rights	5.8	8,950	(4,280)	4,670
		201,567	(94,005)	107,562
Indefinite-lived intangible:				
Trade and brand names	N/A	146,300	—	146,300
Total intangible assets		\$ 347,867	\$ (94,005)	\$ 253,862
Goodwill		\$ 176,981	\$ —	\$ 176,981

There were no changes in the carrying amount of goodwill during the years ended December 31, 2017 or 2016.

The Company determined that no impairment charges were required during any periods presented.

Amortization expense related to the intangible assets totaled \$18,205, \$19,757, and \$21,543 for the years ended December 31, 2017, 2016 and 2015, respectively. Included within these total amortization expense amounts are \$330, \$386, and \$473 related to amortization of favorable and unfavorable leases for the years ended December 31, 2017, 2016 and 2015, respectively. Amortization of favorable and unfavorable leases is recorded within store operations as a component of rent expense in the consolidated statements of operations. The anticipated annual amortization expense to be recognized in future years as of December 31, 2017 is as follows:

	Amount
2018	\$ 14,583
2019	14,215
2020	12,517
2021	12,422
2022	12,419
Thereafter	23,201
Total	\$ 89,357

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(7) Long-term debt

Long-term debt as of December 31, 2017 and 2016 consists of the following:

	December 31, 2017	December 31, 2016
Term loan B requires quarterly installments plus interest through the term of the loan, maturing March 31, 2021. Outstanding borrowings bear interest at LIBOR or base rate (as defined) plus a margin at the election of the borrower (4.59% at December 31, 2017 and 4.33% at December 31, 2016)	\$ 709,470	\$ 716,654
Revolving credit line, requires interest only payments through the term of the loan, maturing March 31, 2019. Outstanding borrowings bear interest at LIBOR or base rate (as defined) plus a margin at the election of the borrower (6.25% at December 31, 2017 and 6.0% at December 31, 2016)	—	—
Total debt, excluding deferred financing costs	709,470	716,654
Deferred financing costs, net of accumulated amortization	(5,709)	(7,466)
Total debt	703,761	709,188
Current portion of long-term debt and line of credit	7,185	7,185
Long-term debt, net of current portion	\$ 696,576	\$ 702,003

On March 31, 2014, the Company entered into a five-year \$430,000 credit facility with a consortium of banks and lenders to refinance its existing indebtedness, as well as to provide funds for working capital, capital expenditures, acquisitions, a \$173,900 dividend and general corporate purposes. The facility consisted of a \$390,000 Term Loan and a \$40,000 Revolving Credit Facility. On March 31, 2015, the Company amended this credit facility to increase the Term Loan to \$510,000 to fund a cash dividend of \$140,000.

On November 10, 2016, the Company amended the credit facility to increase the Revolving Credit Facility to \$75,000, reduce the interest rate margin for term loan borrowings by 25 basis points, and increase the Term Loan to \$718,450 primarily in order to fund a cash dividend and other equivalent payments totaling \$271,011. In connection with the amendment, during the year ended December 31, 2016, the Company capitalized and deferred financing costs of \$2,219, recorded expense of \$3,001 related to certain third party fees included in other expense on the consolidated statement of operations, and a loss on extinguishment of debt of \$606 included in interest expense on the consolidated statement of operations. The unused portion of the Revolving Credit Facility as of December 31, 2017 was \$75,000. The Term Loan calls for quarterly principal installment payments of \$1,796 through March 2021.

On May 26, 2017, the Company amended the credit facility to reduce the applicable interest rate margin for term loan borrowings by 50 basis points, to LIBOR plus 300 basis points, with an additional 25 basis point reduction in applicable interest rate possible in the future so long as the Total Net Leverage Ratio (as defined in the credit agreement) is less than 3.50 to 1.00. The amendment to the credit agreement also reduced the interest rate margin for revolving loan borrowings by 25 basis points. In connection with the amendment to the credit agreement, in the year ended December 31, 2017, the Company capitalized deferred financing costs of \$257, recorded expense of \$1,021 related to certain third party fees included in other expense on the consolidated statement of operations, and a loss on extinguishment of debt of \$79 included in interest expense on the consolidated statement of operations.

The credit facility requires the Company to meet certain financial covenants, which the Company was in compliance with as of December 31, 2017. The facility is secured by all of the Company's assets, excluding the assets attributable to the consolidated VIEs (see Note 3).

Future annual principal payments of long-term debt as of December 31, 2017 are as follows:

	Amount
2018	\$ 7,185
2019	7,185
2020	7,185
2021	687,915
2022	-
Thereafter	-
Total	\$ 709,470

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(8) Derivative instruments and hedging activities

The Company utilizes interest-rate-related derivative instruments to manage its exposure related to changes in interest rates on its variable-rate debt instruments. The Company does not enter into derivative instruments for any purpose other than cash flow hedging. The Company does not speculate using derivative instruments.

By using derivative financial instruments to hedge exposures to changes in interest rates, the Company exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is an asset, the counterparty owes the Company, which creates credit risk for the Company. When the fair value of a derivative contract is a liability, the Company owes the counterparty and, therefore, the Company is not exposed to the counterparty's credit risk in those circumstances. The Company minimizes counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties whose credit rating is higher than A1/A+ at the inception of the derivative transaction. The derivative instruments entered into by the Company do not contain credit-risk-related contingent features.

Market risk is the adverse effect on the value of a derivative instrument that results from a change in interest rates. The market risk associated with interest-rate contracts is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

The Company assesses interest rate risk by continually identifying and monitoring changes in interest rate exposures that may adversely impact expected future cash flows and by evaluating hedging opportunities. The Company monitors interest rate risk attributable to both the Company's outstanding or forecasted debt obligations as well as the Company's offsetting hedge positions.

In order to manage the market risk arising from the outstanding term loans, the Company has entered into a series of interest rate caps. During the year ended December 31, 2017, the Company entered into two additional interest rate caps effective March 31, 2017 and terminating on March 31, 2019 with variable notional amounts in order to hedge one month LIBOR greater than 2.5%. As of December 31, 2017, the Company had interest rate cap agreements with notional amounts of \$134,000 outstanding that were entered into in order to hedge three month LIBOR greater than 1.5%, and interest rate cap agreements with notional amounts of \$221,633 that were entered into in order to hedge one month LIBOR greater than 2.5%.

Changes in the fair value of interest rate swaps and caps designated as hedging instruments that effectively offset the variability of cash flows associated with variable-rate, long-term debt obligations are reported in accumulated other comprehensive income. These amounts subsequently are reclassified into interest expense as a yield adjustment of the hedged interest payments in the same period in which the related interest affects earnings.

The interest rate cap balances of \$340 and \$306 were recorded within other assets in the consolidated balance sheets as of December 31, 2017 and 2016, respectively. These amounts have been measured at fair value and are considered to be a Level 2 fair value measurement. The Company recorded an increase to the value of its interest rate caps of \$1,143, net of tax of \$280, for the year ended December 31, 2017, and reductions to the value of its interest rate caps of \$78 net of tax of \$35, and \$1,388, net of tax of \$29, during the years ended December 31, 2016, and 2015, respectively, within other comprehensive income (loss).

As of December 31, 2017, the Company expects to reclassify immaterial gains included in accumulated other comprehensive income (loss) into earnings during the next 12 months. Transactions and events expected to occur over the next twelve months that will necessitate reclassifying these derivatives' gains to earnings include quarterly payments on interest rate caps that are in the money.

(9) Deferred revenue

The summary set forth below represents the balances in deferred revenue as of December 31, 2017 and 2016:

	December 31, 2017	December 31, 2016
Prepaid membership fees	\$ 5,198	\$ 5,034
Enrollment fees	1,014	1,240
Equipment discount	2,567	2,796
Annual membership fees	8,113	6,775
Area development and franchise fees	10,631	10,286
Total deferred revenue	27,523	26,131
Long-term portion of deferred revenue	8,440	8,351
Current portion of deferred revenue	\$ 19,083	\$ 17,780

Equipment deposits received in advance of delivery, placement and customer acceptance as of December 31, 2017 and 2016 were \$6,498 and \$2,170, respectively and are expected to be recognized as revenue in the next twelve months.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The Company wrote-off \$107 and \$1,754 of expiring equipment discounts in the years ended December 31, 2017 and 2016, respectively, that were originally recorded in connection with the March 31, 2014 acquisition of eight franchisee-owned stores. These amounts are included as a gain in other expense on the consolidated statement of operations.

(10) Related party transactions

Amounts due from related parties of \$3,020 and \$2,864 as of December 31, 2017 and 2016, respectively, primarily relate to currently due or potential reimbursements for certain taxes accrued or paid by the Company (see note 14).

Activity with franchisees considered to be related parties is summarized below.

	For the Year Ended December 31,		
	2017	2016	2015
Franchise revenue	\$ 2,130	\$ 1,760	\$ 1,232
Equipment revenue	3,464	1,338	1,686
Total revenue from related parties	\$ 5,594	\$ 3,098	\$ 2,918

Additionally, the Company had deferred ADA revenue from related parties of \$389 and \$422 as of December 31, 2017 and 2016, respectively.

The Company entered into a consulting agreement that continues through December 31, 2018 with a shareholder and former executive officer of the Company.

The Company paid rent and lease termination costs for its former headquarters to MMC Fox Run, LLC, which is currently owned by Chris Rondeau, our CEO, and Marc Grondahl, a shareholder and former executive officer and former member of our board of directors, in the amounts of \$898, \$406, and \$412, for the years ended December 31, 2017, 2016 and 2015, respectively.

The Company paid management fees to TSG totaling \$0, \$0, and \$1,899 during the years ended December 31, 2017, 2016 and 2015, respectively. In connection with the IPO, the Company paid a \$1,000 termination fee related to the termination of its management agreement with TSG, which is included in the management fees paid for the year ended December 31, 2015.

As of December 31, 2017 and 2016, the Company had \$44,794 and \$419,071, respectively, payable to related parties pursuant to tax benefit arrangements, see Note 14.

A member of the Company's board of directors, who is also a franchisee, holds an approximate 10.5% ownership of a company that sells amenity tracking compliance software to Planet Fitness stores. As of December 31, 2017, the software was being utilized at 15 corporate-owned stores and approximately 300 franchise stores.

(11) Stockholder's equity

The recapitalization transactions

The Company refers to the Merger, Reclassification and entry into the Exchange agreement, each as described below, as the "recapitalization transactions." The Merger was effected pursuant to a merger agreement by and among the Company and Planet Fitness Holdings, L.P. (a predecessor entity to the Company) and the recapitalization transactions were effected pursuant to a recapitalization agreement by and among the Company, Pla-Fit Holdings, the Continuing LLC Owners and Direct TSG Investors.

Merger

Prior to the Merger, the Direct TSG Investors held interests in Planet Fitness Holdings, L.P., a predecessor entity to the Company that held indirect interests in Pla-Fit Holdings. Planet Fitness Holdings, L.P. was formed in October 2014 and had no material assets, liabilities or operations, other than as a holding company owning indirect interests in Pla-Fit Holdings. The Direct TSG Investors consist of investment funds affiliated with TSG. Pursuant to a merger agreement dated June 22, 2015, upon the pricing of the IPO, Planet Fitness Holdings, L.P. merged with and into the Company, and the interests in Planet Fitness Holdings, L.P. held by the Direct TSG Investors were converted into 26,106,930 shares of Class A common stock of the Company. The Company refers to this as the "Merger." All shares of Class A common stock have both voting and economic rights in Planet Fitness, Inc.

The Merger was effected on August 5, 2015, prior to the time our Class A common stock was registered under the Exchange Act and prior to the completion of the IPO.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

Reclassification

The equity interests of Pla-Fit Holdings previously consisted of three different classes of limited liability company units (Class M, Class T and Class O). Prior to the completion of the IPO, the limited liability company agreement of Pla-Fit Holdings was amended and restated to, among other things, modify its capital structure to create a single new class of units, the Holdings Units. The Company refers to this capital structure modification as the “Reclassification.”

The Direct TSG Investors’ indirect interest in Pla-Fit Holdings was held through Planet Fitness Holdings, L.P. As a result, following the Merger, in which Planet Fitness Holdings, L.P. merged with and into the Company, the Direct TSG Investors’ indirect interests in Pla-Fit Holdings are held through the Company. Therefore, the Holdings Units received in the Reclassification were allocated to: (1) the Continuing LLC Owners based on their existing interests in Pla-Fit Holdings; and (2) the Company to the extent of the Direct TSG Investors’ indirect interest in Pla-Fit Holdings. The number of Holdings Units allocated to the Company in the Reclassification was equal to the number of shares of Class A common stock that the Direct TSG Investors received in the Merger (on a one-for-one basis).

The Reclassification was effected on August 5, 2015, prior to the time our Class A common stock was registered under the Exchange Act and prior to the completion of the IPO.

Following the Merger and the Reclassification, the Company issued to Continuing LLC Owners 72,602,810 shares of Class B common stock, one share of Class B common stock for each Holdings Unit they held. The shares of Class B common stock have no rights to dividends or distributions, whether in cash or stock, but entitle the holder to one vote per share on matters presented to stockholders of the Company. The Continuing LLC Owners consist of investment funds affiliated with TSG and certain employees and directors.

Pursuant to the LLC agreement that went into effect at the time of the Reclassification (“New LLC Agreement”), the Company was designated as the sole managing member of Pla-Fit Holdings. Accordingly, the Company has the right to determine when distributions will be made by Pla-Fit Holdings to its members and the amount of any such distributions (subject to the requirements with respect to the tax distributions described below). If the Company authorizes a distribution by Pla-Fit Holdings, the distribution will be made to the members of Pla-Fit Holdings, including the Company, pro rata in accordance with the percentages of their respective Holdings Units.

The holders of Holdings Units will incur U.S. federal, state and local income taxes on their allocable share of any taxable income of Pla-Fit Holdings (as calculated pursuant to the New LLC Agreement). Net profits and net losses of Pla-Fit Holdings will generally be allocated to its members pursuant to the New LLC Agreement pro rata in accordance with the percentages of their respective Holdings Units. The New LLC Agreement provides for cash distributions to the holders of Holdings Units for purposes of funding their tax obligations in respect of the income of Pla-Fit Holdings that is allocated to them, to the extent other distributions from Pla-Fit Holdings for the relevant year have been insufficient to cover such liability. Generally, these tax distributions are computed based on the estimated taxable income of Pla-Fit Holdings allocable to the holders of Holdings Units multiplied by an assumed, combined tax rate equal to the maximum rate applicable to an individual or corporation resident in Hampton, NH (taking into account the non-deductibility of certain expenses and the character of the Company’s income).

Exchange agreement

Following the Merger and the Reclassification, the Company and the Continuing LLC Owners entered into an exchange agreement under which the Continuing LLC Owners (or certain permitted transferees thereof) have the right, from time to time and subject to the terms of the exchange agreement, to exchange their Holdings Units, along with a corresponding number of shares of Class B common stock, for shares of Class A common stock (or cash at the option of the Company) on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends, reclassifications and similar transactions. As a Continuing LLC Owner exchanges Holdings Units, along with a corresponding number of shares of Class B common stock, for shares of Class A common stock, the number of Holdings Units held by the Company will increase by a corresponding amount as it acquires the exchanged Holdings Units and cancels a corresponding number of shares of Class B common stock.

IPO transactions

In connection with the completion of the IPO on August 11, 2015, in order to facilitate the disposition of equity interests in Pla-Fit Holdings held by Continuing LLC Owners affiliated with TSG, the Company used the net proceeds received to purchase issued and outstanding Holdings Units from these Continuing LLC Owners that they received in the Reclassification. In connection with the IPO, the Company purchased 10,491,055 issued and outstanding Holdings Units from these Continuing LLC Owners for an aggregate of \$156,946. This is in addition to the 26,106,930 Holdings Units that the Company acquired in the Reclassification on a one-for-one basis in relation to the number of shares of Class A common stock issued to the Direct TSG Investors in the Merger. Accordingly, following the IPO, the Company held 36,597,985 Holdings Units, which is equal to the number of shares of Class A common stock that were issued to the Direct TSG Investors and investors in the IPO. The Direct TSG Investors, who did not receive Holdings Units in the Reclassification but received shares of Class A common stock in the Merger, sold 5,033,945 shares of Class A common stock in the IPO as selling stockholders. All expenses of the IPO, other than underwriter discounts and commissions, were borne by Pla-Fit Holdings or reimbursed by Pla-Fit Holdings to the Company

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

and amounted to \$7,697 for the year ended December 31, 2015. These amounts were recorded in selling, general, and administrative expense in the accompanying statements of operations and could not be capitalized and offset against the proceeds from the offering because the Company did not retain any of the proceeds from the IPO.

June 2016 Secondary Offering

As described in Note 1, on June 28, 2016 the Company completed the June Secondary Offering of 11,500,000 shares of our Class A common stock at a price of \$16.50 per share. All of the shares sold in the offering were offered by Direct TSG Investors and the participating Continuing LLC Owners. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating Continuing LLC Owners. The shares sold in the offering consisted of (i) 3,608,840 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 7,891,160 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the June Secondary Offering. Simultaneously, and in connection with the exchange, 7,891,160 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the June Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 7,891,160 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

September 2016 Secondary Offering

As described in Note 1, on September 28, 2016, the Company completed the September Secondary Offering of 8,000,000 shares of our Class A common stock at a price of 19.62 per share. All of the shares sold in the offering were offered by the Direct TSG Investors and participating Continuing LLC Owners. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating Continuing LLC Owners. The shares sold in the offering consisted of (i) 2,593,981 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 5,406,019 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the September Secondary Offering. Simultaneously, and in connection with the exchange, 5,406,019 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the September Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 5,406,019 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

November 2016 Secondary Offering

As described in Note 1, on November 22, 2016, the Company completed the November Secondary Offering of 15,000,000 shares of our Class A common stock at a price of \$23.22 per share. All of the shares sold in the offering were offered by the Direct TSG Investors and participating Continuing LLC Owners. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating Continuing LLC Owners. The shares sold in the offering consisted of (i) 4,863,715 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,136,285 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the Continuing LLC Owners that participated in the November Secondary Offering. Simultaneously, and in connection with the exchange, 10,136,285 shares of Class B common stock were surrendered by the Continuing LLC Owners that participated in the November Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,136,285 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

March 2017 Secondary Offering

As described in Note 1, on March 14, 2017, the Company completed the March Secondary Offering of 15,000,000 shares of its Class A common stock at a price of \$20.44 per share. All of the shares sold in the March Secondary Offering were offered by certain existing holders of Holdings Units and the Direct TSG Investors. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating holders of Holdings Units. The shares sold in the March Secondary Offering consisted of (i) 4,790,758 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,209,242 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the holders of Holdings Units that participated in the March Secondary Offering. Simultaneously, and in connection with the exchange, 10,209,242 shares of Class B common stock were surrendered by the holders of Holdings Units that participated in the March Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,209,242 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

May 2017 Secondary Offering

As described in Note 1, on May 10, 2017, the Company completed the May Secondary Offering of 16,085,510 shares of its Class A common stock at a price of \$20.28 per share. All of the shares sold in the May Secondary Offering were offered by certain existing holders of Holdings Units and the Direct TSG Investors. The Company did not receive any proceeds from the sale of shares of Class A common stock offered by the Direct TSG Investors and the participating holders of Holdings Units. The shares sold in the May

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

Secondary Offering consisted of (i) 5,215,691 existing shares of Class A common stock held by the Direct TSG Investors and (ii) 10,869,819 newly-issued shares of Class A common stock issued in connection with the exercise of the exchange right by the holders of Holdings Units that participated in the May Secondary Offering. Simultaneously, and in connection with the exchange, 10,869,819 shares of Class B common stock were surrendered by the holders of Holdings Units that participated in the May Secondary Offering and canceled. Additionally, in connection with the exchange, Planet Fitness, Inc. received 10,869,819 Holdings Units, increasing its total ownership interest in Pla-Fit Holdings.

Other Exchanges

In addition to the secondary offerings mentioned above, during the year ended December 31, 2017 and 2016, respectively, certain Continuing LLC Owners have exercised their exchange right and exchanged 4,762,943 and 1,271,146 Holdings Units for 4,762,943 1,271,146 newly-issued shares of Class A common stock. Simultaneously, and in connection with these exchanges, 4,762,943 and 1,271,146 shares of Class B common stock were surrendered by the Continuing LLC Owners that exercised their exchange right and cancelled in the years ended December 31, 2017 and 2016, respectively. Additionally, in connection with these exchanges, Planet Fitness, Inc. received 4,762,943 and 1,271,146 Holdings Units, during the years ended December 31, 2017 and 2016, respectively, increasing its total ownership in Pla-Fit Holdings. Future exchanges of Holdings Units by the Continuing LLC Owners will result in a change in ownership and reduce the amount recorded as non-controlling interest and increase additional paid-in capital on our consolidated balance sheets.

As a result of the recapitalization transactions, the IPO, completion of our secondary offerings, and other exchanges and equity activity, as of December 31, 2017:

- the investors in the IPO, the Company's secondary offerings, other exchanges and equity activity collectively owned 87,188,160 shares of our Class A common stock, representing 88.6% of the voting power in the Company and, through the Company, 88.6% of the economic interest in Pla-Fit Holdings;
- the Continuing LLC Owners collectively hold 11,192,740 Holdings Units, representing 11.4% of the economic interest in Pla-Fit Holdings and 11,192,740 shares of our Class B common stock, representing 11.4% of the voting power in the Company; and
- the Direct TSG Investors own zero shares of our Class A common stock, representing 0% of the voting power in the Company and, through the Company, 0% of the economic interest in Pla-Fit Holdings.

Dividends

The Company did not declare or pay any dividends during the year ended December 31, 2017. Dividends declared and paid to holders of the Company's Class A common stock during the year ended December 31, 2016 were \$169,282, or \$2.78 per share of Class A common stock. The dividend was declared on November 10, 2016 and paid on December 5, 2016 to Class A common stock holders of record as of November 22, 2016. The Company also paid cash dividend equivalents of \$101,729, or \$2.78 per share, to holders of Holdings Units on December 5, 2016 and accrued \$3,899 of dividend equivalents for future payment to holders of unvested share awards to be paid upon vesting of the related awards.

(12) Equity-based compensation

2013 Equity Incentive Plan

In 2013, the Company's Board of Directors adopted the 2013 Equity Incentive Plan (the "2013 Plan"). Under the 2013 Plan, the Company granted awards in the form of Class M Units to certain employees and directors of the Company and its subsidiaries. The Class M Units received distributions (other than tax distributions) only upon a liquidity event, as defined, that exceeded a threshold equivalent to the fair value of the Company, as determined by the Company's Board of Directors, at the grant date. Eighty percent of the awards vest over five years of continuous employment or service while the other twenty percent only vest in the event of an initial public offering of the Company's common stock or that of its parent or one of its subsidiaries, subject to the holder of the Class M Units remaining employed or providing services on the date of such initial public offering. All awards include a repurchase option at the election of the Company for the vested portion upon termination of employment or service, and have a ten-year contractual term. These awards are accounted for as equity at their fair value as of the grant date. In connection with the IPO and related recapitalization transactions as described in Note 1, all of the outstanding Class M Units were converted into Holdings Units and Class B common shares of Planet Fitness, Inc. in accordance with the terms of the awards. The Company's IPO constituted a qualifying event under the terms of the awards and as a result 4,238,338 Holdings Units and corresponding Class B Common shares were issued to the existing Class M Unit holders with a weighted-average grant date fair value of \$1.52 per share. The Company recorded \$152 and \$784 of compensation expense in the years ended December 31, 2017 and 2016, respectively, related to these awards.

The fair value of each award was estimated on the date of grant using a Monte Carlo simulation model.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

During the year ended December 31, 2016, the Company modified the vesting terms of 22,527 outstanding Holdings Units such that those units were fully vested immediately. In connection with the modification, the Company recorded \$337 of compensation expense in the year ended December 31, 2016. During the year ended December 31, 2015, the Company modified the vesting terms of 10,737 outstanding Class M Units such that those units were fully vested and eligible to receive distributions following a liquidity event.

A summary of unvested Holdings Unit activity is presented below:

	Holdings Units	Weighted average grant date fair value	Weighted average remaining contractual term (years)	Aggregate intrinsic value
Unvested outstanding at January 1, 2017	1,025,016	\$ 1.52		
Units granted	—	—		
Units forfeited	(150,181)	\$ 1.52		
Units vested	(604,614)	\$ 1.52		
Unvested outstanding at December 31, 2017	270,221	\$ 1.52	0.7	\$ 9,358

The amount of total unrecognized compensation cost related to all awards under this plan was \$53 as of December 31, 2017, which is expected to be recognized over a weighted-average period of 0.7 years.

2015 Omnibus Incentive Plan

Stock Options

In August 2015, the Company adopted the 2015 Omnibus Incentive Plan (the "2015 Plan") under which the Company may grant options and other equity-based awards to purchase up to 7,896,800 shares to employees, directors and officers. All stock options awarded vest annually, on a tranche by tranche basis, over a period of four years with a maximum contractual term of 10 years.

The fair value of stock option awards granted were determined on the grant date using the Black-Scholes valuation model based on the following assumptions:

	Year ended December 31,	
	2017	2016
Expected term (years) (1)	6.25	6.25
Expected volatility (2)	28.6% - 32.9%	33.2% - 34.4%
Risk-free interest rate (3)	1.86% - 2.10%	1.31% - 1.76%
Dividend yield (4)	—	—

- (1) Expected term represents the estimated period of time until an award is exercised and was determined using the simplified method.
- (2) Expected volatility is based on the historical volatility of a selected peer group over a period equivalent to the expected term.
- (3) The risk-free rate is an interpolation of yields on U.S. Treasury securities with maturities equivalent to the expected term.
- (4) Based on an assumed a dividend yield of zero at the time of grant.

A summary of stock option activity for the year ended December 31, 2017:

	Stock Options	Weighted average exercise price	Weighted average remaining contractual term (years)	Aggregate intrinsic value
Outstanding at January 1, 2017	404,470	\$ 17.49		
Granted	617,904	\$ 20.97		
Exercised	(27,191)	\$ 17.63		
Forfeited	(76,977)	\$ 20.32		
Outstanding at December 31, 2017	918,206	\$ 19.59	8.7	\$ 13,811
Vested or expected to vest at December 31, 2017	918,206	\$ 19.59	8.7	\$ 13,811
Exercisable at December 31, 2017	90,046	\$ 17.23	8.2	\$ 1,567

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The weighted-average grant date fair value of stock options granted during the year ended December 31, 2017 was \$7.73. During the years ended December 31, 2017 and 2016, \$2,195 and \$846, respectively, was recorded to selling, general and administrative expense related to these stock options. As of December 31, 2017, total unrecognized compensation expense related to unvested stock options, was \$3,666, which is expected to be recognized over a weighted-average period of 1.9 years.

Restricted stock units

During the year ended December 31, 2017, the Company granted 13,498 restricted Class A stock units (“RSUs”) to members of its Board of Directors under the 2015 Plan. The RSUs granted vest on the first anniversary of the grant date, provided that the recipient continues to serve on the Board of Directors through the vesting dates. RSU awards are valued using the intrinsic value method.

	Stock Options	Weighted average fair value	Weighted average remaining contractual term (years)	Aggregate intrinsic value
Unvested outstanding at January 1, 2017	7,887	\$ 19.02		
Granted	13,498	\$ 24.25		
Vested	(5,167)	\$ 19.35		
Unvested outstanding at December 31, 2017	16,218	\$ 23.26	0.6	\$ 462

The weighted-average grant date fair value of RSUs granted during the year ended December 31, 2017 was \$24.25. During the years ended December 31, 2017 and 2016, \$184 and \$98, respectively, was recorded to selling, general and administrative expense related to these RSUs. As of December 31, 2017, total unrecognized compensation expense related to unvested RSUs was \$219, which is expected to be recognized over a weighted-average period of 0.6 years.

(13) Earnings per share

Basic earnings per share of Class A common stock is computed by dividing net income attributable to Planet Fitness, Inc. for the years ended December 31, 2017 and 2016, and the period from August 6, 2015 through December 31, 2015, the periods following the recapitalization transactions and IPO, by the weighted-average number of shares of Class A common stock outstanding during the same periods. Diluted earnings per share of Class A common stock is computed by dividing net income attributable to Planet Fitness, Inc. by the weighted-average number of shares of Class A common stock outstanding adjusted to give effect to potentially dilutive securities. There were no shares of Class A or Class B common stock outstanding prior to August 6, 2015, therefore no earnings per share information has been presented for any period prior to that date.

Shares of the Company’s Class B common stock do not share in the earnings or losses attributable to Planet Fitness, Inc. and are therefore not participating securities. As such, separate presentation of basic and diluted earnings per share of Class B common stock under the two-class method has not been presented. Shares of the Company’s Class B common stock are, however, considered potentially dilutive shares of Class A common stock because shares of Class B common stock, together with the related Holdings Units, are exchangeable into shares of Class A common stock on a one-for-one basis.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The following table sets forth reconciliations of the numerators and denominators used to compute basic and diluted earnings per share of Class A common stock:

	Year ended December 31, 2017	Year ended December 31, 2016	August 6, 2015 through December 31, 2015
Basic net income per share:			
Numerator			
Net income	\$ 55,601	\$ 71,247	\$ 23,454
Less: net income attributable to non-controlling interests	22,455	49,747	19,348
Net income attributable to Planet Fitness, Inc. - basic & diluted	\$ 33,146	\$ 21,500	\$ 4,106
Denominator			
Weighted-average shares of Class A common stock outstanding - basic	78,910,390	43,300,288	36,243,557
Effect of dilutive securities:			
Stock options	56,198	1,489	—
Restricted stock units	4,962	2,908	—
Weighted-average shares of Class A common stock outstanding - diluted	78,971,550	43,304,685	36,243,557
Earnings per share of Class A common stock - basic	\$ 0.42	\$ 0.50	\$ 0.11
Earnings per share of Class A common stock - diluted	\$ 0.42	\$ 0.50	\$ 0.11

Weighted average shares of Class B common stock of 19,483,737, 55,305,992 and 62,466,183 for the years ended December 31, 2017 and 2016, and the period from August 6, 2015 through December 31, 2015, respectively, were evaluated under the if-converted method for potential dilutive effects and were determined to be anti-dilutive. Weighted-average stock options outstanding of 489,133, 208,452 and 108,270 for the years ended December 31, 2017 and 2016, and the period from August 6, 2015 through December 31, 2015, respectively, were evaluated under the treasury stock method for potential dilutive effects and were determined to be anti-dilutive. Weighted average restricted stock units outstanding of 1,829 and 8,160 for the year ended December 31, 2017 and the period from August 6, 2015 through December 31, 2015, respectively, were evaluated under the treasury stock method for potential dilutive effects and were determined to be anti-dilutive.

(14) Income taxes

Income before the provision for income taxes as shown in the accompanying consolidated statements of operations is as follows:

	Year Ended December 31,		
	2017	2016	2015
Domestic	\$ 426,873	\$ 88,016	\$ 48,716
Foreign	2,308	1,892	(1,438)
Total income before the provision for income taxes	429,181	89,908	47,278

The provision (benefit) for income taxes consists of the following:

	Year Ended December 31,		
	2017	2016	2015
Current:			
Federal	\$ (2,600)	\$ 1,206	\$ 686
State	2,941	1,428	2,188
Foreign	817	421	139
Total current tax expense	1,158	3,055	3,013
Deferred:			
Federal	365,470	11,633	5,636
State	6,857	3,755	935
Foreign	95	218	(436)
Total deferred tax expense	372,422	15,606	6,135
Provision for income taxes	\$ 373,580	\$ 18,661	\$ 9,148

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

As a result of the recapitalization transactions, the Company became the sole managing member of Pla-Fit Holdings, which is treated as a partnership for U.S. federal and most applicable state and local income tax purposes. As a partnership, Pla-Fit Holdings is not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by Pla-Fit Holdings is passed through to and included in the taxable income or loss of its members, including the Company following the recapitalization transactions, on a pro rata basis. Planet Fitness, Inc. is subject to U.S. federal income taxes, in addition to state and local income taxes with respect to our allocable share of any taxable income of Pla-Fit Holdings following the recapitalization transactions. The Company is also subject to taxes in foreign jurisdictions.

On December 22, 2017, the 2017 Tax Act was enacted, making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21% beginning on January 1, 2018, the transition of U.S. international taxation from a worldwide tax system to a modified territorial system, and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017. We have calculated our best estimate of the impact of the 2017 Tax Act in our year end income tax provision in accordance with our understanding of the law and available guidance and as a result have recorded \$334,619 as additional income tax expense in the fourth quarter of 2017, the period in which the legislation was enacted, of which \$334,022 related to the remeasurement of certain deferred tax assets and liabilities, and \$597 related to mandatory repatriation. The 2017 Tax Act also caused a remeasurement of our tax benefit arrangements, as discussed in more detail below.

On December 22, 2017, Staff Accounting Bulletin No. 118 ("SAB 118") was issued to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the 2017 Tax Act. The Company has analyzed the 2017 Tax Act and made reasonable estimates of the effects on our consolidated financial statements and tax disclosures, including changes to our existing deferred tax balances, the mandatory repatriation tax and remeasurement of our tax benefit arrangements. The Company will continue to analyze the effects of the 2017 Tax Act on its consolidated financial statements. Any additional impacts from the enactment of the Tax Act will be recorded as they are identified during the measurement period and we may record additional provisional amounts or adjustments to provisional amounts during 2018.

A reconciliation of the U.S. statutory income tax rate to the Company's effective tax rate is as follows:

	Year Ended December 31,		
	2017	2016	2015
U.S. statutory tax rate	35.0%	35.0%	35.0%
State and local taxes, net of federal benefit	1.0%	4.9%	6.2%
State rate change impact on deferred taxes	0.8%	(1.4)%	6.9%
Federal rate change impact on deferred taxes	77.8%	—%	—%
Tax benefit arrangement liability adjustment	(25.8)%	—%	(2.1)%
Foreign tax rate differential	—%	(0.3)%	0.3%
Withholding taxes and other	0.1%	—%	0.2%
Reserve for uncertain tax position	0.1%	3.1%	—%
Income attributable to non-controlling interests	(1.9)%	(20.5)%	(27.1)%
Effective tax rate	87.1%	20.8%	19.4%

The Company incurs U.S. federal and state income taxes on its pro rata share of income flowed through from Pla-Fit Holdings. Our current tax rate on such income was approximately 39.5%, 39.5%, and 39.4% for the years ended December 31, 2017, 2016 and 2015, respectively. The provision for income taxes also reflects a state tax rate of 2.1%, 2.0% and 2.5% for the years ended December 31, 2017, 2016 and 2015, respectively, applied to non-controlling interests, representing the remaining percentage of income before taxes, excluding income from variable interest entities, related to Pla-Fit Holdings. As of December 31, 2017, the Company recorded U.S. tax on mandatory repatriation of the undistributed earnings of foreign operations as well as foreign withholding tax. Undistributed earnings of foreign operations were not material for the year ended December 31, 2016.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

Deferred income taxes are provided for the effects of temporary differences between the tax basis of an asset or liability and its reported amount in the accompanying consolidated balance sheets. These temporary differences result in taxable or deductible amounts in future years. Details of the Company's deferred tax assets and liabilities are summarized as follows:

	Year Ended December 31,	
	2017	2016
Deferred tax assets:		
Accrued expense and reserves	\$ 1,422	\$ 865
Deferred revenue	1,900	2,029
Goodwill and intangible assets	404,547	406,447
Net operating loss	603	22
Other	3,619	4,218
Deferred tax assets	\$ 412,091	\$ 413,581
Deferred tax liabilities:		
Prepaid expenses	(773)	(781)
Property and equipment	(5,165)	(3,631)
Total deferred tax liabilities	\$ (5,938)	\$ (4,412)
Total deferred tax assets and liabilities	\$ 406,153	\$ 409,169
Reported as:		
Deferred income taxes - non-current assets	\$ 407,782	\$ 410,407
Deferred income taxes - non-current liabilities	(1,629)	(1,238)
Total deferred tax assets and liabilities	\$ 406,153	\$ 409,169

The Company has net operating loss carryforwards related to its U.S. operations of approximately \$2,725, which begin to expire in 2037. The Company believes as of December 31, 2017 it is more likely than not that the results of future operations will generate sufficient taxable income to realize all deferred tax assets, and as such no value allowance has been recorded.

A summary of the changes in the Company's unrecognized tax positions is as follows:

	Year Ended December 31,	
	2017	2016
Balance at beginning of year	\$ 2,608	\$ 300
Increases related to prior year tax positions	—	2,308
Balance at end of year	\$ 2,608	\$ 2,608

During the year ended December 31, 2017, the Company recognized \$152 within current tax expense related to the interest on a reserve for an uncertain tax position. The uncertain tax position relates to a potential liability associated with a 2012 state filing position currently under audit by the taxing authorities. While the Company believes it is more likely than not that its position will be sustained, the amount recorded after assessing the likelihood of various potential outcomes is based upon the facts and circumstances known as of December 31, 2017. In connection with the 2012 Acquisition of Pla-Fit Holdings on November 8, 2012 by TSG, the sellers are obligated to indemnify the Company for certain pre-acquisition tax liabilities. The Company has therefore recorded an asset and corresponding other income of \$152 in connection with the indemnification in the year ended December 31, 2017.

The Company recognizes interest and penalties, if applicable, related to uncertain tax positions as a component of income tax expense. Interest and penalties recorded for the years ended December 31, 2017 and 2016 were \$152 and \$465, respectively. Interest and penalties for the year ended December 31, 2015 were not material.

As of December 31, 2017 and 2016, the total liability related to uncertain tax positions was \$2,608, excluding interest. The amount of unrecognized tax benefits as of December 31, 2017 that, if recognized, would reduce income tax expense is \$2,608. As of December 31, 2017, the Company anticipates that the liability for unrecognized tax benefits could decrease by up to \$2,608 within the next twelve months due to the expiration of certain statutes of limitation or the settlement of examinations or issues with tax authorities.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The Company and its subsidiaries file U.S. federal income tax returns, as well as tax returns in various state and foreign jurisdictions. Generally, the tax years 2014 through 2017 remain open to examination by the tax authorities in these jurisdictions. The Company is currently under audit in its primary state jurisdiction, New Hampshire, for 2012 and 2013.

Tax benefit arrangements

The Company's acquisition of Holdings Units in connection with the IPO and future and certain past exchanges of Holdings Units for shares of the Company's Class A common stock (or cash at the option of the Company) are expected to produce and have produced favorable tax attributes. In connection with the IPO, the Company entered into two tax receivable agreements. Under the first of those agreements, the Company generally is required to pay to the TRA Holders 85% of the applicable tax savings, if any, in U.S. federal and state income tax that the Company is deemed to realize as a result of certain tax attributes of their Holdings Units sold to the Company (or exchanged in a taxable sale) and that are created as a result of (i) the sales of their Holdings Units for shares of Class A common stock and (ii) tax benefits attributable to payments made under the tax receivable agreement (including imputed interest). Under the second tax receivable agreement, the Company generally is required to pay to the Direct TSG Investors 85% of the amount of tax savings, if any, that the Company is deemed to realize as a result of the tax attributes of the Holdings Units held in respect of the Direct TSG Investors' interest in the Company, which resulted from the Direct TSG Investors' purchase of interests in Pla-Fit Holdings in 2012, and certain other tax benefits. Under both agreements, the Company generally retains the benefit of the remaining 15% of the applicable tax savings. Also, pursuant to the exchange agreement (see Note 11), to the extent an exchange results in Pla-Fit Holdings, LLC incurring a current tax liability relating to the New Hampshire business profits tax, the TRA Holders have agreed that they will contribute to Pla-Fit Holdings, LLC an amount sufficient to pay such liability (up to 3.5% of the value received upon exchange). If and when the Company subsequently realizes a related tax benefit, Pla-Fit Holdings, LLC will distribute the amount of any such tax benefit to the relevant TRA LLC Owner in respect of its contribution. Due to changes in New Hampshire tax law during 2016, the Company no longer expects to incur any such liability under the New Hampshire business profits tax. The Company recorded other income of \$317,353, other expense of \$72 and other income of \$2,549 in the years ended December 31, 2017, 2016 and 2015, respectively, reflecting a change in the tax benefit obligation attributable to a change in the expected tax benefits. Included in this amount in 2017, was a gain of \$316,813 related to the remeasurement of our tax benefit arrangements in connection with changes in the tax rate due to the 2017 Tax Act. This remeasurement gain, which is not subject to federal or state income tax, favorably impacted our effective federal and state income tax rates in 2017.

In connection with the exchanges that occurred in the secondary offerings and other exchanges during 2017 and 2016, 25,842,004 and 24,704,610 Holdings Units, respectively, were redeemed by the Continuing LLC Owners for newly-issued shares of Class A common stock, resulting in an increase in the tax basis of the net assets of Pla-Fit Holdings subject to the provisions of the tax receivable agreements. As a result of the change in Planet Fitness, Inc.'s ownership percentage of Pla-Fit Holdings that occurred in conjunction with the exchanges, we recorded a decrease to our net deferred tax assets of \$24,371 and \$25,046, during the years ended December 31, 2017 and 2016, respectively. As a result of these exchanges, during the years ended December 31, 2017 and 2016 we also recognized deferred tax assets in the amount of \$394,108 and \$332,471, respectively, and corresponding tax benefit arrangement liabilities of \$341,089 and \$285,730, respectively, representing 85% of the tax benefits due to the TRA Holders. The offset to the entries recorded in connection with exchanges in each year was to stockholders' equity.

The tax benefit obligation was \$431,360 and \$419,071 as of December 31, 2017 and 2016, respectively.

Projected future payments under the tax benefit arrangements are as follows:

	Amount
2018	\$ 31,062
2019	23,298
2020	23,596
2021	24,010
2022	24,482
Thereafter	304,912
Total	\$ 431,360

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(15) Commitments and contingencies

(a) Operating lease commitments

The Company rents equipment, office, and warehouse space at various locations in the United States and Canada under noncancelable operating leases. Rental expense was \$20,296, \$19,203, and \$18,186 for the years ended December 31, 2017, 2016 and 2015, respectively. Approximate annual future commitments under noncancelable operating leases as of December 31, 2017 are as follows:

	Amount
2018	\$ 14,563
2019	13,439
2020	12,495
2021	10,747
2022	9,993
Thereafter	48,712
Total	\$ 109,949

(b) Legal matters

From time to time, and in the ordinary course of business, the Company is subject to various claims, charges, and litigation, such as employment-related claims and slip and fall cases. The Company is not currently aware of any legal proceedings or claims that the Company believes will have, individually or in the aggregate, a material adverse effect on the Company's financial position or result of operations.

(c) Purchase commitments

As of December 31, 2017, the Company had advertising purchase commitments of approximately \$30,400, including commitments made by the NAF. In addition, the Company had open purchase orders of approximately \$10,823 primarily related to equipment to be sold to franchisees.

(d) Guarantees

The Company has guaranteed certain leases and debt agreements of entities that were previously related through common ownership. These guarantees relate to leases for operating space, equipment, and other operating costs of franchises operated by the related entities. The Company's maximum obligation, as a result of its guarantees of leases and debt, is approximately \$979 and \$1,350 as of December 31, 2017 and 2016, respectively, and would only require payment upon default by the primary obligor. The Company has determined the fair value of these guarantees at inception is not material, and as of December 31, 2017 and 2016, no accrual has been recorded for the Company's potential obligation under its guaranty arrangement.

(16) Retirement Plan

The Company maintains a 401(k) deferred tax savings plan (the Plan) for eligible employees. The Plan provides for the Company to make an employer matching contribution currently equal to 100% of employee deferrals up to a maximum of 4% of each eligible participating employees' wages. Total employer matching contributions expensed in the consolidated statements of operations were approximately \$623, \$484, and \$384 for the years ended December 31, 2017, 2016 and 2015, respectively.

(17) Segments

The Company has three reportable segments: (i) Franchise; (ii) Corporate-owned stores; and (iii) Equipment.

The Company's operations are organized and managed by type of products and services and segment information is reported accordingly. The Company's chief operating decision maker (the "CODM") is its Chief Executive Officer. The CODM reviews financial performance and allocates resources by reportable segment. There have been no operating segments aggregated to arrive at the Company's reportable segments.

The Franchise segment includes operations related to the Company's franchising business in the United States, Puerto Rico, Canada, the Dominican Republic and Panama. The Corporate-owned stores segment includes operations with respect to all Corporate-owned stores throughout the United States and Canada. The Equipment segment includes the sale of equipment to franchisee-owned stores.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The accounting policies of the reportable segments are the same as those described in Note 2. The Company evaluates the performance of its segments and allocates resources to them based on revenue and earnings before interest, taxes, depreciation, and amortization, referred to as Segment EBITDA. Revenues for all operating segments include only transactions with unaffiliated customers and include no intersegment revenues.

The tables below summarize the financial information for the Company's reportable segments for the years ended December 31, 2017, 2016 and 2015. The "Corporate and other" column, as it relates to Segment EBITDA, primarily includes corporate overhead costs, such as payroll and related benefit costs and professional services which are not directly attributable to any individual segment.

	Year Ended December 31,		
	2017	2016	2015
Revenue			
Franchise segment revenue - U.S.	\$ 147,787	\$ 114,717	\$ 87,299
Franchise segment revenue - International	2,368	1,771	786
Franchise segment total	150,155	116,488	88,085
Corporate-owned stores segment - U.S.	107,712	100,541	95,459
Corporate-owned stores segment - International	4,402	4,180	2,931
Corporate-owned stores segment total	112,114	104,721	98,390
Equipment segment - U.S.	167,673	157,032	144,062
Equipment segment total	167,673	157,032	144,062
Total revenue	\$ 429,942	\$ 378,241	\$ 330,537

Franchise segment revenue includes franchise revenue and commission income.

Franchise revenue includes revenue generated from placement services of \$11,371, \$10,513, and \$9,806 for the years ended December 31, 2017, 2016 and 2015, respectively.

	Year Ended December 31,		
	2017	2016	2015
Segment EBITDA			
Franchise	\$ 126,459	\$ 97,256	\$ 66,030
Corporate-owned stores	46,855	40,847	36,070
Equipment	38,539	36,439	31,936
Corporate and other	284,372	(26,007)	(30,051)
Total Segment EBITDA	\$ 496,225	\$ 148,535	\$ 103,985

The following table reconciles total Segment EBITDA to income before taxes:

	Year Ended December 31,		
	2017	2016	2015
Total Segment EBITDA	\$ 496,225	\$ 148,535	\$ 103,985
Less:			
Depreciation and amortization	31,761	31,502	32,158
Other expense	316,928	1,371	(275)
Income from operations	147,536	115,662	72,102
Interest expense, net	(35,283)	(27,125)	(24,549)
Other income (expense)	316,928	1,371	(275)
Income before income taxes	\$ 429,181	\$ 89,908	\$ 47,278

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

The following table summarizes the Company's assets by reportable segment:

	December 31, 2017	December 31, 2016
Franchise	\$ 243,348	\$ 202,580
Corporate-owned stores	167,367	153,761
Equipment	206,632	208,809
Unallocated	475,118	436,292
Total consolidated assets	\$ 1,092,465	\$ 1,001,442

The table above includes \$2,558 and \$2,795 of long-lived assets located in the Company's international corporate-owned stores as of December 31, 2017 and 2016, respectively.

The following table summarizes the Company's goodwill by reportable segment:

	December 31, 2017	December 31, 2016
Franchise	\$ 16,938	\$ 16,938
Corporate-owned stores	67,377	67,377
Equipment	92,666	92,666
Total consolidated goodwill	\$ 176,981	\$ 176,981

(18) Corporate-owned and franchisee-owned stores

The following table shows changes in our corporate-owned and franchisee-owned stores for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Franchisee-owned stores:			
Stores operated at beginning of period	1,255	1,066	863
New stores opened	206	195	206
Stores debranded, sold or consolidated (1)	(5)	(6)	(3)
Stores operated at end of period	1,456	1,255	1,066
Corporate-owned stores:			
Stores operated at beginning of period	58	58	55
New stores opened	4	—	3
Stores acquired from franchisees	—	—	—
Stores operated at end of period	62	58	58
Total stores:			
Stores operated at beginning of period	1,313	1,124	918
New stores opened	210	195	209
Stores debranded, sold or consolidated (1)	(5)	(6)	(3)
Stores operated at end of period	1,518	1,313	1,124

- (1) The term "debrand" refers to a franchisee-owned store whose right to use the Planet Fitness brand and marks has been terminated in accordance with the franchise agreement. We retain the right to prevent debranded stores from continuing to operate as fitness centers. The term "consolidated" refers to the combination of a franchisee's store with another store located in close proximity with our prior approval. This often coincides with an enlargement, re-equipment and/or refurbishment of the remaining store.

