

FRANCHISE DISCLOSURE DOCUMENT

Jazzercise, Inc.
a California corporation
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Email: support@jazzercise.com



The franchisee will act as an Instructor of the Jazzercise dance fitness program.

The total investment necessary to begin operation of a Jazzercise franchised business is approximately \$2,170 to \$2,780 if you are an associate franchisee and ranges from \$3,935 to \$40,745 if you are a class owner or business owner franchisee. These amounts include \$1,250 that must be paid to the franchisor or its affiliate.

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

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

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

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

Issuance Date: March 1, 2025.

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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 five years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

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

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

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

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

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913. (517) 373-7117.

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Exhibits

- A. List of State Franchise Administrators
- B. List of Agents for Service of Process
- C. Financial Statements
- D. Franchise Agreement – Class Owner and State-Specific Addenda
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- H. Information on Franchisees
- I. Addendum to Franchise Agreement (Junior Jazzercise)
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State Effective Dates Page

COPIES OF RECEIPT

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT, IF ANY, APPEAR IN THE STATE ADDENDA AT EXHIBIT L OR THE STATE SPECIFIC ADDENDA TO FRANCHISE AGREEMENTS IN EXHIBITS D, E AND F EXCEPT THAT ADDITIONAL DISCLOSURES RELATED TO MICHIGAN LAW CAN BE FOUND RIGHT BEFORE THIS TABLE OF CONTENTS.

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, “Jazzercise” means the franchisor - Jazzercise, Inc., a California corporation. “You” means the person who buys the franchise. Jazzercise is a California corporation that was incorporated on September 26, 1979. Jazzercise, Inc. does business as Jazzercise. Our principal business address is 2460 Impala Drive, Carlsbad, California 92010-7226. Before 1979, Jazzercise’s predecessor, Judi Sheppard Missett, operated the Jazzercise dance fitness program as a sole proprietorship. Jazzercise does not have any affiliates that offer franchises or provide products or services to Jazzercise’s franchisees. Jazzercise does not have any parents.

Jazzercise’s agents for service of process are disclosed in Exhibit B.

Jazzercise conducts a dance fitness program and licenses instructors to do so as well. The program’s aim is to promote total fitness through dance. Instructors lead classes through dance routines that are choreographed to popular tunes. Instructors learn these dance routines from videos streamed on the Jazzercise Routines Database. Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits the choreographed routines to you. Jazzercise currently makes choreography notes on its website available to you for download and printing. In addition, Jazzercise operates a division called “Jazzercise Apparel” that distributes products such as clothing, accessories, equipment and business items bearing the “Jazzercise” name and any other names we develop. Jazzercise also offers members an online exercise program called Jazzercise On Demand and a nutrition program called Simply Plated. Simply Plated. is an online education-based nutrition subscription program where Jazzercise provides a starter guide and meal plan, recipes and videos.

Some instructors are class owners and sign a Franchise Agreement specific to class owners. Other instructors are associate instructors who only teach classes for other franchisees. Associate instructors sign a different form of Franchise Agreement. Some instructors are licensed to conduct a dance fitness program consisting solely of low impact formats. These instructors sign the LO Jazzercise Addendum in addition to the Franchise Agreement. Some instructors are licensed to conduct a dance fitness program solely limited to children’s programs. These instructors sign the Junior Jazzercise Addendum in addition to the Franchise Agreement. There are also business owner franchisees who offer Jazzercise dance fitness classes but do not teach the classes themselves. These franchisees sign the Business Owner Franchise Agreement and retain certified Jazzercise instructors to teach their classes.

An essential part of the Jazzercise dance fitness program is its online and social media policies. All instructors must comply with these policies. In particular, you may not post any content that is scandalous, immoral, or detrimental to Jazzercise’s image, whether

on a website or in any electronic format including in any of your non-business Internet sites or activities. If you violate these policies, you may lose your franchise.

The general market for the services a Jazzercise instructor offers is the general public.