Planet Fitness, Inc. and subsidiaries
Notes to Consolidated financial statements
(Amounts in thousands, except share and per share amounts)

(19) Quarterly financial data (unaudited)

	For the quarter ended			
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017
Total revenue	\$ 91,102	\$ 107,316	\$ 97,496	\$ 134,028
Income from operations	33,055	38,250	33,954	42,277
Net income	17,866	18,004	18,902	829
Net income (loss) attributable to Planet Fitness, Inc.	8,842	12,412	15,345	(3,453)
Earnings (loss) per share:				
Class A - Basic	\$ 0.14	\$ 0.16	\$ 0.18	\$ (0.04)
Class A - Diluted	\$ 0.14	\$ 0.16	\$ 0.18	\$ (0.04)

	For the quarter ended			
	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
Total revenue	\$ 83,343	\$ 91,472	\$ 87,007	\$ 116,419
Income from operations	25,610	27,831	26,153	36,068
Net income	16,345	18,091	14,863	21,948
Net income attributable to Planet Fitness, Inc.	3,368	4,132	3,425	10,575
Earnings per share:				
Class A - Basic	\$ 0.09	\$ 0.11	\$ 0.08	\$ 0.19
Class A - Diluted	\$ 0.09	\$ 0.11	\$ 0.08	\$ 0.18

(20) Subsequent events

On January 1, 2018, the Company completed an asset purchase acquisition of a franchise group representing six franchise stores operating in Suffolk County, New York for approximately \$28,600.

On February 22, 2018, the Company's board of directors approved an increase of \$80,000 to our current \$20,000 share repurchase program, bringing the total authorized amount available for repurchase to \$100,000. The timing of the purchases and the amount of stock repurchased is subject to the Company's discretion and will depend on market and business conditions, the Company's general working capital needs, stock price, applicable legal requirements and other factors. The Company's ability to repurchase shares at any particular time is also subject to continued compliance with the terms of our credit agreement. Purchases may be effected through one or more open market transactions, privately negotiated transactions, transactions structured through investment banking institutions, or a combination of the foregoing. The Company is not obligated under the program to acquire any particular amount of stock and can suspend or terminate the program at any time.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that are intended to ensure that information that would be required to be disclosed in Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

An evaluation was performed, under the supervision, and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2017. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2017 at the reasonable assurance level.

Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the company’s principal executive and principal financial officers and effected by the company’s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2017. In making this assessment, the company’s management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated 2013 Framework.

Based on this assessment, our management concluded that, as of December 31, 2017, our internal control over financial reporting is effective based on those criteria.

KPMG LLP, our independent registered public accounting firm, has issued an audit report appearing in this Annual Report on Form 10-K on the effectiveness of our internal control over financial reporting as of December 31, 2017.

Changes in Internal Control Over Financial Reporting

Remediation Activities

In the first half of 2015, management identified a material weakness in our internal control over financial reporting relating to our controls over the authorization of IT hardware purchases and the processing of related invoices. The internal controls in place during this time were not adequate to detect fraudulent purchases made by an employee whose employment we terminated.

Since identifying this material weakness, we implemented processes and controls designed to remediate this material weakness by revising existing, and implementing new, procedures and systems regarding (i) authorizing purchases, (ii) receiving invoices, (iii) receiving IT hardware products and (iv) processing invoices. As a result of the successful implementation of the remediation actions noted, as well as subsequent successful testing of the design and operation of the enhanced control procedures, management has concluded that its material weakness as disclosed in prior periods was remediated as of March 31, 2016.

Other than the aforementioned remediation efforts, there have been no changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

Not applicable.

PLANET FITNESS®
EXHIBIT “I”
TO THE DISCLOSURE DOCUMENT
FRANCHISE AND CORPORATE LOCATIONS

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

FRANCHISE LOCATIONS
(open as of December 31, 2017)

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
United PF Partners	528 West Town Plaza	Bessemer	Alabama	35020	(205) 774-6888
United PF Partners	4500 Montevallo Rd	Birmingham	Alabama	35210	(205) 703-0571
United PF Partners	9118 Parkway East	Birmingham	Alabama	35206	205-208-0414
United PF Partners	168 Inverness Plaza	Birmingham	Alabama	35242	205-408-0020
United PF Partners	140 Wildwood Parkway	Birmingham	Alabama	35209	205-719-1722
United PF Partners	1839 Montgomery Highway	Birmingham	Alabama	35244	205-444-2282
Harry Dodich and Al Pearsall	29685 Renaissance Blvd	Daphne	Alabama	36526	251-621-7800
Mark Manion	809 Beltline Road SW Suite B	Decatur	Alabama	35601	256-724-0979
L. Brumfield and L. Anderson	3121 Ross Clark Circle #1	Dothan	Alabama	36303	334-792-1701
L. Brumfield and L. Anderson	913 Rucker Blvd	Enterprise	Alabama	36330	(334) 475-2328
H. Dodich and A. Pearsall	175 Baldwin Square	Fairhope	Alabama	36532	(251) 308-1020
Atlantic Street Capital	1001 Rainbow Dr.	Gadsden	Alabama	35901	256-438-5459
Mark Manion	1001 Memorial Parkway	Huntsville	Alabama	35801	(256) 945-0501
J. Clancy and the Hamiltons	714 Hwy 78 E	Jasper	Alabama	35501	(205) 384-9161
Mark Manion	8050 Highway 72 West	Madison	Alabama	35758	256-724-0990
Atlantic Street Capital	3055 Dauphin Street	Mobile	Alabama	36606	251-287-1108
Atlantic Street Capital	5363 Highway 90 W.	Mobile	Alabama	36619	251-660-1700
Atlantic Street Capital	308 South University Blvd.	Mobile	Alabama	36609	251-414-2700
Atlantic Street Capital	900-B Schilling Rd.	Mobile	Alabama	36695	251-776-5600
Steve Goguen	3530 Eastdale Circle	Montgomery	Alabama	36117	334-271-1600
TSG Consumer Partners	2500 Pepperell Parkway	Opelika	Alabama	36801	(334) 617-3222
TSG Consumer Partners	1409 US Highway 280	Phenix City	Alabama	36869	(334) 384-2288
Steve Goguen	151 North Memorial Drive	Prattville	Alabama	36067	334-365-9494
Steve Goguen	1800 McFarland Blvd E Suite	Tuscaloosa	Alabama	35404	205-752-7878
United PF Partners	700 Montgomery Highway Suite	Vestavia Hills	Alabama	35216	205-208-0398
Michael Joseph	700 E. Benson Boulevard Unit 1	Anchorage	Alaska	99503	907-444-4400
Michael Joseph	3101 Penland Pkwy.	Anchorage	Alaska	99508	907-868-7600
Michael Joseph	1920 W. Dimond Boulevard Unit	Anchorage	Alaska	99515	907-341-5500
Michael Joseph	1255 Airport Way	Fairbanks	Alaska	99701	907-374-4441
United PF Partners	3003 W. Apache Trail Suite 1	Apache Junction	Arizona	85120	480-845-1021
United PF Partners	200 Avondale Blvd	Avondale	Arizona	85323	623-882-9228
Exaltare Capital Partners	1568 Marina Blvd.	Bullhead City	Arizona	86442	(928) 248-8861
United PF Partners	Tri Valley Plaza, 1325 E.	Casa Grande	Arizona	85122	520-788-6200
T. Bock, K. Kelly & J. Williams	1420 S. Arizona Avenue	Chandler	Arizona	85286	480-963-4200
T. Bock, K. Kelly & J. Williams	2980 N. Alma School Road	Chandler	Arizona	85224	(480) 634-4773
T. Bock, K. Kelly & J. Williams	1020 N. 54th St	Chandler	Arizona	85226	(480) 705-3264
T. Bock, K. Kelly & J. Williams	5121 West Glendale Avenue	Glendale	Arizona	85301	623-748-9223
Exaltare Capital Partners	1755 McCulloch Blvd N	Lake Havasu City	Arizona	86403	(928) 302-2025
T. Bock, K. Kelly & J. Williams	2643 East Broadway Road	Mesa	Arizona	85204	480-219-8484
T. Bock, K. Kelly & J. Williams	825 W. University Drive	Mesa	Arizona	85201	(480) 307-8478
Ron Huling	10525 N. Oracle Rd.	Oro Valley	Arizona	85737	520-544-4200
T. Bock, K. Kelly & J. Williams	7565 W. Peoria Ave	Peoria	Arizona	85345	(623) 792-5211
T. Bock, K. Kelly & J. Williams	4907 W. Bell Road	Phoenix	Arizona	85308	(602) 595-2779
T. Bock, K. Kelly & J. Williams	7333 W. Thomas Rd., Suite #78	Phoenix	Arizona	85033	623-344-0600
T. Bock, K. Kelly & J. Williams	320 East Bell Road	Phoenix	Arizona	85022	602-588-4200
T. Bock, K. Kelly & J. Williams	3975 East Thomas Road	Phoenix	Arizona	85018	602-275-0681
T. Bock, K. Kelly & J. Williams	3331 West Peoria Avenue, Suites	Phoenix	Arizona	85029	602-374-5957
T. Bock, K. Kelly & J. Williams	1625 W Camelback Road	Phoenix	Arizona	85015	(602) 374-4341
United PF Partners	3636 West Southern Ave	Phoenix	Arizona	85041	(602) 354-3887
United PF Partners	1841 East State Highway 69,	Prescott	Arizona	86301	928-350-8832
T. Bock, K. Kelly & J. Williams	1405 W Southern Ave	Tempe	Arizona	85282	(480) 219-8281
T. Bock, K. Kelly & J. Williams	3122 S. McClintock Drive	Tempe	Arizona	85282	480-361-4200
Ron Huling	4722 E. Broadway Blvd.	Tucson	Arizona	85711	(520) 829-7300
Ron Huling	1125 E Tucson Marketplace Blvd	Tucson	Arizona	85713	(520) 867-6888
Ron Huling	4848 N. Old Oracle Rd.	Tucson	Arizona	85705	520-293-4200
United PF Partners	1232 S. Castle Dome Ave.	Yuma	Arizona	85365	928-782-5555

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Rick and David Kueber	1515 Military Road	Benton	Arkansas	72015	(501) 408-2888
Altamont Capital Partners	1001 SW Westpark Drive	Bentonville	Arkansas	72712	(888) 237-9005
Rick and David Kueber	150 Oak Street	Conway	Arkansas	72032	501-358-6261
Altamont Capital Partners	3300 Grove Drive	Fayetteville	Arkansas	72704	(888) 237-9005
Altamont Capital Partners	1768 N Crossover Road	Fayetteville	Arkansas	72701	(888) 237-9005
Rick and David Kueber	5825 Rogers Avenue	Fort Smith	Arkansas	72903	(479) 755-9888
Rick and David Kueber	3310 Central Avenue	Hot Springs	Arkansas	71913	(501) 651-2424
Rick and David Kueber	1525 South Caraway Rd, Suite A	Jonesboro	Arkansas	72401	(870) 819-4455
Rick and David Kueber	11400 W. Markham St.	Little Rock	Arkansas	72211	501-313-5074
Rick and David Kueber	2801 Olive Street	Pine Bluff	Arkansas	71603	(870) 727-9988
Altamont Capital Partners	100 N Dixieland Rd.	Rogers	Arkansas	72756	(888) 237-9005
Rick and David Kueber	405 N Arkansas Ave.	Russellville	Arkansas	72801	479-498-9559
Rick and David Kueber	3500 East Race Street	Searcy	Arkansas	72143	(501) 254-0009
Altamont Capital Partners	2137 Ravenwood Plaza	Siloam Springs	Arkansas	72761	(888) 237-9005
Altamont Capital Partners	4093 West Sunset Ave. (#108)	Springdale	Arkansas	72762	(888) 237-9005
Exaltare Capital Partners	B10 - 2369 McCallum Road	Abbotsford	British	V2S 3N7	(604) 288-7178
Exaltare Capital Partners	945 Columbia Street W, Unit 350	Kamloops	British	V2C 1L5	(250) 277-1747
Bain Capital	10642 King George Blvd	Surrey	British	V3T 2X3	(604) 582-4076
L. Luckwaldt and the Rollins	610 East Valley Blvd	Alhambra	California	91801	626-576-8800
Michael Petersen	1620 West Katella Ave.	Anaheim	California	92802	714-638-8181
Matthew Bailey	2280 East Lincoln Ave	Anaheim	California	92806	714-635-5050
Josiah and Kathy Garlan	4001 California Ave	Bakersfield	California	93309	(661) 374-8429
Josiah and Kathy Garlan	2300 White Lane	Bakersfield	California	93304	661-836-2300
Saber Group	9055 Artesia Boulevard	Bellflower	California	90706	562-866-8800
Saber Group	8960 Knott Ave.	Buena Park	California	90620	714-952-3000
L. Luckwaldt and the Rollins	10950 Sherman Way	Burbank	California	91505	(818) 847-0100
J. Mack and R. Bocek	2440 Las Posas Rd	Camarillo	California	93010	(805) 388-8838
S. Bishop, D. Lanigan and J. Bernatowicz	123 E. Lomita Boulevard	Carson	California	90745	310-830-1300
Ben Heiderscheidt	2916 E. Whitmore Ave	Ceres	California	95307	(209) 581-0931
S. Bishop, D. Lanigan and J. Bernatowicz	12831 Towne Center Drive	Cerritos	California	90703	(562) 860-2031
Bill Fidler	1210 Broadway Avenue	Chula Vista	California	91911	(619) 869-8368
Michael Joseph	7016 Sunrise Blvd.	Citrus Heights	California	95610	916-727-3300
Sameer Bhatia	50249 Harrison St.	Coachella	California	92236	760-398-8888
Taymax Group	3375 Port Chicago Highway	Concord	California	94520	(925) 826-5709
Saber Group	1540 West 6th Street	Corona	California	92882	(951) 808-9705
Saber Group	2200 Harbor Boulevard	Costa Mesa	California	92627	949-548-4090
Saber Group	1480 N. Azusa Ave, Suite A	Covina	California	91722	626-332-2190
Robert McLennan	2945 Junipero Serra Blvd.	Daly City	California	94014	650-994-9080
Josiah and Kathy Garlan	625 Cecil Avenue	Delano	California	93215	(661) 778-0049
S. Bishop, D. Lanigan and J. Bernatowicz	9501 Lakewood Blvd	Downey	California	90240	(562) 299-3008
Bill Fidler	1910 N Imperial Avenue	El Centro	California	92243	(760) 370-9433
L. Luckwaldt and the Rollins	3542 N. Peck Road	El Monte	California	91731	(626) 401-1100
Steve Griffin	1349 East Valley Parkway	Escondido	California	92027	(760) 489-8202
Michael Joseph	3300 Broadway St	Eureka	California	95501	(707) 492-5353
Taymax Group	2525 N Texas Street	Fairfield	California	94533	(707) 759-5013
Saber Group	10200 Juniper Ave.	Fontana	California	92335	909-350-3325
Jeff & James Innocenti, Gaby Lawlor	26682 Portola Parkway	Foothill Ranch	California	92610	(949) 619-4600
Jeff & James Innocenti, Gaby Lawlor	16201 Harbor Boulevard	Fountain Valley	California	92708	657-232-4460
Michael Joseph	39161 Farwell Drive	Fremont	California	94538	510-797-5000
Ben Heiderscheidt	741 East Barstow Ave.	Fresno	California	93710	559-225-2835
Ben Heiderscheidt	4938 East Kings Canyon road	Fresno	California	93727	559-251-7100
Monogram Capital Partners	3382 W. Shaw Avenue	Fresno	California	93711	(559) 276-5770
Monogram Capital Partners	3756 North Blackstone Avenue	Fresno	California	93726	(559) 241-7288
Saber Group	21101 Norwalk Boulevard	Hawaiian Gardens	California	90716	562-653-1100
Michael Joseph	214 B Southland Mall Dr.	Hayward	California	94545	510-264-1800
Saber Group	1300 E. Florida Ave	Hemet	California	92544	(951) 765-4330
Freeman Spogli & Co.	12745 Main Street	Hesperia	California	92345	(760) 947-1288
Jeff & James Innocenti, Gaby Lawlor	19101 Goldenwest St	Huntington Beach	California	92648	(657) 215-8596

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
S. Bishop, D. Lanigan and J. Bernatowicz	7010 Alameda Street	Huntington Park	California	90255	323-581-2600
S. Bishop, D. Lanigan and J. Bernatowicz	500 East Manchester Blvd Suite	Inglewood	California	90301	310-330-1190
L. Luckwaldt and the Rollins	1717 North Hacienda Boulevard	La Puente	California	91744	626-917-0300
Jeff & James Innocenti, Gaby Lawlor	30272 Crown Valley Parkway	Laguna Niguel	California	92677	(949) 429-4378
Saber Group	32273 Mission Trail	Lake Elsinore	California	92530	(951) 471-4999
Bill Fidler	12419 Woodside Ave	Lakeside	California	92040	(619) 749-0123
Dave Koren and Matt Jones	44600 Valley Central Way	Lancaster	California	93550	(661) 941-3333
Monogram Capital Partners	520 S. Cherokee Lane	Lodi	California	95240	(209) 334-2001
Jeff & James Innocenti, Gaby Lawlor	437 Broadway	Los Angeles	California	90013	(213) 699-0030
L. Luckwaldt and the Rollins	4645 Venice Blvd.	Los Angeles	California	90019	323-933-3333
S. Bishop, D. Lanigan and J. Bernatowicz	1000 East Washington Blvd.,	Los Angeles	California	90021	(213) 749-1606
S. Bishop, D. Lanigan and J. Bernatowicz	3170 E. Imperial Highway Unit	Lynwood	California	90262	(310) 605-5140
Monogram Capital Partners	313 W. Olive Avenue	Madera	California	93637	(559) 674-0102
Ben Heiderscheidt	2401 E. Orangeburg Ave. Suite	Modesto	California	95355	209-572-2921
Ben Heiderscheidt	2045 W. Briggsmore Avenue,	Modesto	California	95350	209-341-2500
Freeman Spogli & Co.	12625 Frederick Street	Moreno Valley	California	92553	951-697-8445
Saber Group	24380 Village Walk Place	Murrieta	California	92562	(951) 461-1008
Bill Fidler	2530 Southport Way	National City	California	91950	(619) 403-1099
Taymax Group	5945 Watt Avenue	North Highlands	California	95660	(916) 550-2587
Steve Griffin	4130 Oceanside Blvd.	Oceanside	California	92056	760-941-4855
Farrukh Zafar	2446 S. Vineyard Avenue	Ontario	California	91761	909-947-0020
Jeff & James Innocenti, Gaby Lawlor	764 N Tustin Street	Orange	California	92867	(714) 716-2100
J. Mack and R. Bocek	2059 N Oxnard Blvd	Oxnard	California	93036	(805) 981-8181
Dave Koren and Matt Jones	40014 10th St W	Palmdale	California	93551	(661) 622-3333
Randy Stinchfield	1131 Creston Rd. Suite 97	Paso Robles	California	93446	805-239-4023
Taymax Group	2240 Loveridge	Pittsburg	California	94565	(925) 439-1518
Jeff & James Innocenti, Gaby Lawlor	2057 Rancho Valley Drive	Pomona	California	91766	(909) 784-6220
C. Beynon and T. TenBroek	1326 W. Olive Ave	Porterville	California	93257	(559) 306-6767
Taymax Group	10373 Folsom Blvd	Rancho Cordova	California	95670	916-368-5000
Anthony DiLorenzo	1725 Hilltop Drive	Redding	California	96002	(530) 395-5800
Saber Group	4135 Chicago Ave	Riverside	California	92507	(951) 779-2977
Michael Joseph	6599 Commerce Blvd.	Rohnert Park	California	94928	707-585-8900
Taymax Group	2400 Watt Avenue	Sacramento	California	95825	(916) 407-3280
Taymax Group	5138 Stockton Blvd	Sacramento	California	95820	916-457-7701
Taymax Group	6051 Mack Road	Sacramento	California	95823	916-427-1781
Farrukh Zafar	2041 E. Highland Avenue	San Bernardino	California	92404	909-863-0718
J. Mack and R. Bocek	570 S Mt. Vernon Ave	San Bernardino	California	92410	909-885-8883
Saber Group	435 E Hospitality Lane	San Bernardino	California	92408	(909) 381-1444
Bill Fidler	1725 Euclid Avenue	San Diego	California	92105	(619) 564-6619
Bill Fidler	6501 University Avenue	San Diego	California	92115	(619) 550-5808
Robert McLennan	350 Sansome Street	San Francisco	California	94114	415-433-3033
Saber Group	1328 Saratoga Avenue	San Jose	California	95129	(408) 248-1566
Saber Group	1375 Blossom Hill Road	San Jose	California	95118	(408) 266-6980
Jeff & James Innocenti, Gaby Lawlor	1760 E Edinger Avenue	Santa Ana	California	92705	(714) 912-9450
Lee Shamaley	2725 North Bristol	Santa Ana	California	92706	714-568-9700
S. Bishop, D. Lanigan and J. Bernatowicz	13469 Telegraph Road	Santa Fe Springs	California	90605	(562) 941-0051
S. Bishop, D. Lanigan and J. Bernatowicz	8724 Garfield Ave	South Gate	California	90280	562-927-7766
Ben Heiderscheidt	1175 West March Lane	Stockton	California	95207	209-477-7800
S. Bishop, D. Lanigan and J. Bernatowicz	20040 Hawthorne Blvd	Torrance	California	90503	310-371-7773
Michael Pullman	1360 W. Main Street	Turlock	California	95380	209-777-4355
Jeff & James Innocenti, Gaby Lawlor	2495 Park Avenue	Tustin	California	92782	(949) 930-0085
Taymax Group	154 Brown's Valley Pkwy	Vacaville	California	95688	(707) 305-1050
Freeman Spogli & Co.	12353 Mariposa Road	Victorville	California	92395	760-241-4300
C. Beynon and T. TenBroek	3535 W. Walnut Ave	Visalia	California	93277	(559) 697-5075
Steve Griffin	1980 University Drive Suite 100	Vista	California	92083	(760) 940-4145
Brett McGlothlin	13730 East Mississippi Avenue	Aurora	Colorado	80012	720-204-2322
Lee Shamaley	2516 Airport Rd	Colorado Springs	Colorado	80910	719-632-2500
Lee Shamaley	4316 Austin Bluffs Parkway	Colorado Springs	Colorado	80918	719-598-5100

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Lee Shamaley	5849 Constitution Ave	Colorado Springs	Colorado	80915	719-573-4300
Brett McGlothlin	7211 E Evans Ave	Denver	Colorado	80224	(720) 278-7707
Michael Pullman	4876 Chambers Road	Denver	Colorado	80239	(303) 373-5992
Brett McGlothlin	2401 North Ave	Grand Junction	Colorado	81501	(970) 241-1535
Jost Family	5609 W 44th Avenue	Lakeside	Colorado	80212	(303) 477-5525
Clark Stevens	3265 South Wadsworth Blvd	Lakewood	Colorado	80227	303-985-8888
Jost Family	6601 W. Colfax Ave,	Lakewood	Colorado	80214	303-238-5053
Jost Family	98 Wadsworth Blvd. Suite 125B	Lakewood	Colorado	80226	303-237-2676
Michael Pullman	2255 North Main Street	Longmont	Colorado	80501	303-776-6800
Vincent Love	1453 E Eisenhower Blvd	Loveland	Colorado	80537	(970) 800-3706
Vincent Love	3333 Dillon Dr.	Pueblo	Colorado	81008	719-545-0669
Michael Pullman	880 E 104th Ave.	Thornton	Colorado	80233	(303) 452-4426
Michael Pullman	5005 West 72nd Avenue	Westminster	Colorado	80030	303-428-5616
M. Katz and G. Mastrangelo	469 East Main Street	Branford	Connecticut	06405	203-488-8804
Exaltare Capital Partners	99 Farmington Ave	Bristol	Connecticut	06010	860-540-0081
Exaltare Capital Partners	110 Federal Road	Danbury	Connecticut	06812	203-300-5185
Exaltare Capital Partners	710 Hartford Turnpike	Dayville	Connecticut	06241	860-412-9009
Exaltare Capital Partners	56 Pershing Drive	Derby	Connecticut	06418	203-278-8116
John Tucker and Steve Rondeau	10 East Street	East Granby	Connecticut	06026	860-844-1235
M. Katz and G. Mastrangelo	836 Foxon Rd.	East Haven	Connecticut	06513	203-469-7763
John Tucker and Steve Rondeau	139 Hazard Ave	Enfield	Connecticut	06082	860-749-6443
Exaltare Capital Partners	111 Black Rock Turnpike.	Fairfield	Connecticut	06825	203-337-6055
Exaltare Capital Partners	656 Long Hill Rd	Groton	Connecticut	06340	860-449-0011
M. Katz and G. Mastrangelo	705 Boston Post Road	Guilford	Connecticut	06340	203-458-8822
M. Katz and G. Mastrangelo	2100 Dixwell Ave.	Hamden	Connecticut	06514	203-281-7213
Exaltare Capital Partners	1135A Tolland Tpke.	Manchester	Connecticut	06040	860-783-5980
Exaltare Capital Partners	454 South Broad Street	Meriden	Connecticut	06450	203-235-7300
Exaltare Capital Partners	179 Boston Post Rd.	Milford	Connecticut	06460	203-301-0180
Exaltare Capital Partners	1188 New Haven Rd.	Naugatuck	Connecticut	06770	203-723-4058
Exaltare Capital Partners	160 Amity Rd.	New Haven	Connecticut	06515	203-392-3558
Exaltare Capital Partners	182 Kitts Lane	Newington	Connecticut	06111	860-667-1995
Exaltare Capital Partners	26 Pearl St	Norwalk	Connecticut	06850	203-846-4588
Exaltare Capital Partners	42 Town Street	Norwich	Connecticut	06360	860-859-1365
Exaltare Capital Partners	400 Boston Post Rd.	Orange	Connecticut	06477	203-795-9848
Exaltare Capital Partners	85 Harbor View Ave	Stamford	Connecticut	06902	203-921-1322
Exaltare Capital Partners	693 Main St.	Torrington	Connecticut	06790	860-201-0033
Exaltare Capital Partners	25 Lindeman Drive	Trumbull	Connecticut	06611	203-372-7995
Exaltare Capital Partners	855 Lakewood Rd	Waterbury	Connecticut	06704	203-757-8032
Exaltare Capital Partners	40 Boston Post Road	Waterford	Connecticut	06385	860-447-2279
Exaltare Capital Partners	1293 Silas Deane Highway	Wethersfield	Connecticut	06109	860-372-4177
Frank Kindler and Stephen Kindler	703 N Broad St	Middletown	Delaware	19709	(302) 378-2777
Argonne Capital Group	696A N. DuPont Blvd	Milford	Delaware	19963	(302) 491-4215
Sean Knapp	53 Marrows Rd.	Newark	Delaware	19713	302-731-7360
Lynne and Victor Brick	1406 Okie St NE	Washington	District of	20002	202-768-8300
Richard and Kim Sciacca	Plaza Central, Av. 27 Febrero	Santo Domingo	Dominican	10127	(809) 542-6162
Richard and Kim Sciacca	Av. Tiradentes #32 Esq. Gustavo	Santo Domingo	Dominican	10119	(809) 549-4916
TSG Consumer Partners	280 South State Rd 434	Altamonte Springs	Florida	32714	407-982-1403
TSG Consumer Partners	1569 W. Orange Blossom Trail	Apopka	Florida	32712	407-915-4316
TSG Consumer Partners	368 Havendale Blvd	Auburndale	Florida	33823	(863) 658-3700
Glenn Dowler	9764 S Military Trail	Boynton Beach	Florida	33436	(561) 810-5520
Steve Joanis	6605 Manatee Avenue	Bradenton	Florida	34209	941-896-8833
Chris Rains and Brian Hunt	208 S Tyndall Parkway	Callaway	Florida	32404	850-640-0117
Duncan Morrell	1502B Del Prado Blvd.	Cape Coral	Florida	33990	239-800-3155
John Wash	204 Sausalito Blvd.	Casselberry	Florida	32707	407-332-4496
Arthur Nudelman	11141 US Highway 19 North	Clearwater	Florida	33764	(727) 201-8392
TSG Consumer Partners	6221 N. US Highway 1	Cocoa	Florida	32927	321-806-1626
Lynne and Victor Brick	4291 West Hillsboro Blvd.	Coconut Creek	Florida	33073	954-289-3939
Lynne and Victor Brick	4911 Coconut Creek Pkwy	Coconut Creek	Florida	33063	954-526-2100

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Lynne and Victor Brick	2101 North University Drive	Coral Springs	Florida	33071	(954) 361-6007
Michael Walker	1423 South Nova Road	Daytona Beach	Florida	32114	386-253-4300
John Wash	348 East New York Ave.	Deland	Florida	32724	386-873-4911
Glenn Dowler	14550 South Military Trail, Suite	Delray Beach	Florida	33484	561-501-6180
TSG Consumer Partners	2830 S Bay Street	Eustis	Florida	32726	(352) 322-2500
James Page	1514 County Rd. 220, Unit 400	Fleming Island	Florida	32003	904-639-5667
Monogram Capital Partners	2670 W Broward Blvd	Fort Lauderdale	Florida	33312	(954) 587-5887
M. Melancon and R. Rondina	15501 Old McGregor Blvd	Fort Myers	Florida	33908	239-433-1616
Kris Glidden	18011 South Tamiami Trail	Fort Myers	Florida	33908	(239) 466-5391
Kris Glidden	3853 Cleveland Avenue	Fort Myers	Florida	33901	(239) 267-5391
Daniel Anson	2210 NW 13th Street	Gainesville	Florida	32609	352-505-6685
Monogram Capital Partners	502A West 49th Street	Hialeah	Florida	33012	305-822-4344
Monogram Capital Partners	8350 West Hialeah Gardens	Hialeah Gardens	Florida	33018	305-558-7770
Bonita Mancia	4637 Sunray Drive	Holiday	Florida	34690	727-935-4818
Monogram Capital Partners	2650 NE 10th Court	Homestead	Florida	33033	305-242-4300
B. Pappas, M. Murray and P. Fregeau	14444 Beach Blvd	Jacksonville	Florida	32250	904-992-8484
B. Pappas, M. Murray and P. Fregeau	8595 Beach Boulevard	Jacksonville	Florida	32216	904-802-0565
B. Pappas, M. Murray and P. Fregeau	2771 Monument Road	Jacksonville	Florida	32225	904-997-2071
B. Pappas, M. Murray and P. Fregeau	8661 Old Kings Rd S. (Nxt to	Jacksonville	Florida	32217	904-443-6200
B. Pappas, M. Murray and P. Fregeau	14858 Old St. Augustine Road	Jacksonville	Florida	32258	(904) 329-1930
B. Pappas, M. Murray and P. Fregeau	6060 Ft. Caroline Rd, Units 11-	Jacksonville	Florida	32211	904-802-7995
James Page	7628 103rd Street Units 16-20	Jacksonville	Florida	32210	904-900-1651
TSG Consumer Partners	3831 W. Vine St.	Kissimmee	Florida	34741	407-583-4035
B. Pappas, M. Murray and P. Fregeau	2770 W US Highway 90	Lake City	Florida	32055	(386) 269-4481
TSG Consumer Partners	3005 West Lake Mary Blvd.	Lake Mary	Florida	32746	407-992-9134
Glenn Dowler	6488 Lake Worth Road	Lake Worth	Florida	33463	(561) 228-4858
John Wash	6208 US Highway 98	Lakeland	Florida	33809	863-853-3322
Michael Walker	4315 South Florida Ave.	Lakeland	Florida	33813	863-816-6800
TSG Consumer Partners	735 N 14th Street	Leesburg	Florida	34748	(352) 322-2400
Lynne and Victor Brick	5466 West Sample Road	Margate	Florida	33073	(954) 289-3999
TSG Consumer Partners	300 Mary Esther Blvd	Mary Esther	Florida	32569	850-659-6560
John Wash	840 North Apollo Boulevard	Melbourne	Florida	32935	321-242-7900
Monogram Capital Partners	15725 SW 72nd Street	Miami	Florida	33193	305-752-5551
Monogram Capital Partners	18620 NW 67th Ave	Miami	Florida	33015	305-621-0400
Monogram Capital Partners	8500 SW 8th Street	Miami	Florida	33144	305-261-5440
Monogram Capital Partners	17165 NW 27th Avenue	Miami Gardens	Florida	33056	(305) 625-5999
M. Melancon and R. Rondina	2650 Tamiami Trail East	Naples	Florida	34112	239-417-1010
Robert and Jeanne Stamant with E. Sousa	9023 Little Road	New Port Richey	Florida	34654	727-863-5292
Monogram Capital Partners	850 Ives Dairy Rd	North Miami	Florida	33179	305-690-9699
Lynne and Victor Brick	1630 NE 163rd Street	North Miami	Florida	33162	305-947-4100
John Wash	3233 SE Maricamp Rd. Unit 500	Ocala	Florida	34471	352-624-7301
TSG Consumer Partners	10908 W. Colonial Drive	Ocoee	Florida	34761	407-982-3202
TSG Consumer Partners	860 Saxon Blvd.	Orange City	Florida	32763	386-490-4416
James Page	1980 Wells Road	Orange Park	Florida	32073	904-272-2224
TSG Consumer Partners	3203 East Colonial Drive Unit	Orlando	Florida	32803	407-982-3173
TSG Consumer Partners	4526 South Orange Blossom	Orlando	Florida	32839	(407) 982-3211
TSG Consumer Partners	8956 Turkey Lake Rd Suite 1000	Orlando	Florida	32819	407-956-2546
TSG Consumer Partners	5920 Metropolis Way	Orlando	Florida	32811	407-473-6086
TSG Consumer Partners	505 South Chicksaw Trail	Orlando	Florida	32825	407-473-6084
TSG Consumer Partners	5130 South Conway Rd.	Orlando	Florida	32812	407-982-3204
TSG Consumer Partners	12471 South Orange Blossom	Orlando	Florida	32837	407-240-9177
D. Weber, G. Bianucci and K. Gelnaw	910 South Atlantic Avenue	Ormond Beach	Florida	32176	386-677-4000
TSG Consumer Partners	19 Alafaya Woods Blvd.	Oviedo	Florida	32765	407-982-5173
TSG Consumer Partners	160 Malabar Rd.	Palm Bay	Florida	32907	(321) 307-4600
Glenn Dowler	9930 Alt A1A	Palm Beach	Florida	33410	561-776-8930
B. Pappas, M. Murray and P. Fregeau	7 Old Kings Road North, Units	Palm Coast	Florida	32137	386-283-4973
Arthur Nudelman	30701 US Highway 19N	Palm Harbor	Florida	34684	727-786-1915
Chris Rains and Brian Hunt	2284 Martin Luther King Jr. Blvd	Panama City	Florida	32405	(850) 215-2173

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Monogram Capital Partners	9930 Johnson Street	Pembroke Pines	Florida	33024	954-885-0330
TSG Consumer Partners	235 East Nine Mile Road	Pensacola	Florida	32534	(850) 677-1122
TSG Consumer Partners	5998 Mobile Highway	Pensacola	Florida	32526	850-665-2262
TSG Consumer Partners	6241 North Davis Highway, Suite	Pensacola	Florida	32504	850-389-4747
Arthur Nudelman	1864 James L. Redman Pkwy	Plant City	Florida	33563	(813) 704-6955
Monogram Capital Partners	8219 West Sunrise Blvd.	Plantation	Florida	33322	954-424-9190
Lynne and Victor Brick	1434 South Powerline Road	Pompano	Florida	33069	954-289-3900
Roger and Debra Amato	24123 Peachland Blvd	Port Charlotte	Florida	33954	(941) 764-1613
Glenn Dowler	3225 SW Port St. Lucie Blvd	Port St. Lucie	Florida	34953	772-807-1290
Glenn Dowler	6666-2 South US 1	Port St. Lucie	Florida	34952	772-460-4994
Michael Walker	1802 South US Route 1	Rockledge	Florida	32955	321-433-1331
Glenn Dowler	10463 Southern Blvd.	Royal Palm Beach	Florida	33411	561-333-3833
Arthur Nudelman	725 W Dr. Martin Luther King Jr.	Seffner	Florida	33584	(813) 575-2757
Bonita Mancia	11156 Spring Hill Drive	Spring Hill	Florida	34609	(352) 600-9411
B. Pappas, M. Murray and P. Fregeau	2477 US Hwy 1 Lewis Point	St. Augustine	Florida	32086	904-794-0559
TSG Consumer Partners	4020 13th St.	St. Cloud	Florida	34769	407-982-5149
Paul Kuiken	5335 66th Street North	St. Petersburg	Florida	33709	727-826-0976
Glenn Dowler	2210 SE Federal Highway	Stuart	Florida	34994	772-287-8909
L. Brumfield and L. Anderson	1925 North Monroe St.	Tallahassee	Florida	32303	850-329-6091
L. Brumfield and L. Anderson	1212 Capital Circle SE Unit C	Tallahassee	Florida	32301	850-597-7375
Lynne and Victor Brick	7501 N. W. 57th Street	Tamarac	Florida	33321	954-526-1900
Arthur Nudelman	210 W Waters Ave	Tampa	Florida	33604	(813) 444-9955
Bill Merckel	7310 W Waters Avenue	Tampa	Florida	33634	813-999-4980
Bill Merckel	5681 East Fowler Avenue	Tampa	Florida	33617	813-898-8993
Roger and Debra Amato	4125 S Tamiami Trail	Venice	Florida	34293	(941) 800-1430
Glenn Dowler	1295 US Highway 1 Suite 3	Vero Beach	Florida	32960	772-564-0234
Glenn Dowler	5335 N. Military Trail	West Palm Beach	Florida	33407	561-530-4143
Glenn Dowler	7731 S. Dixie Highway	West Palm Beach	Florida	33405	561-547-0104
Stan DeMartinis, Jr.	3535 Chamblee Tucker Rd	Atlanta	Georgia	30341	770-452-8373
Stan DeMartinis, Jr.	4166 Buford Highway. Ste.	Atlanta	Georgia	30345	404-315-7999
Stan DeMartinis, Jr.	2841 Greenbriar Parkway	Atlanta	Georgia	30331	(404) 494-3211
Stan DeMartinis, Jr.	3599-A Martin Luther King Jr.	Atlanta	Georgia	30331	(404) 699-7620
TSG Consumer Partners	2115 Windsor Spring Road	Augusta	Georgia	30906	706-623-3903
TSG Consumer Partners	167 Mall Boulevard	Brunswick	Georgia	31525	(912) 289-0550
John and Jane Craig	4125 Buford Dr	Buford	Georgia	30518	(478) 589-1181
Bill Merckel	867 Joe Frank Harris Parkway	Cartersville	Georgia	30120	678-719-8200
TSG Consumer Partners	5596 Milgen Road, Suite 300	Columbus	Georgia	31907	(706) 405-4444
TSG Consumer Partners	4519 Woodruff Rd. Suite 5	Columbus	Georgia	31904	706-622-4198
Stan DeMartinis, Jr.	1680 Highway 138, Suite J	Conyers	Georgia	30013	678-413-9755
Jamie Mason	1515 West Walnut Ave	Dalton	Georgia	30720	(706) 671-1083
Stan DeMartinis, Jr.	2460 Wesley Chapel Road	Decatur	Georgia	30035	678-691-0660
John Wash	3545 Peachtree Industrial Blvd	Duluth	Georgia	30096	770-622-7797
Stan DeMartinis, Jr.	180-182 Banks Crossing	Fayetteville	Georgia	30214	770-719-3451
Pat Augustine	1887 Battlefield Centre	Fort Oglethorpe	Georgia	30742	(706) 406-2999
John and Jane Craig	130 John W. Morrow Jr. Parkway	Gainesville	Georgia	30501	678-971-5558
Bill Merckel	1207 West Taylor Street	Griffin	Georgia	30223	(770) 228-8406
John Wash	4215 Jimmy Lee Smith Pkwy	Hiram	Georgia	30141	770-222-9363
Stan DeMartinis, Jr.	7965 Tara Boulevard	Jonesboro	Georgia	30236	770-478-0050
John Wash	3161 Cobb Pkwy	Kennesaw	Georgia	30152	770-975-7179
John Wash	118 Commerce Avenue	LaGrange	Georgia	30241	(706) 884-7037
John and Jane Craig	1404 Lawrenceville-Suwanee Rd	Lawrenceville	Georgia	30043	678-878-3730
Busbee Dyer and Matt Branyan	1455 Pleasant Hill Rd.	Lawrenceville	Georgia	30044	770-279-2257
John Wash	5590 Mableton Parkway	Mableton	Georgia	30126	(770) 732-0076
TSG Consumer Partners	Rivergate Center, 245 Tom Hill	Macon	Georgia	31210	478-207-5454
John Wash	2932 Canton Road NE	Marietta	Georgia	30066	(770) 672-4464
Bill Merckel	222 Bobby Jones Expressway	Martinez	Georgia	30907	762-994-0743
Stan DeMartinis, Jr.	252 Jonesboro Rd	McDonough	Georgia	30253	(770) 898-6222
Stan DeMartinis, Jr.	13071 Highway 9	Milton	Georgia	30004	(770) 750-0024

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Stan DeMartinis, Jr.	7055 Highway 85	Riverdale	Georgia	30274	(678) 489-6644
Jamie Mason	2507 Redmond Circle	Rome	Georgia	30165	(706) 528-4419
Stan DeMartinis, Jr.	1570 Holcomb Bridge Road	Roswell	Georgia	30076	770-645-2345
Stan DeMartinis, Jr.	10790 Alpharetta Hwy	Roswell	Georgia	30076	(770) 993-4817
Alexander Choquette	1100 Eisenhower Drive	Savannah	Georgia	31406	(912) 200-4150
Alexander Choquette	3609 Ogeechee Blvd	Savannah	Georgia	31405	912-231-3733
John Wash	3315 South Cobb #1	Smyrna	Georgia	30080	678-305-0606
Stan DeMartinis, Jr.	2420 Wisteria Drive, SW	Snellville	Georgia	30078	(770) 736-7147
Stan DeMartinis, Jr.	5211 Memorial Drive	Stone Mountain	Georgia	30083	404-299-2000
Stan DeMartinis, Jr.	1900 Rockbridge Rd.	Stone Mountain	Georgia	30087	404-501-0056
L. Brumfield and L. Anderson	3200 North Ashley Road	Valdosta	Georgia	31698	229-244-0084
TSG Consumer Partners	816 Russell Parkway	Warner Robins	Georgia	31088	478-225-0187
B. Pappas, M. Murray and P. Fregeau	2215 Memorial Drive	Waycross	Georgia	31501	(912) 387-0376
Bill Merckel	299 Molly Lane	Woodstock	Georgia	30189	(678) 903-8846
Jeff & James Innocenti, Gaby Lawlor	Ala Moana Center, 1450 Ala	Honolulu	Hawaii	96814	(808) 638-2212
Fitton, Glance, Murray & Grondahl	5010 W. Overland Road	Boise	Idaho	83705	208-426-0102
Keith Larsen	200 South Woodruff Ave.	Idaho Falls	Idaho	83401	(208) 538-1812
Black Duck Partners	525 West Lake St.	Addison	Illinois	60101	(331) 979-7169
Black Duck Partners	954 North Lake Street	Aurora	Illinois	60506	(630) 801-1700
Luke Urban	4306 E. New York Street	Aurora	Illinois	60504	630-995-9555
Luke Urban	152 S. Gary Ave. Unit 101	Bloomington	Illinois	60108	630-582-7800
Black Duck Partners	2002 Glen Park Drive	Champaign	Illinois	61821	217-356-8500
Bryan Rishforth	4905 W. North Ave	Chicago	Illinois	60639	773-384-7100
Bryan Rishforth	240 E. Illinois Street	Chicago	Illinois	60611	312-464-1010
Bryan Rishforth	10808 South Doty Avenue	Chicago	Illinois	60628	773-568-1010
Bryan Rishforth	5129 Belmont Ave.	Chicago	Illinois	60641	773-481-2101
Bryan Rishforth	8331 South Holland Drive	Chicago	Illinois	60620	773-488-8848
Bryan Rishforth	3120 N. Pulaski Road	Chicago	Illinois	60641	773-685-4140
Bryan Rishforth	4646 S. Damen	Chicago	Illinois	60609	773-376-1010
Toni and Anthony Rufo	3512 14 E. 118th St	Chicago	Illinois	60617	773-359-2300
Toni and Anthony Rufo	2719 North California Avenue	Chicago	Illinois	60647	(773) 687-9982
Toni and Anthony Rufo	2558 West Cermak	Chicago	Illinois	60608	773-523-2345
Toni and Anthony Rufo	4327-4331 South Pulaski	Chicago	Illinois	60632	773-321-9189
Toni and Anthony Rufo	2300 S. Cicero Ave	Cicero	Illinois	60804	708-477-6581
Daniel Horan	5320 Northwest Highway	Crystal Lake	Illinois	60014	(815) 893-0023
Toni and Anthony Rufo	751 West Golf Rd.	Des Plaines	Illinois	60016	847-258-3466
Atlantic Street Capital	301 Richmond Ave	E. Mattoon	Illinois	61938	(217) 235-3535
Black Duck Partners	105 N. Main St	East Peoria	Illinois	61611	309-699-0081
J. Clancy and the Hamiltons	6483 Center Grove Rd.	Edwardsville	Illinois	62025	(618) 307-9491
Black Duck Partners	623 South Randall Rd.	Elgin	Illinois	60123	847-289-0500
Toni and Anthony Rufo	2560 North Harlem Ave	Elmwood Park	Illinois	60707	708-395-5653
Toni and Anthony Rufo	2410 Main Street	Evanston	Illinois	60202	847-328-3333
Bryan Rishforth	9500 S. Western Ave. Space A-	Evergreen Park	Illinois	60805	708-425-9500
B. Whitmore and S. Colucci	49-53 Ludwig Drive	Fairview Heights	Illinois	62208	618-213-7303
Bryan Rishforth	7530 Roosevelt Road	Forest Park	Illinois	60130	708-366-2700
J. Clancy and the Hamiltons	2353 National Blvd	Galesburg	Illinois	61401	(309) 342-0038
Bryan Rishforth	95th Street & Roberts Rd	Hickory Hills	Illinois	60457	(708) 598-1010
Black Duck Partners	2852 Plainfield Road	Joliet	Illinois	60435	815-577-2600
Mike Dobrynio	1280 N. Kennedy Drive	Kankakee	Illinois	60901	815-614-3937
Bryan Rishforth	6810 N McCormick Blvd	Lincolnwood	Illinois	60712	(847) 349-1010
Black Duck Partners	1025 E. 9th St.	Lockport	Illinois	60441	(815) 524-4055
Black Duck Partners	6333 North Second Street	Loves Park	Illinois	61111	815-633-7202
Bryan Rishforth	1961 N. Mannheim Rd.	Melrose Park	Illinois	60160	708-344-6400
Freeman Spogli & Co.	3624 Avenue of the Cities	Moline	Illinois	61265	309-764-9500
Chris Kouros	1842 Douglas Rd	Montgomery	Illinois	60538	630-896-5500
Toni and Anthony Rufo	7300 Dempster Street	Morton Grove	Illinois	60053	847-983-4022
Black Duck Partners	1163 East Ogden Ave	Naperville	Illinois	60563	630-416-7200
Toni and Anthony Rufo	9503 S. Cicero Ave.	Oak Lawn	Illinois	60453	708-529-3237