In addition to laws and regulations that apply to businesses generally, franchisees must comply with regulations concerning the use of recorded music. These regulations include a prohibition on duplicating recordings and the obligation to pay a fee (see Item 6) to performing rights societies (e.g., ASCAP, BMI, SESAC and GMR). In addition, you may be subject to health club regulations in your state, city and county. These regulations may include registration and bonding requirements and may require training for the use and maintenance of automated external defibrillators. You may have to pay a registration fee. Some states require training and certification in cardio pulmonary resuscitation (CPR). Among the laws that apply to businesses generally are those concerning employees and independent contractors. You should consult with your own advisors and the Office of the Attorney General and the Consumer Protection Division in your state for information on how these laws apply to you and how to structure your arrangements with anyone who assists with your classes and with other instructors, and the impact of such arrangements. You must also comply with all data protection and privacy laws. In particular, you may not copy, transfer or use data on current or past members such as their names, addresses, phone numbers or email addresses, or provide that information to third parties.

Your competitors include other dance fitness classes, boutique fitness studios and fitness clubs.

Jazzercise has offered franchises to conduct the Jazzercise dance fitness program since July 1982. Jazzercise has offered the Junior Jazzercise Addendum since 2000. Jazzercise began offering a Business Addendum in 2004 and currently offers a separate Franchise Agreement for business owners. It has offered the LO Jazzercise Addendum since 2017, which is a combination of two separate addenda that Jazzercise previously offered – a Lite Jazzercise Addendum beginning in 1996 and a Low Impact Addendum beginning in 2011. Jazzercise has offered a nutrition program called Simply Plated. since 2023 (and previously offered a different weight management program from 1989 to 1995). Jazzercise has conducted a dance fitness business since its incorporation and its predecessor began conducting this business in 1969. Jazzercise's predecessor did not grant franchises. Neither Jazzercise nor its predecessor has offered franchises in any other line of business.

ITEM 2

BUSINESS EXPERIENCE

Founder, Executive Chair and Director: Judi Sheppard Missett

Professional dancer and model; Founder and Instructor of Jazzercise Dance Fitness Program since 1969; Executive Chair, Director and sole shareholder of Jazzercise since 1979; CEO, 1979 to 2022; Member of American Federation of Television and Radio Artists; Lifetime Achievement - President's Council on Physical Fitness; Lifetime Achievement - International Dance and Exercise Association; #1 San Diego's Top 50 Women Owned Businesses.

CEO and Director: Shanna Missett Nelson

Special Assistant to the President of Jazzercise, 1991 to 1994; International Administrator, 1994 to 1997; Chief Financial Officer, 1997 to 1998; Vice President of International Operations, 1997 to September 2001; Executive Vice President, September 2001 to May 2010; Director, September 2001 to the present; President, May 2010 to October 2023; CEO, 2022 to the present.

Executive Vice President and Director: Kathryn A. Missett

Director of Marketing for Jazzercise, June 2000 to September 2001; Vice President, Marketing, September 2001 to February 2005; Senior Business Analyst, February 2005 to December 2011; Vice President, Marketing, October 2012 to January 2013; Senior Business Analyst, February 2013 to September 2015; Executive Advisor, September 2015 to June 2022; Executive Vice President, June 2022 to the present; Director, July 2022 to the present.

President and Director: Bobbi Quick

Senior Vice President for The Bay Club Company, 2014 to 2018; Chief Experience Officer for EōS Fitness, 2018 to 2023; Chief Revenue Officer for Jazzercise, February 2023 to October 2023; President and Director, October 2023 to the present.

Chief Financial Officer and Director: Clarissa Zulick

Chief Financial Officer for Mamma Chia, LLC, 2018 to 2019; Chief Financial Officer for Signature Analytics, 2020 to 2021; Senior Vice President Finance for Arbonne, 2021 to 2023; Chief Financial Officer and Director for Jazzercise, 2024 to the present.

Vice President, Licensing and Corporate Events: Kenny R. Harvey

Jazzercise Instructor, 1982 to the present; Executive Director of Jazzercise Japan, 1991 to 1995; Public Relations Manager of Jazzercise, 1995 to 1996; Public Relations Director of Jazzercise, 1996 to September 2001; Vice President, International Sales and

Corporate Events, September 2001 to December 2017; Vice President Licensing and Corporate Events, January 2018 to the present.

Vice President of Operations: Bradford L. Jones

Accountant at Jazzercise, 1996 to 1997; General Manager, Jazzercise Inc. dba JM Television Productions, 1997 to 1998; Accounting Manager for Jazzercise, 1998 to 2000; Director of Accounting for Jazzercise, 2000 to September 2001; Vice President, Technology and Distribution Services, September 2001 to August 2011; and Vice President of Operations, August 2011 to the present.

Senior Manager of Training: Sarah Fritz

Jazzercise Instructor, 1993 to the present; Jazzercise Trainer, 2004 to 2012; Programs Specialist, 2007 to 2013; Manager of Training, 2013 to 2017; Senior Manager of Training, 2017 to the present.

Senior Vice President of Product Innovation & Development: Young McCarthy

Jazzercise Instructor, 1994 to the present; Sales Manager (formerly known as District Manager), 2007 to 2010; Franchise Quality Specialist, 2010 to 2013; Manager of Instructor Development, 2013 to 2015; Director of Training & Development, May 2015 to March 2021; Vice President of Product Innovation & Development (formerly known as Vice President of Training & Development), March 2021 to August 2022; Senior Vice President of Product Innovation & Development, September 2022 to the present.

Director of Human Resources: Christa Meathe

Director of Human Resources for Native Wholesale, Native Floral & Native Bouquet, 2016 to 2019; Director of Human Resources for Islands Restaurants and Champagne French Bakery Café, 2019 to 2022; Director of Human Resources for Jazzercise, 2022 to the present.

Senior Sales Director: Joan Gambill

Jazzercise Franchisee, 1982 to 2019; Sales Manager (formerly known as District Manager), September 2008 to November 2022; U.S. Center Sales Director, November 2022 to February 2023; Senior Sales Director, February 2023 to the present.

U.S. Franchise Business Director: Susan Fisher

Jazzercise Instructor, 2008 to the present; Quality Coordinator, Jazzercise, 2012 to 2013; Sales Manager (formerly known as District Manager), 2013 to 2017; International Sales Director, 2018 to 2023; U.S. Franchise Business Director, 2023 to the present.

U.S. Franchise Business Director: Elizabeth West

Jazzercise Instructor, 1981 to the present; Sales Manager (formerly known as District

Manager), 1992 to 2023; U.S. Franchise Business Director, 2023 to the present.

International Franchise Business Director: Dana Rowe

Jazzercise Instructor, 2013 to the present; Managing Partner, Rowe Squared Limited, 2013 to the present; U.S. & International Sales Manager & International Marketing Liaison, Jazzercise, 2022 – 2023; International Franchise Business Director, 2023 to the present.

Brand Marketing Manager: Claire La Breche

Jazzercise Instructor, 2012 to the present; Franchise & Customer Support, 2012 to 2014; Assistant to the President, 2014 to 2017; Training & Development Manager, 2017 to 2021; Franchise Development Manager, 2021 to 2022; Brand Marketing Manager, 2022 to the present.

ITEM 3

LITIGATION

State of New York v. Jazzercise, Inc. (State of New York, Index No. 41418/87 in the Supreme Court). In April 1987, Jazzercise entered into a consent decree to settle an action that arose out of its failure to timely file its renewal application and the sale of franchises after the expiration date and before renewal. The consent decree contains an injunction requiring that Jazzercise file annual reports, provide current prospectuses to franchisees, comply with advertising requirements and offer rescission to any franchisees who became franchisees while Jazzercise had an inactive registration. Jazzercise has complied with the terms of the consent decree.