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Black Duck Partners	4125 N Sheridan Road	Peoria	Illinois	61614	(309) 688-0188
Black Duck Partners	2420 S. Alpine Road	Rockford	Illinois	61108	815-708-6707
Black Duck Partners	1756 Wabash Avenue	Springfield	Illinois	62704	217-546-4910
Black Duck Partners	2065 Lincoln Highway	St. Charles	Illinois	60174	630-945-3498
Freeman Spogli & Co.	2900 E. Lincolnway, Unit 21A	Sterling	Illinois	61081	(815) 625-4253
Bryan Rishforth	16189 S. Harlem Ave	Tinley Park	Illinois	60477	(708) 633-1010
Black Duck Partners	1809 S. Philo Road	Urbana	Illinois	61802	(217) 344-6510
Chris Kouros	2223 N Lewis Avenue	Waukegan	Illinois	60087	(847) 249-9800
Luke Urban	8625 Woodward Avenue	Woodridge	Illinois	60517	(630) 324-8168
Alex Perchuk and Robert Baker	4366 S. Scatterfield Rd	Anderson	Indiana	46013	765-642-4000
Rick and David Kueber	3477 West Third Street	Bloomington	Indiana	47404	812-333-7699
Alex Perchuk and Robert Baker	908 East Main Street	Brownsburg	Indiana	46112	317-858-0400
Alex Perchuk and Robert Baker	2200 East 116th Street	Carmel	Indiana	46032	(317) 483-1000
Rick and David Kueber	516 E. Lewis and Clark Parkway	Clarksville	Indiana	47129	812-284-4000
Atlantic Street Capital	3055 25th Street	Columbus	Indiana	47201	812-376-3000
Alex Perchuk and Robert Baker	1632 Bush Lane	Crawfordsville	Indiana	47933	765-362-5900
Rick and Kris Raimondo	1656 East Summit Street	Crown Point	Indiana	46307	(219) 663-8577
Bain Capital	3253 Northview Drive	Elkhart	Indiana	46514	574-262-8222
Rick and David Kueber	860 South Green River Rd.	Evansville	Indiana	47715	812-477-2199
Alex Perchuk and Robert Baker	11728 Fishers Crossing Dr.	Fishers	Indiana	46038	(317) 939-1300
Ron Huling	4530 Maple Crest Road	Fort Wayne	Indiana	46835	260-485-7979
Ron Huling	6360 West Jefferson Blvd.	Fort Wayne	Indiana	46804	260-267-9801
Ron Huling	1916 W. Dupont Road	Fort Wayne	Indiana	46818	260-490-4949
Bain Capital	2616 Peddlers Village	Goshen	Indiana	46526	(574) 312-4251
Atlantic Street Capital	1707 Melody Lane	Greenfield	Indiana	46140	(317) 467-8200
Rick and Kris Raimondo	7929 Indianapolis Boulevard	Hammond	Indiana	46324	219-845-0700
Rick and Kris Raimondo	1901 E. 37th Avenue	Hobart	Indiana	46342	(219) 940-3956
Alex Perchuk and Robert Baker	5302 North Keystone Avenue	Indianapolis	Indiana	46220	(317) 257-7008
Alex Perchuk and Robert Baker	7425 West 10th St	Indianapolis	Indiana	46214	(317) 455-8500
Alex Perchuk and Robert Baker	2302 W. 86th Street	Indianapolis	Indiana	46260	317-731-5926
Alex Perchuk and Robert Baker	5206 West 38th Street	Indianapolis	Indiana	46254	317-328-0300
Alex Perchuk and Robert Baker	7451 North Shadeland Ave.	Indianapolis	Indiana	46256	317-915-6000
Atlantic Street Capital	5239 East Thompson Rd	Indianapolis	Indiana	46237	317-780-0100
Atlantic Street Capital	8707 Hardegan St.	Indianapolis	Indiana	46227	317-893-2775
Atlantic Street Capital	2740 S. Madison Ave	Indianapolis	Indiana	46225	317-783-5500
Atlantic Street Capital	3479 Kentucky Ave	Indianapolis	Indiana	46221	317-248-0338
Atlantic Street Capital	10429 East Washington Street	Indianapolis	Indiana	46229	317-890-9800
Atlantic Street Capital	2160 East Markland Ave.	Kokomo	Indiana	46901	765-868-5000
Atlantic Street Capital	2121 Sagamore Parkway	Lafayette	Indiana	47905	765-446-6600
Rick and David Kueber	431 E Clifty Drive	Madison	Indiana	47250	(812) 801-4444
Rick and Kris Raimondo	500 E. 81st Ave.	Merrillville	Indiana	46410	(219) 750-9634
Bain Capital	4067 South Franklin St.	Michigan City	Indiana	46360	219-809-4348
Ron Huling	424 W. McKinley Ave.	Mishawaka	Indiana	46545	574-255-9000
Atlantic Street Capital	1301 East McGalliard Rd.	Muncie	Indiana	47303	765-282-1120
Rick and David Kueber	3527 Grant Line Road	New Albany	Indiana	47150	812-542-6492
Alex Perchuk and Robert Baker	2437 East Main Street Suite 150	Plainfield	Indiana	46168	317-837-1629
Chad Fitton and Matt Glance	3783 National Rd East	Richmond	Indiana	47374	(765) 373-3947
Rick and Kris Raimondo	1040 US Hwy 41	Schererville	Indiana	46375	219-515-6973
Ron Huling	4848 Western Avenue	South Bend	Indiana	46619	(574) 334-9009
Atlantic Street Capital	138 West Honey Creek Pkwy	Terre Haute	Indiana	47802	(812) 235-5001
Rick and David Kueber	2419 N 6th St	Vincennes	Indiana	47591	(812) 291-1590
Freeman Spogli & Co.	1205 SE 16th Court, suite 100	Ankeny	Iowa	50021	(515) 348-9203
Freeman Spogli & Co.	6301 University Ave Unit 1370	Cedar Falls	Iowa	50613	(319) 266-3119
Freeman Spogli & Co.	383 Edgewood Road NW	Cedar Rapids	Iowa	52405	(319) 396-0017
Freeman Spogli & Co.	1815 Lincoln Way	Clinton	Iowa	52732	(563) 249-4430
Black Duck Partners	1751 Madison Ave	Council Bluffs	Iowa	51503	712-256-7300
Freeman Spogli & Co.	902 West Kimberly Road	Davenport	Iowa	52806	563-391-1080
Freeman Spogli & Co.	3405 SE 14th Street	Des Moines	Iowa	50320	515-528-2329

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Freeman Spogli & Co.	555 J.F. Kennedy Road	Dubuque	Iowa	52002	(563) 556-1157
Freeman Spogli & Co.	1660 Sycamore Street	Iowa City	Iowa	52240	(319) 354-1860
Freeman Spogli & Co.	2500 South Center	Marshalltown	Iowa	50158	(641) 328-2198
Black Duck Partners	6001 Gordon Drive	Sioux City	Iowa	51106	(712) 227-1555
Freeman Spogli & Co.	3771 86th Street	Urbandale	Iowa	50322	515-276-2225
Freeman Spogli & Co.	2060 Sovia Drive Suite 109	Waterloo	Iowa	50702	319-232-2732
Freeman Spogli & Co.	1978 Grand Ave.	West Des Moines	Iowa	50265	515-225-6828
United PF Partners	401 E. 4th Avenue	Hutchinson	Kansas	67501	(620) 860-0201
United PF Partners	2525 Iowa Street	Lawrence	Kansas	66046	(785) 865-3771
United PF Partners	6765 Johnson Drive	Mission	Kansas	66202	(913) 831-4050
Tammy and Jerome Torres	11320 W. 135th St.	Overland Park	Kansas	66221	913-402-0999
United PF Partners	2012 S. Ohio Street	Salina	Kansas	67401	(785) 914-4182
United PF Partners	13320 W. 62nd Terrace	Shawnee	Kansas	66216	(913) 248-2883
Chris Sutherland	3113 S Seneca	Wichita	Kansas	67217	(316) 272-5569
Chris Sutherland	3535 N Rock Road	Wichita	Kansas	67226	(316) 831-7380
Chris Sutherland	2350 N. Maize Rd.	Wichita	Kansas	67205	316-440-5520
Chris Sutherland	2021 N. Amidon	Wichita	Kansas	67203	316-440-4808
Chris Sutherland	6592 E. Central Ave	Wichita	Kansas	67206	316-719-3860
Rick and David Kueber	225A Kentucky Home Square	Bardstown	Kentucky	40004	(502) 337-3181
Rick and David Kueber	1751 Scottsville Road	Bowling Green	Kentucky	42104	270-599-0376
Rick and David Kueber	1560 Hustonville Road	Danville	Kentucky	40422	(859) 755-4440
Rick and David Kueber	1111 North Dixie #17	Elizabethtown	Kentucky	42701	270-506-2102
J. Clancy and the Hamiltons	8000 Mall Road	Florence	Kentucky	41042	(859) 279-3419
J. Clancy and the Hamiltons	470 Viewpoint Dr.	Fort Wright	Kentucky	41017	(859) 331-0678
Rick and David Kueber	101 Allen Way	Frankfort	Kentucky	40601	(502) 234-1155
Rick and David Kueber	2068 B Highway 41N	Henderson	Kentucky	42420	(270) 957-8989
Rick and David Kueber	2613 Fort Campbell Blvd	Hopkinsville	Kentucky	42240	270-881-4200
Rick and David Kueber	406 S. 1st Street, Suite 2	La Grange	Kentucky	40031	(502) 565-2929
J. Clancy and the Hamiltons	125 East Lowry Lane	Lexington	Kentucky	40503	(859) 260-8414
J. Clancy and the Hamiltons	1650 Bryan Station Rd.	Lexington	Kentucky	40505	859-368-7223
Rick and David Kueber	7450 Jefferson Boulevard	Louisville	Kentucky	40219	502-964-7555
Rick and David Kueber	100 Urton Lane	Louisville	Kentucky	40223	502-822-2010
Rick and David Kueber	5138 Dixie Highway	Louisville	Kentucky	40216	502-618-2781
Rick and David Kueber	3560 South Hurstbourne Parkway	Louisville	Kentucky	40299	502-499-4995
Rick and David Kueber	3181 South 2nd Street	Louisville	Kentucky	40208	502-409-8471
Rick and David Kueber	10713 Dixie Highway Suite 102	Louisville	Kentucky	40272	(502) 219-9250
J. Clancy and the Hamiltons	82 Carothers Rd	Newport	Kentucky	41071	859-291-7500
Rick and David Kueber	3621 Highway 54	Owensboro	Kentucky	42303	(270) 228-4747
Rick and David Kueber	3430 James Sanders Blvd	Paducah	Kentucky	42001	(270) 908-4500
Rick and David Kueber	120 Midland Blvd	Shelbyville	Kentucky	40065	(502) 513-6300
Rick and David Kueber	939 Bypass Road	Winchester	Kentucky	40391	(859) 759-4531
United PF Partners	2255 S. MacArthur Drive	Alexandria	Louisiana	71301	318-445-7955
D. Windham, K. Windham and M. Beaton	9620 Florida Blvd, Suite 700,	Baton Rouge	Louisiana	70815	225-771-8809
D. Windham, K. Windham and M. Beaton	6900 Siegen Lane	Baton Rouge	Louisiana	70809	225-778-7783
D. Windham, K. Windham and M. Beaton	5151 Plank Rd	Baton Rouge	Louisiana	70805	(225) 367-4767
D. Windham, K. Windham and M. Beaton	2334 S Range Ave	Denham Springs	Louisiana	70726	(225) 380-1982
D. Windham, K. Windham and M. Beaton	1468 North Airline Highway	Gonzales	Louisiana	70737	225-450-2946
United PF Partners	Westside Shopping Center North	Gretna	Louisiana	70053	504-361-7597
D. Windham, K. Windham and M. Beaton	1703 West Thomas St	Hammond	Louisiana	70401-	(985) 402-3659
United PF Partners	1539 MLK	Houma	Louisiana	70360	(985) 208-3727
United PF Partners	4521 Williams Boulevard	Kenner	Louisiana	70065	(504) 305-3440
D. Windham, K. Windham and M. Beaton	3559B Ambassador Caffery	Lafayette	Louisiana	70503	337-412-6972
D. Windham, K. Windham and M. Beaton	1800 NE Evangeline Thruway	Lafayette	Louisiana	70501	337-269-5193
United PF Partners	4068 Ryan Street	Lake Charles	Louisiana	70605	337-564-6781
United PF Partners	100 North Labarre	Metairie	Louisiana	70001	504-304-8642
United PF Partners	1205 Lamy Lane	Monroe	Louisiana	71201	318-398-8488
D. Windham, K. Windham and M. Beaton	820 East Admiral Doyle, Suite E	New Iberia	Louisiana	70560	337-608-9925
United PF Partners	5790 Crowder Blvd	New Orleans	Louisiana	70127	504-309-1600

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
United PF Partners	10009 Jefferson Highway	River Ridge	Louisiana	70123	(504) 305-6359
United PF Partners	103 N Service Road East	Ruston	Louisiana	71270	(318) 436-4848
Chris Sutherland	1450 East Bert Kouns Industrial	Shreveport	Louisiana	71105	318-220-4911
Chris Sutherland	2729 W. 70th Street	Shreveport	Louisiana	71106	(318) 220-8071
United PF Partners	131 Gause Blvd West	Slidell	Louisiana	70460	985-288-5787
United PF Partners	1901 Ruth Street	Sulphur	Louisiana	70663	(337) 527-9845
United PF Partners	115 Constitution Drive	West Monroe	Louisiana	71292	(318) 388-6000
Kris Glidden	730 Center St	Auburn	Maine	04210	(207) 241-8156
M. Cleary, E. Stinson and D. Page	264 Civic Center Drive Suite 2	Augusta	Maine	04330	207-623-0023
Kris Glidden	635 Broadway	Bangor	Maine	04401	207-262-5800
Eric Giguere	420 Alfred Rd.	Biddeford	Maine	04005	207-284-9924
M. Cleary, E. Stinson and D. Page	251 US Route 1	Falmouth	Maine	04105	(207) 536-7710
M. Cleary, E. Stinson and D. Page	145 Marginal Way	Portland	Maine	04101	207-879-2200
Kris Glidden	1364 Main Street	Sanford	Maine	04073	207-324-2100
Kris Glidden	251 Kennedy Memorial Drive	Waterville	Maine	04901	207-873-0040
M. Cleary, E. Stinson and D. Page	8 Thomas Drive	Westbrook	Maine	04092	207-773-7774
Eric Giguere	759 Roosevelt Trail	Windham	Maine	04062	207-892-7400
Lynne and Victor Brick	1008-1022 Beards Hill Rd	Aberdeen	Maryland	21001	(443) 360-5602
Lynne and Victor Brick	3442 Emmorton Road	Abingdon	Maryland	21009	410-809-2593
Daniel Horan	5660 The Alameda	Baltimore	Maryland	21239	(443) 449-5374
Daniel Horan	100 South Charles St.	Baltimore	Maryland	21201	(443) 388-9962
Daniel Horan	5201 Belair Rd. (At Frankford	Baltimore	Maryland	21206	667-309-6100
Daniel Horan	6512 Reisterstown Rd	Baltimore	Maryland	21215	(410) 764-8888
Lynne and Victor Brick	5425 Baltimore National Pike	Baltimore	Maryland	21229	410-975-4850
Lynne and Victor Brick	8821 Pulaski Hwy, Golden Ring	Baltimore	Maryland	21237	410-800-4013
Lynne and Victor Brick	1449 Rock Spring Dr	Bel Air	Maryland	21014	443-360-0600
Lynne and Victor Brick	6836 Racetrack Road	Bowie	Maryland	20715	301-464-9119
Lynne and Victor Brick	7610 Old Branch Avenue	Clinton	Maryland	20735	240-685-1402
Lynne and Victor Brick	1050 West Industrial Blvd.	Cumberland	Maryland	21502	240-803-2200
Lynne and Victor Brick	5604 Silver Hill Rd	District Heights	Maryland	20747	301-278-8004
Dharmesh Shah	1401B Merritt Blvd	Dundalk	Maryland	21222	410-282-4955
Lynne and Victor Brick	153 Big Elk Mall	Elkton	Maryland	21921	410-996-4550
Lynne and Victor Brick	12746 Old Fort Rd.	Fort Washington	Maryland	20744	(301) 292-9000
Lynne and Victor Brick	1080 W Patrick St	Frederick	Maryland	21703	301-698-8110
Dharmesh Shah	2659-B Annapolis Road	Ft. Meade	Maryland	21076	410-519-9340
Lynne and Victor Brick	255 Muddy Branch Rd	Gaithersburg	Maryland	20878	301-337-7701
Lynne and Victor Brick	13031 Wisteria Drive	Germantown	Maryland	20874	240-720-7444
Dharmesh Shah	597 East Ordnance Road	Glen Burnie	Maryland	21060	410-766-9340
Lynne and Victor Brick	6100 Greenbelt Road - Store 201	Greenbelt	Maryland	20770	240-542-9644
Lynne and Victor Brick	1121 Maryland Ave	Hagerstown	Maryland	21740	301-733-0777
Lynne and Victor Brick	8509 Landover Rd	Hyattsville	Maryland	20785	301-246-2890
Lynne and Victor Brick	3500 East-West Hwy	Hyattsville	Maryland	20782	(301) 853-2222
Lynne and Victor Brick	9644 Fort Meade Road	Laurel	Maryland	20707	240-459-8000
Lynne and Victor Brick	5001 Indian Head Highway	Oxon Hill	Maryland	20745	240-685-1501
Dharmesh Shah	8145 Ritchie Highway	Pasadena	Maryland	21122	(410) 553-4945
Lynne and Victor Brick	9634 Belair Rd	Perry Hall	Maryland	21236	(410) 864-9160
Lynne and Victor Brick	11989-A Reisterstown Rd	Reisterstown	Maryland	21136	410-702-4321
Lynne and Victor Brick	1776 E. Jefferson St. #103	Rockville	Maryland	20852	240-292-0311
Lynne and Victor Brick	125 West College Ave	Salisbury	Maryland	21801	443-736-2381
Lynne and Victor Brick	6302 Central Ave.	Seat Pleasant	Maryland	20743	(240) 532-8800
Lynne and Victor Brick	11130 New Hampshire Avenue	Silver Spring	Maryland	20904	240-670-4600
Lynne and Victor Brick	1100 Wayne Ave.	Silver Spring	Maryland	20910	(240) 398-3570
Lynne and Victor Brick	6859 Loch Raven Blvd	Towson	Maryland	21286	(410) 321-4680
Dharmesh Shah	3245 Plaza Way	Waldorf	Maryland	20603	301-932-4500
Lynne and Victor Brick	Route 140 and Englar Road Suite	Westminster	Maryland	21157	443-244-4455
Elaine and Stephen Doroff	69 Haverhill Road	Amesbury	Massachusetts	01913	978-388-4636
Michael Clark	Shawsheen Plaza, 209 N. Main	Andover	Massachusetts	01810	978-409-2363
John Tucker and Steve Rondeau	40 Turkey Hill Road	Belchertown	Massachusetts	01007	413-323-1003

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Michael Clark	480 Boston Rd	Billerica	Massachusetts	01821	978-667-5900
B. Kablik, J. Epstein, W. Whelan	749 Granite St.	Braintree	Massachusetts	02184	781-428-3382
B. Kablik, J. Epstein, W. Whelan	715 Crescent Street	Brockton	Massachusetts	02302	(508) 510-4936
Timothy Kurtz	40 Ray Avenue	Burlington	Massachusetts	01803	781-229-9999
Marc Fantasia	1020 Revere Beach Parkway	Chelsea	Massachusetts	02150	617-884-3030
John Tucker and Steve Rondeau	1183 Memorial Dr	Chicopee	Massachusetts	01020	413-593-5566
B. Kablik, J. Epstein, W. Whelan	695 Providence Highway	Dedham	Massachusetts	02026	781-355-4000
T. Adams and D. Rossborough	500 Neponset Ave	Dorchester	Massachusetts	02122	617-287-8885
Michael Clark	50 Pleasant Street (Rt. 113)	Dracut	Massachusetts	01826	978-710-4074
Stan DeMartinis, Jr.	175 McClellan Highway	East Boston	Massachusetts	02128	617-569-2020
Steve Eddleston	24 Commons Way	Fairhaven	Massachusetts	02719	(774) 425-4351
Steve Eddleston	657 Quarry Street	Fall River	Massachusetts	02723	774-888-0032
B. Kablik, J. Epstein, W. Whelan	13 Davis Straits Rd	Falmouth	Massachusetts	02540	(774) 612-3923
B. Kablik, J. Epstein, W. Whelan	166 Grove Street	Franklin	Massachusetts	02038	508-541-6880
Allen, L. Ward and T. Sullivan	74 Victoria St.	Gardner	Massachusetts	01440	978-632-1020
John Tucker and Steve Rondeau	367 Russell St	Hadley	Massachusetts	01035	413-582-9900
T. Adams and D. Rossborough	357 Columbia Road	Hanover	Massachusetts	02339	(781) 826-2700
T. Adams and D. Rossborough	211 Lincoln Street	Hingham	Massachusetts	02043	781-740-0404
Shane Poirier	975 Merriam Ave.	Leominster	Massachusetts	01453	978-537-0859
Michael Clark	50 Boston St.	Lynn	Massachusetts	01904	781-842-4486
Marc Fantasia	795 Eastern Avenue	Malden	Massachusetts	02148	781-322-3200
B. Kablik, J. Epstein, W. Whelan	21 Apex Drive	Marlborough	Massachusetts	01752	508-786-3000
Marc Fantasia	90 River Street	Mattapan	Massachusetts	02126	617-298-0055
B. Kablik, J. Epstein, W. Whelan	696 Fellsway Plaza	Medford	Massachusetts	02155	781-219-5275
Michael Clark	40 Jackson Street	Methuen	Massachusetts	01844	978-682-0005
Joseph Rizzo	146 S. Main Street	Milford	Massachusetts	01757	508-473-5522
B. Kablik, J. Epstein, W. Whelan	215 West Central Street	Natick	Massachusetts	01760	508-319-2000
Michael Clark	45 Storey Ave	Newburyport	Massachusetts	01950	978-462-2500
John Tucker and Steve Rondeau	82 Main Street	North Adams	Massachusetts	01247	413-664-7300
B. Kablik, J. Epstein, W. Whelan	40 Cumberland Ave	North Attleboro	Massachusetts	02760	(508) 639-5382
Mike Dobrynio and the Shebanies	175 Mansfield Ave	Norton	Massachusetts	02766	508-226-7400
B. Kablik, J. Epstein, W. Whelan	418 Walpole St	Norwood	Massachusetts	02062	781-762-3555
John Tucker and Steve Rondeau	690 Merrill Road	Pittsfield	Massachusetts	01201	413-445-5100
T. Adams and D. Rossborough	84 Shops at Five Way	Plymouth	Massachusetts	02360	508-732-8900
T. Adams and D. Rossborough	50 Adams Street	Quincy	Massachusetts	02169	617-471-3333
Michael Clark	275 Salem Street (Route 129)	Reading	Massachusetts	01867	781-872-1412
Stan DeMartinis, Jr.	270 Charger Street	Revere	Massachusetts	02151	781-629-5409
Stan DeMartinis, Jr.	151 VFW Parkway, Suite H	Revere	Massachusetts	02151	(781) 629-5626
Steve Eddleston	140 Taunton Ave.	Seekonk	Massachusetts	02771	508-336-2266
B. Kablik, J. Epstein, W. Whelan	100 Boston Turnpike	Shrewsbury	Massachusetts	01545	508-755-4110
Steve Eddleston	887 Grand Army Highway	Somerset	Massachusetts	02725	(774) 365-6470
Steve Eddleston	710 Dartmouth Street	South Dartmouth	Massachusetts	02748	508-991-2920
Joseph Rizzo	17 Long Pond Dr	South Yarmouth	Massachusetts	02664	508-760-2300
John Tucker and Steve Rondeau	510 Parker St	Springfield	Massachusetts	01129	(413) 782-6000
John Tucker and Steve Rondeau	1387 Liberty Street	Springfield	Massachusetts	01104	413-788-0448
T. Adams and D. Rossborough	1778 Washington St.	Stoughton	Massachusetts	02072	781-341-4111
Mike Dobrynio and the Shebanies	1 Washington Place	Taunton	Massachusetts	02780	508-821-3260
Michael Clark	18 Main Street	Townsend	Massachusetts	01469	(978) 300-5490
Joseph Rizzo	108 Clematis Ave	Waltham	Massachusetts	02452	781-891-6002
B. Kablik, J. Epstein, W. Whelan	2991 Cranberry Highway	Wareham	Massachusetts	02538	(774) 678-0496
B. Kablik, J. Epstein, W. Whelan	191 Watertown Street	Watertown	Massachusetts	02472	(617) 467-4890
B. Kablik, J. Epstein, W. Whelan	120 E. Main Street	Webster	Massachusetts	01570	(508) 461-5544
Bill Cassotis and Bill Fidler	184 West Boylston St	West Boylston	Massachusetts	01583	508-835-2551
John Tucker and Steve Rondeau	1464 Riverdale Street	West Springfield	Massachusetts	01089	413-731-7555
John Tucker and Steve Rondeau	68 Mainline Drive	Westfield	Massachusetts	01085	413-568-0578
T. Adams and D. Rossborough	944 Middle St.	Weymouth	Massachusetts	02188	781-331-3939
Michael Clark	355 Middlesex Avenue	Wilmington	Massachusetts	01887	978-658-5645
Marc Fantasia	10 Micro Drive	Woburn	Massachusetts	01801	781-932-6200

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
B. Kablik, J. Epstein, W. Whelan	68 Stafford Street	Worcester	Massachusetts	01603	508-793-7888
D. Berry, R. Berry & J. Cunningham	1368 South Main St.	Adrian	Michigan	49221	517-759-3480
D. Backos and J. Matthew	2350 W. Stadium Blvd.	Ann Arbor	Michigan	48103	734-352-6900
Ron Huling	294 Highland Ave	Battle Creek	Michigan	49015	269-969-9997
PF Michigan Group	4101 East Wilder Rd Space B-	Bay City	Michigan	48706	989-671-2100
PF Michigan Group	10900 Belleville Rd	Belleville	Michigan	48111	(734) 391-7711
Bain Capital	1345 Mall Drive	Benton Harbor	Michigan	49022	269-925-1070
PF Michigan Group	6650 Telegraph Road	Bloomfield	Michigan	48301	248-712-6897
D. Backos and J. Matthew	1007 East Grand River Ave	Brighton	Michigan	48116	810-844-5000
Bain Capital	4190 E Court Street	Burton	Michigan	48509	810-715-1950
Bain Capital	6463 N. Canton Center Rd.	Canton	Michigan	48187	734-737-0380
PF Michigan Group	50860 Gratiot Avenue	Chesterfield	Michigan	48051	(586) 213-1745
D. Backos and J. Matthew	33890 S. Gratiot Avenue	Clinton Township	Michigan	48035	586-792-6900
PF Michigan Group	2733 Union Lake Road	Commerce	Michigan	48382	248-366-3000
PF Michigan Group	24411 Michigan Ave	Dearborn	Michigan	48124	(313) 789-5500
PF Michigan Group	18450 Ford Road	Dearborn	Michigan	48228	313-982-0224
PF Michigan Group	1395 West 8 Mile Rd	Detroit	Michigan	48220	(313) 775-1422
PF Michigan Group	27640 Middlebelt Road	Farmington Hills	Michigan	48334	248-987-4800
D. Backos and J. Matthew	3150 Owen Rd	Fenton	Michigan	48430	810-714-8000
PF Michigan Group	3333 South Linden Road	Flint Township	Michigan	48507	810-733-5400
PF Michigan Group	4350 24th Avenue, Suite 504	Fort Gratiot	Michigan	48059	810-385-7400
Julian Monterosso	2807 Lake Michigan Drive NW	Grand Rapids	Michigan	49504	(616) 805-4686
Julian Monterosso	4180 Plainfield Ave. NE	Grand Rapids	Michigan	49525	616-226-6701
PF Michigan Group	3681 28th Street SE	Grand Rapids	Michigan	49512	616-464-2000
PF Michigan Group	3845 Rivertown Parkway	Grandville	Michigan	49418	616-259-7485
Julian Monterosso	Holland Town Center, 12330	Holland	Michigan	49424	616-396-9696
D. Rubin, T. Purther and R. Fenton	2380 Cedar Street	Holt	Michigan	48842	(517) 694-5500
D. Backos and J. Matthew	1135 E Grand River	Howell	Michigan	48843	517-338-9800
PF Michigan Group	2020 Bondsteel Dr.	Jackson	Michigan	49202	517-784-5551
Bain Capital	4408 Stadium Drive	Kalamazoo	Michigan	49008	269-488-8518
PF Michigan Group	5270 Eastern Avenue, SE	Kentwood	Michigan	49508	(616) 288-5121
D. Rubin, T. Purther and R. Fenton	5833 W. Saginaw Hwy	Lansing	Michigan	48917	517-321-3300
PF Michigan Group	37685 Five Mile Road	Livonia	Michigan	48154	734-744-4011
PF Michigan Group	29475 7 Mile Rd.	Livonia	Michigan	48152	248-427-0043
PF Michigan Group	701 Joe Mann Boulevard	Midland	Michigan	48642	989-832-7300
PF Michigan Group	161 S. Milford Road	Milford	Michigan	48381	(248) 717-3554
D. Backos and J. Matthew	2121 N. Monroe St. Unit 440	Monroe	Michigan	48162	734-289-9800
PF Michigan Group	50 N Groesbeck Hwy	Mount Clemens	Michigan	48043	(586) 649-7841
Bain Capital	2135 S Mission Street	Mt.Pleasant	Michigan	48804	(989) 317-3615
Julian Monterosso	1501 East Apple Ave	Muskegon	Michigan	49442	(231) 375-8187
Julian Monterosso	2520 Henry Street	Muskegon	Michigan	49441	231-747-6541
Bain Capital	235 East Main St.	Northville	Michigan	48167	248-449-7634
Bain Capital	31124 Beck Road	Novi	Michigan	48377	248-668-1100
PF Michigan Group	13151 West 10 Mile Rd	Oak Park	Michigan	48237	(248) 677-4757
D. Rubin, T. Purther and R. Fenton	1982 Grand River	Okemos	Michigan	48864	517-381-8200
Bain Capital	1580 E Main Street	Owosso	Michigan	48867	(989) 720-8484
Bain Capital	6420 S Westnedge Ave	Portage	Michigan	49002	269-459-8899
PF Michigan Group	27330 Plymouth Road	Redford	Michigan	48239	(313) 694-3233
PF Michigan Group	345 South Livernois Road	Rochester Hills	Michigan	48307	248-923-2014
PF Michigan Group	2560 Crooks Rd	Royal Oak	Michigan	48073	(248) 629-9095
PF Michigan Group	4572 State Street	Saginaw	Michigan	48603	989-799-1300
PF Michigan Group	8260 23 Mile Road (Shelby	Shelby Township	Michigan	48316	586-884-4295
PF Michigan Group	29816 Southfield Road	Southfield	Michigan	48075	248-327-6131
Bain Capital	13591 Eureka Road	Southgate	Michigan	48195	734-281-7828
PF Michigan Group	40752 Ryan Road	Sterling Heights	Michigan	48310	586-274-2310
PF Michigan Group	13255 15 Mile Road	Sterling Heights	Michigan	48312	586-825-2020
PF Michigan Group	11420 Telegraph Rd	Taylor	Michigan	48180	734-947-9119
L. Bhirdo-Kozyra and K. DeBusscher	3111 South Airport Rd W.	Traverse City	Michigan	49684	(231) 714-3383

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
PF Michigan Group	288 John R Road	Troy	Michigan	48083	248-588-0141
PF Michigan Group	45501 Schoenherr Rd.	Utica	Michigan	48315	586-726-4840
D. Backos and J. Matthew	13750 East Eleven Mile Rd.	Warren	Michigan	48089	586-774-6900
Bain Capital	5142 Highland Road	Waterford	Michigan	48327	248-599-9795
PF Michigan Group	34634 Warren Rd.	Westland	Michigan	48185	734-525-4800
PF Michigan Group	19001 West Road	Woodhaven	Michigan	48183	734-675-1800
PF Michigan Group	958 28th Street SW	Wyoming	Michigan	49509	(616) 649-3833
D. Backos and J. Matthew	2748 Washtenaw Ave.	Ypsilanti	Michigan	48197	734-390-0139
K. Murphy, D. Hill, D. O'Shaughnessy	7382 153rd St W	Apple Valley	Minnesota	55124	(952) 595-6464
Freeman Spogli & Co.	10606 France Ave	Bloomington	Minnesota	55431	952-948-1000
Freeman Spogli & Co.	8026 Brooklyn Blvd	Brooklyn Park	Minnesota	55445	763-424-4447
K. Murphy, D. Hill, D. O'Shaughnessy	14232 Burnhaven Drive	Burnsville	Minnesota	55306	(952) 303-4300
K. Murphy, D. Hill, D. O'Shaughnessy	5045 51st Court	Columbia Heights	Minnesota	55421	(763) 432-0996
K. Murphy, D. Hill, D. O'Shaughnessy	60 Coon Rapids Boulevard	Coon Rapids	Minnesota	55448	(763) 784-7677
Freeman Spogli & Co.	203 Willow Bend	Crystal	Minnesota	55428	(763) 537-1321
K. Murphy, D. Hill, D. O'Shaughnessy	1859 Adams Street	Mankato	Minnesota	56001	(507) 779-7711
Freeman Spogli & Co.	800 Holiday Drive	Moorhead	Minnesota	56560	218-477-1955
Mike Dobrynio	1021 15th Ave SE	Rochester	Minnesota	55904	507-258-6283
K. Murphy, D. Hill, D. O'Shaughnessy	1750 W Highway 36	Roseville	Minnesota	55113	651-200-3166
K. Murphy, D. Hill, D. O'Shaughnessy	2540 W Division Street	St. Cloud	Minnesota	56301	(320) 774-3711
K. Murphy, D. Hill, D. O'Shaughnessy	2167 Old Hudson Road	St. Paul	Minnesota	55119	(651) 330-4333
K. Murphy, D. Hill, D. O'Shaughnessy	1930 Buerkle Rd	White Bear Lake	Minnesota	55110	(651) 444-8218
United PF Partners	2390 Pass Rd.	Biloxi	Mississippi	39531	228-388-7930
Chris Rains and Brian Hunt	406 Springridge Road	Clinton	Mississippi	39056	601-925-5554
United PF Partners	12273 Highway 49	Gulfport	Mississippi	39503	228-832-3486
United PF Partners	6128 Highway 49	Hattiesburg	Mississippi	39401	(601) 602-4721
Chris Rains and Brian Hunt	5250 I-55 North	Jackson	Mississippi	39211	(601) 882-5904
United PF Partners	2200A Bienville Blvd.	Ocean Springs	Mississippi	39564	228-818-7930
United PF Partners	3253 Denny Avenue	Pascagoula	Mississippi	39581	(228) 357-9700
Chris Rains and Brian Hunt	3025 Hwy 80	Pearl	Mississippi	39208	
Chris Rains and Brian Hunt	772 Lake Harbor Drive, Suite 1	Ridgeland	Mississippi	39157	601-427-5901
Atlantic Street Capital	1800 North Gloster Street	Tupelo	Mississippi	38804	(662) 269-0880
Thomas Carski	13924 Manchester Rd.	Ballwin	Missouri	63011	636-527-7277
United PF Partners	124 Cedar Tree Square	Belton	Missouri	64012	816-322-3395
United PF Partners	601 SW US 40 Hwy.	Blue Springs	Missouri	64014	816-228-7327
Atlantic Street Capital	2136 William Street	Cape Girardeau	Missouri	63703	(573) 339-2002
Rick and David Kueber	2101 W. Broadway	Columbia	Missouri	65203	(573) 355-5858
J. Clancy and the Hamiltons	9450 Watson Road	Crestwood	Missouri	63126	(314) 849-2725
J. Clancy and the Hamiltons	10803 W. Florissant Ave	Ferguson	Missouri	63136	(314) 733-5312
United PF Partners	4545 B South Noland Road	Independence	Missouri	64055	816-478-7095
Jonathan and Loren Lippincott	3239 Missouri Boulevard	Jefferson City	Missouri	65109	573-636-0470
Altamont Capital Partners	2113 S. Geneva Ave.	Joplin	Missouri	64801	(800) 315-3577
United PF Partners	2415 North East Vivion Road	Kansas City	Missouri	64118	(816) 413-8249
United PF Partners	8720 E. 63rd Street	Kansas City	Missouri	64133	816-353-7352
United PF Partners	470 Northeast Barry Road	Kansas City	Missouri	64155	816-420-0700
United PF Partners	300 SW Blue Parkway Suite D	Lee's Summit	Missouri	64063	(816) 287-8200
J. Clancy and the Hamiltons	8903 Page Ave	Overland	Missouri	63114	314-427-2860
J. Clancy and the Hamiltons	7521 Watson Road	Shrewsbury	Missouri	63119	(314) 325-3009
Rick and David Kueber	1730 South Campbell Avenue	Springfield	Missouri	65807	(417) 719-1010
Rick and David Kueber	2851 West Republic Rd.	Springfield	Missouri	65807	417-877-0244
United PF Partners	1325 S Belt Highway	St. Joseph	Missouri	64507	816-390-8822
Thomas Carski	6155 South Grand Blvd.	St. Louis	Missouri	63111	314-351-7600
J. Clancy and the Hamiltons	490 Mid Rivers Mall Circle	St. Peters	Missouri	63376	636-387-6025
J. Clancy and the Hamiltons	99 Wentzville Bluffs Drive	Wentzville	Missouri	63385	636-856-1067
Dave Leon	3035 North Sanders Street	Helena	Montana	59601	(406) 996-1950
Black Duck Partners	3535 W 13th St	Grand Island	Nebraska	68803	(308) 320-7001
Black Duck Partners	8010 S 84th Street	La Vista	Nebraska	68128	402-819-0933
Gary and Tamara Schubert	2600 S 48th Street	Lincoln	Nebraska	68506	(402) 840-3388

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Gary and Tamara Schubert	3020 Folkways Blvd.	Lincoln	Nebraska	68504	402-840-3336
Black Duck Partners	5035 South 36th Street	Omaha	Nebraska	68107	402-932-3737
Black Duck Partners	5760 Ames Ave	Omaha	Nebraska	68104	402-933-3575
Black Duck Partners	2502 S. 133rd Plaza	Omaha	Nebraska	68144	402-933-9229
John Macaluso	1531 W. Sunset Road	Henderson	Nevada	89014	702-458-3900
Josiah and Kathy Garlan	260 E Lake Mead	Henderson	Nevada	89015	(702) 982-1931
Josiah and Kathy Garlan	7250 Arroyo Crossing Parkway	Las Vegas	Nevada	89113	702-750-9918
Sylvia Nafso	230 S. Decatur	Las Vegas	Nevada	89107	(702) 586-1900
Sylvia Nafso	2216 S. Nellis Blvd.	Las Vegas	Nevada	89104	702-432-4200
Sylvia Nafso	1570 N. Eastern Ave	Las Vegas	Nevada	89101	702-826-4200
Sylvia Nafso	3300 Flamingo Road	Las Vegas	Nevada	89121	702-547-1200
Sylvia Nafso	1221 E. Sahara Ave	Las Vegas	Nevada	89104	(702) 916-0700
Sylvia Nafso	4001 S. Decatur Boulevard, Suite	Las Vegas	Nevada	89103	(725) 600-4300
Sylvia Nafso	4488 N Rancho Dr	Las Vegas	Nevada	89130	(702) 916-0800
Sylvia Nafso	1324 W. Craig Rd. Unit 2	North Las Vegas	Nevada	89032	702-854-9500
Josiah and Kathy Garlan	630 N. McCarran Blvd.	Sparks	Nevada	89431	775-356-1000
Shane Poirier	41 Ashbrook Rd	Keene	New	03431	(603) 352-1373
Elaine and Stephen Doroff	95A Plaistow Road - RT 125	Plaistow	New	03865	603-382-0200
Craig Benson	374 Main Street	Belleville	New Jersey	07109	(973) 751-8410
Russell DelRosso	1930 Route 88	Brick	New Jersey	08724	(732) 475-7166
Russell DelRosso	325 Brick Blvd	Brick	New Jersey	08723	732-477-0499
Bill Cassotis and Bill Fidler	700 Crescent Avenue	Brooklawn	New Jersey	08030	856-349-7746
Rick and Kris Raimondo	2005 Route 70 East	Cherry Hill	New Jersey	08003	856-751-9111
Bill Cassotis and Bill Fidler	141-A Route 130 South	Cinnaminson	New Jersey	08077	856-499-2695
Bill Cassotis and Bill Fidler	1468 Blackwood-Clementon Rd.	Clementon	New Jersey	08021	856-435-2210
Anthony Falange	600 Getty Avenue	Clifton	New Jersey	07011	973-478-3300
Randy Vey	1712 NJ-31	Clinton	New Jersey	08809	(908) 323-2757
Bill Cassotis and Bill Fidler	1341 S Fairview Street	Delran	New Jersey	08075	(856) 393-8915
Anthony Falange	418 NJ-10	East Hanover	New Jersey	07936	(862) 701-5511
Craig Benson	12-60 Sussex Ave.	East Orange	New Jersey	07018	(973) 677-0001
Russell DelRosso	180 Route 35 South	Eatontown	New Jersey	07724	732-542-4040
Craig Benson	647 Newark Ave	Elizabeth	New Jersey	07201	(908) 838-0005
Russell DelRosso	314 US Highway 9	Englishtown	New Jersey	07726	(732) 414-2460
Bill Cassotis and Bill Fidler	Capitol Plaza, 1560 North Olden	Ewing	New Jersey	08638	609-943-2548
Craig Benson	461 US Hwy 46	Fairfield	New Jersey	07004	(862) 210-6600
Craig Benson	251 Broad Ave	Fairview	New Jersey	07022	(201) 340-5360
Randy Vey	39 Reaville Ave	Flemington	New Jersey	08822	908-237-9911
Russell DelRosso	3499 Route 9	Freehold	New Jersey	07728	732-845-4555
Bill Cassotis and Bill Fidler	1061 Whitehorse Mercerville Rd.	Hamilton	New Jersey	08610	(609) 838-9743
Bill Cassotis and Bill Fidler	71 S White Horse Pike	Hammonton	New Jersey	08037	(609) 704-5302
Russell DelRosso	3070 Route 35 South	Hazlet	New Jersey	07730	732-264-8300
Craig Benson	256 Route 206 South	Hillsborough	New Jersey	08844	(908) 615-0100
Russell DelRosso	400 South New Prospect Road	Jackson	New Jersey	08527	848-373-9211
Craig Benson	1151 W. St. George Ave.	Linden	New Jersey	07036	(908) 925-1077
Bill Cassotis and Bill Fidler	222 Bridgeton Pike	Mantua	New Jersey	08051	856-292-3904
Bill Cassotis and Bill Fidler	4403 E Black Horse Pike	Mays Landing	New Jersey	08330	(609) 568-6823
Arthur Thomas	101 Bluebird Lane	Millville	New Jersey	08332	856-300-2088
Anthony Falange	2956 Route 10 West	Morris Plains	New Jersey	07950	973-998-0989
Bill Cassotis and Bill Fidler	3105 Route 38	Mt. Laurel	New Jersey	08054	856-722-5950
Craig Benson	520 Broad St.	Newark	New Jersey	07102	(973) 273-4433
Craig Benson	8101 Tonnelle Avenue	North Bergen	New Jersey	07047	(201) 295-0000
Craig Benson	436 Renaissance Blvd.	North Brunswick	New Jersey	08902	(732) 658-3935
Anthony Falange	100 Hamilton Plaza	Paterson	New Jersey	07505	973-278-5850
Bill Cassotis and Bill Fidler	709 South Broadway	Pennsville	New Jersey	08070	(856) 759-4120
Craig Benson	10 Schalks Crossing Road	Plainsboro	New Jersey	08536	(609) 385-2555
Anthony Falange	59 Wanaque Avenue	Pompton Lakes	New Jersey	07442	973-513-9241
Anthony Falange	204 Enterprise Dr	Rockaway	New Jersey	07866	(862) 244-9836
Bill Cassotis and Bill Fidler	415 Egg Harbor Road Suite 2D	Sewell	New Jersey	08080	856-589-0808

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Craig Benson	1135 Easton Avenue	Somerset	New Jersey	08873	(732) 253-5319
Craig Benson	6761 Hadley Rd.	South Plainfield	New Jersey	07080	(908) 205-8535
Anthony Falange	275 East Route 10	Succasunna	New Jersey	07876	862-244-4327
Russell DelRosso	1 South Main Street, Unit A3	Toms River	New Jersey	08757	732-244-2066
Russell DelRosso	931 Fischer Boulevard	Toms River	New Jersey	08753	732-270-6300
Anthony Falange	797 Hamburg Turnpike	Wayne	New Jersey	07470	(862) 221-9261
Bill Cassotis and Bill Fidler	225 North Route 73	West Berlin	New Jersey	08091	(856) 335-4341
Bill Cassotis and Bill Fidler	49 Haddon Ave	Westmont	New Jersey	08108	(856) 240-1944
Craig Benson	465 Green St.	Woodbridge	New Jersey	07095	(732) 709-1400
Anthony Falange	1734 US Route 46	Woodland Park	New Jersey	07424	973-837-6139
Exaltare Capital Partners	4665 Irving Blvd NW	Albuquerque	New Mexico	87114	505-899-3707
Exaltare Capital Partners	6211 4th Street NW	Albuquerque	New Mexico	87107	505-341-9771
Exaltare Capital Partners	3821 Menaul Blvd NE	Albuquerque	New Mexico	87110	505-872-0232
Exaltare Capital Partners	4801 Alameda Blvd. NE	Albuquerque	New Mexico	87113	505-797-8767
Exaltare Capital Partners	5401 Gibson Blvd. SE	Albuquerque	New Mexico	87108	505-256-2500
Exaltare Capital Partners	3725 Las Estancias Way, SW	Albuquerque	New Mexico	87105	505-633-5505
Exaltare Capital Partners	11200 Montgomery NE, Suite 18	Albuquerque	New Mexico	87110	505-296-1300
Exaltare Capital Partners	3301 Coors Blvd. NW	Albuquerque	New Mexico	87120	505-833-4444
Exaltare Capital Partners	1518 Eubank Blvd. NE	Albuquerque	New Mexico	87112	505-559-9000
Exaltare Capital Partners	601 East Llano Estacado	Clovis	New Mexico	88101	(575) 218-3421
Exaltare Capital Partners	2108 N Turner	Hobbs	New Mexico	88240	(575) 602-7112
Joseph Bencomo	1300 El Paseo Road	Las Cruces	New Mexico	88001	575-524-7867
Joseph Bencomo	1100 N. Telshor Blvd	Las Cruces	New Mexico	88011	(575) 522-7867
Exaltare Capital Partners	1950 Ken Haynes Rd	Los Lunas	New Mexico	87031	(505) 565-5506
Exaltare Capital Partners	3391 Southern Blvd SE	Rio Rancho	New Mexico	87124	505-994-2424
Exaltare Capital Partners	1709 S Main Street	Roswell	New Mexico	88203	(575) 208-0083
Exaltare Capital Partners	2412 Cerrillos Road	Santa Fe	New Mexico	87505	(505) 216-1608
Jeff & James Innocenti, Gaby Lawlor	329 Route 59	Airmont	New York	10952	845-369-6300
Exaltare Capital Partners	161 Washington Avenue	Albany	New York	12205	518-456-4980
Exaltare Capital Partners	4090 Maple Road	Amherst	New York	14266	716-253-7676
Exaltare Capital Partners	101 Towne Square	Amsterdam	New York	12010	518-842-2600
Jeff & James Innocenti, Gaby Lawlor	30-33 Steinway St	Astoria	New York	11103	718-777-0700
Exaltare Capital Partners	217 Grant Avenue	Auburn	New York	13021	315-282-7119
Jeff & James Innocenti, Gaby Lawlor	1030 Southern Blvd.	Bronx	New York	10459	718-326-5839
Jeff & James Innocenti, Gaby Lawlor	1780 E. Gun Hill Rd	Bronx	New York	10469	718-650-6708
Jeff & James Innocenti, Gaby Lawlor	2914 Third Avenue	Bronx	New York	10455	718-650-6716
Jeff & James Innocenti, Gaby Lawlor	2129-2139 White Plains Road	Bronx	New York	10462	718-650-6700
Jeff & James Innocenti, Gaby Lawlor	309 East Fordham Rd	Bronx	New York	10458	718-933-0900
Jeff & James Innocenti, Gaby Lawlor	2241 Westchester Ave	Bronx	New York	10462	718-239-8210
Jeff & James Innocenti, Gaby Lawlor	3060 Westchester Ave	Bronx	New York	10461	718-863-3488
Jeff & James Innocenti, Gaby Lawlor	82 W. 225th St (River Plaza	Bronx	New York	10463	718-933-9300
Jeff & James Innocenti, Gaby Lawlor	946-942 Pennsylvania Avenue	Brooklyn	New York	11207	718-407-7447
Jeff & James Innocenti, Gaby Lawlor	2228 Church Ave.	Brooklyn	New York	11226	718-439-3008
Jeff & James Innocenti, Gaby Lawlor	777 Broadway	Brooklyn	New York	11206	718-650-6704
Jeff & James Innocenti, Gaby Lawlor	495 Flatbush Avenue	Brooklyn	New York	11225	347-481-4990
Jeff & James Innocenti, Gaby Lawlor	249 Duffield Street	Brooklyn	New York	11201	718-852-0045
Jeff & James Innocenti, Gaby Lawlor	856 Remsen Ave	Brooklyn	New York	11236	718-451-0171
Jeff & James Innocenti, Gaby Lawlor	441 Rockaway Ave.	Brooklyn	New York	11212	(646) 216-3023
Jeff & James Innocenti, Gaby Lawlor	1245 Fulton St.	Brooklyn	New York	11216	(718) 473-9170
Jeff & James Innocenti, Gaby Lawlor	66 Boerum Place	Brooklyn	New York	11201	(718) 933-4671
Jeff & James Innocenti, Gaby Lawlor	2007 86th St.	Brooklyn	New York	11214	718-473-3830
Exaltare Capital Partners	2318 West Genesee St.	Camillus	New York	13219	315-396-0978
Exaltare Capital Partners	22 Clifton Country Rd. Suite 88	Clifton Park	New York	12065	518-688-3001
Exaltare Capital Partners	5859 Bridge Street	Dewitt	New York	13057	315-399-5222
Exaltare Capital Partners	609 Columbia Turnpike	East Greenbush	New York	12144	518-477-5550
Exaltare Capital Partners	78 Spencerport Road	Gates	New York	14606	585-426-6989
Exaltare Capital Partners	329 Glenmont Road	Glenmont	New York	12077	518-439-1200
Exaltare Capital Partners	300 Saratoga Rd.	Glenville	New York	12302	518-384-7770