State of Wisconsin v. Jazzercise, Inc. (Dane County Circuit Court, Wisconsin, Case Number 85CV4401). In August 1985, Jazzercise entered into a stipulation for judgment in this matter. This stipulation followed a lawsuit brought by the State of Wisconsin, Department of Justice, against Jazzercise filed on or about August 26, 1985. This lawsuit alleged violations of the State of Wisconsin's securities laws for offering for sale and selling franchises without being registered by the Wisconsin Securities Commissioner and for alleged antitrust violations resulting from the use of facility committees to determine the right of a franchisee to teach a class from a specific location and at certain times within his or her designated territory. Pursuant to the stipulation and judgment, Jazzercise was precluded from the sale of franchises in the State of Wisconsin before registration (which was approved in December 1985) and from the use of facility committees to rule on a franchisee's right to begin a class from a proposed location and time, as well as any other violations of the Wisconsin antitrust laws. As a result of this stipulation for judgment, facility committees were disbanded.

In addition, Jazzercise is occasionally named as a defendant in actions filed by persons who allege claims against its franchisees.

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

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Except as described below, all franchisees, including franchisees in foreign countries, pay an initial franchise fee of \$1,250. If you have been an employee of Jazzercise for at least 90 days and you also become a franchisee who owns classes, your initial franchise fee is \$625.00. If you resign but are reinstated more than 12 months later, you pay a recertification fee of \$625.00. If you resign but are reinstated within 12 months, you pay a returning franchise fee of \$250.00. Business owner franchisees do not have the option of reinstatement.

You must pay at least 50% of the initial franchise fee or recertification fee by the Monday before initial training, and the remaining balance, if any, will be automatically debited 30 days after you complete initial training. However, you also have the option to pay the entire initial franchise fee or recertification fee by the Monday before initial training. If you are a franchisee who resigned but are reinstated within 12 months, you must pay the returning franchise fee in one lump sum when you sign the Franchise Agreement.

Jazzercise may periodically offer promotions on the initial franchisee fee. As of the date this Disclosure Document was issued, Jazzercise is offering a gift program. Existing franchisees receive one franchise gift every five years that they have been Jazzercise franchisees that they can give to a new franchisee. The new franchisee who receives the franchise gift does not have to pay an initial franchise fee. There may be other discount programs that Jazzercise offers. Jazzercise may discontinue or change this and any other discounts at any time.

Business owner franchisees and franchisees who are licensed to conduct a dance fitness program consisting solely of low impact formats and children's programs or solely of children's programs pay the same initial franchise fee as instructors who also teach high intensity formats.

If a sales tax, use tax or similar tax is imposed on Jazzercise as a result of your payment of the initial franchise fee or another fee, you must pay the amount of such tax to Jazzercise.

The initial franchise fee is not refundable except as described below. If you decide not to attend initial training, fail the audition, or fail to complete initial training to our satisfaction, we can terminate your Franchise Agreement, and we will refund your initial franchise fee, less an amount that is \$250.00 as of the date this Disclosure Document was issued but that may increase in the future.

You may obtain required liability insurance coverage either through Jazzercise at a current annual charge that Jazzercise estimates will be between \$245.00 and \$345.00 (but may be higher) or through an insurance company. The insurance charge is not refundable. You are not required to purchase any inventory. However, if you wish to do so, you may purchase items from Jazzercise Apparel, a division of Jazzercise, or you may purchase other promotional items.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Continuing Fee/ Royalties	20% of gross member enrollment (10% for certain programs). Class owner franchise minimum currently \$250.00 per month; business franchise minimum currently \$500.00 per month	Upon processing and upon filing of monthly report	See Note 1.
Associate Fee	Up to \$300.00; currently, \$130.00 per year if paid in one lump sum or \$13.00 per month if paid monthly	November 1 if paid in full, or monthly	See Note 2.
Performance Royalties	Varies, depending on organization and number of members	January	See Note 3.
Returning Franchisee Fee	\$250.00	Upon reinstatement	See Note 4.
Recertification Fee	\$625.00	Upon recertification	See Note 5.
Member Reimbursement Fee	Payment of Jazzercise's costs	Upon demand	See Note 6.
Indemnification	Payment of Jazzercise's losses and costs	Upon demand	See Note 7.
Late Fee	\$50.00, but \$20.00 for certain fees that are paid monthly	When payment or report is overdue	See Note 8.

Type of Fee	Amount	Due Date	Remarks
Attorney's Fees	Reasonable attorney's fees and costs	Upon determination of prevailing party	See Note 9.
Advertising Contribution	To be determined	Upon demand	See Note 10.
Insurance Payment	\$245.00 to \$345.00	November 1 if paid in full, or monthly	See Note 11.
Technology Fee	To be determined	Upon demand	See Note 12.

All fees are uniformly imposed by and are payable to Jazzercise, unless otherwise noted. Some fees may be discounted for employees of Jazzercise who are or become franchisees. Jazzercise requires you to pay these fees and submit reports utilizing its website. All fees are non-refundable. Jazzercise may institute periodic incentive programs. If you experience an extreme hardship (e.g., personal hardship or a natural disaster such as a hurricane or flood), Jazzercise will consider a temporary waiver of your fees upon request.

Notes:

1. In general, gross member enrollment fees are all amounts paid by members for your classes, less sales or other taxes collected from your members. As soon as you begin teaching, you are required to pay 20% of gross member enrollment fees for all programs, except children's programs, special events and personal touch programs for which you are required to pay 10%. If you are a newly certified class owner instructor on active status, then you begin paying the minimum continuing fee of \$250.00 per month when you begin conducting your business. Some franchisees who became class owner instructors on active status before and as of March 31, 2015 pay a minimum continuing fee of \$150.00 per month. Jazzercise may raise this minimum continuing fee up to \$500.00 during the term of your Franchise Agreement. If you are a newly certified business owner on active status, then you begin paying the minimum continuing fee of \$500.00 per month when you begin conducting your business. Jazzercise may raise this minimum monthly fee to up to \$1,000 per month during the term of your Franchise Agreement. Jazzercise may periodically institute waiver or rebate programs which are subject to change at any time. Continuing fees/Royalties are currently remitted in the month following the month in which revenues were collected. Royalties may be netted out of and paid directly from your Glofox Stripe account, or may be billed to you through JES or another payment system Jazzercise utilizes. In the future, Jazzercise may collect royalties at the time of the transaction.
2. The fee is payable in one lump sum on November 1 of each year in the amount of \$130.00 prospectively for the subsequent 12 months or in monthly payments

in the amount of \$13.00 per month for a total of \$156.00. It is not refundable if an instructor changes status or under any other circumstances. Associate instructors are franchisees who do not own their own classes but who teach classes for other franchisees on a short or long term basis. Jazzercise may raise this fee during the term of your Franchise Agreement up to a maximum of \$300.00.

3. Jazzercise has entered into agreements for the use of music with performing licensing organizations to collect royalties which Jazzercise then remits to the organizations. Your cost is based upon the number of your members per week and generally increases annually. As of the date this Disclosure Document was issued, these fees were as follows:

Type of Fee	Up to 74 Members	75 or more Members
ASCAP	\$73.00	\$136.00
BMI	\$69.00	\$135.00
SESAC	\$29.00	\$55.00
GMR	\$29.00	\$58.00

You must also pay an \$8.00 administrative fee. If you are live streaming (which is subject to Jazzercise's consent), there is an additional local live stream license fee, as follows: ASCAP fee of \$10.00; BMI fee – none; SESAC fee of \$37.00; GMR fee of \$20.00 and a \$6.00 administrative fee. Associate instructors do not pay these fees.

4. If you resign but request Jazzercise to reinstate you as an instructor within 12 months and Jazzercise agrees, then, upon your reinstatement, you must pay this fee. You must also sign a new Franchise Agreement unless you request reinstatement within 30 days of resigning. Business owner franchisees do not have the option of reinstatement.
5. If you resign and request that Jazzercise allow you to become an instructor again more than 12 months after your resignation and Jazzercise agrees, you must pay this fee. You must also successfully complete initial training and sign a new Franchise Agreement. You must pay the recertification fee when you sign the new Franchise Agreement. Business owner franchisees do not have the option of reinstatement.
6. You must reimburse your members for fees they have paid for classes that are not given. If you do not do so, Jazzercise may do so, and you must reimburse Jazzercise.