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Steve Joanis	3760 Dewey Ave.	Greece	New York	14616	585-865-9691
John Mahoney	250 W. Montauk Highway	Hampton Bays	New York	11946	631-723-3174
Jeff & James Innocenti, Gaby Lawlor	208 W. 125th St.	Harlem	New York	10027	212-497-2644
John Mahoney	240 Motor Parkway	Hauppauge	New York	11788	(631) 231-5300
Exaltare Capital Partners	3333 West Henrietta Rd.	Henrietta	New York	14623	585-272-0099
Black Duck Partners	3339 Chambers Road	Horseheads	New York	14845	607-846-3130
Exaltare Capital Partners	1850 East Ridge Rd.	Irondequoit	New York	14622	585-544-9213
Exaltare Capital Partners	40 Catherwood Road	Ithaca	New York	14850	607-319-0763
Jeff & James Innocenti, Gaby Lawlor	132-40 Metropolitan Ave	Jamaica	New York	11418	718-291-0400
Jeff & James Innocenti, Gaby Lawlor	168-40 Jamaica Ave.	Jamaica	New York	11433	718-640-1049
C. Fitton, M. Glance and M. Grondahl	318 E Fairmount Ave	Lakewood	New York	14750	(716) 763-0270
Steve Joanis	5897 South Transit Road	Lockport	New York	14094	716-201-1753
Exaltare Capital Partners	475 Albany Shaker Rd	Loudonville	New York	12211	518-435-9999
Jeff & James Innocenti, Gaby Lawlor	169 Route 6	Mahopac	New York	10541	(845) 478-4194
John Mahoney	700-60 Patchogue Yaphank Road	Medford	New York	11763	631-205-1100
Jeff & James Innocenti, Gaby Lawlor	33 Route 304	Nanuet	New York	10954	845-627-2344
Exaltare Capital Partners	7 New Hartford Shopping Center	New Hartford	New York	13413	315-735-8589
Jeff & James Innocenti, Gaby Lawlor	5 Le Count Place	New Rochelle	New York	10801	914-509-1271
Jeff & James Innocenti, Gaby Lawlor	25 Broadway	New York	New York	10004	646-216-3131
Jeff & James Innocenti, Gaby Lawlor	3799 Broadway	New York	New York	10032	212-336-0830
Jeff & James Innocenti, Gaby Lawlor	158 W. 27th St	New York	New York	10001	212-268-2501
Jeff & James Innocenti, Gaby Lawlor	22 East 14th Street	New York	New York	10003	646-755-6500
Jeff & James Innocenti, Gaby Lawlor	520 East 117th Street	New York	New York	10035	212-894-4710
Jeff & James Innocenti, Gaby Lawlor	423 West 55th St	New York	New York	10019	212-336-0750
Jeff & James Innocenti, Gaby Lawlor	177 Dyckman Street	New York	New York	10040	212-304-4500
Jeff & James Innocenti, Gaby Lawlor	370 Canal Street	New York	New York	10013	646-216-3031
Jeff & James Innocenti, Gaby Lawlor	4168 Broadway	New York	New York	10033	646-216-3150
Jeff & James Innocenti, Gaby Lawlor	215 West 35th Street	New York	New York	10001	(646) 518-0330
Steve Joanis	8297 Niagara Falls Blvd	Niagara Falls	New York	14304	716-371-2460
Steve Joanis	2002 Glenwood Avenue	Oneida	New York	13421	315-361-9100
Steve Joanis	437 State Route 104E Suite 19	Oswego	New York	13126	315-343-9100
Exaltare Capital Partners	1621 Penfield Rd	Penfield	New York	14625	(585) 419-2799
Exaltare Capital Partners	73 Centre Drive	Plattsburgh	New York	12901	518-561-0353
John Mahoney	542 Patchogue Rd	Port Jefferson Stn	New York	11776	631-743-9546
Jeff & James Innocenti, Gaby Lawlor	329 Wyckoff Ave.	Queens	New York	11385	718-650-6560
Jeff & James Innocenti, Gaby Lawlor	86-01 Roosevelt Ave	Queens	New York	11372	(718) 933-4670
Exaltare Capital Partners	578 Aviation Road Aviation Mall	Queensbury	New York	12804	518-761-6869
John Mahoney	116 Kroemer Ave	Riverhead	New York	11901	631-369-6200
John Mahoney	295 Route 25A	Rocky Point	New York	11778	631-821-3400
Exaltare Capital Partners	1895 Black River Blvd.	Rome	New York	13440	315-338-0000
Exaltare Capital Partners	1116 Altamont Ave.	Rotterdam	New York	12303	518-355-0023
Exaltare Capital Partners	3065 Route 50	Saratoga Springs	New York	12866	518-886-8828
Jeff & James Innocenti, Gaby Lawlor	1001 Central Park Ave.	Scarsdale	New York	10583	914-713-1500
Jeff & James Innocenti, Gaby Lawlor	2040 Forest Ave	Staten Island	New York	10303	718-407-7330
Jeff & James Innocenti, Gaby Lawlor	1775 South Ave	Staten Island	New York	10314	718-982-7103
Exaltare Capital Partners	628 South Main St	Syracuse	New York	13212	315-299-2583
Exaltare Capital Partners	1764-1770 Sheridan Dr	Tonawanda	New York	14223	(716) 799-0809
Exaltare Capital Partners	660 Hoosick Street	Troy	New York	12180	518-390-7268
Exaltare Capital Partners	710 Horatio Street	Utica	New York	13502	315-798-1000
Exaltare Capital Partners	4700 Vestal Parkway East	Vestal	New York	13850	607-644-9089
Exaltare Capital Partners	7493 State Route 96	Victor	New York	14564	585-742-3111
Exaltare Capital Partners	1222 Arsenal Street	Watertown	New York	13601	315-661-6366
Steve Joanis	1900 Empire Boulevard	Webster	New York	14580	585-347-4875
Exaltare Capital Partners	3525 Seneca St.	West Seneca	New York	14224	716-677-9310
Jeff & James Innocenti, Gaby Lawlor	250 Main Street	White Plains	New York	10601	914-390-3488
Jeff & James Innocenti, Gaby Lawlor	320 Yonkers Ave	Yonkers	New York	10701	914-376-3831
Gerald Kennedy	1560 E. Dixie Dr	Asheboro	North	27203	(336) 736-8265
Argonne Capital Group	602 Park St.	Belmont	North	28012	704-461-8490

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Claude J. Bouchard	201 South Estes Dr. Unit 200A	Chapel Hill	North	27514	919-240-7118
Glenn Dowler	5404 Central Avenue	Charlotte	North	28212	(704) 615-9134
Glenn Dowler	Freedom Plaza, 3301 Freedom Dr	Charlotte	North	28208	(704) 398-9228
Glenn Dowler	7643 Pineville Matthews Road	Charlotte	North	28226	(704) 295-1476
Glenn Dowler	10215-B University City Blvd.	Charlotte	North	28213	(704) 548-2722
Glenn Dowler	6025 South Blvd.	Charlotte	North	28217	(704) 965-3852
Glenn Dowler	2401 Whitehall Park Drive Suite	Charlotte	North	28273	(704) 583-0555
Glenn Dowler	2200 Coronation Blvd	Charlotte	North	28227	(704) 849-4050
Argonne Capital Group	180 Concord Commons Place	Concord	North	28027	704-786-4050
Glenn Dowler	19706-A One Norman Blvd.	Cornelius	North	28031	(980) 689-5078
Claude J. Bouchard	2380 W Cumberland Street	Dunn	North	28334	(910) 292-2850
Claude J. Bouchard	1010 Martin Luther King Jr Pkwy	Durham	North	27713	(888) 622-9866
Claude J. Bouchard	1720 Guess Rd. Suite 74	Durham	North	27701	(919) 237-1872
Ken Ryder	1831B W. Ehringhaus St.	Elizabeth City	North	27909	252-333-3700
Jamie Mason	Market Fair Shopping Center,	Fayetteville	North	28314	(910) 867-6199
Claude J. Bouchard	1885 Aversboro Drive	Garner	North	27529	919-773-4131
Argonne Capital Group	202 South New Hope Rd.	Gastonia	North	28054	704-868-4050
Claude J. Bouchard	412 S. Main St.	Graham	North	27253	336-350-8498
Gerald Kennedy	2226 Golden Gate Drive	Greensboro	North	27405	(336) 763-1568
Gerald Kennedy	4640 West Market St. Suite 101	Greensboro	North	27407	336-856-1212
Claude J. Bouchard	801 Thomas Langston Rd.	Greenville	North	28590	252-756-8779
B. Driver, E. Smith, S. Jennings, J. Mason	514 US Hwy 70 West	Havelock	North	28532	252-652-6339
G. Kennedy and D. M. Hicks	637 Spartanburg Highway	Hendersonville	North	28792	(828) 513-5097
Argonne Capital Group	2418 North Center St.	Hickory	North	28601	828-322-2200
Gerald Kennedy	2850 South Main Street	High Point	North	27263	(336) 223-8594
Gerald Kennedy	1116 Eastchester Drive, Suite 123	High Point	North	27265	336-885-8000
Claude J. Bouchard	151 Mayo St	Hillsborough	North	27278	(919) 245-8098
B. Driver, E. Smith, S. Jennings, J. Mason	1231 Hargett St.	Jacksonville	North	28546	910-939-5263
Argonne Capital Group	1351 South Cannon Blvd.	Kannapolis	North	28083	(704) 925-1944
Gerald Kennedy	838-B South Main St.	Kernersville	North	27284	336-996-9006
Claude J. Bouchard	2001 Widewaters Parkway	Knightdale	North	27545	919-217-2999
Gerald Kennedy	39 Plaza Pkwy	Lexington	North	27292	(336) 843-4337
Argonne Capital Group	2107 West Roosevelt Blvd.	Monroe	North	28110	704-225-7000
Argonne Capital Group	335 West Plaza Drive, Unit 1	Mooresville	North	28117	704-230-0909
B. Driver, E. Smith, S. Jennings, J. Mason	2662 Dr. MLK Jr BLvd	New Bern	North	28562	(252) 631-5085
Claude J. Bouchard	3121 Leland Drive	Raleigh	North	27616	919-266-0004
Claude J. Bouchard	681 Cary Towne Blvd	Raleigh	North	27511	919-378-9283
Claude J. Bouchard	8201 Rowlock Way	Raleigh	North	27612	919-792-9132
Claude J. Bouchard	404 E. Six Forks	Raleigh	North	27609	919-977-1712
Claude J. Bouchard	1271 Cobb Corners Drive	Rocky Mount	North	27804	252-442-5600
Argonne Capital Group	710 Jake Alexander Boulevard W	Salisbury	North	28147	(704) 762-9080
Argonne Capital Group	1659 E. Dixon Blvd.	Shelby	North	28152	704-600-6550
Argonne Capital Group	1885 East Broad Street	Statesville	North	28625	(980) 223-8556
Alexander Choquette	68A South Kerr Ave.	Wilmington	North	28403	910-772-1331
Alexander Choquette	6400 Carolina Beach Rd.	Wilmington	North	28412	910-792-7746
Claude J. Bouchard	2219 Airport Blvd NW	Wilson	North	27896	(252) 296-8935
Gerald Kennedy	2672 Peters Creek Parkway	Winston-Salem	North	27127	336-788-5777
Gerald Kennedy	2822 Reynolda Rd	Winston-Salem	North	27106	336-293-6244
Freeman Spogli & Co.	4325 13th Ave. South Suite 9	Fargo	North Dakota	58102	701-478-3300
Freeman Spogli & Co.	715 S. Washington Street	Grand Forks	North Dakota	58201	701-775-8820
John Cooley	1553 S Hawkins St	Akron	Ohio	44320	(330) 867-1040
John Cooley	1200 E State St	Alliance	Ohio	44601	(330) 823-5010
Chad Fitton and Matt Glance	6000 Mahoning Ave #510	Austintown	Ohio	44515	(330) 953-3767
C. Fitton, M. Glance and M. Grondahl	1135 South Main St	Bowling Green	Ohio	43402	(419) 806-4289
Armando Sangermano	5755 Smith Road	Brook Park	Ohio	44142	216-400-7248
M. Davis and D. Rondinone	1733 Pearl Road	Brunswick	Ohio	44212	330-460-6887
Alex Perchuk and Robert Baker	6591 Winchester Boulevard	Canal Winchester	Ohio	43110	(614) 833-1200
John Cooley	4317 Whipple Avenue NW	Canton	Ohio	44718	330-493-9855

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Sean Knapp	705 Lyons Road	Centerville	Ohio	45459	937-640-3116
Chad Fitton and Matt Glance	1080 North Bridge Street	Chillicothe	Ohio	45601	(740) 851-6467
J. Clancy and the Hamiltons	9980 Kings Auto Mall Rd	Cincinnati	Ohio	45249	(513) 781-4225
J. Clancy and the Hamiltons	8501 Winton Rd.	Cincinnati	Ohio	45231	513-407-8134
J. Clancy and the Hamiltons	4394 Eastgate Square Drive	Cincinnati	Ohio	45245	513-843-7553
J. Clancy and the Hamiltons	11755 Princeton Pike	Cincinnati	Ohio	45246	513-407-7135
J. Clancy and the Hamiltons	6186 Glenway Ave.	Cincinnati	Ohio	45211	513-429-2840
J. Clancy and the Hamiltons	9345 Colerain Ave	Cincinnati	Ohio	45251	(513) 245-1275
Alex Perchuk and Robert Baker	3465 S. High Street	Columbus	Ohio	43207	(614) 695-3855
Alex Perchuk and Robert Baker	920 S Hamilton Road	Columbus	Ohio	43213	(614) 601-5556
David DiSabato	2582 Sawmill Place Blvd	Columbus	Ohio	43235	(614) 591-9505
David DiSabato	2060 Crown Plaza Drive	Columbus	Ohio	43235	614-538-1200
David DiSabato	104 Dillmont Drive	Columbus	Ohio	43235	614-844-6100
David DiSabato	3614 Soldano Boulevard	Columbus	Ohio	43228	614-279-8100
David DiSabato	3614 Indianola Ave.	Columbus	Ohio	43214	614-262-6004
Sean Knapp	4888 Airway Road	Dayton	Ohio	45431	937-938-9430
M. Christie and N. Mourgenos	800 W Central Ave	Delaware	Ohio	43015	(740) 417-4947
Chad Fitton and Matt Glance	1553 W. River Road N	Elyria	Ohio	44035	440-324-1324
Chad Fitton and Matt Glance	606 Taywood Rd	Englewood	Ohio	45322	(937) 540-9201
J. Clancy and the Hamiltons	8470 Michael Lane	Fairfield	Ohio	45014	513-889-4004
M. Christie and N. Mourgenos	1950 Tiffin Avenue	Findlay	Ohio	45840	419-422-3000
David DiSabato	340 South Hamilton Rd	Gahanna	Ohio	43230	(614) 471-1177
D. Rubin, T. Purther and R. Fenton	12604 Rockside Road	Garfield Heights	Ohio	44125	216-475-7500
J. Clancy and the Hamiltons	702 NW Washington Blvd.	Hamilton	Ohio	45013	513-889-4452
David DiSabato	5415 Roberts Road	Hilliard	Ohio	43026	614-771-8900
Chad Fitton and Matt Glance	7819 Waynetowne Blvd	Huber Heights	Ohio	45424	(937) 952-5367
John Cooley	1416 South Water St.	Kent	Ohio	44240	330-474-7220
M. Christie and N. Mourgenos	927 N. Cable Road	Lima	Ohio	45805	567-289-5214
Chad Fitton and Matt Glance	2000 Cooper Foster Rd	Lorain	Ohio	44053	(440) 654-2650
Armando Sangermano	949 E Aurora Rd	Macedonia	Ohio	44056	(234) 808-4415
M. Christie and N. Mourgenos	1292 Mt Vernon Ave	Marion	Ohio	43302	(740) 361-8298
D. Rubin, T. Purther and R. Fenton	7850 Mentor Avenue	Mentor	Ohio	44060	(440) 255-8100
J. Clancy and the Hamiltons	3461 Towne Blvd.	Middletown	Ohio	45005	(513) 649-8229
J. Clancy and the Hamiltons	1075 State Route 28	Milford	Ohio	45150	513-340-4451
Chad Fitton and Matt Glance	4000 Rhodes Ave	New Boston	Ohio	45662	(740) 876-4560
Chad Fitton and Matt Glance	270 Bluebell Dr. NW	New Philadelphia	Ohio	44663	234-801-4527
M. Christie and N. Mourgenos	155 Deo Drive	Newark	Ohio	43055	740-915-4720
Chad Fitton and Matt Glance	6000 Youngstown Warren Road	Niles	Ohio	44446	330-349-4038
Armando Sangermano	27250 Lorain Road	North Olmsted	Ohio	44070	440-385-7221
D. Rubin, T. Purther and R. Fenton	4601 Northfield Rd	North Randall	Ohio	44128	(216) 479-9685
Chad Fitton and Matt Glance	2155 Village Mall Drive	Ontario	Ohio	44906	419-709-8194
Armando Sangermano	8443 Day Drive	Parma	Ohio	44129	440-882-3000
PF Michigan Group	144 E. South Boundary Street	Perrysburg	Ohio	43551	419-872-9200
David DiSabato	1175 Hill Road N.	Pickerington	Ohio	43147	614-863-9100
Chad Fitton and Matt Glance	1245 East Ash Street, Suite 100	Piqua	Ohio	45356	(937) 615-6115
D. Rubin, T. Purther and R. Fenton	691 Richmond Road	Richmond Heights	Ohio	44143	440-461-6200
Armando Sangermano	19332 Detroit Road	Rocky River	Ohio	44116	440-799-4141
Chad Fitton and Matt Glance	4314 Milan Road, Unit 720	Sandusky	Ohio	44870	419-609-9309
D. Rubin, T. Purther and R. Fenton	33605 Aurora Road	Solon	Ohio	44139	440-349-1600
Chad Fitton and Matt Glance	1503 N. Bechtle Avenue	Springfield	Ohio	45504	937-324-2314
Chad Fitton and Matt Glance	67780 Banfield Road, Unit #015	St. Clairsville	Ohio	43950	740-695-9529
Chad Fitton and Matt Glance	4229 Mall Drive	Steubenville	Ohio	43952	740-314-8047
John Cooley	835 Graham Road	Stow	Ohio	44221	330-940-2077
Armando Sangermano	16611 Southpark Center	Strongsville	Ohio	44136	(440) 268-6885
PF Michigan Group	6758 W. Sylvania Ave	Sylvania	Ohio	43560	419-517-9800
John Cooley	505 South Avenue	Tallmadge	Ohio	44278	330-630-2666
PF Michigan Group	2630 W. Laskey Road	Toledo	Ohio	43613	419-472-0200
PF Michigan Group	Southland Shopping Plaza, 3426	Toledo	Ohio	43614	419-380-9000

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
M. Davis and D. Rondinone	1048 Williams Reserve Blvd	Wadsworth	Ohio	44281	(330) 334-0550
D. Rubin, T. Purther and R. Fenton	30008 Lake Shore Blvd, Unit 5	Willowick	Ohio	44095	440-944-9000
M. Davis and D. Rondinone	2075 Portage Rd.	Wooster	Ohio	44691	(330) 601-1000
Chad Fitton and Matt Glance	465 Boardman Canfield Rd	Youngstown	Ohio	44512	330-758-1000
M. Christie and N. Mourgenos	3575 Maple Avenue	Zanesville	Ohio	43701	(740) 487-1723
Brian and John Hooker	1211 N Commerce St	Ardmore	Oklahoma	73401	(580) 768-7350
Altamont Capital Partners	1808 North Elm St.	Broken Arrow	Oklahoma	74012	(888) 237-9005
Altamont Capital Partners	215 North Lynn Riggs Boulevard	Claremore	Oklahoma	74017	(888) 237-9005
Brian and John Hooker	1318 N Highway 81	Duncan	Oklahoma	73533	(580) 786-0969
United PF Partners	2209 W Edmond Rd	Edmond	Oklahoma	73003	(405) 697-1700
United PF Partners	800 W Broadway Ave	Enid	Oklahoma	73703	(580) 297-8221
Brian and John Hooker	3801 NW Cache Road	Lawton	Oklahoma	73505	580-699-7600
United PF Partners	5701 Reno Ave, Suite B	Midwest City	Oklahoma	73110	(405) 458-9900
United PF Partners	10908 N May Ave	Oklahoma City	Oklahoma	73120	(405) 697-1750
United PF Partners	4202 Northwest Expressway	Oklahoma City	Oklahoma	73116	405-242-4141
United PF Partners	9118 S. Western Ave., Suite A	Oklahoma City	Oklahoma	73139	405-237-3709
United PF Partners	2936 SW 59th Street	Oklahoma City	Oklahoma	73119	405-605-8150
United PF Partners	2620 N 14th Street	Ponca City	Oklahoma	74601	(580) 304-7200
United PF Partners	600 W Independence St Suite D	Shawnee	Oklahoma	74804	(405) 695-6888
Altamont Capital Partners	1331 E. 71st Street South	Tulsa	Oklahoma	74136	(888) 237-9005
Altamont Capital Partners	6925 E. Admiral Place	Tulsa	Oklahoma	74115	(888) 237-9005
Altamont Capital Partners	8401 East 91 Street South	Tulsa	Oklahoma	74133	(888) 237-9005
Altamont Capital Partners	5050 South Memorial Drive	Tulsa	Oklahoma	74145	(888) 237-9005
United PF Partners	1101 Garth Brooks Blvd	Yukon	Oklahoma	73099	405-350-3100
Taymax Group	320 Bayfield Street	Barrie	Ontario	L4M 3C1	(705) 315-1740
Taymax Group	199 Bell Blvd	Belleville	Ontario	K8P 5B8	(613) 707-8820
Taymax Group	2377 Highway 2	Bowmanville	Ontario	L1C 5A4	(289) 276-0745
Bryan Rishforth	3060 Davidson Court Unit 1005	Burlington	Ontario	L7M 4X7	(905) 635-5479
Taymax Group	960 Brookdale Ave	Cornwall	Ontario	K6J 4P5	(613) 703-2433
Taymax Group	955 Futures Gate	Kingston	Ontario	K7M 8T6	(613) 544-9111
Taymax Group	401 Kent Street W	Lindsay	Ontario	K9V 4Z1	(705) 702-0080
Bryan Rishforth	1299 Oxford Street East	London	Ontario	N5Y 4W5	(519) 204-6606
Bryan Rishforth	1151 Dundas Street West	Mississauga	Ontario	L5C 1C6	(905) 232-1777
Bryan Rishforth	1452-1454 Dundas Street	Mississauga	Ontario	L4X 1L4	(905) 232-3399
Bryan Rishforth	1 York Gate Boulevard	North York	Ontario	M3N 3A1	(416) 546-9099
Taymax Group	1642 Merivale Road	Ottawa	Ontario	K2G 4A1	(343) 882-5990
Taymax Group	1821 Robertson Road	Ottawa	Ontario	K2H 8X3	(613) 829-7111
Bryan Rishforth	180 Queens Plate Drive	Toronto	Ontario	M9W 6Y9	(416) 745-7177
Taymax Group	1000 Gerrard Street East	Toronto	Ontario	M4M 3G6	(437) 889-3200
Taymax Group	4711 Steeles Avenue	Toronto	Ontario	M1V 4S5	(416) 292-2111
Taymax Group	31 Tapscott Road	Toronto	Ontario	M1B 4Y7	(647) 344-2331
Charles Tanner Halton	14755 SW Teal Blvd.	Beaverton	Oregon	97007	503-430-8586
Michael Joseph	1555 Williams Highway	Grants Pass	Oregon	97527	(541) 434-9588
Charles Tanner Halton	1001 SE Tualatin Valley	Hillsboro	Oregon	97123	503-596-2119
Kalpana and Octavio Lubrano	1199 NE Highway 99W	McMinnville	Oregon	97128	(503) 472-7600
Michael Joseph	1341 Center Drive	Medford	Oregon	97501	(541) 897-6323
Kalpana and Octavio Lubrano	1640 NE 122nd Ave	Portland	Oregon	97230	?(503) 254-
Kalpana and Octavio Lubrano	2330 SE 182nd Avenue	Portland	Oregon	97233	503-912-3572
Charles Tanner Halton	2787 Lancaster Dr NE	Salem	Oregon	97305	503-990-8114
Kalpana and Octavio Lubrano	4223 Main Street	Springfield	Oregon	97478	541-744-9000
Dave Leon	PH Santa Maria Plaza Llano	Panama City	Panamá		6019-2568
J. Clancy and the Hamiltons	4646 Broadway	Allentown	Pennsylvania	18104	610-366-1020
Arthur Thomas	3240 Pleasant Valley Blvd	Altoona	Pennsylvania	16602	814-283-8899
Toni and Anthony Rufo	50 Greenfield Avenue 2nd floor	Ardmore	Pennsylvania	19003	484-416-3017
Toni and Anthony Rufo	4952 Pennell Road	Aston	Pennsylvania	19014	610-485-0800
Toni and Anthony Rufo	1851 Street Road	Bensalem	Pennsylvania	19020	215-645-1181
Taymax Group	5821 Library Road	Bethel Park	Pennsylvania	15102	(412) 595-1010
C. Fitton, M. Glance and M. Grondahl	225 Columbia Mall Drive	Bloomsburg	Pennsylvania	17815	(570) 317-2729

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Toni and Anthony Rufo	2920 Springfield Road	Broomall	Pennsylvania	19008	484-420-4676
Chad Fitton and Matt Glance	152 Alameda Plaza	Butler	Pennsylvania	16001	724-256-9500
Argonne Capital Group	1186 Walnut Bottom Road	Carlisle	Pennsylvania	17015	717-701-8581
Taymax Group	300 Mount Lebanon Blvd	Castle Shannon	Pennsylvania	15234	(412) 318-8980
Argonne Capital Group	1695 Lincoln Way East	Chambersburg	Pennsylvania	17201	717-261-9980
Toni and Anthony Rufo	5210 West Baltimore Pike	Clifton Heights	Pennsylvania	19018	610-626-1770
Arthur Thomas	1786 Columbia Avenue	Columbia	Pennsylvania	17512	717-342-2049
Chad Fitton and Matt Glance	47 Dutilh Rd	Cranberry	Pennsylvania	16066	(724) 553-5222
Toni and Anthony Rufo	830 North Lansdowne Avenue	Drexel Hill	Pennsylvania	19026	484-461-1229
Milan Dalsania	3143 William Penn Highway	Easton	Pennsylvania	18045	(610) 438-5590
Argonne Capital Group	314 East Penn Drive	Enola	Pennsylvania	17025	(717) 510-6456
Arthur Thomas	379 North Reading Road	Ephrata	Pennsylvania	17522	717-733-5555
Toni and Anthony Rufo	825 Bethlehem Pike	Flourtown	Pennsylvania	19031	215-948-3946
Taymax Group	4848 William Flinn Highway	Hampton	Pennsylvania	15101	(412) 755-8020
Argonne Capital Group	6021 Allentown Blvd.	Harrisburg	Pennsylvania	17112	717-526-6932
Argonne Capital Group	480 Port View Dr	Harrisburg	Pennsylvania	17111	717-558-9821
Chad Fitton and Matt Glance	2982 East State Street	Hermitage	Pennsylvania	16148	724-308-6563
Toni and Anthony Rufo	1619 The Fairway, Suite B-105	Jenkintown	Pennsylvania	19046	215-277-1265
United PF Partners	600 Galleria Drive	Johnstown	Pennsylvania	15904	(814) 254-4414
Arthur Thomas	1319 Millersville Pike	Lancaster	Pennsylvania	17603	717-397-8623
Ken Berkenstock	366 Carrera Dr.	Lancaster	Pennsylvania	17601	717-560-6560
Toni and Anthony Rufo	751 Horsham Road Building A	Lansdale	Pennsylvania	19446	267-421-5443
United PF Partners	1020 Latrobe 30 PLZ, Suite 416	Latrobe	Pennsylvania	15650	(724) 879-8610
Mike and Jim Wade	2231 Lebanon Valley Mall	Lebanon	Pennsylvania	17042	717-273-3055
Randy Vey	1405 East Lincoln Highway	Levittown	Pennsylvania	19056	215-949-2900
Mark Rhodes and Daniel Horan	271 Lancaster Ave.	Malvern	Pennsylvania	19355	484-568-5100
Argonne Capital Group	4850 Carlisle Pike	Mechanicsburg	Pennsylvania	17050	717-761-1202
Argonne Capital Group	101 Gettysburg Pike	Mechanicsburg	Pennsylvania	17055	717-591-2332
Chad Fitton and Matt Glance	283 Beaver Valley Mall	Monaca	Pennsylvania	15061	724-728-1100
Toni and Anthony Rufo	229 Plaza Blvd.	Morrisville	Pennsylvania	19067	267-797-5055
Milan Dalsania	3236 Rt 940	Mt. Pocono	Pennsylvania	18344	(570) 216-5433
Taymax Group	1812 Union Ave	Natrona Heights	Pennsylvania	15065	(724) 895-3900
Milan Dalsania	859 Nazareth Pike	Nazareth	Pennsylvania	18064	(610) 365-8331
Toni and Anthony Rufo	560 South Trooper Road	Norristown	Pennsylvania	19403	610-630-0495
United PF Partners	12120 Route 30	North Huntingdon	Pennsylvania	15642	724-515-2090
Taymax Group	355 Lincoln Highway	North Versailles	Pennsylvania	15137	(412) 229-8427
Toni and Anthony Rufo	3000 Island Avenue	Philadelphia	Pennsylvania	19153	(267) 292-4655
Toni and Anthony Rufo	2350 Oregon Ave	Philadelphia	Pennsylvania	19145	215-551-9000
Toni and Anthony Rufo	501 Adams Avenue Space 1A	Philadelphia	Pennsylvania	19120	215-342-4411
Toni and Anthony Rufo	2641-63 East York Street	Philadelphia	Pennsylvania	19125	267-639-4851
Toni and Anthony Rufo	6410 Frankford Avenue	Philadelphia	Pennsylvania	19135	267-388-5647
Toni and Anthony Rufo	1575 N 52nd Street Suite 103 &	Philadelphia	Pennsylvania	19131	215-878-4410
Toni and Anthony Rufo	6219 Ridge Ave	Philadelphia	Pennsylvania	19128	267-428-5700
Toni and Anthony Rufo	5753 Wayne Avenue Suite 1	Philadelphia	Pennsylvania	19144	267-335-5331
Toni and Anthony Rufo	9950 E. Roosevelt Boulevard	Philadelphia	Pennsylvania	19115	215-969-1190
Toni and Anthony Rufo	2800 Fox Street, Unit D, Suite	Philadelphia	Pennsylvania	19129	215-227-1960
Mark Rhodes and Daniel Horan	542 B Kimberton Road, Route	Phoenixville	Pennsylvania	19460	484-924-9244
Taymax Group	11660 Keleket Drive	Pittsburgh	Pennsylvania	15235	412-241-0200
C. Fitton, M. Glance and M. Grondahl	1544 Route 61 Highway South	Pottsville	Pennsylvania	17901	(570) 968-4123
John Cooley	3050 North 5th Street Highway	Reading	Pennsylvania	19605	610-929-8000
Mike and Jim Wade	5430 Perkiomen Avenue	Reading	Pennsylvania	19606	(610) 575-0880
Toni and Anthony Rufo	216 MacDade Blvd	Ridley Township	Pennsylvania	19033	610-915-3949
Argonne Capital Group	30 Baldwin Blvd	Shamokin Dam	Pennsylvania	17876	570-884-3430
Mike and Jim Wade	510 E. Lancaster Ave	Shillington	Pennsylvania	19607	(610) 743-4611
Argonne Capital Group	28 Ship Shopping Center	Shippensburg	Pennsylvania	17257	717-530-1435
Toni and Anthony Rufo	731 Route 113	Souderton	Pennsylvania	18964	215-799-1999
Argonne Capital Group	2901 East College Ave.	State College	Pennsylvania	16801	814-954-4191
Toni and Anthony Rufo	1856 Brownsville Road	Treose	Pennsylvania	19053	215-322-4490

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
United PF Partners	609 Pittsburgh Road, Suite 1	Uniontown	Pennsylvania	15401	724-439-3200
United PF Partners	901 Wildflower Drive	Washington	Pennsylvania	15301	(724) 338-2430
Mark Rhodes and Daniel Horan	1161 Wilmington Pike	West Chester	Pennsylvania	19382	(484) 301-3636
Argonne Capital Group	1020 Commerce Park, Suite 2A	Williamsport	Pennsylvania	17701	570-567-7579
Arthur Thomas	Kendig Square, 2600 North	Willow Street	Pennsylvania	17584	(717) 340-2626
Richard and Kim Sciacca	Rexville Towne Center, PR-137	Bayamon	Puerto Rico	00957	(787) 797-5100
Richard and Kim Sciacca	40 Calle Gautier Benitez Ave.	Caguas	Puerto Rico	00725	787-961-0661
Richard and Kim Sciacca	18400 State Road #3	Canovanas	Puerto Rico	00729	(787) 256-6677
Richard and Kim Sciacca	5725 Boulevard Media Luna	Carolina	Puerto Rico	00987	787-710-7373
Richard and Kim Sciacca	Hatillo Town Center, Int. State	Hatillo	Puerto Rico	00659	(939) 777-8705
Richard and Kim Sciacca	El Monte Mall 652 Munoz Rivera	Hato Rey	Puerto Rico	00918	(787) 756-6243
Richard and Kim Sciacca	State Road #2 KM	Hatos Tejas,	Puerto Rico	00959	787-315-8888
Richard and Kim Sciacca	Carr. PR 198, Km. 20.1, Barrio	Las Piedras	Puerto Rico	00771	(787) 716-5861
Richard and Kim Sciacca	Carr #2 McGregor St.	Manati	Puerto Rico	00674	787-921-7001
Richard and Kim Sciacca	Baramaya Ave	Ponce	Puerto Rico	00777	787-284-4251
Richard and Kim Sciacca	1511 Ponce De Leon Suite 1	San Juan	Puerto Rico	00909	787-919-0220
Anne Marie and Steve Lukin	780 Washington Street	Coventry	Rhode Island	02816	401-828-4200
Steve Eddleston	1810 Plainfield Pike	Cranston	Rhode Island	02921	(401) 424-5079
Anne Marie and Steve Lukin	1800 Mendon Road	Cumberland	Rhode Island	02864	401-334-5400
Steve Eddleston	1493 Hartford Avenue	Johnston	Rhode Island	02919	401-351-5050
Steve Eddleston	40 Frenchtown Road	North Kingstown	Rhode Island	02852	401-884-9500
Steve Eddleston	50 Ann Mary St	Pawtucket	Rhode Island	02860	(401) 475-5244
Steve Eddleston	295 Armistice Blvd.	Pawtucket	Rhode Island	02861	401-725-0055
Steve Eddleston	387 West Fountain Street	Providence	Rhode Island	02903	401-865-6300
Steve Eddleston	445 Putnam Pike	Smithfield	Rhode Island	02917	401-231-2777
Anne Marie and Steve Lukin	1222 Warwick Ave	Warwick	Rhode Island	02888	401-432-7408
Steve Eddleston	650 Bald Hill Road	Warwick	Rhode Island	02886	401-828-9820
Anne Marie and Steve Lukin	1500 Diamond Hill Road	Woonsocket	Rhode Island	02895	(401) 769-4600
Exaltare Capital Partners	3112 Quance St	Regina	Saskatchewan	S4V 3B8	(306) 559-3292
M. Davis and D. Rondinone	2531 Whiskey Rd.	Aiken	South	29801	803-226-0813
John and Jane Craig	3223 Martin Luther King Jr.	Anderson	South	29625	864-305-4309
Brian Bobenage	833 State Street	Cayce	South	29033	(803) 590-0212
Alexander Choquette	2070 Sam Rittenberg Blvd	Charleston	South	29407	843-852-2685
Brian Bobenage	9714 Two Notch Rd.	Columbia	South	29223	803-764-2703
D. Michael Hicks	7531 B Garners Ferry Rd.	Columbia	South	29209	803-776-5820
D. Michael Hicks	421 Bush River Road	Columbia	South	29210	803-750-7515
Alexander Choquette	2300 Church Street	Conway	South	29526	843-365-5550
J. Gabrels and D. Cheatham	265 Rolling Hills Circle	Easley	South	29640	(864) 671-0880
D. Michael Hicks	2600-D David H McLeod Blvd	Florence	South	29501	843-661-0203
Argonne Capital Group	825 Cross Road Plaza	Fort Mill	South	29708	803-548-4545
D. Michael Hicks	101 Verdae Blvd.	Greenville	South	29607	864-627-4008
D. Michael Hicks	2100 Wade Hampton Blvd.	Greenville	South	29615	864-292-5552
John and Jane Craig	542 Bypass 72	Greenwood	South	29649	(864) 223-7197
Alexander Choquette	601 Belle Station	Mount Pleasant	South	29464	843-388-8288
Alexander Choquette	10125 Highway 17 Bypass	Murrells Inlet	South	29576	843-299-0609
Alexander Choquette	1145 Seaboard St	Myrtle Beach	South	29577	843-444-4335
Alexander Choquette	5060 Dorchester Rd	North Charleston	South	29418	(843) 793-2785
Alexander Choquette	2150 Northwoods Blvd	North Charleston	South	29406	843-553-2991
Argonne Capital Group	1807 North Cherry Road, Suite	Rock Hill	South	29732	803-328-6100
John and Jane Craig	107 Bilo Place	Seneca	South	29678	(864) 973-6150
D. Michael Hicks	300 Harrison Bridge Road	Simpsonville	South	29680	(864) 688-2980
D. Michael Hicks	1200 E. Main Street	Spartanburg	South	29307	864-308-8181
D. Michael Hicks	1450 WO Ezell Boulevard	Spartanburg	South	29301	(864) 576-1900
Alexander Choquette	368 East 5th North Street	Summerville	South	29484	(843) 285-5595
Freeman Spogli & Co.	2200 N Maple Ave	Rapid City	South Dakota	57701	(605) 343-2255
Freeman Spogli & Co.	1509 West 41st Street	Sioux Falls	South Dakota	57105	605-330-9990
Alex Perchuk and Robert Baker	5740 Stage Road	Bartlett	Tennessee	38134	901-937-8900
Pat Augustine	6231 Perimeter Drive Suite 217	Chattanooga	Tennessee	37421	423-553-8900

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Rick and David Kueber	1600 Fort Campbell Blvd	Clarksville	Tennessee	37042	931-919-5111
Lynne and Victor Brick	2641 APD 40	Cleveland	Tennessee	37323	423-602-2410
Lynne and Victor Brick	1910 Shady Brook Street	Columbia	Tennessee	38401	931-398-5555
Lynne and Victor Brick	400 Dubois Street	Cookeville	Tennessee	38501	931-284-4552
Rick and David Kueber	1880 Germantown Parkway	Cordova	Tennessee	38016	(901) 609-7700
Pat Augustine	11433 Kingston Pike	Farragut	Tennessee	37934	(865) 288-7789
Lynne and Victor Brick	1113 Murfreesboro Road	Franklin	Tennessee	37064	615-647-4047
Lynne and Victor Brick	393 East Main Street, Space # 15	Hendersonville	Tennessee	37075	615-348-7555
Taymax Group	3434 Lebanon Pike	Hermitage	Tennessee	37076	615-944-3900
Pat Augustine	5425 Highway 153	Hixson	Tennessee	37343	423-870-6077
Lynne and Victor Brick	57 Carriage House Drive, Suite	Jackson	Tennessee	38305	731-256-3000
Michael Ruggieri	949 Hamilton Place Dr.	Johnson City	Tennessee	37604	423-328-3257
K. Masden, J. Vicari and J. Wilson	9341 Kingston Pike	Knoxville	Tennessee	37922	865-690-0123
Pat Augustine	5731 Western Avenue	Knoxville	Tennessee	37921	(865) 333-5327
Pat Augustine	4827 North Broadway Street	Knoxville	Tennessee	37918	865-687-2323
Taymax Group	1140 Gallatin Pike South	Madison	Tennessee	37115	615-612-4478
Lynne and Victor Brick	541 North Foothills Plaza Road	Maryville	Tennessee	37801	(865) 268-8506
Alex Perchuk and Robert Baker	7114 Winchester Road	Memphis	Tennessee	38125	901-757-3300
Rick and David Kueber	4700 Summer Ave	Memphis	Tennessee	38122	(901) 410-9400
Rick and David Kueber	1635 Poplar Avenue	Memphis	Tennessee	38104	901-509-2074
Rick and David Kueber	4126 Elvis Presley Boulevard	Memphis	Tennessee	38116	(901) 602-4900
Rick and David Kueber	8239 Hwy 51 North	Millington	Tennessee	38053	(901) 407-2550
Lynne and Victor Brick	2550 East Morris Blvd	Morristown	Tennessee	37813	(423) 492-0700
Lynne and Victor Brick	1335 N. Mt. Juliet Rd.	Mt. Juliet	Tennessee	37122	615-988-5400
Lynne and Victor Brick	1954 Old Fort Parkway Suite 6	Murfreesboro	Tennessee	37217	615-801-8300
Taymax Group	4880 Nolensville Pike Rd	Nashville	Tennessee	37211	615-333-2888
Taymax Group	5708 Charlotte Pike	Nashville	Tennessee	37209	615-200-7100
Taymax Group	2381 Murfreesboro Pike	Nashville	Tennessee	37217	615-944-0300
Lynne and Victor Brick	564 Nissan Drive	Smyrna	Tennessee	37167	615-956-0100
Lynne and Victor Brick	1905 North Jackson Street	Tullahoma	Tennessee	37388	(931) 928-1400
United PF Partners	2540 Barrow Street	Abilene	Texas	79605	(325) 692-2000
S. Sanders and J. Evans	1701 Fairway Drive	Alvin	Texas	77511	(281) 968-1694
United PF Partners	3801 Olsen Blvd.	Amarillo	Texas	79109	806-358-8000
Altamont Capital Partners	819 E. Pioneer Parkway	Arlington	Texas	76010	(888) 237-9005
Altamont Capital Partners	1807 Slaughter Lane	Austin	Texas	78748	888-237-9005
Altamont Capital Partners	1100 W. Anderson Lane	Austin	Texas	78757	888-237-9005
Altamont Capital Partners	1819 Pleasant Valley Rd	Austin	Texas	78741	888-237-9005
Altamont Capital Partners	6800 West Gate Blvd, Suite 106	Austin	Texas	78745	(888) 237-9005
Altamont Capital Partners	6425 S. IH-35 Frontage Road	Austin	Texas	78744	(888) 237-9005
United PF Partners	6430 Eastex Freeway	Beaumont	Texas	77708	409-299-5560
United PF Partners	525 N Main Street	Belton	Texas	76513	(254) 831-9800
Altamont Capital Partners	7921 Camp Bowie Blvd	Benbrook	Texas	76116	(888) 237-9005
United PF Partners	1673 Briarcrest Dr. Suite 100A	Bryan	Texas	77802	979-399-4494
Taymax Group	20475 TX-46 #80	Bulverde	Texas	78070	(210) 686-2070
United PF Partners	1655 Henderson St	Cleburne	Texas	76033	(817) 666-3650
United PF Partners	2501B S. Texas Avenue	College Station	Texas	77840	979-459-7850
S. Sanders and J. Evans	1906 N. Frazier Street	Conroe	Texas	77301	936-760-1700
Taymax Group	5858 S. Padre Island Drive	Corpus Christi	Texas	78412	361-993-4444
United PF Partners	3500 W. 7th Ave	Corsicana	Texas	75110	(903) 467-3535
Altamont Capital Partners	430 E Main St	Crowley	Texas	76036	(888) 237-9005
Altamont Capital Partners	3200 Falls Drive	Dallas	Texas	75211	888-237-9005
Timothy Kurtz	10031 Marsh Lane, Suite 131	Dallas	Texas	75229	(214) 353-7114
Timothy Kurtz	5301 Alpha Road	Dallas	Texas	75240	972-392-7700
Timothy Kurtz	1639 South Buckner Boulevard	Dallas	Texas	75217	214-391-2000
Timothy Kurtz	3200 Camp Wisdom Dr.	Dallas	Texas	75237	972-296-0802
Timothy Kurtz	912 West 12th Street	Dallas	Texas	75208	214-946-4000
S. Sanders and J. Evans	3601 Center St	Deer Park	Texas	77536	(281) 930-6319
Altamont Capital Partners	806 West University Drive	Denton	Texas	76201	888-237-9005

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Altamont Capital Partners	2434 I-35 South	Denton	Texas	76205	(800) 388-3785
Joseph Bencomo	5026 Montana Ave.	El Paso	Texas	79903	915-778-7867
Joseph Bencomo	3000 Joe Battle Blvd.	El Paso	Texas	79938	915-855-7867
Joseph Bencomo	725 North Resler	El Paso	Texas	79912	915-833-7867
Joseph Bencomo	10861 Gateway South	El Paso	Texas	79934	915-822-1002
Joseph Bencomo	11160 Rojas Dr	El Paso	Texas	79938	915-590-7867
Joseph Bencomo	1505 North Zaragoza	El Paso	Texas	79936	915-856-7867
Joseph Bencomo	10780 Pebble Hills Dr.	El Paso	Texas	79935	915-591-7867
Joseph Bencomo	5700 North Mesa	El Paso	Texas	79912	915-585-7867
Altamont Capital Partners	2740 Valwood Parkway Suite	Farmers Branch	Texas	75234	888-237-9005
Altamont Capital Partners	6605 Forest Hill Circle	Forest Hill	Texas	76140	(888) 237-9005
Altamont Capital Partners	1950 Ephriham Ave, Suite 230	Fort Worth	Texas	76164	888-237-9005
Altamont Capital Partners	5334 Trail Lake Drive	Fort Worth	Texas	76133	888-237-9005
Altamont Capital Partners	4109 E. Lancaster Ave., Ste. 101	Fort Worth	Texas	76103	888-237-9005
Brian and John Hooker	6951 Preston Road	Frisco	Texas	75034	214-705-7348
Timothy Kurtz	6545 Duck Creek Drive	Garland	Texas	75043	972-240-7686
Timothy Kurtz	1402 West Walnut St	Garland	Texas	75042	972-487-5930
Altamont Capital Partners	541 W. Pioneer Parkway	Grand Prairie	Texas	75051	888-237-9005
United PF Partners	5101 Wesley St	Greenville	Texas	75401	(903) 303-2800
United PF Partners	4900 Twin City Highway	Groves	Texas	77619	409-960-6000
Altamont Capital Partners	3316 Denton Highway	Haltom City	Texas	76117	(888) 237-9005
Robert Segler	913 N 13th St. #26	Harlingen	Texas	78550	(956) 255-8199
S. Sanders and J. Evans	8455 Hwy 6 North	Houston	Texas	77095	(832) 674-4100
S. Sanders and J. Evans	10701 Jones Road Suite A	Houston	Texas	77065	281-890-2727
S. Sanders and J. Evans	14485 Bellaire Blvd.	Houston	Texas	77083	281-988-7600
S. Sanders and J. Evans	6960 Barker Cypress Road	Houston	Texas	77084	(281) 972-0539
S. Sanders and J. Evans	11187 Fondren Road	Houston	Texas	77096	832-786-3555
S. Sanders and J. Evans	10116 Hammerly Blvd	Houston	Texas	77080	713-932-8401
S. Sanders and J. Evans	310 Cypress Creek Parkway (FM	Houston	Texas	77090	832-602-2211
S. Sanders and J. Evans	8150 Southwest Freeway	Houston	Texas	77074	(832) 699-8993
S. Sanders and J. Evans	13140 Louetta Road	Houston	Texas	77429	281-370-0400
S. Sanders and J. Evans	256 FM 1960 Bypass Rd. East	Humble	Texas	77338	832-644-5767
Brian and John Hooker	372 E. Pipeline Rd	Hurst	Texas	76053	(682) 253-8350
Altamont Capital Partners	1706 W. Irving Boulevard	Irving	Texas	75061	(888) 237-9005
S. Sanders and J. Evans	24547 Katy Freeway	Katy	Texas	77494	(281) 394-9670
Altamont Capital Partners	1001 E. Vet Memorial Blvd.	Killeen	Texas	76541	888-237-9005
Brian and John Hooker	1165 South Stemmons Freeway	Lewisville	Texas	75067	469-645-8261
United PF Partners	3249 50th Street	Lubbock	Texas	79413	806-791-2000
Robert Segler	400 North Timberland Drive	Lufkin	Texas	75901	936-205-1111
United PF Partners	620 East End Blvd South	Marshall	Texas	75670	(903) 471-8100
Timothy Kurtz	1016 Pioneer Rd	Mesquite	Texas	75149	(972) 329-8900
Timothy Kurtz	5550 South Buckner Blvd Suite	Mesquite	Texas	75149	(469) 904-1414
United PF Partners	1000 North Midkiff Road	Midland	Texas	79701	432-689-4600
Robert Segler	1102 South Street	Nacogdoches	Texas	75964	936-202-2400
Taymax Group	1671 IH-35 South Suite 401	New Braunfels	Texas	78130	830-609-9241
United PF Partners	1355 West University	Odessa	Texas	79764	432-333-2500
United PF Partners	2270 MacArthur Drive	Orange	Texas	77630	409-883-2800
Altamont Capital Partners	2700 W. Pecan	Pflugerville	Texas	78660	888-237-9005
Taymax Group	1550 Wildcat Dr	Portland	Texas	78374	(361) 302-1070
United PF Partners	1201 Ridge Road Suite 101	Rockwall	Texas	75087	(469) 651-1040
S. Sanders and J. Evans	5101 Avenue H, Suite 12	Rosenberg	Texas	77471	832-471-6636
Altamont Capital Partners	200 W. Palm Valley Blvd.	Round Rock	Texas	78664	888-237-9005
United PF Partners	3552 Knickerbocker Road	San Angelo	Texas	76904	325-944-9900
Taymax Group	11227 Potranco Road	San Antonio	Texas	78253	210-679-9999
Taymax Group	1131 SE Military Drive	San Antonio	Texas	78214	210-255-1120
Taymax Group	207 N. General McMullen	San Antonio	Texas	78237	210-447-7047
Taymax Group	14610 Huebner Road Suite 110	San Antonio	Texas	78230	210-492-2024
Taymax Group	1739 SW Loop 410 Suite 814	San Antonio	Texas	78227	210-592-8727

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Taymax Group	13932 Nacagdoches Road	San Antonio	Texas	78217	210-251-3346
Taymax Group	6700 Huebner Road	San Antonio	Texas	78238	210-888-5545
Taymax Group	20760 US Highway 281 North	San Antonio	Texas	78258	(210) 455-6835
Taymax Group	2502 Nacogdoches Rd	San Antonio	Texas	78217	(210) 714-8450
Taymax Group	4400 Fredericksburg Rd.	San Antonio	Texas	78260	210-736-3536
United PF Partners	1500 E. Court Street, Suite 800	Seguin	Texas	78155	(830) 372-0200
Altamont Capital Partners	721 E Taylor Street	Sherman	Texas	75090	(888) 237-9005
Robert Segler	1801 N. Robison	Texarkana	Texas	77501	(903) 224-8055
S. Sanders and J. Evans	27830 Tomball Parkway	Tomball	Texas	77375	281-255-0332
Altamont Capital Partners	2747 E. 5th Street	Tyler	Texas	75701	888-237-9005
Taymax Group	1705 Pat Booker Road, Suite 216	Universal City	Texas	78148	210-566-0400
Altamont Capital Partners	300 N. Valley Mills Drive	Waco	Texas	76710	888-237-9005
United PF Partners	1821 South Main Street	Weatherford	Texas	76086	(682) 582-9001
S. Sanders and J. Evans	560 El Dorado Blvd	Webster	Texas	77598	(832) 500-5510
Robert Segler	1901 W. Hwy. 83	Weslaco	Texas	78596	(956) 255-7740
Brian and John Hooker	3915 Kell Blvd.	Wichita Falls	Texas	76308	940-244-4000
Fitton, Glance, Murray & Grondahl	155 West 500 South #3	Bountiful	Utah	84010	801-298-1999
Keith Larsen	981 South Main St Suite 130	Logan	Utah	84321	435-753-7501
Fitton, Glance, Murray & Grondahl	6022 South State St.	Murray	Utah	84107	(801) 948-9870
Fitton, Glance, Murray & Grondahl	3945 South Washington	Ogden	Utah	84403	(801) 528-3597
Fitton, Glance, Murray & Grondahl	113 Harrisville Road	Ogden	Utah	84404	801-334-0500
Fitton, Glance, Murray & Grondahl	157 N. State Street	Orem	Utah	84057	801-225-4222
Fitton, Glance, Murray & Grondahl	1946 W. 5600 S.	Roy	Utah	84067	801-773-3944
Fitton, Glance, Murray & Grondahl	3175 E. 3300 South	Salt Lake City	Utah	84109	801-467-6711
Fitton, Glance, Murray & Grondahl	175 E. 400 South Suite 100	Salt Lake City	Utah	84111	801-521-9400
Paul Pilzer	11539 South 4000 West South	South Jordan	Utah	84009	(801) 446-9975
K. Murphy, D. Hill, D. O'Shaughnessy	42 South River Road	St. George	Utah	84790	435-673-3788
Paul Pilzer	1836 West 5400 South	Taylorsville	Utah	84129	801-963-8787
Jim and Jessie Dricker with G. Berger	57 River Rd.	Essex Junction	Vermont	05452	802-879-5100
Jim and Jessie Dricker with G. Berger	30 Community Drive	South Burlington	Vermont	05403	802-863-8910
Jim and Jessie Dricker with G. Berger	St. Albans Shopping Center, 133	St. Albans	Vermont	05478	(802) 582-4149
Kevin Fagan	8796 Sacramento Dr Ste D	Alexandria	Virginia	22309	(703) 347-7764
Kevin Fagan	4620 Kenmore Avenue	Alexandria	Virginia	22304	703-212-0123
Kevin Fagan	5960 Richmond Highway	Alexandria	Virginia	22303	703-960-5678
Kevin Fagan	5053 Westfields Blvd	Centreville	Virginia	20120	(703) 657-0102
William Asbell	150 Wegmans Way	Charlottesville	Virginia	22902	(434) 202-0437
William Asbell	230 Southpark Circle	Colonial Heights	Virginia	23834	(804) 524-2310
Claude J. Bouchard	3360 Riverside Drive	Danville	Virginia	24541	434-792-1723
Kevin Fagan	11001 Lee Hwy	Fairfax	Virginia	22030	(703) 539-6499
D. Weber, G. Bianucci and K. Gelnaw	6763 Wilson Boulevard	Falls Church	Virginia	22044	703-241-2255
William Asbell	9723 Jefferson Davis Hwy	Fredericksburg	Virginia	22407	(540) 993-4352
William Asbell	1257 Jefferson Davis Hwy	Fredericksburg	Virginia	22401	540-322-5652
Ken Ryder	1060 West Mercury Blvd.	Hampton	Virginia	23666	757-825-8040
B. Driver, E. Smith, S. Jennings, J. Mason	1790-74 E. Market Street	Harrisonburg	Virginia	22801	540-246-0309
William Asbell	3405 Candler's Mountain Rd	Lynchburg	Virginia	24502	434-237-0287
Kevin Fagan	7680 Stream Walk Lane	Manassas	Virginia	20109	703-530-0123
Claude J. Bouchard	2720 Greensboro Road	Martinsville	Virginia	24112	(276) 403-4348
William Asbell	11001 Hull Street Rd	Midlothian	Virginia	23112	(804) 658-3089
Ken Ryder	301B Oyster Point Road	Newport News	Virginia	23602	757-269-0401
Ken Ryder	4245 E. Little Creek Rd.	Norfolk	Virginia	23518	757-644-6926
Ken Ryder	415 North Military Highway,	Norfolk	Virginia	23502	757-995-7914
Ken Ryder	1907 Victory Blvd	Portsmouth	Virginia	23702	(757) 606-2694
Ken Ryder	5815 West Norfolk Road	Portsmouth	Virginia	23703	757-484-8199
William Asbell	4951 Nine Mile Road	Richmond	Virginia	23223	(804) 652-2000
William Asbell	10040 Robious Rd	Richmond	Virginia	23235	804-323-4348
William Asbell	672 Brandon Avenue SW	Roanoke	Virginia	24015	540-904-6288
William Asbell	3433 Orange Ave.	Roanoke	Virginia	24012	540-904-7400
Kevin Fagan	21800 Town Center Plaza	Sterling	Virginia	20164	(703) 444-2022

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Ken Ryder	569 East Constance Avenue	Suffolk	Virginia	23434	(757) 809-5970
Ken Ryder	1944 Laskin Road, Suite 406	Virginia Beach	Virginia	23454	(757) 962-5151
Ken Ryder	3877 Holland Road #426	Virginia Beach	Virginia	23452	757-275-8315
B. Driver, E. Smith, S. Jennings, J. Mason	2604 West Main St	Waynesboro	Virginia	22980	(540) 471-8265
Kevin Fagan	8430 Old Keene Mill Road	West Springfield	Virginia	22152	(571) 297-4272
Dharmesh Shah	1673 South Pleasant Valley Road	Winchester	Virginia	22601	(540) 773-3435
Kevin Fagan	14431 Jefferson Davis Highway	Woodbridge	Virginia	22191	703-491-0123
Lynne and Victor Brick	4310 Wheaton Way	Bremerton	Washington	98310	(360) 824-5550
Lynne and Victor Brick	125 Cascade Mall Dr.	Burlington	Washington	98233	(360) 395-2560
Milton Odum	27073 Pacific Hwy South	Des Moines	Washington	98198	(206) 249-8158
Lynne and Victor Brick	7621 Evergreen Way	Everett	Washington	98203	(425) 315-7070
Lynne and Victor Brick	1211 S. 320th St	Federal Way	Washington	98003	(206) 429-7429
Michael Joseph	351 Three Rivers Drive	Kelso	Washington	98626	360-285-3700
Sandip Patidar	731 N. Columbia Center Blvd	Kennewick	Washington	99336	(509) 579-0595
Milton Odum	24044 104th Ave. SE, Suite A	Kent	Washington	98030	(253) 854-2123
Lynne and Victor Brick	720 Sleater Kinney Road	Lacey	Washington	98503	(360) 339-5188
Michael Joseph	17171 Bothell Way NE	Lake Forest Park	Washington	98155	206-467-1366
Milton Odum	1346 State Ave	Marysville	Washington	98270	360-386-9986
T. Bock, K. Kelly & J. Williams	625 River Road	Puyallup	Washington	98371	(253) 845-5357
Milton Odum	4613 NE Sunset Blvd.	Renton	Washington	98059	425-255-5522
Lynne and Victor Brick	9000 Rainier Ave. South	Seattle	Washington	98118	(206) 257-3655
Lynne and Victor Brick	13201 Aurora Ave. N	Seattle	Washington	98133	(206) 659-4577
Robert and Jeanne Stamant with E. Sousa	1617 W Northwest Blvd	Spokane	Washington	99205	(509) 850-9585
Robert and Jeanne Stamant with E. Sousa	13112 E Sprague Ave.	Spokane Valley	Washington	99216	509-381-1691
T. Bock, K. Kelly & J. Williams	9820 Pacific Ave	Tacoma	Washington	98444	(253) 533-2510
T. Bock, K. Kelly & J. Williams	817 E 72nd Street	Tacoma	Washington	98404	(253) 475-5689
T. Bock, K. Kelly & J. Williams	6706 19th Ave	University Place	Washington	98466	(253) 353-7008
Kalpana and Octavio Lubrano	8024 East Mill Plain Blvd	Vancouver	Washington	98664	360-448-2277
Kalpana and Octavio Lubrano	9919 NE Hazel Dell Avenue	Vancouver	Washington	98685	360-573-4000
Daniel and Linda Mullin	120 N. Fair Avenue	Yakima	Washington	98901	509-469-0477
United PF Partners	800 Mall Road, Unit 975	Barboursville	West Virginia	25504	304-736-8100
United PF Partners	2399 Meadowbrook Mall Road,	Bridgeport	West Virginia	26330	304-842-8456
United PF Partners	125 Lakeview Drive, Suite A	Cross Lanes	West Virginia	25313	304-721-4646
Dharmesh Shah	1220 North Queen Street	Martinsburg	West Virginia	25404	304-260-0005
United PF Partners	900 Fort Pierpont Drive	Morgantown	West Virginia	26508	304-554-2223
United PF Partners	104 Gihon Village	Parkersburg	West Virginia	26101	304-893-9800
Black Duck Partners	W3165 Van Roy Road Suite 7	Appleton	Wisconsin	54915	(920) 815-3592
Black Duck Partners	3375 West College Ave	Appleton	Wisconsin	54911	920-733-3554
Black Duck Partners	1827 Prairie Ave.	Beloit	Wisconsin	53511	608-312-4200
Black Duck Partners	15740 West Capitol Drive	Brookfield	Wisconsin	53005	(262) 599-8127
Black Duck Partners	1120 Milwaukee Ave. Suite 120	Burlington	Wisconsin	53105	(262) 758-7536
Black Duck Partners	3015 E. Hamilton Ave.	Eau Claire	Wisconsin	54701	715-598-1602
Black Duck Partners	1083 E. Johnson St	Fond du Lac	Wisconsin	54935	920-922-0833
Black Duck Partners	6529 S 27th St	Franklin	Wisconsin	53132	414-988-9269
Black Duck Partners	2641 West Mason Street	Green Bay	Wisconsin	54303	920-544-8190
Black Duck Partners	1831 Main Street	Green Bay	Wisconsin	54302	920-544-8191
Black Duck Partners	1800 Milton Ave. Suite 150	Janesville	Wisconsin	53545	608-756-3294
Black Duck Partners	89 East Towne Mall	Madison	Wisconsin	53704	(608) 249-5822
Black Duck Partners	7475 Mineral Point Road	Madison	Wisconsin	53717	608-827-8353
Black Duck Partners	3415 Custer Street	Manitowoc	Wisconsin	54220	920-652-9800
Black Duck Partners	2800 Roosevelt Road	Marinette	Wisconsin	54143	(715) 732-4794
Black Duck Partners	N89 W16899 Appleton Ave	Menomonee Falls	Wisconsin	53051	262-251-8000
Black Duck Partners	101 W. Wisconsin Ave.	Milwaukee	Wisconsin	53203	414-223-3380
Black Duck Partners	3333 S. 27th St.	Milwaukee	Wisconsin	53215	414-382-1900
Black Duck Partners	5700 West Capitol Parkway	Milwaukee	Wisconsin	53216	414-444-3111
Black Duck Partners	709 East Capitol Drive	Milwaukee	Wisconsin	53212	(414) 800-7237
Black Duck Partners	2311 West Broadway	Monona	Wisconsin	53713	608-223-9075
Black Duck Partners	1412 Summit Avenue	Oconomowoc	Wisconsin	53066	(262) 569-0120

Ownership	Club Street	Club City	State/Prov.	Postal	Phone
Black Duck Partners	1971 South Koeller Street	Oshkosh	Wisconsin	54902	920-231-5336
Black Duck Partners	1200 Commons Circle	Plover	Wisconsin	54467	(715) 544-1950
Black Duck Partners	5748 Durand Ave	Racine	Wisconsin	53406	(262) 554-0209
Black Duck Partners	10101 Market Street Suite C060	Rothschild	Wisconsin	54474	(715) 298-6060
Black Duck Partners	549 S. Taylor Drive	Sheboygan	Wisconsin	53081	920-803-8888
Black Duck Partners	2901 South Chicago Ave.	South Milwaukee	Wisconsin	53172	414-766-0705
Black Duck Partners	230 N. 18th Ave	West Bend	Wisconsin	53095	262-365-0850
Dave Leon	3540 East 2nd Street	Casper	Wyoming	82609	(307) 333-6623

**U.S. AND INTERNATIONAL FRANCHISE LOCATIONS
(signed franchise agreement but not yet open as of December 31, 2017)**

Owners	Street Address	City	State/Province	Postal Code
J. Clancy and the Hamiltons	1727 2nd Ave SW	Cullman	Alabama	35055
Jeremy Kilpatrick, Yusef Adas, Christopher Mullenix	1639 S. McKenzie Street	Foley	Alabama	36535
Steve Goguen	TBD	Northport	Alabama	TBD
T. Bock, K. Kelly & J. Williams	858 S. Greenfield Road	Gilbert	Arizona	85296
T. Bock, K. Kelly & J. Williams	155 E. Warner Road	Gilbert	Arizona	85296
United PF Partners	515 S Cotton Lane	Goodyear	Arizona	85338
United PF Partners	20595 N John Wayne Parkway	Maricopa	Arizona	85138
T. Bock, K. Kelly & J. Williams	20713 N 83rd Avenue	Peoria	Arizona	85382
T. Bock, K. Kelly & J. Williams	3202 E. Greenway Rd	Phoenix	Arizona	85032
United PF Partners	336 E. Baseline Road	Phoenix	Arizona	85042
United PF Partners	21545 S. Ellsworth Loop	Queen Creek	Arizona	85142
Chris Maddox	793 Highway 90	Sierra Vista	Arizona	85635
Rick and David Kueber	2010 N West Ave	El Dorado	Arkansas	71730
S. Bishop, D. Lanigan and J. Bernatowicz	500 Carson Town Center	Carson	California	90745
Sameer Bhatia	34461 Date Palm Drive	Cathedral City	California	92234
Jeff & James Innocenti, Gaby Lawlor	9814 Mason Ave	Chatsworth	California	91311
Jeff & James Innocenti, Gaby Lawlor	5517 Philadelphia St	Chino	California	91710
Monogram Capital Partners	634 Shaw Ave.	Clovis	California	93612
Saber Group	14940 Summit Ave	Fontana	California	92336
Jeff & James Innocenti, Gaby Lawlor	120 North Raymond Ave	Fullerton	California	92831
S. Bishop, D. Lanigan and J. Bernatowicz	2700 W Imperial Highway	Inglewood	California	90303
L. Luckwaldt and the Rollins	11950 Foothill Blvd.	Lake View Terrace	California	91342
S. Bishop, D. Lanigan and J. Bernatowicz	1890 Ximeno Ave	Longbeach	California	90815
S. Bishop, D. Lanigan and J. Bernatowicz	11740 Wilmington Ave	Los Angeles	California	90059
Anthony Dilorenzo	1525 W. Imola Ave.	Napa	California	94559
Jeff & James Innocenti, Gaby Lawlor	14665 - 14597 W. Roscoe Blvd	Panorama City	California	91402
Anthony Dilorenzo	373 S. McDowell Blvd, Suite 10C	Petaluma	California	94952
Saber Group	1570 Fitzgerald Dr.	Pinole	California	94564
Saber Group	2008 Riverside Ave.	Rialto	California	92377
L. Luckwaldt and the Rollins	17440 Colima Rd, Unit 407101	Rowland Heights	California	91748
Michael Pullman	TBD	Salinas	California	TBD
Saber Group	3251 S White Rd	San Jose	California	95148
Saber Group	40335 Winchester Rd	Temecula	California	92591
Jeff & James Innocenti, Gaby Lawlor	1028 N Mountain Ave	Upland	California	91786
Taymax Group	905C Colusa Ave	Yuba City	California	95991
Jost Family	815 16th Street	Denver	Colorado	80202
Jost Family	10901 S Parker Rd.	Parker	Colorado	80134
Mark Rodney	1005 N. State Street	Dover	Delaware	19901
Bonita Mancia	13003 Cortez Blvd	Brooksville	Florida	34601
TSG Consumer Partners	NWC Anderson Hill Rd & US Hwy 27	Clermont	Florida	34711
TSG Consumer Partners	TBD	Crestview	Florida	TBD
Monogram Capital Partners	19189 S. Dixie Hwy	Cutler Bay	Florida	33157
Lynne and Victor Brick	TBD	Ft. Lauderdale	Florida	TBD
Monogram Capital Partners	101 S. State Rd. 7	Hollywood	Florida	33023
TSG Consumer Partners	1307-1471 E Osceola Pkwy.	Kissimmee	Florida	34744
Monogram Capital Partners	3017 NW 79th St	Miami	Florida	33147
Monogram Capital Partners	10434 SW 104th St	Miami	Florida	33176
Roger and Debra Amato	15201 North Cleveland Ave	North Fort Myers	Florida	33903
Bonita Mancia	2800 SW 24th Ave.	Ocala	Florida	34471
B. Pappas, M. Murray and P. Fregeau	5810-2 Normandy Blvd	W. Jacksonville	Florida	32205
Bonita Mancia	26240 Golden Maple Rd.	Wesley Chapel	Florida	33543
J. Gabrels and D. Cheatham	3658 Atlanta Hwy. Suite O	Athens	Georgia	30606
Bill Merckel	2243 Cumming Hwy Ste. 108	Canton	Georgia	30115
John Wash	770 N Main St	Cedartown	Georgia	30125
Bill Merckel	122 Wc Bryant Pkwy	City of Calhoun	Georgia	30701
John and Jane Craig	131 Merchants Square	Cumming	Georgia	30040
TSG Consumer Partners	147 W Hendry Street	Hinesville	Georgia	31313
John Wash	1355 Roswell Rd, Ste 170	Marietta	Georgia	30062
L. Brumfield and L. Anderson	14669 US-19	Thomasville	Georgia	31792
Jeff & James Innocenti, Gaby Lawlor	32 Ho'okele St., Building 8	Kahului	Hawaii	96732
Toni and Anthony Rufo, Bryan Rishforth	1301 E 47th Street	Chicago	Illinois	60653

Owners	Street Address	City	State/Province	Postal Code
Toni and Anthony Rufo, Bryan Rishforth	3636 N Broadway Street	Chicago	Illinois	60613
Toni and Anthony Rufo, Bryan Rishforth	4913 Cal Sag Rd.	Crestwood	Illinois	60445
Rick and David Kueber	1004 N. Keller Drive, Suite 1	Effingham	Illinois	62401
Bryan Rishforth	910 Biesterfield Rd	Elk Grove Village	Illinois	60007
Bryan Rishforth	2557 W Golf Rd.	Hoffman Estates	Illinois	60169
Chris Kouros	822-840 S Rand Rd.	Lake Zurich	Illinois	60047
Toni and Anthony Rufo,	17675 S Torrence Ave	Lansing	Illinois	60438
Chris Kouros	1122 W Maple Ave.	Mundelein	Illinois	60060
Chad Fitton and Matt Glance	1608 36th St	Peru	Illinois	61354
Black Duck Partners	435 N. Weber Rd.	Romeoville	Illinois	60446
Luke Urban	201 W Roosevelt Rd	Villa Park	Illinois	60181
Alex Perchuk and Robert Baker	1129 N Baldwin Ave Ste 40	Marion	Indiana	46952
Atlantic Street Capital	2539 East State Rd 44	Shelbyville	Indiana	46176
United PF Partners	TBD	Olathe	Kansas	TBD
United PF Partners	9331 Quivira Road	Overland Park	Kansas	66215
Rick and David Kueber	711 12th Street Suite 160	Ashland	Kentucky	41101
Chris Sutherland	801 Benton Road	Bossier City	Louisiana	71111
United PF Partners	401 N US Hwy 190	Covington	Louisiana	70433
M. Cleary, E. Stinson and D. Page	172 Bath Rd	Brunswick	Maine	04011
Black Duck Partners	2855 Pembina Highway	Winnipeg	Manitoba	R3T 2H5
Daniel Horan	23415 Three Notch Rd	California	Maryland	20619
Jeff & James Innocenti, Gaby Lawlor	3525 Washington Street	Boston	Massachusetts	02119
Jeff & James Innocenti, Gaby Lawlor	31 Whittier St	Boston	Massachusetts	02120
Jeff & James Innocenti, Gaby Lawlor	1815 Massachusetts Ave	Cambridge	Massachusetts	02138
Allen, L. Ward and T. Sullivan	259 Mohawk Trail	Greenfield	Massachusetts	01301
Bain Capital	1250 Perry Avenue	Big Rapids	Michigan	49307
PF Michigan Group	1400 Woodbridge	Detroit	Michigan	48207
Atlantic Street Capital	1404 Old Aberdeen Rd	Columbus	Mississippi	39705
Chris Rains and Brian Hunt	TBD	Flowood	Mississippi	TBD
Rick and David Kueber	5155 Goodman Rd. Suite 110	Olive Branch	Mississippi	38654
J. Clancy and the Hamiltons	950 N Westwood Blvd	Poplar Bluff	Missouri	63901
J. Clancy and the Hamiltons	Mercantile Exchange Development	St. Louis	Missouri	63114
Dave Leon	2640 North Reserve St.	Missoula	Montana	59808
Josiah and Kathy Garlan	9850 S Maryland Pkwy	Las Vegas	Nevada	89183
Josiah and Kathy Garlan	2863 Northtowne Lane	Reno	Nevada	89512
Russel DelRosso	TBD	Barneget	New Jersey	TBD
Bill Cassotis and Bill Fidler	6801 Black Horse Pike	Egg Harbor Township	New Jersey	08234
Russel DelRosso	232 North Main St.	Forked River	New Jersey	08731
Russel DelRosso	500 Route	Middletown	New Jersey	07748
Russel DelRosso	701 NJ 35 Southbound	Neptune City	New Jersey	07753
Bill Cassotis and Bill Fidler	463 Cross Keys Road	Sicklerville	New Jersey	08081
Arthur H. Thomas	1277 W. Landis Avenue	Vineland	New Jersey	08362
Russel DelRosso	1919-1925 NJ Rt 35	Wall Township	New Jersey	07719
Exaltare Capital Partners	100 Thruway Plaza Dr	Cheektowaga	New York	14225
John Mahoney	777 Pulaski Road	Greenlawn	New York	11740
Jeff & James Innocenti, Gaby Lawlor	160-10 Cross Bay Blvd	Howard Beach	New York	11414
Gerald Kennedy	TBD	Clemmons	North Carolina	TBD
Jamie Mason	4807 Ramsey St	Fayetteville	North Carolina	28311
Jamie Mason	201 N Berkeley Blvd.	Goldsboro	North Carolina	27534
Gerald Kennedy	3357 Battleground Ave	Greensboro	North Carolina	27410
Glenn Dowler	8700 Pineville-Matthews Road	Pineville	North Carolina	28226
T. Bock, K. Kelly & J. Williams	899-A Avenida Manuel J. Clouthier	Santa Catarina	Nuevo Leon, Mexico	66120
John Cooley	123 Rothrock Rd.	Akron	Ohio	44321
John Cooley	3801 Harmont Ave.	Canton	Ohio	44705
Armando Sangermano	3333 Lorain Ave	Cleveland	Ohio	44113
D. Rubin, T. Purther and R. Fenton	13891 Cedar Rd.	South Euclid	Ohio	44118
M. Davis and D. Rondinone	1543 Streetsboro Plaza	Streetsboro	Ohio	44242
Bryan Rishforth	700 Strasburg Rd	Kitchener	Ontario	N2E 2M2
Charles Tanner Halton	725 NE Greenwood Ave	Bend	Oregon	97701
Kalpana and Octavio Lubrano	9280 SE Foster Rd	Portland	Oregon	97266
Milan Dalsania	1740 Stefko Blvd.	Bethlehem	Pennsylvania	18017
Milan Dalsania	McConnell & N. 3rd Sts.	East Stroudsburg	Pennsylvania	18360
D. Michael Hicks	TBD	Geer	South Carolina	TBD
D. Michael Hicks	580 W Marion Rd	Greenville	South Carolina	29617

Owners	Street Address	City	State/Province	Postal Code
D. Michael Hicks	560 Whiteford Way	Lexington	South Carolina	29072
Brian Bobenage	1486 Chestnut St.	Orangeburg	South Carolina	29115
Taymax Group	900 Conference Dr	Goodlettsville	Tennessee	37072
Jamie Mason	1920 N. Eastman Rd	Kingsport	Tennessee	37664
Pat Augustine	4570 Chapman Hwy	Knoxville	Tennessee	37920
Taymax Group	11330 Leopard Street	Annville/Corpus Christi	Texas	78410
Altamont Capital Partners	TBD	Austin	Texas	TBD
Altamont Capital Partners	432 N Hwy 67	Cedar Hill	Texas	75104
Timothy Kurtz	4800 Columbia Avenue	Dallas	Texas	75214
Taymax Group	400 W Calton Rd	Laredo	Texas	78041
S. Sanders and J. Evans	4802 Fairmont Parkway	Pasadena	Texas	77505
S. Sanders and J. Evans	3100 E FM 528 Rd, Ste A	Webster	Texas	77598
Jamie Mason	31 Midway St.	Bristol	Virginia	24201
Kevin Fagan	6365 Multiplex Dr.	Centreville	Virginia	20121
William Asbell	782 New River Rd.	Christiansburg	Virginia	24073
Kevin Fagan	22585 Fitness Court	Sterling	Virginia	20164
T. Bock, K. Kelly & J. Williams	19561 State Rte 410 East	Bonney Lake	Washington	98391
United PF Partners	5714 MacCorkle Avenue SE	Charleston	West Virginia	25304
Black Duck Partners	7630 Pershing Blvd	Kenosha	Wisconsin	53142-4318
Vincent Love	1400 Dell Range Blvd. Space E	Cheyenne	Wyoming	82009
Dave Leon	654 N 3rd Street	Laramie	Wyoming	82072

AREA DEVELOPERS
(as of December 31, 2017)

Alabama

Mark Manion Mary & Amy Properties, LLC 3308 Hidden Point Cove, Virginia Beach, VA 23452 757-615-1422	John Clancy St. Louis ADA, LLC 128 Tulip Tree Court, Jupiter, FL 33458 610-366-9986	John Clancy PFMW Alabama ADA LLC 128 Tulip Tree Court, Jupiter, FL 33458 610-366-9986
Eric Dore Shane McGuiness Sunshine Fitness Growth Holdings, LLC 4776 New Broad Street, Suite 195 Orlando, FL 32814	Ray "Trey" Owen III United PF LAN, LLC 9108 Zyle Road, Austin, TX 78737 512-288-4448	Mike Campagnolo c/o Atlantic Street Capital Planet Fit Indy, LLC 3479 Kentucky Avenue, Indianapolis, IN 46221
Jeremy Kilpatrick Yusef Adas Chris Mulleniz MAK Holdings, LLC 102 Mockingbird Lane, Fairhope, AL 36532		

Arizona

Thomas Bock Kevin Kelly John Williams JEG-Fit Arizona, LLC 2394 East Camelback Road Phoenix, AZ 85016 215-565-6574	Exaltare Capital Partners ECP-PF: Arizona, LLC Omar Simmons David Humphrey 35 Old Tavern Road, Ste 200 Orange, CT 06477	Ray "Trey" Owen III United PF TOM, LLC 9108 Zyle Road, Austin, TX 78737 512-288-4448 Ray "Trey" Owen III
Ronald Huling PF of Tucson, LLC 525 W. Warwick Drive, Suite A Alma, MI 48801		

Arkansas

Altamont Capital Partners Greg Attwood & Mike Turner Excel Fitness Holdings, Inc. 8015 Sharon Rd. Leander, Texas 78641	Richard and David Kueber PF Arkansas, LLC 445 East Market Street, Ste 310 Louisville, KY 40202 270-505-1921	Ray "Trey" Owen III United PF ROB, LLC 9108 Zyle Road, Austin, TX 78737 512-288-4448
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California

Charles Beynon Trampas TenBroek Table 5, LLC 124 Main Street, Suite 201 Charlestown, MA 02129	Sameer Bhatia Z Square Fitness, LLC 1500 Garden Street, Apt 4A Hoboken, NJ 07030	Shawn Bishop Dexter Lanigan SoCal PF, LLC 137 Whitney Lane Richboro, PA 18954
Anthony DiLorenzo 549 US Highway 1 Bypass Portsmouth, NH 03801 603-319-0440	William Fidler BMC Mgmt, Inc. 39 Overton Road Windham, NH 03087 603-327-7303	Josiah & Kathy Garlan JKG Fitness, Inc. 7725 Golden Peak Ct. Las Vegas, NV 89113
Stephen Griffin Thomas O'Connor 228 Old Springfield Road, Sunapee, NH 03782	Ben Heiderscheidt Planet Central Valley, LLC 21 Caverno Drive Lee, NH 03824 603-988-8128	Matt Jones Dave Koren Wingman Partners LLC 17 Edendale St Ladera Ranch, California 92694
Jeff & James Innocenti Gabrielle Lawlor York Capital Mgmt PF Cali LLC & PF SoCal LLC 320 Yonkers Avenue Yonkers, NY 10701	David Bidwell & Scott Linsky PF South Florida Holdings LLC Monogram Capital Partners 718 Old Shore Road Forked River, NJ 08731 (609) 312-7109	Lawrence Luckwaldt Michael Rollins Marc Rollins MLM Group, LLC 5718 Kennett Pike, Wilmington, DE 19807
John Mack Robert Bocek JAR Fitness LLC PO Box 205, Milford, CT 06460	Scott, Jeff, Alex Majkrzak Freeman & Spogli Co. PF Baseline Fitness LLC 4627 44 th Avenue, Suite 102 Fargo, ND 58104	Brent Linsky Euclid Investments, LLC 1650 E. Sheperd Avenue, Apt 206 Fresno, CA 93720 847-571-9847
Saber Group Saber Fitness IE LLC & Saber Fitness LLC 16392 Gothard Street, Unit G Huntington Beach, CA 92647	Taymax Group PF Taymax HQ, LLC 5 Industrial Way, Suite 3B Salem, NH 03079	

Colorado

Jason Jost Richard Jost Jonathan Jost Jost ADK Inc. 2938 River Road Niskayuna, NY 12309 315-391-9678	Vincent Love Carla Love Rocky Mountain PF, LLC 48 Woodmont Road, Montclair, NJ 07043	Brett McGlothlin Aimy McGlothlin PF Denver, LLC 5675 Amber Ridge Drive Castle Pines, CO 81018
Brian Belmont MacHan, LLC 1185 Huntington Trails Pkwy, Westminster, CO 80023 303-748-6893		

Connecticut

ECP-PF: CT Operations, Inc. Omar Simmons David Humphrey 35 Old Tavern Road, Ste 200 Orange, CT 06477		
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District of Columbia

Victor Brick Lynne Brick PF Growth Partners, LLC PFMD, LLC 212 W. Padonia Road, Timonium, MD 21093		
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Florida

David Bidwell & Scott Linsky Monogram Capital Partners PF South Florida Holdings LLC 13282 Solana Beach Cove Delray Beach, FL 33446	Kris Glidden SWFL Fitness, LLC 37 Route 236, Suite 210 Kittery, ME 03904	Victor Brick Lynne Brick PFFL, LLC 212 West Padonia Road Timonium, MD 21093
Mike Murray Bryan Pappas Pete Fregeau Jacksonville Ventures, LLC PO Box 4007, Portsmouth, NH 03801	Eric Dore & Shane McGuiness Sunshine Fitness Growth Holdings, LLC TSG Consumer 4776 New Broad Street, Suite 195 Orlando, FL 32814	Arthur Nudelman PF View, LLC 21322 Harrow Court, Boca Raton, FL 33433
Phillip Amato Easy Mile Fitness LLC 1209 Orange Street Wilmington, DE 19801	Glenn Dowler GSH PF Holdings, LLC 5589 Okeechobee Blvd, Suite 204 West Palm Beach, FL 33417	

Georgia

John Wash Good Looking IV, Inc. 204 Sausalito Blvd. Casselberry, FL 32707	Stanley DeMartinis Guerino Ciampi Alder Partners, LLC 175 McClellan Highway East Boston, MA 02128	Jane & John Craig Debra & Roger Amato Great Hills Fitness Georgia, LLC 5 Great Works Drive South Berwick, ME 03908
Eric Dore & Shane McGuiness Sunshine Fitness Growth Holdings, LLC TSG Consumer 4776 New Broad Street, Suite 195 Orlando, FL 32814	Bryan Pappas, Mike Murray Pete Fregeau Jacksonville Ventures, LLC PO Box 4007, Portsmouth, NH 03801	Bill Merckel Fit Guys Atlanta, LLC 790 Millshore Drive Chuluota, FL 32766
Alex Choquette Anchor Management Group, Inc. 14 Lafayette Road, Unit 9 North Hampton, NH 03862		

Hawaii

Jeff & James Innocenti James Innocenti York Capital Mgmt PF Hawaii LLC 320 Yonkers Avenue Yonkers, NY 10701		
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Idaho

CM3 Holdings, LLC (Fitton, Gance, Murray, Grondahl) 50 Nashua Road, Suite 203 Londonderry, NH 03053		
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Illinois

Bryan Rishforth Anthony & Toni Rufo R&R Development Holdings, LLC 1100 Ashbridge Road Bryn Mawr, PA 19010 610-357-3863	Scott, Alex, Jeff Majkrzak Alex Mortensen PF Baseline Fitness, LLC Freeman & Spogli Co. 4627 44 th Avenue South, Suite 102 Fargo, ND 58104	Tim Lennon & Mike Dobrynio Black Duck 3, LLC PF of Southern Illinois, LLC 717 Eisenhower Drive, Suite D Kimberly, Wisconsin 54136 646-515-4756
John Clancy & Mike Hamilton St. Louis ADA LLC 128 Tulip Tree Court, Jupiter, FL 33458	Luke Urban Hillcrest, Inc. 801 Adlai Stevenson Drive, Springfield, IL 62703	
Daniel Horan 634 Wagner Road, Lafayette Hill, PA 19444	Mike Campagnolo w/ Atlantic Street Cap. Planet Fit Indy 10, LLC 3479 Kentucky Avenue, Indianapolis, IN 46221	Matt Gance & Chad Fitton 50 Nashua Road, Suite 203, Londonderry, NH 03053

Indiana

Robert Baker BK Partners West, LLC 5 Old Stable Way Colts Neck, NY 07722 732-740-5674	Ronald Huling Doug Hoard PF of N. Indiana LLC 380 Gratiot Avenue, Alma, MI 48801	Michael Campagnolo Planet Fit Indy 10, LLC 8888 Keystone Crossing Blvd., Indianapolis, IN 46240 617-905-9005
Chris Klebba BCDI Great Lakes Holdings Inc 200 Clarendon Street Boston, MA 02116	Kristine & Rick Raimondo PF Indy, LLC 8 Lassen Park Drive Medford, NJ 08055	Chad Fitton Matthew Gance 50 Nashua Rd., Suite 203 Londonderry, NH 03053
Richard and David Kueber PF Arkansas LLC PF Evansville LLC PF Louisville, LLC STCPF LLC 445 East Market Street, Ste 310 Louisville, KY 40202		

Iowa

Michael Dobrynio Tim Lennon Black Duck 3 LLC 425 W. Water Street Suite 275 Appleton, Wisconsin 54911	Scott, Alex, Jeff Majkrzak Alex Mortensen PF Baseline Fitness, LLC Freeman & Spogli Co. 4627 44 th Avenue South, Suite 102 Fargo, ND 58104	
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Kansas

Christopher L. Sutherland, Jr. Matthew S. Sutherland Spencer D. Sutherland Andrew K. Sutherland Sutherland Express, L.L.C. 3008 West Main Street Jenks, OK 74037	Ray "Trey" Owen III United PF HEN, LLC United PF JLM, LLC 9108 Zyle Road, Austin, TX 78737 512-288-4448	Altamont Capital Partners Excel Fitness Holdings, LLC Greg Attwood Mike Turner 8015 Sharon Rd. Leander, Texas 78641
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Kentucky

Richard and David Kueber PF Arkansas LLC PF Evansville LLC PF Louisville, LLC STCPF LLC 445 East Market Street, Ste 310 Louisville, KY 40202	John Clancy 128 Tulip Tree Court, Jupiter, FL 33458	
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Louisiana

Kevin Windham Dorothy Windham Michael Beaton MAKE Fitness LLC P.O. Box 249 Centreville, MS 39631	Ray "Trey" Owen III United PF ROB, LLC 9108 Zyle Road, Austin, TX 78737 512-288-4448	Christopher L. Sutherland, Jr. Matthew S. Sutherland Spencer D. Sutherland Andrew K. Sutherland Sutherland Express, L.L.C. 3008 West Main Street Jenks, OK 74037
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Maryland

Victor and Lynne Brick PFMD, LLC 212 W. Padonia Road, Timonium, MD 21093	Daniel P. Horan 401 Germantown Pike Lafayette Hill, PA 19444 484-342-0469	
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Massachusetts

Brian Kablik Core Fitness of Walpole LLC 15 Jacob Drive Mansfield, MA 02048	Michael Clark North Shore Fitness LLC 45 Storey Avenue Newburyport, MA 01950	Jeff & James Innocenti James Innocenti York Capital Mgmt PF Boston, LLC 320 Yonkers Avenue Yonkers, NY 10701
Steve Eddleston KiwiMex Fitness, LLC 26 MacKenzie Lane, Wakefield, MA 01880		

Michigan

Bryan Rief WB Pete Hopkins PF Michigan Group LLC 114 Rayson Street Suite 1A Northville, Michigan 48167	Chris Klebba BCDI Great Lakes Holdings Inc 200 Clarendon Street Boston, MA 02116	
Ronald Huling PF of N. Indiana LLC 380 Gratiot Avenue, Alma, MI 48801	Julian Monterosso Patrick Schafer JP Fitness LLC 935 Scott Court Northville, MI 48167	Michael Dobrynio Tim Lennon Black Duck 3 LLC 425 W. Water Street Suite 275 Appleton, Wisconsin 54911

Minnesota

Kevin P. Murphy Daniel J. O'Shaughnessy Daniel J. Hill Aisling Fitness, LLC 602 Andover Road Newton Square, PA 19073	Scott, Alex, Jeff Majkrzak Alex Mortensen PF Baseline Fitness, LLC Freeman & Spogli Co. 4627 44 th Avenue South, Suite 102 Fargo, ND 58104	
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Mississippi

Ray "Trey" Owen III United PF ROB, LLC United PF LAN, LLC 9108 Zyle Road, Austin, TX 78737	Richard and David Kueber PF Arkansas, LLC 445 East Market Street, Suite 310 Louisville, KY 40202	John Clancy St. Louis ADA, LLC 128 Tulip Tree Court, Jupiter, FL 33458
Chris Rains Brian Hunt R&H Fitness, LLC 2318 Pass Road, Biloxi, MS 39531		

Missouri

Michael Campagnolo Planet Fit Indy 10, LLC 3479 Kentucky Avenue, Indianapolis, IN 46221	John Clancy St. Louis ADA, LLC 128 Tulip Tree Court, Jupiter, FL 33458	Richard and David Kueber PF Arkansas, LLC 445 East Market Street, Suite 310 Louisville, KY 40202
Ray "Trey" Owen III United PF HEN, LLC 9108 Zyle Road, Austin, TX 78737	Altamont Capital Partners Greg Attwood & Mike Turner Excel Fitness Holdings, Inc. 8015 Sharon Rd. Leander, Texas 78641	

Montana

Dave Leon PF Management Montana, Inc. 141 West Campbell Road, Schenectady, NY 12306		
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Nebraska

Michael Dobrynio Tim Lennon Black Duck 3 LLC 425 W. Water Street Suite 275 Appleton, Wisconsin 54911		
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New Jersey

Bill Cassotis & Bill Fidler FC Mgmt, Inc. & NE Fitness South, Inc. 184 West Boylston Street, Unit 8 West Boylston, MA 01583	Anthony & Naomi Falange Win-Fit, LLC 2956 Route 10 West Morris Plains, NJ 07950	Craig Benson BL Technologies Investments, LLC 1662 Elm Street, Ste. 2 Manchester, NH 03101
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New Mexico

Exaltare Capital Partners Omar Simmons David Humphrey 35 Old Tavern Road, Ste 200 Orange, CT 06477	Joseph Bencomo Gym Management Corporation 11160 Rojas Drive El Paso, TX 79935	
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New York

Exaltare Capital Partners Omar Simmons David Humphrey 35 Old Tavern Road, Ste 200 Orange, CT 06477	Jeffrey & James Innocenti Gabrielle Lawlor PFNY LLC / York Capital Mgmt. 320 Yonkers Avenue Yonkers, NY 10701	John Mahoney Planet Fitness of Suffolk, Inc. 700-60 Patchogue Yaphank Road Medford, NY 11763 (631) 205-1100
Chad Fitton Matt Glance Marc Grondahl MCM ADA Two, LLC 1675 S. State Street, Suite B, Dover, DE 19901		

Nevada

Jimmy Nafso Sylvia Nafso Vegas Fitness LLC 21165 Bridle Run Northville, MI 48167	Josiah & Kathy Garlan JKG Fitness, Inc. 7725 Golden Peak Ct. Las Vegas, NV 89113	
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North Carolina

Claude J. Bouchard PF Eastern NC, LLC 7700 Six Forks Road, Raleigh, NC 27615	Kenneth & Sharree Ryder VB Planet, LLC 4324 Holland Road, Virginia Beach, VA 23452	D. Michael Hicks 418 Ewing Drive Belmont, NC 28012 704-825-1381
Gerald Kennedy John Farmer GNT Holdings LLC GNT Triad, LLC 313 Pearl Beauty Road, Belmont, NC 28012	PF NC Holdings, LLC Glenn Dowler 5589 Okeechobee Blvd., Suite 204, West Palm Beach, FL 33417	Keystone PF Acquisition LLC Argonne Capital Group Frank & Stephen Kindler 107 Saint Johns Church Rd. Camphill, PA 17011

Ohio

David A. DiSabato Jill DiSabato Duo Fit LLC 7507 Bridlespur Lane Delaware, OH 43015	Bryan Rief WB Pete Hopkins PF Michigan Group LLC 114 Rayson Street Suite 1A Northville, Michigan 48167	Chad Fitton Matt Glance Marc Grondahl MCM ADA Two, LLC 1675 S. State Street, Suite B, Dover, DE 19901
John Clancy Mike Hamilton 128 Tulip Tree Court, Jupiter, FL 33458	Ray "Trey" Owen III United PF LOM, LLC 9108 Zyle Road, Austin, TX 78737	Mark Christie 2114 Normandy Findlay, OH 45840 603-512-1400
Thomas E. Purther Randall J. Fenton David Rubin 3001 W. Big Beaver, Ste. 324 Troy, MI 48084	Chad Fitton Matthew Glance PFFG Ohio LLC 50 Nashua Rd., Suite 203 Londonderry, NH 03053	Robert Baker Alex Perchuk BKNY Partners, LLC 5 Old Stable Way Colts Neck, NY 07722

Oklahoma

Altamont Capital Partners Greg Attwood & Mike Turner Excel Fitness Holdings, Inc. 8015 Sharon Rd. Leander, Texas 78641	Ray "Trey" Owen III United PF JLM, LLC 9108 Zyle Road, Austin, TX 78737	John Hooker Brian Hooker Wichita Valley Enterprises, Ltd. 1612 9 th Street, Wichita Falls, TX 76301
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Oregon

Charles Tanner Halton Aneroid Holdings, LLC 420 NW 11 th Ave., Unit 714 Portland, OR 97209 508-709-1122	Michael Joseph FJMPF LLC 101 Lucas Valley Road, Suite 150 San Rafael, CA 94903	Octavio Lubrano Kalpana Lubrano OKTA Holdings, LLC 707 SW Washington Street, Portland, OR 97205
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Pennsylvania

Taymax Group PF Taymax HQ, LLC Tim Kelleher 5 Industrial Way, Suite 3B Salem, NH 03079	Milan Dalsania Airport Road Enterprises Inc. 6608 Carmel Drive Macungie, PA 18062	Chad Fitton Matthew Glance PFFG Ohio LLC 50 Nashua Rd., Suite 203 Londonderry, NH 03053
Keystone PF Acquisition LLC (Argonne) Frank Kindler 107 Saint Johns Church Rd. Caphill, PA 17011	Mark S. Rhodes Mookdog Fitness LLC 420 St David's Road Wayne, PA 19087	Ray "Trey" Owen III United PF LOM, LLC 9108 Zyle Road, Austin, TX 78737
Chad Fitton Matt Glance Marc Grondahl MCM ADA Two, LLC 1675 S. State Street, Suite B, Dover, DE 19901		

Rhode Island

Steve Eddleston KiwiMex Fitness, LLC 26 MacKenzie Lane, Wakefield, MA 01880		
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South Carolina

Alex Choquette Anchor Management Group, Inc. 14 Lafayette Road, Unit 9 North Hampton, NH 03862	Jane & John Craig Debra & Roger Amato Great Hills Fitness Georgia, LLC 5 Great Works Drive South Berwick, ME 03908	D. Michael Hicks 418 Ewing Drive Belmont, NC 28012 704-825-1381
Keystone PF Acquisition LLC (Argonne) Frank Kindler 107 Saint Johns Church Rd. Camphill, PA 17011	Brian Bobenage Lev Management LLC 9413 Wenlock Circle Charlotte, NC 28270	

Tennessee

Victor and Lynne Brick PF Growth Partners, LLC PFTN, LLC 212 W. Padonia Road, Timonium, MD 21093	John Clancy St. Louis ADA, LLC 128 Tulip Tree Court, Jupiter, FL 33458	Pat Augustine Meridian Enterprises, LLC 6000 Fairview Rd. Suite 1212 Charlotte, NC 28210
Richard & David Kueber PF Evansville, LLC PF Arkansas, LLC 445 East Market Street, Ste 310 Louisville, KY 40202	Taymax Group PF Taymax HQ, LLC Tim Kelleher 5 Industrial Way, Suite 3B Salem, NH 03079	