7. You must defend Jazzercise and pay for any claims and losses to Jazzercise and its representatives resulting from the operation of your business, including your rent and performance royalties.
8. If you do not pay any amount when due, you must pay a late charge, not to exceed the maximum rate permitted by law. The late charge is \$50.00, except that the late fee is \$20.00 for late payments of the associate fee and insurance fee if you pay those on a monthly basis. If you do not submit a report when due, you must pay an administrative handling fee to cover Jazzercise's additional administrative expense. The administrative handling fee is \$50.00.
9. If there is a lawsuit between you and Jazzercise, the prevailing party will be entitled to reasonable attorney's fees and costs of suit. If Jazzercise obtains injunctive relief against you because you breach the Franchise Agreement's provisions concerning trade secrets or confidential information or if you do not comply with your obligations under the Franchise Agreement upon termination or expiration, you must also pay Jazzercise for its attorney's fees and costs.
10. You must pay an advertising fee to the advertising fund if and when Jazzercise establishes it. Jazzercise has not established an advertising fund as of the date this Disclosure Document was issued. Jazzercise may require you to contribute to an advertising fund administered by a third party on the third party's platform. Jazzercise has not determined how much franchisees would be required to contribute if it does establish an advertising fund. In addition, if Jazzercise decides to conduct an advertising campaign or marketing program, you may have to purchase sufficient amounts of advertising materials from Jazzercise or pay a portion of the cost of the campaign or program to Jazzercise.
11. You may obtain insurance through Jazzercise or through an insurance company. If you choose to obtain liability coverage through Jazzercise, you may pay the premiums annually or monthly, and they may increase. As of the date this Disclosure Document was issued, your monthly payment is \$23.00 for a total annual insurance cost of \$276.00 if you choose to pay the premiums in monthly installments.
12. You must pay a technology fee if and when Jazzercise establishes it. Jazzercise has not established a technology fee as of the date this Disclosure Document was issued. Jazzercise may require you to pay for its software program and support in the future.

ITEM 7

ESTIMATED INITIAL INVESTMENT
ASSOCIATE FRANCHISEES

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
INITIAL FRANCHISE FEE (Note 1)	\$1,250	Lump Sum or Installments	At least 50% on Monday before initial training; remaining balance, if any, 30 days after completing initial training	Jazzercise
ASSOCIATE FEE (Note 2)	\$0 to \$130	Lump Sum or Installments	(Note 2)	Jazzercise
INSURANCE (Note 3)	\$245 to \$345	Lump Sum or installments	(Note 3)	Jazzercise or insurance company
EQUIPMENT (Note 4)	\$500 to \$700	As incurred	As incurred	Suppliers
MUSIC (Note 5)	\$25 to \$35	As incurred	As incurred	Digital music stores or music stores
MISCELLANEOUS OPENING COSTS (Note 6)	\$150 to \$250	As incurred or lump sum	During training and as incurred	Airlines, hotels and restaurants; suppliers and vendors
ADDITIONAL FUNDS – 3 Months (Note 7)	\$0 to \$70	Lump Sum or Installments	As incurred	Jazzercise, insurance company, digital music stores or music stores
TOTAL (Note 8)	\$2,170 to \$2,780			

All figures in Item 7 are estimates only. Actual costs will vary for each franchisee depending on a number of factors.

Notes:

1. The initial franchise fee is \$1,250 for all franchisees. However, if you resign but are reinstated more than 12 months later, you pay a recertification fee of \$625.00. If you resign but are reinstated within 12 months, you pay a returning franchise fee of \$250.00. If you have been an employee of Jazzercise for at least 90 days and you also become a franchisee who owns classes, your initial franchise fee is \$625.00. You must pay at least 50% of this fee by the Monday before your initial training and the remaining balance, if any, 30 days after you complete initial training. You also have the option to pay this fee in one lump sum by the Monday before your initial training. See Item 5 for details on eligibility for reduced initial fees and for the conditions under which the initial franchise fee is refundable.
2. This figure is the associate fee you would have to pay before you begin conducting classes as of the date this Disclosure Document was issued depending on when you become a franchisee. The associate fee is \$130.00 prospectively for the subsequent 12 months if you pay in one lump sum on November 1 of each year or \$13.00 per month for a total of \$156.00 if you pay in monthly payments. If you become a franchisee part way through the year, you may pay the monthly amount through October 31. This fee is not refundable if you change status or under any other circumstances.
3. This figure is the cost of your annual premium for liability insurance coverage which may be obtained through Jazzercise at a current charge that Jazzercise estimates will range from \$245.00 to \$345.00 (but may be higher), or through an insurance company. As of the date this Disclosure Document was issued, the premium is \$245.00 prospectively for the subsequent 12 months if you pay in one lump sum on November 1st or \$23 per month for a total of \$276.00 if you pay in monthly payments. If you become a franchisee part way through the year, you may pay a pro-rated portion of the annual premium. If you obtain liability coverage through Jazzercise, your premium payment is non-refundable. If you obtain liability coverage through an insurance company, the refundability of your premium payment will depend on your agreement with that company. See Item 8 for details of the coverage required.
4. You are currently required to purchase a wireless microphone before beginning to conduct classes. You may use your mobile device as your audio player. As of the date this Disclosure Document was issued, Jazzercise provides the new routines through a video streaming platform. Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits new routines to you at any time, and this may require you to make additional expenditures for equipment to receive these transmissions. The

refundability of the amounts you pay to purchase these items depends on the agreement between you and the supplier.

5. You must purchase audio recordings of each song used with each new routine. This amount reflects our estimates of the amount you may need to spend on audio recordings before opening. You should anticipate purchasing audio recordings monthly at a current annual cost of approximately \$200.00 to \$300.00. The refundability of these payments depends upon the agreement between you and your supplier. See Item 8 for details.
6. This amount includes the costs of purchasing a variety of exercise apparel to wear when you begin teaching.
7. If you have not already paid for the audio recordings before opening, you will have these additional costs. If you paid these costs before opening, you will not have these additional costs after opening, so these costs are not included in the high end of the range. Associates typically do not have additional expenses during the initial period of operations. Jazzercise bases its estimate of these expenses on its experience and the experience of its franchisees. This is not a breakeven analysis.
8. These figures are estimates and Jazzercise cannot guarantee that you will not have additional expenses starting the business. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

CLASS OWNER OR BUSINESS FRANCHISEES

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
INITIAL FRANCHISE FEE (Note 1)	\$1,250	Lump Sum or Installments	At least 50% on Monday before initial training; remaining balance, if any, 30 days after completing initial training	Jazzercise
INSURANCE (Note 2)	\$245 to \$345	Lump Sum or installments	(Note 2)	Jazzercise or insurance company

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
EQUIPMENT (Note 3)	\$1,710 to \$4,800	As incurred	As incurred	Suppliers
MUSIC (Note 4)	\$25 to \$35	As incurred	As incurred	Digital music stores or music stores
MARKETING AND ADVERTISING (Note 5)	\$555 to \$6,495	As incurred	As incurred	Jazzercise and advertisers
SECURITY DEPOSITS (Note 6)	\$0 to \$10,000	As incurred	As incurred	Landlord
MISCELLANEOUS OPENING COSTS (Note 7)	\$150 to \$250	Installments or as incurred	During training and as incurred	Airlines, hotels and restaurants; suppliers and vendors
ADDITIONAL FUNDS - 3 Months (Note 8)	\$0 to \$17,570	As incurred	As incurred	Jazzercise, insurance company, digital music stores or music stores, associates, suppliers and vendors
TOTAL (Note 9)	\$3,935 to \$40,745			

All figures in Item 7 are estimates only. Actual costs will vary for each franchisee depending on a number of factors.