Texas

Segler Family Trust Robert Segler DMBLF Interests Ltd. 2204 Louisiana St., 2 nd Floor Houston, TX 77002	PF Houston LLC Scott Sanders Jon Evans 2620D South Shepard Dr.#558 Houston, TX 77098	Altamont Capital Partners Greg Attwood Michael Turner 1100 W. Anderson Lane Austin, TX 78757
Ray "Trey" Owen III United PF JLM, LLC 9108 Zyle Road, Austin, TX 78737	Brian Hooker John Hooker 4410 Nassau Drive Wichita Falls, TX 76308 940-781-7175	Taymax Acquisition Group, LLC PF Taymax HQ, LLC Tim Kelleher 5 Industrial Way, Suite 3B Salem, NH 03079

Utah

CM3 Holdings, LLC (Fitton, Glance, Murray, Grondahl) 50 Nashua Road, Suite 203 Londonderry, NH 03053		
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Virginia

Kevin Fagan CCMO PF Nova Holdings, LLC 7680 Stream Walk Lane Manassas, VA 07901 908-377-7097	Ken & Sharree Ryder VB Planet, LLC 4324 Holland Road Virginia Beach, VA 23452 703-447-9972	Bill Asbell Dignus Holdings, LLC Virginia Fitness LLC 2302 Colonial Ave. Suite F Roanoke, VA 24015
Eric Smith Brad Driver Jamie Mason Jacksonville Fitness LLC 210 Roosevelt Boulevard Havelock, NC 28532		

Washington

Milton Odum Christopher Odum 2003 Split Branch Court Houston, TX 77077 281-558-5458	Sandip "Sonny" Patidar SPPF, LLC 2839 West Kennewick Avenue, #520 Kennewick, WA 99336	Victor and Lynne Brick PF Growth Partners LLC PFWA, LLC 212 West Padonia Road Timonium, MD 21093
Thomas Bock Kevin Kelly John Williams JEG-FIT Arizona, LLC 2800 South Hampton Road, Philadelphia, PA 19154	Octavio Lubrano Kalpana Lubrano OKTA Holdings, LLC 707 SW Washington Street, Portland, OR 97205	Eric Sousa Thomas O'Connor PF East WA, LLC 110 Horizon Drive, Goffstown, NH 03045
Christopher Maddox Evolution Management, LLC 10760 W. Belfair Valley Road, Bremerton, WA 98312		

West Virginia

Ray "Trey" Owen III Sharon Lomasney United PF LOM, LLC 9108 Zyle Road, Austin, TX 78737	Chad Fitton Matthew Glance PFFG Ohio, LLC 50 Nashua Rd., Suite 203 Londonderry, NH 03053	Chad Fitton Matt Glance Marc Grondahl MCM ADA Two, LLC 1675 S. State Street, Suite B, Dover, DE 19901
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Wisconsin

Timothy Lennon Michael Dobrynio Black Duck 3, LLC PF of Southern Illinois, LLC 717 Eisenhower Drive, Suite D Kimberly, Wisconsin 54136		
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Wyoming

Dave Leon Planet Fitness - Montana, Inc. 141 West Campbell Road, Schenectady, NY 12306	Vincent Love Rocky Mountain PF, LLC 48 Woodmont Road, Montclair, NJ 07043	
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Canada

Bryan Rishforth PF Canada L.P. 1022 East Lancaster Avenue Bryn Mawr, PA 19010	ECP-PF: Canada, LLC Omar Simmons David Humphrey 35 Old Tavern Road, Ste 200 Orange, CT 06477	Taymax Group PF Canada Mgmt Services Inc Tim Kelleher 5 Industrial Way, Suite 3B Salem, NH 03079
Timothy Lennon Michael Dobrynio Black Duck 3, LLC Black Duck Canada, LP 446 N. Westhill Blvd., Ste 3 Appleton, WI 54914	Chris Klebba BCDI Impact Surrey, Ltd. BCDI Impact Canada, Ltd. 200 Clarendon Street Boston, MA 02116	

Dominican Republic

Rick and Kim Sciacca Glenn Dowler Av. Tiradentes #32 Esq. Gustavo Mejia Ricart, Ensanche Naco Santo Domingo, DR 10119		
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Puerto Rico

Rick and Kim Sciacca 555 Monserrate St. San Juan, PR 00907		
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CORPORATE LOCATIONS
(as of December 31, 2017)

Corporate Entity	Club Address	City	State/ Prov	Postal
PFCA, LLC	4055 MacArthur Boulevard	Oakland	CA	94619
PFCA, LLC	4925 MacDonald Avenue	Richmond	CA	94805
PF Vallejo, LLC	3505, #40 Sonoma Boulevard	Vallejo	CA	94590
Pla-Fit Colorado, LLC	9120 Wadsworth Parkway	Westminster	CO	80021
PFPA, LLC	900 S. Justison St	Wilmington	DE	19801
Pla-Fit Health, LLC	2201 Farrand Drive	Wilmington	DE	19808
Pla-Fit Health, LLC	125 Winter Street	Boston	MA	02108
JFZ, LLC	20 Arch Meadow Dr	Danvers	MA	01923
Pla-Fit Health, LLC	29 Traders Way	Salem	MA	01970
Pla-Fit Health, LLC	96 Daniel Webster Highway	Belmont	NH	03220
Pla-Fit Health, LLC	89 Fort Eddy Road	Concord	NH	03301
Pla-Fit Health, LLC	898 Central Avenue	Dover	NH	03820
Pla-Fit Health, LLC	54 Calef Highway (RT 125)	Lee	NH	03861
Pla-Fit Health, LLC	775 Lafayette Road	Portsmouth	NH	03801
JFZ, LLC	15 Freetown Rd	Raymond	NH	03077
Pla-Fit Health, LLC	306 North Main Street	Rochester	NH	03867
Pla-Fit Health, LLC	20 Portsmouth Ave	Stratham	NH	03885
PF Derry, LLC	55 Crystal Avenue, Suite 402	Derry	NH	03038
Pla-Fit Health, LLC	553 S. Mast Road, Suite B-113	Goffstown	NH	03045
JFZ, LLC	99 Eddy Road	Manchester West	NH	03102
JFZ, LLC	736 Huse Rd	Manchester	NH	03102
Pla-Fit Health, LLC	150 Coliseum Ave	Nashua	NH	03063
Pla-Fit Health, LLC	18 Northwest Blvd	Nashua	NH	03063
Bayonne Fitness Group, LLC	175 Avenue A, Bayview Shopping Ctr	Bayonne	NJ	07002
Edison Fitness Group, LLC	561 US Route 1	Edison	NJ	08817
601 Washington Street Fitness Group, LLC	601 Washington Street	Hoboken	NJ	07030
Bayshore Fitness Group, LLC	894 A Sunrise Highway	Bay Shore	NY	11706
Carle Place Fitness Group, LLC	200 Glen Cove Rd	Carle Place	NY	11514
Long Island Fitness Group, LLC	81 Middle Country Road	Centereach	NY	11720
Pla-Fit Health NJNY, LLC	50 Great Neck Road	Great Neck	NY	11021
1040 South Broadway Fitness Group, LLC	1040 South Broadway	Hicksville	NY	11801
Levittown Fitness Group, LLC	3025 Hempstead Tpk	Levittown	NY	11756
Melville Fitness Group, LLC	25 Ruland Road	Melville	NY	11747
Peekskill Fitness Group, LLC	1839 Main Street	Peekskill	NY	10566
Pla-Fit Health NJNY, LLC	160 Fairview Avenue	Hudson	NY	12534
Pla-Fit Health NJNY, LLC	810 Miron Lane	Kingston	NY	12401
Pla-Fit Health NJNY, LLC	22 Taconic Center Lane	Lagrange	NY	12540
Pla-Fit Health NJNY, LLC	30 Gibbs Court	Middletown	NY	10940
Pla-Fit Health NJNY, LLC	39 North Plank Road	Newburgh	NY	12550
Pla-Fit Health NJNY, LLC	22 US Highway 6	Port Jervis	NY	12771
Pla-Fit Health NJNY, LLC	3675 Albany Post Rd	Poughkeepsie	NY	12601
Pla-Fit Health NJNY, LLC	1572 Route 9	Wappingers Falls	NY	12590
Pla-Fit Canada, Inc.	227 Vodden Street East	Brampton	Ontario	L6V 1N2
Pla-Fit Canada, Inc.	1245 Dupont Street	Toronto	Ontario	M6H 2A6
PFPA, LLC	1248 Greensprings Drive	York	PA	17402
PFPA, LLC	781 Baltimore St	Hanover	PA	17331
PFPA, LLC	2130 White Street, Carlisle Commons	York	PA	17404
PFPA, LLC	1332 Hanover Ave	Allentown	PA	18109
PFPA, LLC	150 East Pennsylvania Ave	Downingtown	PA	19335
PFPA, LLC	Gateway Shopping Center Unit 21B	Kingston	PA	18704
PFPA, LLC	1531 Main Street	Peckville	PA	18452
PFPA, LLC	1850 South Township Blvd	Pittston	PA	18640
PFPA, LLC	1400 North Charlotte St (Route 663)	Pottstown	PA	19464
PFPA, LLC	1624 Nay Aug Avenue	Scranton	PA	18509
PF Warminster, LLC	860 West Street Road	Warminster	PA	18974
PF Erie, LLC	1950 Rotunda Drive	Erie	PA	16509
PF Greensburg, LLC	5280 Route 30 (E. Pittsburgh Street)	Greensburg	PA	15601
PFPA, LLC	1635 S. Braddock Ave	Pittsburgh	PA	15218
PFPA, LLC	3505 Mountain View Drive	West Mifflin	PA	15122
Pla-Fit Health, LLC	972 West Erie Plaza Dr	Erie	PA	16505
Pla-Fit Health, LLC	4510 Buffalo Road	Erie	PA	16510
Pla-Fit Health, LLC	282 Berlin Mall Rd	Berlin	VT	05602

LIST OF AREA DEVELOPMENT AGREEMENTS TERMINATED
(as of December 31, 2017)

British Columbia

Shawn Bishop, Dexter Lanigan Joe Bernatowicz Vancouver PF, LLC 125 East Elm Street Suite 300, Conshohocken, PA 19428		
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California

Matthew Moser Jennifer Moser Orange October, LLC 1901 California Street, Apt 3 San Francisco, CA 94109		
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Florida

William Lee & George Brumfield Lee Anderson Vantage Tallahassee, LLC PO Box 1380, Ocean Springs, MS 39566	Bonita Mancia PB Fitness Group, LLC 2200 Lakeside Drive Harveys Lake, PA 18618	
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Georgia

William Lee & George Brumfield Lee Anderson Vantage Tallahassee, LLC PO Box 1380, Ocean Springs, MS 39566	Jamie Mason Tri PF, LLC 4914 Kingston Pike, Knoxville, TN 37934	
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South Carolina

Alex Choquette Anchor Management Group, Inc. 14 Lafayette Road, Unit 9 North Hampton, NH 03862		
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Tennessee

Jamie Mason Tri PF, LLC 4914 Kingston Pike, Knoxville, TN 37934		
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Virginia

Jamie Mason Tri PF, LLC 4914 Kingston Pike, Knoxville, TN 37934		
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North Carolina

Jamie Mason Tri PF, LLC 4914 Kingston Pike, Knoxville, TN 37934	Gerald Kennedy GNT Management, LLC 313 Pearl Beaty Road, Belmont, NC 28012	Alex Choquette Anchor Management Group, Inc. 14 Lafayette Road, Unit 9 North Hampton, NH 03862
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LIST OF FRANCHISEES THAT LEFT THE SYSTEM
(as of December 31, 2017)

During the fiscal year, the following Planet Fitness Franchisees voluntarily sold their open locations and/or territorial rights, or ownership interest therein, to existing Franchisees and left the Planet Fitness system:

- Bob Morris; (315) 732-4171
- Brian Taggart; (917) 710-7952
- Craig Perkins; (860) 749-6443
- Denis Rondeau; (603) 772-1415
- Eugene and Kathleen Killeavy; (321) 446-5128
- Geoff Starr; (603) 828-4066
- Imad Farhat; (313) 333-0307
- Mark Prasalowicz; (610) 613-2873
- Mike Salzarulo; (860) 942-3384

During the fiscal year, the Planet Fitness Franchisees listed below were required to de-brand their Planet Fitness location and left the Planet Fitness system:

- Alvin Batista; (516) 835-1234

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

PLANET FITNESS®
EXHIBIT “J”
TO THE DISCLOSURE DOCUMENT
GENERAL RELEASE

FORM OF RELEASE AGREEMENT
(Subject to Change by Planet Fitness Franchising LLC)

GENERAL RELEASE – NEW BUSINESS

This General Release (“Release”) is made and entered into on this _____ day of _____, 20__ by the entities executing this Release as “Franchisees” on the signature pages hereto (collectively, the “Franchisees”), the entities executing this Release as “Area Developers” on the signature pages hereto (collectively, the “Area Developers”), and the individuals and entities executing this Release as “Owners” on the signature pages hereto (collectively, the “Owners”).

WHEREAS, Planet Fitness Franchising LLC (“Franchisor”) and Franchisees are parties to one or more existing Planet Fitness Franchise Agreements (the “Franchise Agreements”), each granting one of the Franchisees the right to operate a PLANET FITNESS business under Franchisor’s proprietary marks and system at a certain location;

WHEREAS, Franchisor and Developers (if any) are parties to one or more existing Planet Fitness Area Development Agreements (the “Development Agreements”, or together with the Franchise Agreements the “Prior Agreements”), each granting one of the Developers the right to develop a specified number of PLANET FITNESS businesses in a designated development area;

WHEREAS, Franchisees, Developers, or one of their affiliates wishes to obtain the grant from Franchisor of additional franchises or development rights (the “New Rights”); and

WHEREAS, Franchisor requires this general release from Franchisees, Developers, and the Owners, described above, as a condition for granting such rights.

NOW THEREFORE, in consideration of the New Rights and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Release. Franchisees, Developers, and the Owners, for themselves and their successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the “Releasers”), irrevocably and absolutely release and forever discharge Franchisor and its successors, predecessors, assigns, beneficiaries, executors, trustees, agents, representatives, employees, officers, directors, shareholders, partners, members, subsidiaries and affiliates (jointly and severally, the “Releasees”), of and from all claims, obligations, actions or causes of action (however denominated), whether in law or in equity, and whether known or unknown, present or contingent, for any injury, damage, or loss whatsoever arising from any acts or occurrences occurring as of or prior to the date of this Release relating to the Prior Agreements, the businesses operated under the Prior Agreements, and/or any other previously existing agreement between any of the Releasees and any of the Releasers, including but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules

or regulations, and any alleged violations of the Franchise Agreement or any other related agreement. The Releasors, and each of them, also covenant not to sue or otherwise bring a claim against any of the Releasees regarding any of the claims being released under this Release. This Release does not apply to the New Rights or any offer, grant or sale of franchise or development rights to Franchisees or Owners from this day forward.

2. Representations and Warranties. The Releasors hereby represent, warrant and covenant to the Franchisor that:
 - a. There are no claims, charges, lawsuits, or any similar matters of any kind filed by them or on their behalf or for their benefit presently pending against the Releasees, or any of them, in any forum whatsoever, including, without limitation, in any state or federal court, or before any federal, state, or local administrative agency, board, or governing body. The Releasors further represent and warrant that the Releasors have not heretofore assigned or transferred, or purported to assign or transfer, to any person, firm, corporation or entity any claim, charge, lawsuit, or any similar matter of any kind herein released.
 - b. As of the date of this Release, the Franchisees and Developers listed herein constitute each and every entity (i) in which any of the Releasors have an interest related to any agreement with Franchisor and (ii) that is party to an agreement with any of the Releasees. In the event that there is a breach of this representation and warranty by any of the Releasors, such entity shall be bound by the terms and conditions of Section 1 of this Release as if such entity were a party hereto and the Owners and such entity shall immediately execute a release in the same form as contained in Section 1 hereof on behalf of all such entities.
 - c. Each party whose signature is affixed hereto in a representative capacity represents and warrants that he or she is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf his or her signature is affixed. In the event that there is a breach of any representation or warranty of authority to execute this Release, the Releasors shall indemnify and hold harmless the Releasees from any and all loss or damage, including reasonable attorneys' fees, incurred as result of the breach of such representation and warranty.
3. Acknowledgement of Release of Unknown Claims. The Releasors hereby acknowledge that the release of claims set forth in Section 1 is intended to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasors against the Releasees. In making this voluntary express waiver, the Releasors acknowledge that claims or facts in addition to or different from those which are now known to exist may later be discovered and that it is the Releasors' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. Each of

the Releasors expressly acknowledge that they are familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing a release, which if known by him or her must have materially affected his or her settlement with the debtor.

Each of the Releasors hereby specifically and expressly waive all rights that they may have under Section 1542 of the California Civil Code or any similar provision of law in any other jurisdiction. This Release is and shall be and remain a full, complete and unconditional general release. The Releasors further acknowledge and agree that no violation of this Release shall void the releases set forth in this Release.

4. Voluntary Nature of Agreement. Releasors acknowledge and agree that they have entered into this Release voluntarily and without any coercion. Releasors further represent that they have had the opportunity to consult with an attorney of their own choice, that they have read the terms of this Release, and they fully understand and voluntarily accept the terms.
5. Governing Law and Jurisdiction. This Release will be construed and enforced in accordance with the law of the state of New Hampshire.

IN WITNESS WHEREOF, the parties hereto have executed this Release as of the date first above written.

FRANCHISEES:

[FRANCHISEE ENTITY]

By: _____
(Authorized Representative)

Name: _____

Title: _____

Dated: _____

DEVELOPERS:

[DEVELOPER ENTITY]

By: _____
(Authorized Representative)

Name: _____

Title: _____

Dated: _____

OWNERS:

[OWNER ENTITY]

By: _____
(Authorized Representative)

Name: _____

Title: _____

Dated: _____

Name: _____, Individually

Name: _____, Individually

PLANET FITNESS®
EXHIBIT “K”
TO THE DISCLOSURE DOCUMENT
POS Agreements



ABC Financial Services, Inc.
P.O. Box 6800
Sherwood AR 72124
abcfinancial.com

Stephanie Johnson
Executive Sr Vice President
pfsupport@abcfinancial.com

SOFTWARE • PAYMENT PROCESSING • MARKETING

Planet Fitness FULL Service Billing Proposal

ACH Bank Drafts

- \$ per transaction fee on EFT/ACH/Savings Account transactions
- ACH Return Fee - \$
- ACH Unauthorized Return Fee -

Credit Card Drafts

- \$ per attempted invoice
- Credit Card Chargeback Fee -
- Plus the following pass through charges when each attempted invoice is settled:
 - % merchant pass through fee for Visa/MasterCard and Discover
 - % merchant pass through fee for American Express
 - Plus a per transaction fee of \$ on Visa/MasterCard and Discover
 - \$ decline fee for any Club Account processed card transactions

Billing Deposits Mid-Month and End-of-Month

- Same Day Wire Fee \$ per deposit
- 24-Hour ACH Fee \$ per deposit
- Unlimited ACH Daily Billing Deposits - Flat Monthly Fee of \$

DataTrakSoftware/MICO/ABCDM/Storage

- \$ per month per location
 - Franchisee pays - \$ per month
 - PF Corporate pays - \$ per month
- ABCDM - Franchisee pays \$ per month per workstation in excess of 2
- STORAGE - \$ Cash Storage Fee

PCI Compliance Program - \$ per month per club

VeriFone Verishield End-to-End Encryption Service

- \$ per month per VeriFone MX terminal.**

POS Credit Card Transactions (Real-Time: Card Present & Card-On-File)

- Actual Costs passed through plus:
- \$ per Authorization Attempt
- \$ + % Settled Sales
- \$ per Monthly Service Fee
- \$ per Chargeback Fee
- \$ per Retrieval Fee
- \$ per Batch Fee
- \$ per T&E Transaction
- \$ per PIN Authorization
- \$ Annual Fee

Onsite Training - \$ per person, per day (applies only to clubs that did not migrate from either Visionary or Jonas Fitness, Inc. POS systems during the Planet Fitness system migration)

** This fee shall be charged only until such time as PF Corporate determines that ABC has developed an alternate solution that makes this service unnecessary.

Full Service Program

- Email - \$
- Text - \$ per text Inbound or Outbound
- Outbound Calls - \$
- Letter - \$ + postage
- Inbound Calls Answered by Agent - \$

**Pricing subject to change

Accepted By: _____

Group Number

Owners Signature

Date



ABC Financial Services, Inc.
P.O. Box 6800
Sherwood AR 72124
abcfinancial.com

Stephanie Johnson
Executive Sr Vice President
pfsupport@abcfinancial.com

SOFTWARE • PAYMENT PROCESSING • MARKETING

Planet Fitness FULL Service Billing Proposal

ACH Bank Drafts

- \$ per transaction fee on EFT/ACH/Savings Account transactions
- ACH Unauthorized Return Fee –

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- Plus the following pass through charges when each attempted invoice is settled:
 - % merchant pass through fee for Visa/MasterCard and Discover
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 - Plus a per transaction fee of \$ on Visa/MasterCard and Discover
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- \$ per Chargeback Fee
- \$ per Retrieval Fee
- \$ per Batch Fee
- \$ per T&E Transaction
- \$ per PIN Authorization
- \$ Annual Fee

Onsite Training - \$ per person, per day (applies only to clubs that did not migrate from either Visionary or Jonas Fitness, Inc. POS systems during the Planet Fitness system migration)

** This fee shall be charged only until such time as PF Corporate determines that ABC has developed an alternate solution that makes this service unnecessary.

Full Service Program

- Email - \$
- Text - \$ per text Inbound or Outbound
- Outbound Calls - \$
- Letter - \$ + postage
- Inbound Calls Answered by Agent - \$

**Pricing subject to change

Accepted By: _____

Group Number

Owners Signature

Date



ABC Club #	PF Group #	RCS Club #

Business Name (dba):	
Authorized Owner/Officer:	Title:

Street Address:		
City:	State:	Zip:
Phone:	Email Address:	

Business Name (legal):	
Federal Tax ID# (TIN or EIN):	Date of Incorporation:
Location of Incorporation:	Type of Business (ie S Corp., LLC, etc.):

BILLING SERVICES AGREEMENT ("Agreement")

This Agreement made on _____ day of _____, _____ by and between ABC Financial Services, Inc., an Arkansas corporation, (hereinafter "ABC") and _____ a/an _____ corporation (hereinafter "the Client"):

1. Merchant Account Set-up: Client hereby appoints ABC to act as its attorney-in-fact as follows: (i) to establish and maintain a credit card processing merchant agreement and an ACH processing agreement on Client's behalf with such credit card processor and ACH processor as ABC may designate and which have been approved by Pla-Fit Franchise LLC ("Franchisor") pursuant to Section 11.5 of the Amended and Restated Master Services Agreement between Franchisor and ABC dated January 1st, 2017 ("MSA") (ii) to receive sales data from Client and tender it to a credit card or ACH processor, for processing ("Periodic Payments"); and (iii) in connection with such merchant account and this Agreement, to execute any and all documents and take any and all other actions, on behalf of Client, that ABC deems necessary or appropriate without further authorization or consent of Client; provided, however, that ABC shall not enter into and has no authority to bind or commit Client to terms for the collection of Periodic Payments which are Inconsistent with the MSA and this Billing Services Agreement. In addition, ABC shall not enter into minimum term or minimum commitment arrangements in relation to Periodic Payments that would preclude Client from terminating such arrangements with or without cause and for no penalty. For purposes of this Agreement, the terms "Inconsistent" and "Inconsistency" as used in this Billing Services Agreement shall mean any term which (i) is not in agreement with, not compatible with or at variance with a term of the MSA and/or this Billing Services Agreement (ii) would add new or additional material obligations on Client, other than those specifically set forth in the MSA and this Billing Services Agreement; or (iii) would limit, remove or prevent Client from exercising a material right, remedy or benefit available to Client under the MSA and this Billing Services Agreement. ABC currently has credit card processing relationships with Litle & Company and Bank of America Merchant Services and ACH processing arrangements in place with Centennial Bank. ABC agrees to notify the Client of any additional processors that it may utilize in connection with the processing of the Client's credit card and ACH transactions. The services provided by ABC and its vendors under this Agreement are "Services" for purposes of the MSA and subject to the terms of the MSA. In particular, ABC shall ensure that its agreements with its processors require the processors to comply with the provisions of Sections 11, 17, and 18 of the MSA.

2. ABC agrees to bill, service and account for all acceptable membership agreements of the Client that have been delivered to ABC from time to time under this Agreement. Upon receipt of an acceptable membership agreement and such membership agreement becomes an active account, ABC will maintain appropriate account information during the time ABC is actively collecting the account on behalf of the Client. For purposes of this Agreement, an "acceptable membership" will satisfy the following minimum conditions: include the member's first and last name and billing information, have been approved by the Client via the queue process (if the client is using the approval queue), member's e-mail (if member sign-up is conducted online) and shall not be in default or past due.

3. The Client agrees to pay ABC for billing services consistent with the attached proposal. All ABC fees will be deducted and retained by ABC from the amount collected on behalf of the Client. The fees apply to all payments on active membership agreements under service by ABC, whether payments are made to ABC or directly to the Client. Fees may be disputed by Client in accordance with Section 4.

4. Billing cycles will occur twice per month. The 1st through the 15th shall represent one billing cycle, while the 16th through the end of the month shall represent the other billing cycle. Net receipts for each billing cycle will be remitted to the Client by the 5th business day following the cycle cutoff. ABC will not be responsible for delay in remittance due to weekends, holidays or other conditions beyond the reasonable control of ABC. Net receipts are equal to the total membership agreement payments less the sum of the following: (I) reversals, charge backs, refunds or other credits against payments collected; (II) the billing fee set forth in paragraph 3; (III) any credit for payments made directly to the Client; (V) amounts owing to Franchisor; and (IV) any service or late charge, cancellation fee, or other charge or amount due from Client to ABC pursuant to this Agreement, or any other agreement between Client and ABC or any policy established by ABC from time to time. Client may also request an early deposit of Available Collected Funds any business day of the month. Available Collected funds shall mean the amount of funds actually collected and received by ABC from members on behalf of Client pursuant to membership agreements, or any other agreement serviced by ABC under this Billing Service Agreement, net of ABC's projected billing fees and applicable administrative fees for such early deposit and net of projected charge backs and refunds. ABC will use its reasonable best efforts to post Available Collected Funds to Client's account one business day after their actual receipt. No later than end of month, ABC will provide Client with a reconciliation statement setting for in reasonable detail the gross total membership agreement payments and the amount of and nature of any deductions from such gross amount ("Reconciliation Statement"). Client may dispute in good faith any deduction from the membership agreement payments by notifying ABC in writing and describing, in reasonable detail, the basis for such dispute. Client and ABC shall diligently pursue an expedited resolution of such dispute. If Client fails to dispute a Reconciliation Statement within ninety (90) days of receipt it shall be deemed to have waived its right to dispute the Reconciliation Statement.

BILLING SERVICES AGREEMENT continued page 2

5. Only current membership agreements will be acceptable membership agreements under this Agreement. If, in the sole discretion of ABC, a past due account becomes uncollectible, the Client will be responsible for further collection of said account and ABC shall be released from any further responsibility with respect to such membership agreement.
6. The Client may cancel the membership agreement of any member, and such membership agreement will be removed from the active list and the Client will be notified. Cancellations will not be accepted from individual members, only from the Client itself, unless prior authorization is received from Client.
7. Either party may cancel this Agreement by giving the other party ninety (90) days written notice. In addition, if the Client is not in default with respect to any obligations it owes to ABC or its affiliates under this or any other Agreement, it may unilaterally convert the service provide by ABC from "Full Service" to "Processing Plus" by providing at least thirty (30) days prior written notice to ABC. ABC shall provide such "Processing Plus" service for the cost and with the benefits generally applicable to customers of comparable size as the Client.
8. The Client shall pay any and all federal, state or local excise, sales or use taxes or similar taxes imposed in respect to all membership agreements serviced by ABC for the Client under this Agreement, or the services involved with respect to such membership agreements ("Taxes"), and complete and file all required tax reports related thereto, all in a timely manner, and hereby agrees to indemnify and hold ABC, its officers, directors, shareholders and employees harmless from any loss, including attorneys' fees, resulting from its failure to do so.
9. If ABC is required to withhold or pay any of the foregoing said Taxes, or if the Client ever becomes liable to ABC for any sums or losses, the amount so paid by ABC for said Taxes and any sums expended or losses incurred by ABC for which the Client is responsible to indemnify ABC, will be deducted from all money collected, held or controlled by ABC under any existing agreements between ABC and the Client, including, but not limited to, this Agreement and any billing and/or collection agreements, and further including, but not limited to, any such money held in any account or accounts of the Client held or set up by ABC related to same, as well as from any collections and/or funds held or controlled by ABC for the benefit of the Client related to same. In the event the amounts are not satisfied, any remaining amounts owed will be due and payable to ABC by the Client within three (3) of receipt of ABC's written notice of the claim and request for payment to the Client by ABC.

This Agreement made on _____ day of _____, _____, by and between ABC Financial Services, Inc., an Arkansas corporation, (hereinafter "ABC") and _____ a/an _____ corporation (hereinafter "the Client"):

10. The Client hereby agrees to indemnify, defend and hold ABC, its officers, directors, shareholders, agents, contractors and employees harmless from any liability, claim, loss and expense, including attorneys' fees, resulting from its failure to perform its obligations in this Agreement or from its actions or omissions in connection with the operation of its club facilities, including, without limit, the failure to comply with any applicable federal, state or local laws, rules, regulations or ordinances. ABC shall defend, indemnify and hold Client, its affiliates, clients and their respective officers, directors, shareholders, members, managers, partners, legal representatives, successors and assigns (the "Client Group") harmless of, from and against any and all claims, losses, demands, damages, actions, suits, liabilities, fines, penalties, settlements and expenses, including attorneys' fees and litigation costs (collectively "Claims"), whether direct or indirect, incidental, consequential, or otherwise, arising out of or relating to: (a) any claim of violation of any federal "no call" list or the Telephone Consumer Protection Act or failure to comply with any other applicable federal laws, rules or regulations or any state or local laws, rules, regulations or ordinances, (b) ABC's breach, default or failure to comply with any terms of this Agreement, or any other agreement between ABC and Client, and (c) ABC's negligence or intentional misconduct but excluding any liability for Claims arising out of or caused solely by the Client Group's own breach of the Agreement or any applicable law or its own negligence or intentional misconduct. Client agrees that if it becomes aware of any potential violation of any applicable law by ABC, it shall promptly notify ABC in writing. The foregoing provision shall not obligate Client to conduct any affirmative research into ABC's compliance with such laws but only to notify ABC of non-compliance of which hit becomes aware in the ordinary conduct of its business.

11. This Agreement shall be governed by the laws of the state of New Hampshire. Any litigation brought hereunder shall be brought only in a state or federal court of general jurisdiction in Pulaski County, Arkansas.

12. By executing this Agreement, the undersigned agrees to be bound by the Addendum to Billing Services Agreement attached hereto and incorporated herein by this reference.

Executed this _____ day of _____, _____

Stephanie Johnson
(Printed Name)

X _____
(Printed Name)

X _____
(Signature)

X _____
(Signature)

ABC Financial Services, Inc.
PO Box 6800, N Little Rock, AR 72124
800-622-6290/501-515-5000

Corporation Owner or Agent

ADDENDUM TO BILLING SERVICES AGREEMENT

WHEREAS, ABC and Client entered into a Billing Services Agreement as of an even date herewith (the "BSA"); and

WHEREAS, ABC has entered into an Agreement with American Express® ("AMEX") governing acceptance of the American Express® cards ("AMEX Agreement") which obligates it to obtain Client's agreement to abide by certain rules and regulations promulgated by AMEX;

WHEREAS, the Client will receive substantial benefit and gain as a result of its members being able to make payments for Client services via their AMEX card and therefore is willing to be bound by the AMEX rules and regulations as described herein.

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the following provisions shall be incorporated into the BSA as if first stated therein:

1. All chapter references and all capitalized terms not otherwise defined herein shall have the meaning given to them in the American Express Merchant Regulations - U.S., April 2014 (the "Regulations"), as amended, to which ABC represents that it has access. General information about AMEX policies and procedures is available in the American Express® Reference Guide which can be found at https://www209.americanexpress.com/merchant/services/en_US/merchant-regulations.

2. The Client agrees to be bound by the following requirements and provisions:

- a. To display AMEX's Marks and otherwise honor the Card in accordance with chapter 3, "Card acceptance."
- b. Allow ABC to take such actions as are necessary to comply with chapter 4, "transaction processing," chapter 5, "authorization," chapter 6, "submission," chapter 8, "protecting Cardmember information," chapter 11, "inquiries and chargebacks."
- c. Allow ABC to implement the industry-specific requirements of chapter 12, "specific industries," as applicable to the Sponsored Merchant.
- d. Client will not process Transactions or receive payments on behalf of, or (unless required by law) re-directing payments to any other party.
- e. ABC is authorized to share data with American Express® from Transactions submitted through the Payment Services.
- f. American Express may include Client's name, address (including your website addresses or URLs), customer service telephone numbers, and/or industry classification in lists of Merchants that accept the Card. We may publish or publicly disclose that information from time to time.
- g. Client's refund policies for purchases on the Card must be at least as favorable as its refund policy for purchase on any Other Payment Product and the refund policy be disclosed to Cardmembers at the time of purchase and in compliance with Applicable Law.
- h. Client may not bill or collect from any Cardmember for any purchase or payment on the Card unless Chargeback has been exercised, the Client has fully paid for such Charge, and it otherwise has the right to do so.
- i. Client agrees to abide by the limitation on American Express'® liability set forth in the Agreement.
- j. The Client is not a third-party beneficiary under the Agreement.
- k. Client agrees to comply with all Applicable Laws, rules and regulations relating to the conduct of the Client's business.
- l. ABC may terminate ABC's provision of Payment Services to the Client when required by American Express® in accordance with the provisions of chapter 13.
- m. Client agrees to remove American Express'® Marks from its Website and wherever else they are displayed upon termination of the Sponsored Merchant Agreement or a Sponsored Merchant's participation in ABC's Payment Services.
- n. Client agrees to accept Cards in accordance with the terms of the Sponsored Merchant Agreement and these basic provisions.
- o. (1) ABC may disclose Transaction Data, Merchant data, and other information about the Sponsored Merchant to American Express® and its Affiliates, agents, subcontractors, and employees, and (2) American Express® and its Affiliates, agents, subcontractors, and employees may use such information to perform under the Agreement, operate and promote the Network, perform analytics and create reports, and for any other lawful business purpose, including as described in section 2.4, "merchant information".
- p. American Express® is a third party beneficiary under this Agreement and shall be entitled to all beneficiary rights, but not obligations, under the Sponsored Merchant Agreement that will fully provide American Express® with the ability to enforce the terms of the Sponsored Merchant Agreement against the Sponsored Merchant.
- q. Client shall display American Express'® Marks and otherwise honor the Card in accordance with chapter 3, "Card acceptance". Specifically, and without limitation, the Client agrees to the following:

- i. Clients must accept the Card as payment for goods and services (other than those goods and services prohibited under section 3.3, "prohibited uses of the Card") sold, or (if applicable) for charitable contributions made at all Establishments, except as expressly permitted by applicable state statute. Clients are jointly and severally liable for the obligations of their Establishments under the Agreement.
 - ii. Except as expressly permitted by Applicable Law, Client must not:
 1. indicate or imply that Client prefers, directly or indirectly, any Other Payment Products over AMEX's Card,
 2. try to dissuade Cardmembers from using the Card,
 3. criticize or mischaracterize the Card or any of our services or programs,
 4. try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by check),
 5. impose any restrictions, conditions, disadvantages or fees when the Card is accepted that are not imposed equally on all Other Payment Products, except for electronic funds transfer, or cash and check,
 6. suggest or require Cardmembers to waive their right to dispute any Transaction,
 7. engage in activities that harm our business or the American Express ® Brand (or both),
 8. promote any Other Payment Products (except Client's own private label card that Client issues for use solely at its Establishments) more actively than Client promotes the AMEX Card, or
 9. convert the currency of the original sale Transaction to another currency when requesting Authorization or submitting Transactions (or both).
 - iii. Client may offer discounts or in-kind incentives from Client's regular prices for payments in cash, ACH funds transfer, check, debit card or credit/charge card, provided that (to the extent required by Applicable Law): (i) Client clearly and conspicuously discloses the terms of the discount or in-kind incentive to its customers, (ii) the discount or in-kind incentive is offered to all of Client's prospective customers, and (iii) the discount or in-kind incentive does not differentiate on the basis of the issuer or, except as expressly permitted by applicable state statute, payment card network (e.g., Visa, MasterCard, Discover, JCB, American Express ®). The offering of discounts or in-kind incentives in compliance with the terms of this paragraph will not constitute a violation of the provisions set forth above in section 3.2 of the Regulations, "treatment of the American Express ® Brand".
 - iv. Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, Client must indicate its acceptance of the Card and display the AMEX Marks according to AMEX guidelines and as prominently and in the same manner as any Other Payment Products.
 - v. Client must not use the AMEX Marks in any way that injures or diminishes the goodwill associated with the Mark, nor in any other way (without AMEX's prior written consent) indicate that AMEX endorses the Client's goods or services. The Client shall only use the AMEX Marks as permitted by the Agreement and shall cease using the AMEX Marks upon termination of the Agreement.
 - vi. Any and all Cardmember Information is confidential and the sole property of the Issuer, American Express ® or its Affiliates. Except as otherwise specified, Client must not disclose Cardmember Information, nor use nor store it, other than to facilitate Transactions at Client's Establishments in accordance with the Agreement.
- r. Client further agrees to be bound by the following arbitration agreement.

Arbitration Agreement (as to Claims Involving American Express) (U.S.)

In the event that Client or ABC is not able to resolve a Claim against American Express ®, or a claim against ABC or any other entity that American Express ® has a right to join, this section explains how Claims may be resolved through arbitration. Client or American Express ® may elect to resolve any Claim by binding individual arbitration. Claims will be decided by a neutral arbitrator. If arbitration is elected by any party, neither Client nor ABC nor American Express ® will have the right to litigate or have a jury trial on that Claim in court. Further, Client, ABC and American Express ® will not have the right to participate in a class action or in a representative capacity or in a group of persons alleged to be similarly situated pertaining to any Claim subject to arbitration under this Agreement. Arbitration procedures are generally simpler than the rules in court. An arbitrator's decisions are final and binding, and the arbitrator's final decision on a Claim generally is enforceable as a court order with very limited review by a court. Other rights Client, ABC, or American Express ® would have in court may also not be available in arbitration.

A. **Initiation of Arbitration.** Claims may be referred to either JAMS or AAA, as selected by the party electing arbitration. Claims will be resolved pursuant to this Arbitration Agreement and the selected organization's rules in effect when the Claim is filed, except where those rules conflict with this Agreement. Contact JAMS or AAA to begin an arbitration or for other information. Claims may be referred to another arbitration organization if all parties agree in writing, if American Express ® selects the organization and Client selects the other within 30 days thereafter or if an arbitrator is appointed pursuant to section 5 of the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (FAA). Any arbitration hearing will take place in the federal judicial district where Client's headquarters is located or New York, NY, at Client's election.

B. Limitations on Arbitration. If any party elects to resolve a Claim by arbitration, that Claim will be arbitrated on an individual basis. No Claim is to be arbitrated on a class or purported representative basis or on behalf of the general public or other persons allegedly similarly situated. The arbitrator's authority is limited to Claims between Client, ABC, and American Express ®. An arbitration award and any judgment confirming it will apply only to the specific case brought by Client, ABC or American Express ® and cannot be used in any other case except to enforce the award as between Client, ABC and American Express ®. This prohibition is intended to, and does, preclude Client from participating in any action by any trade association or other organization against American Express ®. Notwithstanding any other provision in this Agreement, if any portion of these Limitations on Arbitration is found invalid or unenforceable, then the entire Arbitration Agreement (other than this sentence) will not apply, except that Client, ABC, and American Express ® do not waive the right to appeal that decision.

C. Previously Filed Claims/No Waiver. Client, ABC, or American Express ® may elect to arbitrate any Claim that has been filed in court at any time before trial has begun or final judgment has been entered on the Claim. Client, ABC, or American Express ® may choose to delay enforcing or to not exercise rights under this Arbitration Agreement, including the right to elect to arbitrate a claim, without waiving the right to exercise or enforce those rights on any other occasion. For the avoidance of any confusion, and not to limit its scope, this section applies to any class-action lawsuit relating to the "Honor All Cards," "non-discrimination," or "no steering" provisions of the American Express ® Merchant Regulations, or any similar provisions of any prior American Express ® Card acceptance agreement, that was filed against American Express ® prior to the Effective Date of the Agreement to the extent that such claims are not already subject to arbitration pursuant to a prior agreement between Client and American Express ®.

D. Arbitrator's Authority. The arbitrator will have the power and authority to award any relief that would have been available in court and that is authorized under this Agreement. The arbitrator has no power or authority to alter the Agreement or any of its separate provisions, including this arbitration agreement.

E. Split Proceedings for Equitable Relief. Client, ABC, or American Express ® may seek equitable relief in aid of arbitration prior to arbitration on the merits if necessary to preserve the status quo pending completion of the arbitration. This section shall be enforced by any court of competent jurisdiction, and the party seeking enforcement is entitled to seek an award of reasonable attorneys' fees and costs to be paid by the party against whom enforcement is ordered.

F. Small Claims. American Express ® will not elect arbitration for any Claim Client properly files in a small claims court so long as the Claim seeks individual relief only and is pending only in that court.

G. Governing Law/Arbitration Procedures/Entry of Judgment. This Arbitration Agreement is made pursuant to a transaction involving interstate commerce and is governed by the FAA. The arbitrator shall apply New York law and applicable statutes of limitations and honor claims of privilege recognized by law. The arbitrator shall apply the rules of the arbitration organization selected, as applicable to matters relating to evidence and discovery, not federal or any state rules of procedure or evidence, provided that any party may ask the arbitrator to expand discovery by making a written request, to which the other parties will have 15 days to respond before the arbitrator rules on the request. If Client's Claim is for \$10,000 or less, Client may choose whether the arbitration will be conducted solely based on documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing under the rules of the selected arbitration organization. At the timely request of a party, the arbitrator will provide a written opinion explaining his/her award. The arbitrator's decision will be final and binding, except for any rights of appeal provided by the FAA. Judgment on an award rendered by the arbitrator may be entered in any state or federal court in the federal judicial district where Client's headquarters or Client's assets are located. viii. Confidentiality. The arbitration proceeding and all information submitted, relating to or presented in connection with or during the proceeding, shall be deemed confidential information not to be disclosed to any person not a party to the arbitration. All communications, whether written or oral, made in the course of or in connection with the Claim and its resolution, by or on behalf of any party or by the arbitrator or a mediator, including any arbitration award or judgment related thereto, are confidential and inadmissible for any purpose, including impeachment or estoppel, in any other litigation or proceeding; provided, however, that evidence shall not be rendered inadmissible or non-discoverable solely as a result of its use in the arbitration.

H. Costs of Arbitration Proceedings. Client will be responsible for paying Client's share of any arbitration fees (including filing, administrative, hearing or other fees), but only up to the amount of the filing fees Client would have incurred if Client had brought a claim in court. American Express ® will be responsible for any additional arbitration fees. At Client's written request, American Express ® will consider in good faith making a temporary advance of Client's share of any arbitration fees, or paying for the reasonable fees of an expert appointed by the arbitrator for good cause. x. Additional Arbitration Awards. If the arbitrator rules in Client's favor against American Express ® for an amount greater than any final settlement offer American Express ® made before arbitration, the arbitrator's award will include: (1) any money to which Client is entitled as determined by the arbitrator, but in no case less than \$5,000; and (2) any reasonable attorneys' fees, costs and expert and other witness fees incurred by Client.

I. Definitions. For purposes of this section, appendix a.4, "Arbitration Agreement (as to Claims involving American Express ®) (U.S.)" only, (i) American Express ® includes its Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables, and all agents, directors, and representatives of any of the foregoing, (ii) Client includes Client's Affiliates, licensees, predecessors, successors, or assigns, any purchasers of any receivables and all agents, directors, and representatives of any of the foregoing, and (iii) Claim means any allegation of an entitlement to relief, whether damages, injunctive or any other form of relief, against American Express ® or against ABC or any other entity that American Express ® has the right to join, including, a transaction using an American Express ® product or network or regarding an American Express ® policy or procedure.

Except as specifically stated in this Addendum, the Billing Services Agreement shall remain in full force and effect.

Merchant Business Name: Planet Fitness

Interchange Plan: **Cost Plus**

MID (last 6): _____ Date: _____

Summary of Fees

Rate filled in below must reflect true quoted rate

Processing Fees	Visa	bp + \$	per tran	MC	bp + \$	per tran	AXP	bp + \$	per tran	Discover	bp + \$	per tran
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One Time Fees Application Fee: Agent collect TriSource collect \$ _____ Gateway Set-up Fee or Wireless Set-up Fee \$ _____

Other One Time Fees \$ _____

Other Recurring Fees

Visa/MC/Disc/AXP Fees	Rates	Trans Fees	Address Verification Fee (AVS)	Per Retrieval Request Fee
Program Pricing	Pass Through	Pass Through	Per Batch Fee	Monthly Tranzlogic Fee <input type="checkbox"/> Pro or <input type="checkbox"/> Standard
Dues/Assessments Fees	Pass Through	Pass Through	Monthly Discover Access Fee	Monthly Wireless Fee (per activation)
PIN Debit Interchange Plus (per trans)	_____ bp + \$		Enhanced Chargeback System Fee	PIN Debit/EBT Per Authorization Fee
PIN Debit Flat Rate (per trans)			Monthly Gateway Fee	Visa/MC/Discover/AXP Per Authorization Fee
Customer Service Fee			Gateway Transaction Fee	Voice Per Authorization Fee
Monthly Minimum Visa/MC/Discover/AXP Fee			Internet Access Fee	ARU/Touchtone Per Authorization Fee
PIN Debit Monthly Access Fee			Monthly PCI Fee (PCI vendor with breach protection)	Other
Per Chargeback Fee			PCI Management Fee	
Annual Fee			Regulatory Fee <input type="checkbox"/> Annual or <input type="checkbox"/> Monthly	

Special Fee Conditions / Notes:

No SSL Authorization Surcharge; No Minimum Monthly Fee or Cancellation Fee; MidChain 219891 combined ACH required; AMEX DIRECT

Fees Disclosures

Program Pricing

Visit the following links for a breakdown of Interchange Rates and Fees charged by Visa®, MasterCard®, Discover Network® and American Express®:

Visa: <http://usa.visa.com/merchants/merchant-support/interchange-reimbursement-fees.jsp>

MasterCard: <http://www.mastercard.us/merchants/interchange.html>

Discover: <http://www.discovernetwork.com/merchants/FAQ/merchants-faq.html>

AXP: <http://www.americanexpress.com/merchanttopguide>

Dues & Assessments

Visa® Assessments are calculated at 13bp. MasterCard® transactions are calculated at 12bp and transactions equal to or greater than \$1,000 will be calculated at 14bp. Discover Network® transactions are calculated at 13bp. *Card network dues and assessments are subject to periodic adjustments.*

Processing Fees

These fees are assessed by TriSource Solutions against each Visa, MasterCard, Discover and AXP transaction and are calculated as a percentage of the transaction amount and/or transaction fee against each item.

Visa/MasterCard/Discover/AXP Card Brand Fees

Other fee categories charged by Visa, MasterCard, Discover and/or American Express, which include but are not limited to:

APF Credit (Visa Acquirer Processing Credit Fee) per Auth	\$0.0195
APF Debit (Visa Acquirer Processing Debit Fee) per Auth	\$0.0155
Visa File Transfer	\$0.0018
Misuse auth system (Visa or MasterCard Misuse of Authorization Fee) per Auth	\$0.09
Floor Limit Rate (Visa Floor Limit Fee) per Auth	\$0.20
Trans Integrity fee (Visa Debit Integrity Fee) per Auth	\$0.10
NABU (MasterCard Network Access & Brand Usage Fee) per Auth	\$0.0195
Status Inq Svc (MasterCard Status Inquiry Service Fee) per Auth	\$0.025
CVC2 (MasterCard CVC2 fee per transactions that are acquired in the US region)	\$0.0025
DEF (MasterCard Digital Enablement Fee)	0.01%
DUC (Discover Data Usage Charge) per Trans	\$0.02

DNAF (Discover Network Authorization Fee) per Auth	\$0.0025
Network Fee (Applies to Gross AXP Card Volume)	0.15%
Card-Not-Present Fee (Applies to Gross AXP Card-Not-Present Volume)	0.30%
Data Quality Fee (Applies to all AXP transactions that do not meet quality standards)	0.75%

Visa/MasterCard/Discover/AXP International Fees

IAF (Visa International Acquirer Fee)	0.45%
IAF (Visa International Acquirer Fee—higher risk merchant categories)	0.90%
ISA (Visa International Service Assessment Fee)	0.80%
Gross Border/Acq Sup (MasterCard Cross Border/Acquirer Support Fee)	1.45%
IPF/ISF (Discover International Processing/Service Fee)	0.50%/0.80%
Inbound Fee (AXP International Assessment Fee)	0.40%

Other Fees

Transaction Reversals	\$0.00 per transaction
Software/Gateway /Unsupported Terminals	\$0.00
Visa Fixed Acquirer Network Fee (FANF)	Variable (dependent on classifications)
Dispute Resolution Fee	\$25.00 per dispute
Merchant Link Authorization surcharge	\$0.06
Research Fee	Variable (\$0.00–\$0.00/hour)
Per ACH Reject Fee	\$0.00
3rd Party Help Desk Calls PDS Terminal Merchants	\$0.00
MasterCard Service Provider Fee	Variable
PCI Non Compliance Fee	\$0.00
Pen Testing Fee	Variable (when applicable)
Annual Merchant Location Fee	\$15.00

Authorized Merchant Signature

Name: _____ Title: _____ Date: _____

Merchant Agreement



7707 Forsyth Blvd • St. Louis, MO 63105
Phone (314) 746-4697

Agent Code 363	MCC 7997	Date
Provide any existing MIDs on TSS	TID #	MID #
Legal Business Name (Required)		
Merchant Name (DBA)		
Federal Tax ID # (Required)	Taxable State (Required)	
Legal Business Address		
City	State	Zip
Phone #	Fax #	
Mailing Address (if different than Legal Business Address)		
City	State	Zip
Phone #	Fax #	
Location Address		
City	State	Zip
Phone #	Fax #	
Web address (list all URLs used; attach separate sheet if necessary)		
Email address (Required)	Delivery method of month-end Merchant Statement <input type="checkbox"/> Letter <input checked="" type="checkbox"/> Email	

Special Fee Conditions See Section 3.14 of the terms & conditions for a full description of fees.

No SSL Authorization Surcharge; No Minimum Monthly Fee or Cancellation Fee; AMEX DIRECT; Combined ACH required; MidChain 219891

Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. *What this means for you:* When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Merchant Acceptance/Bank Disclosure

Each person signing below 1) agrees that they have received a copy of the terms and conditions [T & C pages 1-7] associated with this agreement, 2) agrees to all such terms and conditions, 3) agrees that all information provided on this agreement is true, correct, and complete, 4) agrees that they have the legal power and authority to execute this agreement, 5) authorizes the Acquirer to investigate, either through its own agents or through credit bureaus, all information provided in this agreement and on the individual(s) signing this agreement, 6) agrees that Acquirer may give information to others, including creditors and credit reporting agencies, concerning the Acquirer experience with merchant, and that 7) Acquirer may request additional information as needed.

Member Bank (Acquirer) Information: Central Bank of St. Louis, 7707 Forsyth Blvd, St. Louis, MO 63105 • Phone (314) 746-4697.

Important Acquirer Responsibilities

1. Central Bank is the only entity approved to extend acceptance of the Payment Card Brands products directly to a Merchant.
2. Central Bank is responsible for educating Merchants on pertinent Payment Card Brands Operating Regulations with which Merchants must comply.
3. Central Bank, not the ISO, must hold, administer and control all reserve funds derived from settlement.
4. Central Bank, not the ISO, must hold, administer and control settlement funds for the Merchant.
5. Central Bank must be a principal (signer) to the Merchant Agreement.

Important Merchant Responsibilities

1. Complying with cardholder data security and storage requirements.
2. Maintaining fraud and chargebacks below established thresholds.
3. Reviewing and understanding the Merchant Agreement.
4. Complying with the Payment Card Brands operating regulations.

The responsibilities listed above do not supersede terms of the Merchant Agreement including the terms and conditions which are provided to ensure the Merchant understands some important obligations of each party and that the Payment Card Brands Member—Central Bank of St. Louis—is the ultimate authority should the Merchant have any problems.

X	Signature of Owner, Authorized Officer #1	Print name	Title	Date
X	Signature of Owner, Authorized Officer #2	Print name	Title	Date
X	Signature of TriSource Solutions Authorized Officer	Print name	Title	Date
X	Signature of Acquirer Authorized Officer	Print name	Title	Date



Merchant Information

Have you been placed on the Combined Terminated Merchant File? Yes No

Product/Service offered (restaurant, clothing, auto, etc) Health and Fitness

Merchant Business Structure

C-Corp (Privately owned), State of Inc. _____ S-Corp (Privately owned) Partnership (Privately owned) Sole Proprietor LLC Not for Profit
 C-Corp (Publicly owned), State of Inc. _____ S-Corp (Publicly owned) Partnership (Publicly owned) Government Agency

Stock symbol, if the merchant is a publicly held company _____

Length of time in business? Years _____ Months _____ Length of time legal entity in business? Years _____ Months _____

Name of previous Visa/MC/Discover®/American Express® processor or bank (attach 3 current months processor statements):

Startup

Processing Volume (for internal use only) Monthly Daily Average Ticket \$ _____ Maximum Ticket \$ _____

Monthly Visa/MasterCard/Discover Volume \$ _____ Monthly American Express Volume \$ _____

Peak Season Visa/MasterCard/Discover/American Express Volume \$ _____

Method of Acceptance (totals must equal 100%) Swiped _____ % Imprinted _____ % MO/TO _____ % Internet _____ %

Principal Individual #1 _____ % of ownership

Last name _____ First name _____ MI _____ Title _____
Residence address _____ City _____ State _____ Zip _____
Residence phone _____ Social Security # (Required) _____ Date of Birth _____ Driver's license # _____ State _____

Principal Individual #2 _____ % of ownership

Last name _____ First name _____ MI _____ Title _____
Residence address _____ City _____ State _____ Zip _____
Residence phone _____ Social Security # (Required) _____ Date of Birth _____ Driver's license # _____ State _____

Trade References

1) Name/Contact _____ Phone _____
2) Name/Contact _____ Phone _____

Terminal Information

Global TSYS Retail Restaurant (no tip) Restaurant/Retail Tips (no auto close)

Terminal type _____ Dial IP Printer/Pinpad type _____

Software/Gateway (payment application name) Virtual Shopping Cart ABC Financial Version _____

Merchant Site Survey Report (To be completed by Independent Agent)

Merchant location: Store front Office building Warehouse Residence Other _____

Merchant: Owns Leases building premises Landlord name _____ Landlord phone # _____

Yes No Yes No
 Merchant appears to be conducting business as represented in this agreement. Have you taken pictures inside and outside of the premises?
 Merchant is adequately staffed and stocked to do business. Have you confirmed the identity of the person who signed the contract?
 Merchant has posted any business license(s) required to do business. Have you confirmed the signor as owner/principal of the business?

Comments Merchant Needs 2 Software TIDs

I hereby verify that I have physically inspected the business premises at this address.
 I also verify that all information submitted in this agreement is correct to the best of my knowledge and belief.

Inspected by / Sales Rep (print) _____ Agent # _____

X _____
Signature Date

Electronic Debit/Credit Authorization

Merchant hereby authorizes Bank, or third party in accordance with this agreement, to initiate debit/credit entries to Merchant's deposit account, as indicated below. This authority is to remain in full force and effect until (a) Bank has received written notification from Merchant of its termination, in such a manner as to afford Bank reasonable opportunity to act on it and (b) all obligations of Merchant to Bank that have arisen under this Agreement have been paid in full. This authorization extends, but is not limited, to such entries to this account which concern discount fees, transaction fees, chargebacks, penalties, service fees, return items fees, lease, rental and purchase charges involving Point-of-Sale ("POS") and credit card imprint equipment.

A voided check from this account must be attached.

Bank name _____ Name on account _____
Address _____ City _____ State _____ Zip _____
Routing # _____ Account # _____ Phone # _____

You have the option of accepting Visa credit cards, MasterCard credit cards, Discover cards, American Express Cards, credit cards issued by MasterCard signature debit cards (MasterMoney Cards) or Visa signature debit cards (Check Cards). You may elect to accept any or all of these card types for payment. If you do not specifically indicate otherwise, your agreement will be processed to accept ALL Visa, MasterCard, Discover and AXP Card types.

Indicate Visa, MasterCard, Discover, AXP Card or PayPal types NOT to accept: PayPal

By checking this box, Merchant opts out of receiving future commercial marketing communications from American Express.

MO/TO, Internet Questionnaire (Complete this section only if credit card processing is more than 25% MO/TO, Internet)

What % of sales are to: Business consumer _____ % Individual consumer _____ %

Describe your refund policy in detail (attach sheet if necessary): _____

Method of marketing: Newspaper/Magazine TV/Radio Internet Direct mail, brochure and/or catalog Outbound telemarketing sales

Percentage of products sold via: Phone orders _____ % Mail/Fax orders _____ % Internet orders _____ % Other _____ %

Who processes the order? Merchant Fulfillment center Consumer Other N/A

Who enters credit card information into the processing system? Merchant Fulfillment center Consumer Other

If credit card information is taken over the internet, is payment system encrypted by SSL or better? Yes No

If the Merchant is an e-Commerce Merchant, is a Merchant Certificate utilized? Yes No

If Yes, please provide: Merchant Certificate # _____ Certificate Issuer _____ Expiration date _____

Do you own the product/inventory? Yes No N/A Is product stored at your location? Yes No N/A If No, where? _____

After charge authorization, how long until the product ships? (days) _____ N/A Who ships the product? Merchant Fulfillment center N/A

Product shipped by? US Mail Other N/A Delivery receipt requested? Yes No N/A

Corporate Guaranty/Resolution (Not required on volumes less than \$100,000 monthly—except for high risk accounts)

_____, the duly elected, qualified and acting _____
Corporate Secretary** Office Title
of _____, a _____ (the "Merchant Company"), do hereby certify as follows:
Legal Corporate Name of Merchant Company Incorporation Status

The following resolutions were duly adopted by the board of directors/managing member(s)/general partners (circle one) of the Merchant Company WHEREAS, the Merchant Company desires to enter into a Merchant Agreement (the "Merchant Agreement") with Central Bank Corporation, a Missouri industrial loan corporation ("Bank") and TriSource Solutions, LLC., a Nevada Limited Liability Company ("ISO"). NOW, THEREFORE, BE IT RESOLVED, that the Merchant Agreement by and among the Merchant, Bank and ISO, is hereby approved and adopted in the form provided by ISO, together with such additions, changes or modifications as may be deemed necessary, advisable or appropriate by the officer(s) executing or causing the same to be completed; and RESOLVED FURTHER, that in connection with the Merchant Agreement, the appropriate officer(s) of the Merchant Company is/are hereby authorized to establish (a) an Operating Account into which funds from credit card sales by the Merchant Company will be directed, and (b) if necessary, a Reserve Account into which funds from credit card sales by the Merchant Company may be directed by Bank in accordance with the provisions of the Merchant Agreement; RESOLVED FURTHER, that the Merchant Company hereby grants Bank a security interest in the funds held by the Merchant Company in the Operating Account and Reserve Account, and the appropriate officer(s) of the Merchant Company is/are hereby authorized to execute all documents reasonably required by Bank to perfect such security interests; RESOLVED FURTHER, that the appropriate officer(s) of the Merchant Company is/are hereby authorized to enter into such additional agreements, and take such additional actions as may be reasonably required by Bank or ISO in connection with the Merchant Agreement; and RESOLVED FURTHER, that the Secretary/managing member/general partner (circle one) of the Merchant Company is hereby authorized to deliver to Bank and to ISO an Incumbency Certificate, (i) identifying the officers of the Merchant and (ii) verifying the signatures of such officers, as well as a copy of these resolutions, certified by the Secretary of the Merchant (or authorized member or partner), and Bank and ISO are hereby authorized to rely on such Incumbency Certificate and certified copy of these resolutions until formally advised by an authorized officer/member/partner of the Merchant in writing of any changes therein, accompanied by a replacement of the Incumbency Certificate.

I hereby certify under penalty of law, that I have the legal power and have been duly authorized by the company applying for a merchant processing account, to execute this agreement on behalf of the company listed on page one of this Merchant Processing Agreement. Each person listed below (an "Officer") (i) holds the office in the Merchant Company indicated opposite his or her name on the date hereof, (ii) the signature appearing opposite his or her name in the Merchant Acceptance section of Agreement, is the genuine signature of each such officer, (iii) each such Officer, acting individually, is authorized to execute and deliver the Merchant Agreement and each of the agreements and documents contemplated by the Merchant Agreement (collectively, the "Transaction Documents") on behalf of the Merchant Company, and (iv) each such Officer, acting individually, is authorized to perform the Merchant Company's obligations under the Transaction Documents on behalf of the Merchant Company:

Print name _____ Officer _____

X _____
Signature

In witness whereof, I have executed this certificate this _____ day of _____ 20_____.

Print name _____ Title (Corporate Secretary** or please print officer title) _____

X _____
Signature

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____ <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number											
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.
- If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.*
- By signing the filled-out form, you:
- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
 - Certify that you are not subject to backup withholding, or
 - Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
 - Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Merchant Agreement Terms and Conditions

These terms and conditions constitute an integral part of the Merchant Processing Agreement ("Agreement"). In consideration of the covenants set forth below, Central Bank of St. Louis ("Acquirer"), which is a member of Visa U.S.A. Inc. ("Visa"), MasterCard International ("MasterCard"), Discover®, American Express Travel Related Services Company, Inc. (AXP) or jointly with Visa/MasterCard/Discover/American Express ("Payment Card Brands") and the undersigned merchant ("Merchant") have agreed as follows as of the date of acceptance of this Agreement by TriSource Solutions ("TriSource Solutions"), as an affiliate of Acquirer for the purposes of providing merchant services.

ARTICLE I – CARD TRANSACTIONS

1.1 Honoring Cards

- A) Merchant, whether dealing with the public or otherwise, shall honor, in a non-discriminatory manner, all valid Visa/MasterCard/Discover cards, as well as cards issued in the name of American Express ("Cards") of the type(s) indicated when properly presented as payment in connection with bona fide, legitimate business transaction;
- B) Merchant shall not require a Cardholder to provide identification information such as telephone number, address or driver's license number as a condition of completing a transaction unless permitted by applicable state law and allowed by the rules and regulations ("Card Issuers' Regulations") of a Card Issuer Visa/MasterCard/Discover (issuers shall hereinafter be referred to collectively as "Card Issuers");
- C) Merchant may not make a photocopy of a Card under any circumstances nor request that the Cardholder provide a photocopy of the Card as a condition for honoring same.
- D) Surcharging
 - 1) Merchant must complete a Surcharge Notification form to notify the acquirer of merchant's intent to surcharge cardholder a minimum of 30 days prior to doing so. This form is located at www.trisourcesolutions.com
 - 2) Merchant must complete notification to Visa at www.visa.com/merchantsurcharging
 - 3) Merchant must complete notification to MasterCard at www.mastercard.us/merchants/support/surcharge-rules.html
 - 4) Merchant must disclose surcharging to cardholders prominently and near the point of sale device.
 - 5) Surcharge must be displayed on the cardholder's receipt as a separate line item while being included in the total transaction amount.
 - 6) Merchant must NOT surcharge debit cards, prepaid cards or check cards.
 - 7) Merchant MAY NOT surcharge cardholder an amount which is more than the merchant is charged. Also a maximum cap of 4% applies.
 - 8) Merchant agrees to refund surcharge amount on a transaction which is refunded. Merchant agrees to partially refund a surcharged amount pro rata on a partially refunded transaction.
 - 9) Merchant agrees if a transaction with a surcharge amount is disputed, the total transaction will be charged back including the surcharged amount.
 - 10) Merchant agrees not to surcharge cardholders if specifically prohibited by state law in which the business is governed.
 - 11) Merchant agrees these rules are not totally inclusive, and Merchant agrees to read and understand the totality of each payment card brand's rules by visiting each website PRIOR to engaging in surcharging any cardholders.
- E) The Card Brands permit any U.S. merchant to set a minimum transaction amount (not to exceed USD 10 or any higher amount established by the Federal Reserve by regulation) to accept cards that access a credit account. The Brands do not permit merchants to set a minimum transaction amount to accept cards that access a debit account.

1.2 Advertising

- A) Subject to: i) private clubs, ii) Merchants who do not deal with the public, iii) vehicle leasing companies at airport locations, iv) transportation companies subject to government regulation, or v) Merchants expressly exempted from by Card Issuers' Regulations, Merchant shall adequately display advertising or promotional material provided or required to inform the public that Cards are honored at Merchant's place of business;
- B) Merchant shall not display or use advertising or promotional materials containing Acquirer's name or symbol, which might cause a customer to assume that Merchant honors only Cards issued by Acquirer;
- C) Merchant shall have the right to use or display the proprietary names and symbols associated with Cards only while this Agreement is in effect, or until Merchant is notified by Acquirer or any appropriate Bank Card organization to cease such usage;
- D) Merchant shall comply with all applicable Card Issuer Regulations concerning the use of service marks and copyrights owned by Visa/MasterCard/Discover;
- E) Merchant shall use the proprietary names and symbols associated with Cards only to indicate that Cards are accepted for payment and shall not indicate, directly or indirectly, that Acquirer, Visa/MasterCard/Discover or any Payment Card organization endorses Merchant's products or services;
- F) Merchant shall not refer to Visa/MasterCard/Discover in stating eligibility for its products, services, or memberships.

1.3 Card Examination

- A) Merchant agrees to carefully examine any Card security features (such as hologram) included on the Card; compare the embossed account number on the face of the Card with the account number indented on the signature panel; check the validity date and expiration date of the Card; and shall not honor any invalid or expired Card without proper, prior authorization;
- B) Where the magnetic stripe on the Card is read in connection with a transaction, Merchant shall compare the embossed account number on the Card to the number displayed or printed by the terminal to verify they are the same;
- C) Except for mail orders, telephone orders or pre-authorized transactions, Merchant shall not complete a transaction without presentation of the Card by the Cardholder and proper examination by the Merchant of the Card;
- D) If the signature panel on the Card is blank, Merchant shall:
 - 1) Review the positive identification to confirm identity. Such identification must consist of a current, official government identification document (such as a passport or driver's license) bearing Cardholder's signature; and
 - 2) Indicate such positive identification (including any serial numbers and expiration date) on the sales draft if the transaction is a Visa transaction, and if permitted by applicable state law. (Such information shall not be recorded for MasterCard transactions); and

- 3) Require Cardholder to sign the signature panel on the Card before completing the transaction; and
 - 4) Request authorization.
- E) In the case of a Visa Card, Merchant shall compare the printed issuing bank identification number, which is directly above the first four digits of the embossed account number. If the printed number and the embossed number do not match, Merchant shall call the voice authorization number and request a "code 10" operator.

1.4 Authorization

- A) Before honoring any Card, Merchant is required to request authorization from Acquirer's designated authorization center.
- B) Authorization numbers, or positive account number verification response codes, as appropriate, shall be printed legibly in the designated area on the sales slip.
- C) If authorization is denied, Merchant shall not complete the transaction and shall use its best efforts by reasonable and peaceful means to follow any instructions from the authorization center.
- D) Merchant shall be liable to Acquirer, regardless of any authorization, if Merchant completes a transaction when the Cardholder is present but does not have his Card, the Cardholder does not sign the sales slip, or the signature on the sales slip does not match the signature appearing on the Card, or the signature panel on the Card is blank.
- E) In no event shall an authorization be deemed to be Acquirer's representation that the particular transaction is in fact a valid, authorized or undisputed transaction entered into by the Cardholder or an authorized user of the Card.
- F) Where authorization is requested for transaction involving suspicious or unusual circumstances the Merchant shall call and request a "code 10" authorization from Acquirer's designated authorization center.
- G) An authorization for a restaurant transaction, in which a gratuity is added to the sales slip by the Cardholder, is valid if the total transaction amount is within 20% of the authorization amount.
- H) If authorization is obtained for the estimated amount of a car rental transaction, Merchant shall disclose to Cardholder the amount authorized on the rental date.

1.5 Retention and Retrieval of Cards

Merchant shall use its best efforts, by reasonable and peaceful means, to retain or recover a Card;

- A) If Merchant receives a negative response from the account number verification service, and until Merchant receives further instruction from Acquirer's designated authorization center;
- B) While making an authorization request:
 - 1) If Merchant is advised to retain the Card in response to an authorization request; or
 - 2) Where the embossed account number, indent printed account number and/or encoded account number do not match, or an unexpired Card does not have the appropriate hologram on the Card face; or
 - 3) If the Merchant has reasonable grounds to believe the Card is counterfeit, fraudulent or stolen. The obligation of Merchant to retain or recover a Card imposed by this section does not authorize a breach of the peace or any injury to persons or property, and Merchant will hold Acquirer harmless from any claim arising from any injury to person or property or other breach of the peace. If a recovered Card is retained by a law enforcement agency, Merchant shall forward a legible copy of the front and back of the Card to Acquirer, or other bankcard organization, as appropriate, to support payment of any applicable reward.

1.6 Completing the Transaction Record

Except as provided below, Merchant agrees to do all of the following when honoring a Card; provided, however, that Merchant shall have no obligations to utilize a sales Slip (and the provisions below relating to usage of sales slips shall not apply to Merchant) if Merchant does not utilize sales slip documents in its normal course of business;

- A) To enter on the sales slip the transaction date, a description of the goods or services sold, and the price thereof (including any applicable taxes) in detail sufficient to identify the transaction;
- B) To obtain the signature of the customer on the sales slip after the transaction amount is identified in the "total" column;
- C) To compare the signature on the sales slip and the signature panel of the Card, and if the Card has a photograph of the Cardholder, to verify identity, and if either identification is uncertain or the account numbers are not the same or Merchant otherwise questions the validity of the Card, to contact Acquirer's authorization center for instructions;
- D) To imprint legibly on the sales slip the embossed legends from the Card and from the Merchant imprinter plate. If the imprinter does not legibly imprint, Merchant shall legibly detail the Cardholder's name and account number and Merchant's name and place of business, as well as the name or trade style of the issuer as it appears on the face of the Card, the ICA number, the Card initials, if any, and both the effective date and expiration date. Merchant shall also record on the sales slip any other embossed data such as security symbols.
- E) To deliver a true and completed copy of the sales slip to the customer at the time or delivery of the goods or performance of the services or for point of transaction terminal transactions, at the time of the transaction.
- F) For transactions, which originate at and are data-captured using point-of-sale transaction terminals. Merchant must include the following on the Cardholder copy or the sales draft:
 - 1) The Cardholder account number
 - 2) Merchant's name
 - 3) Merchant's location code or city and state
 - 4) The amount of the transaction
 - 5) The transaction date
- G) Transaction records must be produced for all transactions, which originate at and are data-captured using automated dispensing machines or limited-amount terminals, except for transactions that originate at magnetic-stripe-reading telephones. Such transaction records must include at least the following information:
 - 1) The Cardholder account number
 - 2) Merchant's name
 - 3) The magnetic-stripe-reading terminal location code or city and state
 - 4) The amount of the transaction
 - 5) The transaction date
- H) Whenever the encoded account number cannot be read from the magnetic stripe, Merchant shall follow normal authorization procedures and complete the approved transaction using a manual imprinter.

1.7 Multiple Transaction Records; Partial Consideration

- A) Merchant must include on one transaction record the entire amount due for the transaction, except in the following instances:
 - 1) The transaction involves purchases made in separate departments of a multi-department store;

- 2) The transaction involves delayed or amended charges for a vehicle rental transaction in which:
 - a) The Cardholder consented to be liable for such charges; and
 - b) Such charges consist of ancillary or corrected charges such as taxed or fuel fees, and not charges for loss, theft, damage, or traffic violations;
- 3) Merchant sends the Cardholder a copy of the amended or add-on sales drafts (sales drafts for such delayed or amended charges may be deposited without the Cardholder signature provided that Merchant has Cardholder's signature on file, and the words "SIGNATURE ON FILE" are entered onto the signature panel of the sales draft);
- 4) The customer pays a portion of the transaction amount in cash, by check, with any Card, or any combination of such payments at the time of the transaction and further provided that Merchant obtains authorization for that part of the transaction effected with a Card;
- 5) All or a portion of the goods or services are to be delivered or performed at a later date and the customer signs two separate sales slips, one of which represents a deposit and the second of which represents payment of the balance, and the balance sales slip is completed only upon delivery of the goods or performance of the services, in which case Merchant agrees:
 - a) To note on the sales slips the word "Deposit" or "Balance" as appropriate and the words "Delayed Delivery"
 - b) If the total amount of the two slips exceeds the applicable floor limit, to obtain prior authorization and note the authorization date and approval code in the sales slips; and
 - c) Not to present the "Balance" sales slip until all goods are delivered or all the services are performed; or
 - d) The Cardholder is using the installment payment option offered in accordance with Paragraph 1.8.
 - e) Merchant agrees not to divide a single transaction between two or more transaction records to avoid obtaining an authorization.
 - f) For sales processed at electronic POS terminals, multiple items individually billed to the same account will not be considered a violation of this Agreement if separate authorizations are obtained for each item.

1.8 Telephone Order, Mail Orders, Preauthorized Orders, and Installment Orders

- A) If the transaction is a telephone order (TO) mail order (MO), or preauthorized order (PO), the sales slip may be completed without a customer's signature or a Card Imprint, however Merchant shall:
 - 1) Print legibly on the sales slip sufficient information to identify the Card issuer, Merchant and the Cardholder, including: Merchant's name and address, the Card issuer's name or trade style, ICA number and bank initials (if any), the account number, the expiration date and any effective date on the Card, the Cardholder's name, and any company name, and
 - 2) Print legibly on the signature line of the sales slip the letter "TO", "MO" or "PO" (recurring transaction for Visa transaction), as appropriate.
 - 3) Obtain authorization for every sale for MO and TO transactions, authorization must be obtained no more than 7 calendar days before the transaction date. Merchant shall attempt to obtain the expiration date of the Card as part of the authorization inquiry.
- B) On any non imprinted or expired Card transaction, Merchant shall be deemed to warrant the customer's true identity as an authorized user of the Card, whether or not authorization is obtained, unless Merchant obtains and notes legibly on the sales slip independent evidence of the customer's true identity.
- C) In connection with a recurring transaction (or pre-authorized order) pursuant to which goods or services are delivered to or performed for a Cardholder periodically, Merchant agrees to the following conditions:
 - 1) Merchant must obtain a written request from the Cardholder that the recurring transaction is charged to the Cardholder's account;
 - 2) The written request must specify the amount of the recurring transaction (or allow space for Cardholder to specify a minimum and maximum amount if the recurring transactions are to be for varying amounts), the frequency of the recurring charges, and the length of time for which the preauthorized order is to remain in effect;
 - 3) Before renewing a preauthorized order, Merchant must obtain a subsequent written request from the Cardholder containing the information listed above;
 - 4) Merchant must not deliver goods or perform services covered by a preauthorization order after being advised that the preauthorization has been canceled by cardholder or that the Card is not being honored; and
 - 5) Except as provided in Paragraph 1.7, a recurring transaction may not include partial payments to Merchant for goods or services purchased in a single transaction, or for periodic payments of goods or services on which Merchant assesses additional finance charges;
 - 6) Merchant must inform Cardholder that he has the right to receive, at least 10 days prior to each scheduled transaction date, written notice of the amount and date of the next charge. Cardholder may elect to receive the notice
 - a) For every charge
 - b) Only when the transaction amount does not fall within the specified range shown on the order form, or if the total
 - c) Only when the transaction amount will differ from the most recent charges charge by more than an agreed upon amount.
- D) Merchant may offer Cardholders an installment payment option for its mail/telephone order merchandise subject to the following conditions; Merchant's promotional material must clearly disclose the installment terms, including but not limited to:
 - 1) Whether the plan is available only for selected items or for the total amount or any order; and
 - 2) How shipping and handling charges and applicable taxes will be billed. The material also must advise Cardholders who are not billed in the transaction currency of the Merchant that the installment billing amounts may vary due to fluctuations in the currency conversion rates;
 - 3) Merchant may add no finance charges. The sum of the installment transactions may not exceed the total sales price of the merchandise on single transaction bases;
 - 4) Authorization is required for each installment transaction. Merchant's floor limit is zero;
 - 5) Merchant may not deposit the first installment transaction with Acquirer until the merchandise is shipped. Subsequent installment transactions must be deposited;
 - 6) At intervals of 30 days or more; or
 - 7) On the anniversary date of the transaction (i.e. the same date each month)
 - 8) In addition to Merchant's name, an appropriate installment transaction descriptor (e.g. 1 of 5, 2 of 5) must be included in the Merchant name field of the clearing record.

1.9 Vehicle Rental Transactions

Regardless of the terms and conditions of any written preauthorization form, the sales slip amount for any vehicle rental transaction shall include only that portion of the transaction, including any applicable taxes, evidencing a

bona fide renting of personal property by Merchant to a customer and shall not include any consequential charges. Nothing herein is intended to restrict Merchant from enforcing the terms and conditions of its preauthorization form through means other than a Card transaction.

1.10 Returns and Adjustments; Credit Slips

- A) If with respect to any transaction, any merchandise is accepted for return or any services are terminated or canceled, or any price adjustment is allowed by the Merchant (other than involuntary refunds by airlines or other carriers when required by applicable tariffs and except where otherwise required by law or governmental regulations.) Merchant shall not make any cash refund to the Cardholder but shall deliver promptly to Acquirer a credit slip evidencing such a refund or adjustment.
- B) Each credit slip shall be signed and dated by Merchant and include the transaction date, a description of the goods returned, services canceled or adjustment made and the amount or the credit in sufficient detail to identify the transaction and the embossed data from the Card and Merchant's Imprinter plate
- C) The refund or adjustment shall be indicated on a credit slip and may not exceed the original transaction amount.
- D) The Merchant may limit its return, adjustment, refund or exchange policies provided that proper disclosure is made and purchased goods or services are delivered to the Cardholder at the time of the transaction.
- E) Proper disclosure by the Merchant must be given at the time of the transaction by printing the following words or similar wording on all copies of the sales slip or invoice being presented to the Cardholder for signature in letters approximately 1/4 inch high and in close proximity to the space provided for the Cardholder's signature:
 - 1) "NO REFUND" for a Merchant which may not accept merchandise in return or exchange and may not issue a refund to a Cardholder.
 - 2) "EXCHANGE ONLY" for a Merchant which may accept merchandise in immediate exchange for similar merchandise of a price equal to the amount of the original transaction
 - 3) "IN STORE CREDIT ONLY" for a Merchant which may accept merchandise in return and deliver to the Cardholder an In-store credit for the value of the merchandise returned which may be used only in the Merchant's place(s) of business
- F) A Merchant may, if permitted by applicable law, stipulate special circumstances under which a surcharge shall be assessed for the use of a Card. The wording to appear on the sales slip shall be any special terms of the transaction(s).
- G) Merchant must deliver to the Cardholder a true and completed copy of the credit slip to the time of the credit transaction. Merchant shall not process a credit slip without having completed the purchase transaction with the Cardholder and in no event may the credit exceed the amount of the original transaction.

1.11 Cash Payments

Merchant shall not receive any payments from a customer for charges included on any transaction record resulting from the use of any Card, nor receive any payments from a Cardholder to prepare and present a credit slip for the purpose of affecting a deposit to the Cardholder's account.

1.12 Cash Advances

Unless expressly authorized in writing by Acquirer, Merchant agrees not to make any cash advance to a Cardholder, either directly or by deposit to the Cardholder's account. Money orders sent by wire, contribution to charitable and political organizations, tax payments, insurance premium payments, alimony and child support payments, and court costs and fines shall not be considered cash advances or withdrawals. Merchant shall not obtain, under any circumstance, authorization for nor process a sale or cash advance on any card Merchant is authorized to use. Processing Merchant's own card or the processing of an unauthorized cash advance is grounds for immediate termination.

1.13 Disclosure and Storage of Transaction Information

- A) Except as otherwise required by law, Merchant shall not, without the Cardholder's and Acquirer's prior written consent, sell, purchase, provide, or otherwise disclose the Cardholder's account information or other Cardholder information to any third party other than Acquirer's or Merchant's agents and processing organizations for the purpose of assisting Merchant in its business.
- B) Merchant and any agent of Merchant shall store in an area limited to selected personnel and prior to discarding, shall destroy in a manner rendering data unreadable all material containing Cardholder account number Card Imprints, such as sales slips and credit slips, car rental agreements and carbons.
- C) Merchant or any agent of Merchant shall not retain or store magnetic stripe data subsequent to the authorization of a transaction.
- D) Merchant further warrants and agrees that in the event of its failure, including bankruptcy, insolvency or other suspension of business operations, it will not sell, transfer, or disclose any materials that contain Cardholder account numbers, personal information or transaction information to any third parties, and shall return the information to Acquirer or provide acceptable proof of destruction to Acquirer.
- E) Merchant shall notify Acquirer if it utilizes any third party or third party software products to process, store or transmit any information with respect to transactions.
- F) Acquirer shall not disclose or permit access to or use of the non-public personal information of Merchant or its members or customers made available by Merchant to Acquirer for any purposes other than those specifically required to fulfill acquirer's contractual obligations with Merchant. Acquirer shall not sell the information regarding Merchant or its members or customers for any reason. In connection with providing services to Merchant, Acquirer shall comply with Section 3.10 and take all commercially reasonable steps to ensure the privacy and security of the information of Merchant and its members or customers. In Acquirer's possession and protect against anticipated threats and hazards to the security of such information. Acquirer shall take all commercially reasonable steps to prevent unauthorized access to or use of such information that could result in substantial harm or inconvenience to Merchant or its members or customers. In the event any court or regulatory agency seeks to compel disclosure of the information, Acquirer shall, if legally permissible, promptly notify Merchant of the disclosure requirement and will cooperate so that Merchant may at its expense seek to legally prevent this disclosure of the information.

ARTICLE II – PRESENTMENT PAYMENT AND CHARGEBACK

2.1 Transmission of Data

In lieu of depositing paper sales slips and credit slips with Acquirer, Merchant may transmit to Acquirer, in the form of magnetic tape or electronic data, as specified and acceptable to Acquirer, all data required to appear on the sales slip or credit slip. The term "sales data" as used herein shall mean the data transmitted by Merchant contained in a sales slip or the electronic or magnetic tape record that is the equivalent of such sales slip. The term "credit data" as used in this Agreement shall mean the data transmitted by Merchant contained in a credit slip or the electronic or magnetic tape record that is equivalent thereto. All data (transaction records) transmitted shall be pre-sorted and

organized in a form and format approved and/or instructed in advance by Acquirer. All references to "sales slips" and "credit slips" in this Agreement shall be deemed to include transaction records transmitted by paper, electronically or on magnetic tape.

2.2 Presentment of Transaction Records to Acquirer

- A) Merchant may designate a third party who does not have a direct Agreement with Acquirer as its agent for delivering transactions data-captured at the point of sale by such agent if Merchant elects to use such agent. Merchant agrees to the following conditions (for purposes of this Paragraph 2.2, "Merchant" includes any such permitted agent):
- 1) Merchant must provide satisfactory notice to Acquirer that Merchant chooses to exercise the option specified above;
 - 2) The obligation of Acquirer to reimburse Merchant for transactions is limited to the amount (less the applicable or appropriate discount fee) delivered by Merchant's designated Agent; and
 - 3) Merchant is responsible for its agent's failure to comply with applicable Credit Card Issuer and/or Merchants Regulations, including, but not limited to, any violation resulting in a chargeback.
- B) Merchant shall present all sales data relevant to a transaction, except that:
- 1) Merchant shall present no sales data until goods have been shipped or the services have been performed and Merchant has otherwise performed all of its principal obligations to the customer in connection with the transaction unless the Cardholder agreed to a delayed delivery of goods and proper disclosures were made at the time of the transaction;
 - 2) When Merchant requests and receives authorization for delayed presentment and legibly prints on the sales slip the authorization number and the words "Delayed Presentment", Merchant must present the sales data within the permitted period for delayed presentment (not to exceed 30 calendar days).
 - 3) If Merchant is obligated by law to retain a sales slip or return it to a buyer upon timely cancellation, Merchant must present the sales data within 10 bank business days after the date of the transaction; and
 - 4) When Merchant has multiple locations or offices and accumulates transaction records at a central facility, Merchant must present the transaction records to Acquirer within 20 calendar days after the transaction date. Merchant with multiple locations must deliver the transaction records in such manner that Acquirer is able to identify the transactions originating at each location.
- C) Merchant shall deliver all credit data to Acquirer within 3 bank business days after the credit transaction date, except if Merchant has multiple locations as described in Paragraph (B / 4) above, Merchant must deliver the credit data to Acquirer within 7 business days after the transaction date
- D) Merchant shall not present to Acquirer, directly or indirectly, any transaction record that Merchant knows or should have known: to be fraudulent or not authorized by the Cardholder; results from transaction outside Merchant's normal course of business; that results from a transaction not involving Merchant; that contains the account number of a Card account issued to Merchant; or was not the result of a transaction between Merchant and Cardholder.
- E) If the transmission of sales data or credit data from Merchant to Acquirer is in the form of magnetic tape or electronic data, Merchant shall preserve a copy of the sales and credit slips pursuant to Paragraph 3.3.
- F) Merchant is prohibited from re-depositing any transaction that has previously been charged back and subsequently returned to Merchant. This prohibition applies with or without the Cardholder's consent of the Merchant's actions. Merchant may, at its option, pursue payment from the customer in such event.
- G) Merchant shall not deposit duplicate Transactions. Merchant shall be debited for any duplicate Transactions and shall be liable for any Chargebacks and any fines or penalties levied by the Payment Card Brands, which may result therefrom.
- H) Merchant shall not present any Transaction representing the refinancing of an existing obligation of a Cardholder including, but not limited to obligations:
- 1) Previously owed to Merchant,
 - 2) Arising from the dishonor of a Cardholder's personal check, and/or
 - 3) Representing the collection of any other pre-existing indebtedness, including collection of delinquent accounts on behalf of third parties.

2.3 Acceptance and Discount

Subject to the provisions of any agreement of Merchant hereunder and of any chargeback right, Acquirer agrees to accept valid transaction records from Merchant during the term of this Agreement and to pay Merchant the total amount represented by the transaction records less any percentage discount and fees agreed to by the parties. In this regard, Merchant understands and agrees that any fee or charge provide herein is that which is to be initially applicable and imposed and such fees and charges may be increased or otherwise amended from time to time by Acquirer with or without advance notice to Merchant except as otherwise herein specifically provided. Any payment made by Acquirer to Merchant shall not be final but shall be subject to subsequent review and verification by Acquirer and may be subject to chargeback until the chargeback period expires.

2.4 Insecurity

Notwithstanding Paragraph 2.3, Acquirer may withhold payment to Merchant or prohibit Merchant's withdrawal of funds then on deposit with Acquirer for any of the following reasons:

- A) Acquirer is suspicious of any transaction records;
- B) Merchant's volume of sales exceeds a stipulated amount or amounts that are typically generated during a particular period;
- C) Merchant's average ticket amount exceeds a stipulated amount;
- D) Merchant does not swipe Cards through electronic terminals;
- E) Merchant fails to authorize transaction;
- F) Acquirer receives excessive retrieval request against Merchant's account as prior activity;
- G) Excessive chargebacks are debited against Merchant's account as prior activity; or
- H) If for any other reason, including but not limited to fines or penalties that are, or Acquirer reasonably assumes will be, assessed against Merchant based on its violation of any Card Issuer Regulations, and/or its breach of this Agreement such that Acquirer reasonably determines that withholding funds or preventing withdrawals of funds previously deposited with Acquirer is necessary to cover anticipated charges, fines and/or penalties resulting from Merchant's Card activities.

2.5 Endorsement

Merchant agrees that Merchant shall be deemed to have endorsed in Acquirer's favor any transaction records Merchant presents to Acquirer and Merchant hereby authorizes Acquirer to supply such endorsement on Merchant's behalf.

2.6 Prohibited Payment

Merchant agrees that Acquirer has the sole right to receive payments on any accepted transaction record as long as:

- A) Acquirer has paid Merchant the amount represented by the transaction record less the discount and fees; and
- B) Acquirer has not charged such transaction record back to Merchant unless specifically authorized in writing by Acquirer. Merchant agrees not to make or attempt to make any collections on any transaction record, and promptly to deliver the same in kind to Acquirer as soon as received, together with the Cardholder's name and account number and any correspondence accompanying the payment.
- C) A merchant may not accept a Card for an unlawful Internet gambling transaction.
- D) Merchant will pay all Card Association fines, fees, penalties and all other assessments or indebtedness levied by Card Associations to Bank which are attributable, at the Bank's discretion, to Merchant's Transaction processing or business.

2.7 Chargeback

- A) Under any one or more of the following circumstances, Acquirer has accepted, and Merchant shall repay Acquirer the amount represented by the transaction record:
- 1) The transaction record or any material information on a sales slip (such as the account number, expiration date of the Card, Merchant description, transaction amount, or date), is illegible, incomplete, is not endorsed, or is not delivered to Acquirer within the required time limits;
 - 2) The transaction received a negative account verification service response (or would have received a negative account verification service response if Merchant had contacted the service on the transaction date) and Merchant did not reject the transaction or receive prior authorization for the transaction, as applicable;
 - 3) The sales slip does not contain the required imprint of a Card that was valid, effective, and unexpired on the transaction date;
 - 4) The transaction was one for which prior credit authorization was required and prior credit authorization was not obtained, or a valid authorization number is not correctly and legibly included on the transaction record;
 - 5) The transaction record is a duplicate of an item previously paid, or is one of two or more transaction records generated in a single transaction in violation of this Agreement;
 - 6) The Cardholder disputes the execution of the transaction record, the sale, delivery, quality, or performance of the goods or services purchased, or alleges that a credit adjustment was requested and reissued or that a credit adjustment was issued by Merchant but not posted to the Cardholder's account;
 - 7) The price of the goods or services shown on the transaction record differs from the amount shown on the copy of the sales slip or the receipt delivered to the customer at the time of the transaction;
 - 8) Acquirer reasonably determines Merchant has violated any term, condition, covenant, warranty, or other provision of this Agreement in connection with the transaction record or the related transaction;
 - 9) Acquirer reasonably determines the transaction record is fraudulent or that the related transactions were not a bona fide transaction in Merchant's ordinary course of business, or is subject to any claim of illegality, cancellation, recession, avoidance, or offset for any reason whatsoever, including without limitation negligence, fraud, or dishonesty on the part of Merchant or Merchant's Agents or employees;
 - 10) The transaction record arises from a mail or telephone order transaction which the Cardholder disputes entering into or authorizing, or which involves an account number that never existed or that has expired and has not been renewed;
 - 11) Merchant fails to provide any sales slip or credit slip to Acquirer in accordance with Paragraph 3.1 of this Agreement.
 - 12) Any other Merchant transaction charged back to Acquirer for whatever reason pursuant to Card Issuer Regulations.
- B) In the event Merchant believes a chargeback to be improper, Merchant must notify Acquire of this in writing within 10 calendar days of the date of the chargeback or forfeit its right to contest the chargeback.
- C) Except in the case of chargebacks based solely on the Merchant's failure to obtain an authorization, Acquirer may chargeback a transaction in accordance with this section even if an authorization was obtained in connection therewith. Merchant's obligation to reimburse, indemnify Acquirer for the amount of any chargeback shall survive termination of this Agreement.
- D) Guarantors are personally liable for all chargebacks. In the event Merchant sells its business, and the new owner incurs chargebacks from transactions during the period Guarantors owned business, the original Merchant and all guarantors will continue to be held personally liable for the chargebacks.

2.8 Merchant's Business

- A) Merchant shall provide Acquirer and TriSource Solutions with immediate notice of its intent to
- 1) Transfer or sell any substantial part of its total assets, or liquidate;
 - 2) Change the basic nature of its business, including selling any products or services not related to its current business;
 - 3) Change fifty percent (50%) or more of the ownership or transfer control of its business;
 - 4) Enter into any joint venture, partnership or similar business arrangement whereby any person or entity not a party to this Agreement assumes any interest in Merchant's business; or
 - 5) Alter in any way Merchant's approved monthly volume and average ticket;
- B) Failure to provide notice as required above may be deemed a material breach and shall be sufficient grounds for termination of this Agreement, or, at TriSource Solutions' option may result in TriSource Solutions amending the terms of this Agreement, including, but not limited to, holding funds and/or altering the Merchant funding schedule if TriSource Solutions and Acquirer deem it necessary to protect against financial loss. If any of the changes listed above occur, Acquirer and TriSource Solutions shall have the option to re-negotiate the terms of this Agreement or provide immediate notice of termination;
- C) Failure to provide TriSource Solutions with the merchant's correct federal tax identification number(s) with the completed processing application may result in fines assessed to the merchant. Moreover, failure to provide TriSource Solutions with an updated federal tax number(s) for the merchant within 15 days of any change may result in fines assessed to the merchant;
- D) Merchant will immediately notify TriSource Solutions, with a copy to Acquirer, of any bankruptcy, receivership, insolvency or similar action initiated by or against Merchant or any of its principals. Merchant will include Acquirer and TriSource Solutions on the list of creditors filed with the Bankruptcy Court, whether or not a claim exists at the time of filing;
- E) Merchant must notify TriSource Solutions, with a copy to Acquirer, in writing of any changes to the information in the Merchant Application, including but not limited to: any additional location or new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided, and how sales are completed. Merchant must also notify TriSource Solutions in writing, with a copy to Acquirer, if Merchant sells or closes its business. Except for a change to the financial condition, TriSource Solutions and Acquirer must receive all such notices 7 days before the change. Merchant will provide updated information

to TriSource Solutions upon request. Merchant is liable to TriSource Solutions and Acquirer for all losses and expenses incurred by TriSource Solutions and Acquirer arising out of Merchant's failure to report changes. TriSource Solutions and Acquirer may immediately terminate this Agreement upon a change to the information in the Merchant Application, whether TriSource Solutions and Acquirer independently discover such change or whether Merchant notifies TriSource Solutions and Acquirer of such change.

ARTICLE III – MISCELLANEOUS

3.1 Imprinters and Terminals

- A) Merchant shall keep all imprinter(s) and terminal(s) used to process Card transactions in good working order and shall notify Acquirer prior to any change in imprinted or programmed information.
- B) Merchant is required to immediately notify in writing Acquirer in the event a Point of Sale terminal becomes lost or stolen.

3.2 Forms

Merchant shall use only such forms or modes of transmission for sales data and credit data as are provided or approved in advance by Acquirer, and Merchant shall not use forms or equipment provided by Acquirer other than in connection with Card transactions hereunder.

3.3 Records

- A) Merchant shall, for Visa/MasterCard/Discover purposes, preserve a copy of the actual paper sales slips and credit slips for at least 6 months after the date Merchant presents the transaction data to Acquirer, and Merchant shall make and retain for at least 3 years from such date legible microfilm copies of both sides of such actual paper transaction records.
- B) Merchant agrees to immediately notify Acquirer of any Merchant location(s) added after the date of this Agreement, and agrees to the establishment of a separate processing account for said location(s).

3.4 Request for Copies

- A) Within 1 business day of receipt of any request by Acquirer, Merchant shall fax or mail to Acquirer either the actual paper transaction record, if requested by Acquirer, or a legible copy thereof (in size comparable to the actual paper transaction records), and any other documentary evidence available to Merchant and reasonably requested by Acquirer to meet its obligations under law (including its obligations under the fair credit billing act) or otherwise to respond to questions concerning Cardholders accounts.
- B) For purposes of retrieval or records, Merchant must retain sale slips and credit slips by reference number within date sequence.
- C) If Merchant does not provide a requested copy of sales slip(s) to Acquirer within the time frame specified, in addition to other rights and remedies available to Acquirer under this Agreement:
 - 1) Acquirer may charge Merchant a penalty fee; and
 - 2) Acquirer may charge Merchant the transaction amount of the requested sales slip.
 - 3) Acquirer may, at its option, charge Merchant the transaction amount of the requested sales slip at the time of the request. Such amount will be reimbursed to the Merchant upon delivery of a valid and correct sales slip.

3.5 Disputes with Cardholder; Indemnification of Acquirer

All disputes between Merchant and any Cardholder relating to any Card transaction shall be settled between Merchant and such Cardholder. Merchant shall defend, indemnify and hold Acquirer harmless from all claims, liabilities, damages, losses (including but not limited to those arising from fraud or similar activities whether or not Merchant participated in any way), and expenditures (including but not limited to investigation expenses, research time, reasonable attorney's fees and other costs of defense whether or not provided by Acquirer's personnel or others) relating to or arising out of any such Card transactions and/or from Merchant's failure to comply with any of its obligations under this Agreement. The obligations under this Paragraph 3.5 shall survive termination of this Agreement.

3.6 Excessive Chargebacks and/or Retrievals

Merchant agrees that in the event Acquirer is presented, during any monthly period, with chargebacks and/or retrieval requests relating to the transactions of the Merchant processed by Acquirer in excess of one percent (1%) of interchange volume of such transactions, such chargeback and/or retrieval requests will conclusively be deemed to be excessive under applicable Card Issuer Regulations which shall allow Acquirer to take such action as may be authorized herein or by applicable Card Issuer Regulations, including, but not limited to, terminating this Agreement and/or passing through to Merchant any charges and/or penalties that may be imposed by Visa/MasterCard/Discover. In addition to any other remedies provided herein, Acquirer may impose an excessive chargeback fee of Twenty-Five Dollars (\$25) per occurrence if Merchant's monthly chargeback volume exceeds one percent (1%) of monthly sales.

3.7 Terms, Termination and MATCH and/or the Consortium Merchant Negative File (the CMNF) published by Discover (formerly Combined Terminated Merchant Files "CTMF")

- A) The initial term of this Agreement shall be two (2) years from the date this Agreement is executed by Acquirer. Thereafter, the Agreement will automatically renew on a month to month basis until either party provides thirty (30) days' prior notice to the other party of its intention to terminate. Merchant's obligations under this Agreement remain in full force and effect relative to all transactions submitted under this Agreement prior to the date of termination. This Agreement may be terminated at any time by either party with or without cause upon ninety (90) days' written notice to the other party. Such notice shall be effective when hand delivered or three (3) days following the date the notice is deposited in the mail or upon any late date specified in the notice. Acquirer may terminate this Agreement without prior notice in the event Merchant is or becomes bankrupt or is unable to pay its debts as they become due, or if Acquirer reasonably determines that Merchant has violated any term, condition, covenant, or warranty of this Agreement and fails to cure such breach within thirty (30) days' notice.
- B) Upon the effective date of any such termination, Merchant's rights hereunder to make Card transactions, to deposit transaction records with Acquirer, and to use sales slip forms, credit slip forms, promotional material, and any other items provided by Acquirer hereunder shall cease, but Merchant's obligations in connection with any transaction record accepted by Acquirer (whether before or after such termination), including without limitation Merchant's chargeback obligations, shall survive such termination.
- C) Merchant expressly acknowledges that a MATCH/CMNF file is maintained by Visa/MasterCard/Discover containing information on Merchants terminated for one of more reasons specified in Visa/MasterCard/Discover operating rules and regulations. Such reasons generally include, but are not limited to: fraud, counterfeit paper, unauthorized transaction, excessive chargebacks or highly suspect activity. Merchant acknowledges that Acquirer is required to report the Merchant business name and the names of its principals to MATCH/CMNF when Merchant is terminated due to one or more of the foregoing reasons. Merchant expressly agrees and consents to such reporting by Acquirer in the event of the termination of this Agreement due to one or more of such reasons.

3.8 Limitation of Liability

Acquirer's liability to Merchant or to any party claiming by, through or under Merchant, shall be limited in the aggregate for the term of this Agreement (as may be extended) to the average of one month's fees paid by the Merchant for the services rendered hereunder by Acquirer. In determining the average of the month's fees, the fees paid for the three months' ending on the last day of the month immediately preceding the month in which Acquirer first sends notice of a claim to Merchant shall be averaged. This Agreement is a service agreement. Acquirer disclaims all other representations or warranties made to Merchant or to any other person. Acquirer shall in no event be liable for any incidental, exemplary, punitive, indirect or consequential damages whatsoever, regardless of whether such damages were foreseeable or whether any party or entity has been advised of the possibility of such damages. Acquirer is not liable to Merchant for errors made by account number verification service or for Merchants failure to contact same. The above limitations shall not apply to a breach by Acquirer of Sections 1.13(f) or 3.10 or to an indemnification obligation of Acquirer.

3.9 Supplementary Documentation; Fees; Fines and Penalties

All reference herein to this "Agreement" shall collectively include current schedules, amendments, Merchant application, change notices, addendum, appendices and attachments and associated reference materials, all or which are incorporated herein by reference and made a part of this Agreement as if fully set forth. Merchant agrees to pay the fees and charges identified in this Merchant application or in any other schedule of fees and charges provided to Merchant, which may be amended from time to time as provided in Paragraph 3.18. All fees and charges charged to the Merchant shall be presumed correct unless the Merchant notifies Acquirer in writing within thirty (30) days from the date of a monthly statement which includes the disputed item. Merchant shall be liable to Acquirer for all fees, fines and penalties that may be assessed against Acquirer by either Visa/MasterCard/Discover as a result of Merchant's activities hereunder. An administrative fee will be applicable.

3.10 Compliance with Law; PCI Security Program, Non-Disclosure and Storage of Cardholder and Transaction Information Requirements

Each party confirms that it is, and shall be, in full compliance during the term of this Agreement with all laws, statutes and federal and/or state regulations, as well as rules and operating regulations and bylaws imposed by Visa/MasterCard/Discover applicable to its business and any Card transaction, including without limitation all state and federal consumer credit and consumer protection statutes and regulations, non-disclosure of Cardholder information and transaction documents, and other security procedures adopted by Visa/MasterCard/Discover. Merchant hereby certifies that it (and any outside agent that it may utilize to submit transactions to Acquirer and/or third party software provider) complies with the Payment Card Industry ("PCI") instituted by Visa/MasterCard/Discover hereby certifies that it (and any outside agent that it may utilize to process transactions submitted to Acquirer and/or third party software provider) complies with the Payment Card Industry ("PCI") instituted by Visa/MasterCard/Discover, including the PCI Cloud Computing Standards. Each Party hereby agrees to pay any fines and penalties that may be assessed by Visa/MasterCard/Discover as a result of such party's breach of this paragraph, including but not limited to any fines or penalties that may be assessed based on its noncompliance with the requirements of PCI, or by its failure to accurately validate its compliance, or as a result of any data breaches resulting from its storage of Cardholder information. Each party will review and/or monitor the requirements at <https://www.pcisecuritystandards.org> to determine compliance under PCI. As part of this Agreement, Merchant must validate PCI compliance by completion of annual Self Assessment Questionnaires and if applicable, quarterly system scans with an Approved Scanning Vendor as determined by the PCI Security Standards Organization. The foregoing is an ongoing obligation during the term of this Agreement and as it may be renewed. Merchant acknowledges and understands that Merchant may be prohibited from participating in Visa/MasterCard/Discover programs if it is determined that Merchant is noncompliant. The following lists certain of the current PCI requirements, all of which Merchant and Acquirer shall comply with, if applicable: (i) install and maintain a working network firewall to protect data accessible via the Internet; (ii) keep security patches up-to-date; (iii) encrypt stored data; (iv) encrypt data sent across networks; (v) use and regularly update anti-virus software; (vi) restrict access to data to business "need to know"; (vii) assign a unique ID to each person with computer access to data; (viii) do not use vendor supplied defaults for system passwords and other security parameters; (ix) track access data by unique ID; (x) maintain a policy that addresses information security for employees and contractors; and (xi) restrict physical access to Cardholder information.

- A) Merchant agrees to validate compliance with the requirements of the Payment Card Industry (PCI) Data Security Standards, including, but not limited to, satisfactory completion and submission of Self Assessment Questionnaires (SAQs), and quarterly system scans if determined as necessary by the PCI Data Security Standards on a continual basis. Merchant will be provided with the tools and resources required to complete the validation process. Failure to provide successful PCI validation will cause the Merchant to be subject to a monthly PCI Non Compliance Fee. The PCI Non Compliance fee will be assessed ninety (90) days after approval of Merchant account if merchant has not validated PCI compliance, or after any ninety (90) day consecutive period for which Merchant was not in compliance with validation standards.
- B) if (a) a party becomes aware of a breach of the security of its (or its vendors or subcontractors) systems, (b) any Personal Data is disclosed by a party in violation of the Data Protection Standards, or (c) a party becomes aware that an unauthorized access, disclosure or use of such personal data has occurred or is likely to occur as a result of an act or omission of such party or any subcontractor or vendor of such party (each such event, an "Information Security Breach"), such party shall immediately notify the other party of such Information Security Breach, and at the discretion of the other party shall promptly: (a) reasonably investigate, remediate, and mitigate the effects of the Information Security Breach and (b) provide the other Party with assurances reasonably satisfactory to such party that such Information Security Breach shall not recur. Additionally, if any Information Security Breach occurs and the Data Protection Standards require notification of public authorities or of individuals whose data was so affected or require other remedial actions, or the other party determines that other remedial measures are warranted, including such party responding to reasonable requests from the other party regarding, and cooperating with the other Party in connection with, any investigation, incident management, media relations or law enforcement activities, and providing consumer remedies such as credit monitoring or ID theft insurance (the foregoing, collectively, the "Remedial Actions"), such Party shall, at the other party's request undertake such Remedial Actions or cooperate with the other Party in undertaking Remedial Actions in accordance with industry best practices. For purposes of this Agreement, "Data Protection Standards" means Data Protection Laws and Data Security Guidelines; "Data Protection Laws" means all federal, state, local laws that pertain to data protection and privacy to the extent such laws are applicable to the activities of the parties under this Agreement; "Data Security Guidelines" means all standards, guidelines, practices or procedures required by under applicable laws or regulations or by the payment networks with respect to data security or protection of Personal Data, as such may be amended from time to time, to the extent applicable to the obligations to be performed under this Agreement, including: the Payment Card Industry Data Security Standards ("PCI-DSS") and the PCI Cloud Computing Guidelines; and "Personal Data" means information, data and materials relating to identified or identifiable individuals, including enrollment records, billing and payment records, physical addresses, email addresses, and other personal information, data

and materials relating to a party's or its customers, including 'Cardholder Data' (as such term is defined in the Data Security Guidelines).

3.11 Modification

This Agreement is subject to such modifications, changes, and additions as may be required, or deemed by Acquirer to be required by reason of any state or federal statute, judicial decision, Visa/MasterCard/Discover rule or regulation, or the regulation or ruling of any federal agency having jurisdiction over Acquirer or Merchant.

3.12 Changes in Transmission Mode

The means of transmission indicated below shall be the exclusive means utilized by Merchant for the transmission of sales data or credit data to Acquirer. Merchant shall give Acquirer at least thirty (30) days prior written notice of Merchants desire to deliver and deposit actual sales slips and credit slips or otherwise to alter any material in respect to Merchants medium of transmission of sales data and credit data to Acquirer. Following termination, Merchant shall upon request provide Acquirer with all original and microfilm copies required, to be retained as of the date of termination.

3.13 Penalty Fees

- A) Acquirer, for the following reasons, may charge a higher discount fee rate on transactions with the following event(s) in accordance with the Visa/MasterCard/Discover published interchange rates:
- 1) Batches not closed within two (2) business days of the earliest transaction date in the batch;
 - 2) Non-authorized transactions over floor limit;
 - 3) Credit cards not swiped through POS terminal;
 - 4) Terminal did not read the entire content of the magnetic stripe
 - 5) Transaction did not meet Visa/MasterCard/Discover requirements for the best interchange fee.
 - 6) Actual monthly processing volume exceeds approved monthly volume in this Agreement.

3.14 Description of Fees

- A) **Discount Fees in accordance with the Visa/MasterCard/Discover published interchange rates**
- 1) **Retail Qualified Rate:** Swiped consumer credit or check Card transactions that are electronically authorized and closed in a daily batch and include all minimum authorization and transaction information as required for the Visa Custom Payment Service ("CPS") or MasterCard Merit III interchange programs.
 - 2) **MO/TO & Internet Qualified Rate:** Mail Order, Telephone Order or Internet key-entered transaction where the Card is not present and an Address Verification Service is required. Must be a consumer credit or check Card transaction and is electronically authorized and closed in a daily batch and includes all minimum authorization and transaction information as required for CPS Card not Present or CPS Key-Entered or MasterCard Key-Entered interchange programs.
 - 3) **Mid-Qualified (Retail only):** Includes consumer credit and check Card transactions that are a) key-entered, b) not settled within two business days, c) made with cards that have missing or unreadable magnetic strip data, d) made using a Visa Rewards Card at a T&E Merchant, e) made when the Card is not present.
 - 4) **Non-Qualified (Retail, MO/TO & Internet):** All credit and check Card transactions that do not meet the requirements of the other rate categories. Also includes any transactions made on any Visa Corporate and Signature Card types, MasterCard Commercial or WorldCard Card types or any foreign cards.

3.15 Independent Sales Organization/Member Service Provider

- A) Merchant acknowledges that:
- 1) Acquirer may use an Independent Sales Organization (ISO) or Member Service Provider (MSP) operating under applicable Card Issuer Regulations who is an independent contractor and not an agent of Acquirer,
 - 2) No ISO or MSP has authority to execute this Agreement on Acquirer's behalf or to alter the terms hereof without Acquirer's prior written approval.

3.16 Hold Back

Subsequent to a termination of this Agreement for any reason or upon receipt of actual notice or knowledge that Merchant has or intends to cease operations, Merchant agrees that Acquirer may hold from Merchant's or final settlement amounts a reasonable amount for any items returned, reversed or charged back subsequent to the effective date of termination or cessation of business operations. Acquirer shall forward to Merchant verifications of these items as same are received. Acquirer shall return such withheld amounts to Merchant on the first business day that is ninety (90) days from the effective date of termination, or receipt of notice or knowledge of a location closure as described above.

3.17 General

- A) The paragraph headings and captions contained in this agreement are for convenience only, and should not be deemed to define, limit or describe the scope or intent of this agreement to the extent that they conflict with the Substance of this Agreement.
- B) This Agreement shall be binding upon and insure to the benefit of the parties hereto and their successors and assigns, provided, however this Agreement may not be assigned by Merchant without the written consent of Acquirer. Any such assignment by Merchant without Acquirer's prior written consent shall be null and void.
- C) Should any provision of this Agreement contravene any law, or valid regulation to rule of any regulatory agency of self regulatory body having jurisdiction over either party hereto, or should any provision of this Agreement otherwise be held invalid, or unenforceable by a court or other body of competent jurisdiction, then each such provision shall be automatically terminated and performance hereof by both parties waived, and all other provisions of this Agreement then in effect shall never the less remain in full force and effect.
- D) No failure by Acquirer to insist upon strict performance of any term or obligation set forth in this Agreement or to exercise any right or remedy under this Agreement nor acceptance of partial performance during continuance of default hereunder, shall constitute a waiver of any such term, obligation, right or remedy, or a waiver of any such default by Acquirer.
- E) Applicable law; venue and mutual jury trial waiver. This Agreement shall be governed and construed exclusively in accordance with the laws of the State of Nevada without reference to its conflicts of laws rules. All of the parties hereto, whether or not actually signatories to this document, agree that the exclusive venue for any and

all proceedings relating to this agreement shall be the courts located in the State of Nevada. Furthermore, as material condition to one another in entering into said agreement, each of the parties hereby waive their right to trial by jury in any action or proceeding based upon, arising out of, or in any way relating to this agreement or the relationship between or among said parties, whether sounding in contract or tort or otherwise.

- F) All notices or other communications required to be given by either party shall be in writing and shall be effective when hand delivered, emailed, or sent by United States mail, postage prepaid (whether or not sent with a Merchant Statement) and shall be deemed to be given when hand delivered or upon deposit in email or the mail as indicated. Notices shall be addressed to the parties at the address identified below, or such other address as may be specified by either party by notice to the other party.
- G) Acquirer may not appoint an Agent(s) to do or take any actions that may be done or taken by Acquirer under this Agreement without Merchant's prior written consent; provided, however, Merchant acknowledges and agrees that it consents to ABC Financial Services, Inc. and/or Trisource Solutions, LLC acting as Agent for Acquirer hereunder. Acquirer shall be responsible for all actions of any approved Agents. Any breach of this Agreement by any Agent of Acquirer (and any act or omission by any Agent of Acquirer that would be a breach of this Agreement if such act or omission were by Acquirer) shall be deemed a breach by Acquirer.
- H) This Agreement is intended by the parties as a final expression of and a complete and exclusive statement of the terms of this Agreement there being no conditions to the enforceability of this Agreement. This Agreement may not be amended, supplemented or modified except in writing executed by the parties or unless otherwise provided in this Agreement.
- I) Effective date or start date of agreement begins when merchant application is accepted and boarded onto ISO systems. This effective date may vary from merchant acceptance signature date on agreement.

3.18 Electronic Debit/Credit Authorization

Merchant authorizes Acquirer or third party in accordance with this Agreement, to initiate debit/credit entries to Merchant's deposit account, as indicated on Merchant Processing Agreement. This authorization is to remain in full force and effect until:

- A) Acquirer has received written notification from Merchant of its termination, in such a manner as to afford Acquirer reasonable opportunity to act on it and
- B) All obligations of Merchant to Acquirer that have arisen under this Agreement have been paid in full. This authorization extends, but is not limited, to such entries to this account which concern discount fees, transaction fees, chargebacks, penalties, service fees, return item fees, lease, rental and purchase charges involving Point-Of-Sale ("POS") and credit Card Imprint equipment.
- C) Merchant shall regularly and promptly review all statements of account, banking statements, and other communications sent to Merchant and to immediately notify Trisource Solutions if any discrepancy exists between Merchant's records and those provided by Trisource Solutions, the Merchant's bank, or with respect to any transfer that Merchant believes was not authorized by Merchant or Customer. If Merchant fails to notify Trisource Solutions in writing within fourteen (14) calendar days after the date that Trisource Solutions mails or otherwise provides a statement of account or other report of activity to Merchant, Merchant will be solely responsible for all losses or other costs associated with any erroneous or unauthorized transfer. The foregoing does not limit in any way Merchant's liability for any breach of this Agreement.

3.19 Representations and Warranties of Merchant

Merchant represents and warrants to Acquirer and Trisource Solutions at the time of execution and during the term of this Agreement that:

- A) All information contained in the Merchant Application or any other documents delivered to Acquirer and/or Trisource Solutions in connection therewith is true and complete and properly reflects Merchant's business, financial condition and principal partners, owners or officers;
- B) Merchant has the power to execute, deliver and perform this Agreement, and this Agreement is duly authorized, and does not and will not violate any provisions of Federal or state law or regulation, or conflict with any other agreement to which Merchant is subject;
- C) Merchant has all licenses, if any, required to conduct its business and is qualified to do business in every jurisdiction where it is required to do so;
- D) There is no action, suit or proceeding now pending or to Merchant's knowledge, threatened by or against or affecting Merchant which would substantially impair its right to carry on its business as now conducted or adversely affect its financial condition or operations;
- E) To the best of Merchant's knowledge and belief, each Sales Draft presented to Acquirer for collection is genuine and is not the result of any fraudulent transaction or telemarketing sale or is not being deposited on behalf of any business other than Merchant. Further, Merchant warrants that each Sales Draft is the result of a bona fide Card Transaction for the purchase of goods or services by the Cardholder in the total amount stated on the Sales Draft;
- F) Merchant has performed or will perform all of its obligations to the Cardholder in connection with the Card Transaction evidenced thereby;
- G) Merchant has complied with Acquirer's and Trisource Solutions' procedures for accepting Cards, and the Card Transaction does not involve any element of credit or debit for any purpose other than as set forth in this Agreement and shall not be subject to any defense, dispute, offset or counter claim which may be raised by any Cardholder under the Rules, the Consumer Credit Protection Act (15 USC 1601) or other relevant state or federal statutes or regulations;
- H) Any Credit Voucher which it issues represents a bona fide refund or adjustment on a Card sale by Merchant with respect to which a Sales Draft has been accepted;
- I) Unless Merchant notifies Trisource Solutions in writing (either on the Merchant Application or otherwise), no other processing relationship exists between Merchant and another bankcard processing institution, for this, or any other business run or owned by Merchant.
- J) With respect to all Card Transactions that Merchant requests Trisource Solutions and Acquirer to originate, Merchant continuously represents and warrants to Acquirer and Trisource Solutions that:
- 1) Each Customer has authorized the debiting and/or crediting of its account;
 - 2) Each Entry is for an amount the customer has agreed to; and
 - 3) Each Entry is in all other respects properly authorized.

3.20 Privacy Policy

This Agreement incorporates by reference our Privacy Policy, which may be found at www.trisourcesolutions.com/privacypolicy.pdf

30187756.1

3.21 Definitions

In addition to terms otherwise defined in this Agreement, capitalized terms shall have the meaning ascribed to them in this section.

"Account" means a commercial checking or demand deposit account maintained by Merchant for the crediting of collected funds and the debiting of fees and charges under this Agreement.

"ACH" means the Automated Clearing House paperless entry system controlled by the Federal Reserve Board.

"Agreement" means the Merchant Application, and these Terms and Conditions, and any supplementary documents referenced herein, and schedules, exhibits and amendments to the foregoing.

"American Express" means the Cards bearing the Marks of, and Card Network operated by, American Express Travel Related Services Company, Inc. or its affiliates.

"Authorization" means a computerized function or a direct phone call to a designated number to examine Individual Transactions to obtain approval from the Card Issuer to charge the Card for the amount of the sale in accordance with the terms of this Agreement and the Network Rules.

"Bank" has the meaning set forth on the Merchant Application.

"Card" means (i) a valid credit card or debit card in the form issued under license from a Card Network ("Bank Card"); or (ii) any other valid credit card or debit card or other payment device approved by Bank and accepted by Merchant.

"Card Issuer" means the financial institution or company which has provided a Card to a Cardholder.

"Card Network" means Visa U.S.A., Inc., MasterCard International, Inc., American Express Travel Related Services Company, Inc., DFS Services LLC (the owner of Discover) and their affiliates, or any other payment networks approved by Bank that provide Cards accepted by Merchant.

"Card Not Present" or **"CNP"** means that an Imprint of the Card is not obtained at the point-of-sale.

"Cardholder" (sometimes referred to as "Card Member" in certain Card Network materials) shall mean any person authorized to use the Cards or the accounts established in connection with the Cards.

"Credit Voucher" means a document executed by a Merchant evidencing any refund or price adjustment relating to Cards to be credited to a Cardholder account.

"Discover Card" means a Card bearing the Discover Marks and accepted as part of the DFS Services Network.

"Guarantor" has the meaning set forth on the Merchant Application.

"Guaranty" has the meaning set forth on the Merchant Application.

"ISO" has the meaning set forth on the Merchant Application

"Merchant" has the meaning set forth on the Merchant Application.

"Merchant Application" has the meaning set forth on the Merchant Application.

"Network Rules" means the rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Card Networks and related authorities, including without limitation, those of the PCI Security Standards Council, LLC and the National Automated Clearing House Association (including, with respect to EBT, the Quest Operating Rules and with respect to PIN debit cards, the rules, regulations, policies and procedures of the applicable debit network).

"Provider" as provided by the introductory paragraph to these Terms and Conditions, means ISO and Bank together.

"Transaction" means any sale of products or services, or credit for such, from a Merchant for which the Cardholder makes payment through the use of any Card and which is presented to Provider for collection.

"Voice Authorization" means a direct phone call to a designated number to obtain credit approval on a Transaction from the Card Issuer, whether by voice or voice-activated systems.

3.22 Merchant Statement Key

Brand-Originated Fee Names The names given to particular fees by the card brands (Visa, MasterCard, Discover, American Express)

Statement Fee Names The names of particular fees as they appear on the TriSource monthly merchant statement

Fee Descriptions Explanation/Descriptions of a particular fee

Visa Fee Names	Statement Names	Fee Descriptions
Visa Auth	Auth fee	Authorization Fee on Visa Transactions
Visa ARU	ARU auth	Authorization Fee for Automated Response Unit on Visa transactions
Visa Voice Auth	Voice auth	Authorization Fee for Voice Authorization on Visa transactions

VISA APF	APF credit	Acquiring Processing Fee for Visa Credit Transactions
VISA APF Debit	APF debit	Acquiring Processing Fee for Visa Debit Transactions
VISA Misuse Auth	Misuse auth system	Fee for Misuse of Authorization System on Visa Transactions
Visa FANF	FANF	Fixed Acquirer Network Fee for access to Visa networks
Visa Integrity Fee	Trans integrity fee	US domestic debit & prepaid card failing CPS qualifications on Visa transactions
Visa Floor Limit Rate	Floor Limit Rate	Transactions without matching authorizations through EQT device on Visa transactions
Visa IAF	IAF	International Acquiring Fee on foreign issued Visa transactions
Visa ISA	ISA	International Service Assessment on Visa transactions
MasterCard Fee Names	Statement Names	Fee Descriptions
MC Auth	Auth fee m	Authorization Fee on MasterCard Transactions
MC ARU	ARU auth m	Authorization Fee for Automated Response Unit on MasterCard transactions
MC Voice Auth	Voice auth m	Authorization Fee for Voice Authorization on MasterCard transactions
MC Misuse Fee	Misuse auth system m	Fee for Misuse of Authorization System on MasterCard Transactions
MC Acct Inq Rate	Acct Inq Rate	The Account Status Inquiry Service Fee – Intraregional will apply to all MasterCard Account Status Inquiry Service requests (including AVS, CVC2 or both) where the merchant and cardholder are in the same region.
MC Cross Border/Acq Sup %	Cross Border/Acq Sup	Fees on MasterCard foreign authorizations and/or transactions
MC CVC2	CVC 2	MasterCard Card Validation Code 2 transaction fee
MC DEF	DEF	The Digital Enablement Fee will be assessed on all MasterCard card not present sale transactions.
MC NABU	NABU	Network Brand Access Usage for MasterCard authorizations
MC Status Inquiry Service Fee	Status Inq Svc Fee	Fee for Status Inquiries on MasterCard authorizations
Discover Fee Names	Statement Names	Fee Descriptions
Discover Network Auth Fee	DNAF	Network Access Fee on Discover transactions
Disc IPF/ISF	IPF/ISF	International Processing Fee/International Service Fee on Discover foreign transactions
Disc DUC	DUC	Data Usage Fee on Discover authorizations
Disc Auth	Auth fee d	Authorization Fee on Discover Transactions
Disc ARU	ARU auth d	Authorization Fee for Automated Response Unit on Discover transactions
Disc Voice Auth	Voice auth d	Authorization Fee for Voice Authorization on Discover transactions
Amex Fee Names	Statement Names	Fee Descriptions
Network Fee		The fee applies to gross American Express card volume.
Card-Not-Present Fee		The fee applies to gross card-not-present volume, such as keyed and e-commerce transactions. The CNP surcharge is charged in addition to the sponsorship fee of 0.15%, making the total assessment on card-not-present volume 0.45%.
Inbound Fee		The American Express international assessment applies to gross sales volume involving a card issued outside of the United States.
Data Quality Fee		The fee applies to any American Express transaction that does not meet data quality standards, e.g. incorrect MID numbers or incorrect MCCs. The fee is 0.75% of the face amount of the transaction amount.

PLANET FITNESS®

**EXHIBIT “L”
TO THE DISCLOSURE DOCUMENT**

TABLE OF CONTENTS TO OPERATIONS MANUAL



Table of Contents

Table of Contents	xiii
Legal Statement.....	xvii
Confidentiality Statement:.....	xviii
Anti-Corruption.....	xviii
Methods of Operation.....	xix
Compliance with Methods of Operation.....	xix
Trademarks	xxi
Use of Marks	xxi
Mission Statement and Corporate Values	xxiii
Our Corporate Mission	xxiii
Member Mission	xxiii
Our Values	xxiv
Introduction.....	1
The Judgement Free Zone®.....	1
Lunk® – Defined.....	2
Addressing a Lunk®	3
Creating and Maintaining a Judgement Free® Atmosphere.....	4
Membership	5
New Members	5
Membership Offers.....	5
Planet Fitness® Required Membership Offers	6
\$10 Non-Reciprocal (White Card) Membership	6
\$15 Non- Reciprocal Membership.....	6
Black Card™ Membership.....	7
Black Card™ Amenities.....	7
Prepaid Membership.....	8
Prorating Monthly Fees	9
Annual Fees.....	10
Enrollment/Startup Fees.....	11
Membership Offer Conditions	11



PLANET FITNESS, OPERATIONS MANUAL

Available Offers	12
Rate Sheets.....	12
Billing and Payment Policies and Procedures	13
Monthly Membership and Annual Fees.....	13
Billing Information.....	14
Financial Cosigner	14
Processing Compliance.....	15
The EFT Draft.....	15
New Store and Presale EFT Draft Processing	16
Declined Billing	16
Bad Billing Information.....	17
Invalid, Inactive, or Overdrawn Accounts	17
Credit Card Processing	17
Accounts Receivable Arrears	18
Paying Prepay Memberships	18
Member Service	20
Raving Fans Service	20
Club Information.....	21
10/5 Rule	22
Info Calls and Tours.....	22
Info Calls	24
Tours	25
Signing Up Members.....	26
NC Members	28
Compliance with the Americans with Disabilities Act	30
Service Recovery	31
Membership Policies and Procedures	32
Anti-Harassment Policy	32
Serving Transgender Members.....	33
Transgender Policy	33
New Member Welcome	36
New Member T-Shirts.....	36
Club Use.....	36



PLANET FITNESS, OPERATIONS MANUAL

Day Fee	37
Reciprocal Use	38
Age Restrictions.....	38
Membership Changes	39
Self-Service Options using the Planet Fitness® Website	39
Member Accounts	42
Front Desk Statistics.....	42
Cancellation.....	43
Transfers.....	45
Conversion	46
Renewal.....	47
Account Freeze.....	47
Processing Membership Changes.....	48
Daily Operations	49
Approved Products and Vendors	49
Club Hours.....	50
Holiday Hours.....	51
Emergency Closures.....	51
Opening Procedure.....	52
PE@PF® Training.....	52
Safety	54
Insurance Requirements	54
Loss Prevention	55
Crisis Management	56
Building Exterior	57
Interior.....	59
Walk-Around.....	59
Equipment.....	64
Locker Rooms	66
Bathrooms and Shower Areas	67
Facilities.....	68
Storage Areas	68
Black Card™ Spa Area	69



PLANET FITNESS, OPERATIONS MANUAL

Tanning	69
Tanning Equipment Requirements	70
Tracking Tanning	71
Total Body Enhancement	72
Tracking Total Body Enhancement	73
Massage Chairs and Hydro Massage Beds	74
Technology	75
Retail	78
Brand Image.....	80
Staffing.....	83
PFHQ Franchisee Support.....	84
Training.....	85
Planet Fitness® Marketing: Requirements and Guidelines	88
The Brand House Model	89
Planet Fitness® Brand House	90
Requirements	92
Marketing Budget.....	92
Creative Materials.....	93
Digital	94
Co-Ops	94
Participation.....	95
Rates	95
Annual Fees.....	97
Disclaimers	97
Recommended/Best Practices	99
Compliance.....	100
Club Closings & Relocations.....	100

PLANET FITNESS®
EXHIBIT “M”
TO THE DISCLOSURE DOCUMENT
STATE ADDENDA

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF CALIFORNIA

The following information applies to franchises and franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body:

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

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

SECTION 31125 OF THE CALIFORNIA INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

Item 3.

Item 3 is amended to provide that neither we nor any other person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association.

Item 6.

Item 6, under the heading entitled “Interest,” shall be amended to provide that the highest interest rate allowed by law in California is ten percent (10%).

Item 17.

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

2. Termination of the Franchise Agreement by us because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

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

4. You must sign a general release if you are granted a successor franchise or transfer your franchise. These provisions may be unenforceable under California law. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

5. The Franchise Agreement requires the application of the laws of New Hampshire. This provision may not be enforceable under California law.

6. The Franchise Agreement requires binding arbitration. The arbitration will occur in the office of JAMS that is nearest to our principal business address (that JAMS office is currently Boston, Massachusetts) with the costs being borne as determined by the arbitrator. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF CALIFORNIA

This Amendment pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Article 16.7 of the Franchise Agreement contains a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
2. Article 19.13. of the Franchise Agreement requires the application of the laws of New Hampshire. This provision may not be enforceable under California law.
3. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF CALIFORNIA

This Amendment pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended to include the following:

1. Article 13 of the Area Development Agreement contains a covenant not to compete which may extend beyond the term of the franchise. This provision may not be enforceable under California law.

2. Article 20 of the Area Development Agreement requires the application of the laws of New Hampshire. This provision may not be enforceable under California law.

3. In all other respects, the Area Development Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1 et. seq. and related regulations, the Franchise Disclosure Document of Planet Fitness Franchising LLC (“PLANET FITNESS”) for use in the state of Illinois shall be amended to include the following:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a master franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a master franchise agreement may provide for arbitration outside of Illinois.

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

Your right upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF ILLINOIS

This Amendment pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a master franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a master franchise agreement may provide for arbitration outside of Illinois.

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

Your right upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF ILLINOIS

This Amendment pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended to include the following:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a master franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a master franchise agreement may provide for arbitration outside of Illinois.

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

Your right upon termination and non-renewal of a franchise agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF MARYLAND

The following applies to franchises and franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body:

Item 8.

Item 8 is supplemented by the addition of the following language:

“Our affiliate, Planet Fitness Distribution LLC (“PF Equipment”), is the sole distributor of fitness equipment for your Business. PF Equipment’s costs for the equipment include the cost of salaries and commission payments, administrative costs and profit. We believe the amounts you pay PF Equipment for these products is approximately equal to or less than the prevailing market price you would pay if you purchased fitness equipment of a comparable quality (including with respect to extended warranties and unique branding applications) from a third-party.

If PF Equipment is no longer able to provide you with fitness equipment, we will endeavor to provide such equipment through one or more alternate suppliers at comparable cost.”

Item 17.

1. Any claims arising under the Maryland Franchise Registration and Disclosure law must be brought within 3 years after we grant you a **PLANET FITNESS®** franchise.
2. Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.)
3. Any claims under the Maryland Franchise Registration and Disclosure law may be brought in the State of Maryland.
4. Pursuant to COMAR 02.02.0816L, the general release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF MARYLAND

This Amendment pertains to franchises sold in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. Article 19.15 (Waiver of Punitive Damages, Jury Trial and Class Actions) is amended to provide that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Article 19.17 (Limitations of Claims) is amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the date of the Franchise Agreement.

3. Any provision in the Agreement that requires you to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law is not intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Further, a copy of the current form of Release of Claims that a franchisee would sign as a condition of transfer or renewal is attached to this Maryland Amendment.

4. Pursuant to COMAR 02.02.816L, the general release required as a condition of renewal, assignment or transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure law.

5. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

6. Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF MARYLAND

This Amendment pertains to franchises sold in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended as follows:

1. Article 21 is amended to provide that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Any provision in the Agreement that requires you to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law is not intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

4. Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF MICHIGAN

**NOTICE REQUIRED
BY
STATE OF MICHIGAN**

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

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373 7117.

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

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF MINNESOTA

The following applies to franchises and franchisees subject to Minnesota statutes and regulations. Item numbers correspond to those in the main body.

Item 13.

We will undertake the defense of any third party claim of infringement involving the **PLANET FITNESS®** mark. You must cooperate with the defense in any reasonable manner we prescribe with any direct cost of such cooperation to be borne by us.

Item 17.

1. Minnesota law provides you with certain termination and nonrenewal rights. As of the date of this Disclosure Document, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

2. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or Franchise 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.

3. In the event you breach or threaten to breach any of the terms of this Agreement, we will be entitled to seek an injunction restraining such breach and/or to a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining said equitable relief, until such time as the arbitrators make a final and binding determination.

4. Pursuant to Minnesota Rule 2860-4400D, the general release required as a condition to renewal or transfer will not apply to liability under the Minnesota Franchise Act; provided this part shall not ban the voluntary settlement of disputes.

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF MINNESOTA

This Amendment pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. We will undertake the defense of any claim of infringement by third parties involving the **PLANET FITNESS®** mark, and you will cooperate with the defense in any reasonable manner prescribed by us with any direct cost of such cooperation to be borne by us.

2. Article 15 (Termination of Agreement) of the Franchise Agreement is revised to include the following language: Franchisor will comply with Minn. Stat. Sec. 80C.14 which requires, except in certain specified cases, that Franchisor gives you 90 days' notice of termination with 60 days to cure.

3. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or Franchise 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.

4. Article 19.15 (Waiver of Punitive Damages, Jury Trial and Class Actions) is hereby deleted in its entirety.

5. No Article providing for a general release as a condition to renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided that this part shall not ban the voluntary settlement of disputes.

6. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this Amendment.

7. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF MINNESOTA

This Amendment pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended as follows:

1. Article 9 (Default, Termination, Extensions and Modifications) of the Area Development Agreement is revised to include the following language: Franchisor will comply with Minn. Stat. Sec. 80C.14 which requires, except in certain specified cases, that Franchisor gives you 90 days' notice of termination with 60 days to cure.

2. No release language set forth in the Area Development Agreement will relieve Franchisor or any other person, directly or indirectly from liability imposed by the laws concerning franchising of the State of Minnesota, provided that this paragraph will not be for the voluntary settlement of disputes.

3. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Accordingly, Article 21 (Consent to Jurisdiction) is deleted from the Area Development Agreement. In addition, nothing in the Disclosure Document or Area Development 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.

4. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this Amendment.

5. Except as amended herein, the Area Development Agreement will be construed and enforced according to its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF NEW YORK

The following information applies to franchises and franchisees subject to New York statutes and regulations. Item numbers correspond to those in the main body.

Item 3.

Neither we, our affiliates nor any person identified in Item 2 of this Disclosure Document:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations, including pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4.

Neither we nor any of our predecessors, officers or general partners has during the 10 year period immediately preceding the date of the Disclosure Document been adjudged bankrupt or reorganized due to insolvency or was a principal officers of any company or a general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within 1 year after the period that such officer or general partner of us held such position in such company or partnership, or whether any such bankruptcy or reorganization proceeding has been commenced.

Item 17(j)

The Franchise Agreement is fully assignable by us, however, no assignment will be made except to an assignee who in the good faith judgment of the franchisor is willing and able to assume the franchisor's obligations.

Item 17(w).

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

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF NORTH DAKOTA

The following applies to franchises and franchisees subject to North Dakota statutes and regulations. Item numbers correspond to those in the main body:

Item 17.

1. Covenants not to compete such as those mentioned in Item 17 may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the State of North Dakota if contrary to Section 9-08-06.

2. Notwithstanding anything contained in Article 19.12 of the Franchise Agreement (Dispute Resolution) and Article 19 of the Area Development Agreement (Dispute Resolution), any arbitration proceeding will take place in the city nearest to your BUSINESS in which JAMS maintains an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties.

3. Any claims under the North Dakota Franchise Investment Law may be brought in the State of North Dakota.

4. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota or requiring the franchisee to consent to a limitation of claims are unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

5. The North Dakota Securities Commissioner has held that franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota, are unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the Franchise Agreement and Area Development Agreement will be governed by North Dakota law.

6. You will not be required to sign a general release if you renew your franchise since such requirement is unenforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

7. The North Dakota Securities Commissioner has held that a waiver of trial by jury is unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, any such waiver in the Franchise Agreement and Area Development Agreement is unenforceable.

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF NORTH DAKOTA

This Amendment pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law, a franchisee may not be required to sign a general release as a condition of renewal under 14.1(6) of the Franchise Agreement. Accordingly, Article 14.1(6) of the Franchise Agreement is deleted in its entirety.

2. Notwithstanding anything contained in Article 19.12 of the Franchise Agreement (Dispute Resolution), any arbitration proceeding must take place in the city nearest to the BUSINESS in which JAMS maintains an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties.

3. Article 19.13 of the Franchise Agreement (Governing Law) is revised by replacing “New Hampshire” with “North Dakota.”

4. Covenants not to compete such as those mentioned in Article 16 of the Franchise Agreement may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the State of North Dakota if contrary to Section 9-08-06.

5. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, Article 19.14 of the Franchise Agreement is amended and restated in its entirety as follows:

19.14 CONSENT TO JURISDICTION. Subject to Article 19.12. hereof, you and your Owners agree that we may institute any action against you or your Owners in any state or federal court of general jurisdiction in North Dakota and you (and each Owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts.

6. Article 19.15 (Waiver of Punitive Damages, Jury Trial and Class Actions) is hereby deleted from the Franchise Agreement.

7. Article 19.17 (Limitations of Claims) is hereby deleted from the Franchise Agreement.

8. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Amendment.

9. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF NORTH DAKOTA

This Amendment pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended to include the following:

1. Covenants not to compete such as those mentioned in Article 13 of the Area Development Agreement may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the State of North Dakota if contrary to Section 9-08-06.

2. Notwithstanding anything contained in Article 19 of the Area Development Agreement, any arbitration proceeding must take place in the city nearest to the BUSINESS in which JAMS maintains an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties.

3. Article 20 of the Area Development Agreement (Governing Law) is revised by replacing “New Hampshire” with “North Dakota.”

4. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, Article 21 of the Area Development is amended and restated in its entirety as follows:

21. Consent to Jurisdiction. Subject to Article 19 hereof, you and your Owners agree that we may institute any action against you or your Owners in any state or federal court of general jurisdiction in North Dakota and you (and each Owner) irrevocably submit to the jurisdiction of such courts and waive any objection you (or he or she) may have to either the jurisdiction of or venue in such courts.

5. Article 23 (Waiver of Punitive Damages, Jury Trial and Class Actions) is hereby deleted from the Area Development Agreement.

6. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Amendment.

7. Except as amended herein, the Area Development Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF RHODE ISLAND

The following applies to franchises and franchisees subject to Rhode Island statutes and regulations. Item numbers correspond to those in the main body of the Disclosure Document:

Item 17.

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

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF RHODE ISLAND

This Amendment pertains to franchises sold in the State of Rhode Island and is for the purpose of complying with Rhode Island statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
2. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Planet Fitness Franchising LLC for use in the Commonwealth of Virginia shall be amended as follows:

Item 17.

“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 ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

“The cross default provisions in Article 15.3(12) of the Franchise Agreement, Article 9.1 of the Area Development Agreement entitled “Default and Termination,” and their corresponding disclosures in Item 17 of the Disclosure Document are hereby deleted in their entirety.”

ADDENDUM TO
PLANET FITNESS®
DISCLOSURE DOCUMENT FOR THE
STATE OF WASHINGTON

1. Item 17 of the Franchise Disclosure Document is hereby amended by the addition of the following language:

Washington law RCW 19.100.180(2)(i) and (j) provides certain rights and remedies to franchisees in connection with termination or renewal of a franchise. More specifically, Washington law provides that it is unlawful for a franchisor to:

(i) Refuse to renew a franchise without fairly compensating the franchisee for the fair market value, at the time of expiration of the franchise, of the franchisee's inventory, supplies, equipment, and furnishings purchased from the franchisor, and goodwill, exclusive of personalized materials which have no value to the franchisor, and inventory, supplies, equipment and furnishings not reasonably required in the conduct of the franchised business; provided, that compensation need not be made to the franchisee for goodwill if (i) the franchisee has been given one year's notice of nonrenewal, and (ii) the franchisor agreed in writing not to enforce any covenant which restrains the franchisee from competing with the franchisor; provided further, that the franchisor may offset against amounts owed to the franchisee under this subsection any amounts owed by the franchisee to the franchisor.

(j) Terminate the franchise prior to the expiration of its term except for good cause. Good cause shall include, without limitation, the failure of the franchisee to comply with lawful and material provisions of the franchise or other agreement between the franchisor and the franchisee, and to cure such default after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days to cure such default, or if such default cannot reasonably be cured within 30 days, the failure of the franchisee to initiate within 30 days substantial and continuing action to cure such default; provided, that after three willful and material breaches of the same term of the franchise occurring within a 12-month period, for which the franchisee has been given notice and an opportunity to cure as provided in this subsection, the franchisor may terminate the agreement upon any subsequent willful and material breach of the same term within the 12-month period without providing notice or opportunity to cure; provided further, that the franchisor may terminate the franchise without giving prior notice or opportunity to cure a default if the franchisee: (i) is adjudicated bankrupt or insolvent; (ii) makes an assignment for the benefit of creditors; (iii) voluntarily abandons the franchise business; (iv) or is convicted of or pleads guilty or no contest to a charge of violating any law relating to the franchise business. Upon termination for good cause, the franchisor shall purchase from the franchisee at a fair market value at the time of termination, the franchisee's inventory and supplies, exclusive of (i) personalized materials which have no value to the franchisor; (ii) inventory and supplies not reasonably required in the conduct of the franchise business; and (iii) if the franchisee is to retain control of the premises of the franchise business, any inventory and supplies not purchased from the franchisor or on his express requirement; provided, that the franchisor may offset against amounts owed to the franchisee under this subsection any amounts owed by the franchisee to the franchisor.

2. Washington law RCW 19.100.180(2)(g) provides that it is unlawful to require the franchisee to assent to a release, assignment, violation or waiver which would relieve the franchisor from any liability imposed by the Washington Franchise Investment Protection Act.

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

AMENDMENT TO
PLANET FITNESS®
FRANCHISE AGREEMENT FOR THE
STATE OF WASHINGTON

This Amendment pertains to franchises sold in the State of Washington and is for the purpose of complying with Washington statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended to include the following:

1. Article 19.12. of the Franchise Agreement (Dispute Resolution) is amended by the addition of the following language:

If any of the provisions in the Franchise Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of R.C.W. 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Disclosure Document and Franchise Agreement with regard to any franchise sold in Washington. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

2. Article 19.15. of the Franchise Agreement (Waiver of Punitive Damages, Jury Trial and Class Actions) is amended by the addition of the following language:

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

3. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

4. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement as of the Effective Date of the Franchise Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

AMENDMENT TO
PLANET FITNESS®
AREA DEVELOPMENT AGREEMENT FOR THE
STATE OF WASHINGTON

This Amendment pertains to franchises sold in the State of Washington and is for the purpose of complying with Washington statutes and regulations. Notwithstanding anything which may be contained in the body of the Area Development Agreement to the contrary, the Agreement is amended to include the following:

1. Article 19 of the Area Development Agreement is amended by the addition of the following language:

If any of the provisions in the Franchise Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of R.C.W. 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Disclosure Document and Franchise Agreement with regard to any franchise sold in Washington. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

2. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

3. Except as amended herein, the Area Development Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Area Development Agreement as of the Effective Date of the Area Development Agreement.

[OWNER ENTITY]

PLANET FITNESS FRANCHISING LLC

By: _____
(Authorized Representative)

By: _____

Print Name: _____

Print Name: Christopher J. Rondeau

Title: _____

Title: Chief Executive Officer

PLANET FITNESS®
EXHIBIT “N”
TO THE DISCLOSURE DOCUMENT
RECEIPTS

RECEIPT

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

If Planet Fitness Franchising LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa, New York and Oklahoma require that Planet Fitness Franchising LLC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Wisconsin require that Planet Fitness Franchising LLC give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Planet Fitness Franchising LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

Planet Fitness Franchising LLC authorizes the agents listed in Exhibit A to receive service of process on its behalf.

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

- Candace Couture, 4 Liberty Lane West, Hampton, NH 03842, (603) 750-0001
- Mark Andrews, 4 Liberty Lane West, Hampton, NH 03842, (603) 750-0001
- _____

Issuance Date: **September 10, 2018**, (Please refer to the State Cover Page for the effective date in your state, if applicable.)

I have received a Disclosure Document dated **September 10, 2018**, that included the following Exhibits:

- | | |
|--|--|
| A. List of State Agencies and Agents to Receive Service of Process | G. Area Development Agreement (including Addenda and Appendices) |
| B. Nondisclosure & Non-Use Agreement | H. Financial Statements |
| C. Franchise Agreement (including Addenda and Appendices) | I. List of Franchise and Corporate Locations |
| D. Acquisition Amendment to Franchise Agreement | J. Form of General Release |
| E. Successor Amendment to Franchise Agreement | K. POS Agreements |
| F. Conversion Amendment to Franchise Agreement | L. Table of Contents to Operations Manual |
| | M. State Addenda |
| | N. Receipts |

Date

Signature

Printed Name

Date

Signature

Printed Name

Please sign this copy of the receipt, date your signature, and keep it for your records.

Prospective Franchisee's Copy

RECEIPT

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

If Planet Fitness Franchising LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa, New York and Oklahoma require that Planet Fitness Franchising LLC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Wisconsin require that Planet Fitness Franchising LLC give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Planet Fitness Franchising LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

Planet Fitness Franchising LLC authorizes the agents listed in Exhibit A to receive service of process on its behalf.

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

- Candace Couture, 4 Liberty Lane West, Hampton, NH 03842, (603) 750-0001
- Mark Andrews, 4 Liberty Lane West, Hampton, NH 03842, (603) 750-0001
- _____

Issuance Date: **September 10, 2018**, (Please refer to the State Cover Page for the effective date in your state, if applicable.)

I have received a Disclosure Document dated **September 10, 2018**, that included the following Exhibits:

- A. List of State Agencies and Agents to Receive Service of Process
- B. Nondisclosure & Non-Use Agreement
- C. Franchise Agreement (including Addenda and Appendices)
- D. Acquisition Amendment to Franchise Agreement
- E. Successor Amendment to Franchise Agreement
- F. Conversion Amendment to Franchise Agreement
- G. Area Development Agreement (including Addenda and Appendices)
- H. Financial Statements
- I. List of Franchise and Corporate Locations
- J. Form of General Release
- K. POS Agreements
- L. Table of Contents to Operations Manual
- M. State Addenda
- N. Receipts

Date	Signature	Printed Name
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Date	Signature	Printed Name
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Please sign this copy of the receipt, date your signature, and return it to Director of Franchise Sales,
4 Liberty Lane West, Floor 2, Hampton, NH

Franchisor's Copy