Notes:

1. The initial franchise fee is \$1,250 for all franchisees. However, if you resign but are reinstated more than 12 months later, you pay a recertification fee of \$625.00. If you resign but are reinstated within 12 months, you pay a returning franchise fee of \$250.00. If you have been an employee of Jazzercise for at least 90 days and you also become a franchisee who owns classes, your initial franchise fee is \$625.00. You must pay at least 50% of this fee by the Monday before your initial training and the remaining balance, if any, 30 days after you

complete initial training. You also have the option to pay this fee in one lump sum by the Monday before your initial training. See Item 5 for details on eligibility for reduced initial fees and for the conditions under which the initial franchise fee is refundable.

2. This figure includes the cost of your annual premium for liability insurance coverage which may be obtained through Jazzercise at a current charge that Jazzercise estimates will range from \$245.00 to \$345.00 (but may be higher), or through an insurance company. As of the date this Disclosure Document was issued, the premium is \$245.00 prospectively for the subsequent 12 months if you pay in one lump sum on November 1st or \$23.00 per month for a total of \$276.00 if you pay in monthly payments. If you become a franchisee part way through the year, you may pay a pro-rated portion of the annual premium. If you obtain liability coverage through Jazzercise, your premium payment is non-refundable. If you obtain liability coverage through an insurance company, the refundability of your premium payment will depend on your agreement with that company. See Item 8 for details of the coverage required.
3. You are currently required to purchase a wireless microphone before beginning to conduct classes, and fitness equipment including bands and weights. You may use your mobile device as your audio player. Renting a facility requires extra equipment like stage lights, speakers, a mixer and a power amplifier. Currently, Jazzercise provides the new routines through a video streaming platform. Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits new routines to you at any time, and this may require you to make additional expenditures for equipment to receive these transmissions, such as a computer system that can download music and video files. You must also purchase a stage if none is available to you at the facility. You must also acquire a computer system that has the capabilities described in Item 11. The refundability of the amounts you pay to purchase these items depends on the agreement between you and the supplier.
4. You must purchase audio recordings of each song used with each new routine. This amount reflects our estimates of the amount you may need to spend on audio recordings before opening. You should anticipate purchasing audio recordings monthly at a current annual cost of approximately \$200.00 to \$300.00. The refundability of these payments depends upon the agreement between you and your supplier. See Item 8 for details.
5. You are required to obtain promotional merchandise. Promotional material costs, if any, are included in the estimated cost in this category – Marketing and Advertising. In general, payment for these items is not refundable.
6. This amount includes costs of lease deposits. If you choose to lease a commercial facility on your own, either alone or with other franchisees, you will need approximately 1,200 square feet for a small facility and approximately 3,000 square feet for a large facility, and you can expect to be charged current market

value rent for your geographic region. Typical locations are strip shopping malls and light industrial areas. There may also be additional costs for utility deposits and office furniture and equipment, as well as expenses related to remodeling, leasehold improvements, decorating and similar costs. However, if you do not rent a facility on your own, you will not have these costs. The refundability of these payments depends upon the agreement between you and your lessor and suppliers.

7. This amount includes the cost of purchasing a variety of exercise apparel to wear when you start teaching.
8. This amount includes costs for audio recordings and the insurance premium payments if you did not pay them before opening. If you are a class owner, you may teach all of your classes yourself or hire associates to teach your classes. If you are a business owner, you must hire associates to teach your classes. The high amount in this range also includes the cost of hiring cleaners to clean your facility or offering childcare at your facility during class hours. You may have additional expenses during the initial period of operations. Jazzercise bases its estimate of these expenses on its experience and the experience of its franchisees. This is not a breakeven analysis.
9. These figures are estimates and Jazzercise cannot guarantee that you will not have additional expenses starting the business. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

Jazzercise does not offer direct or indirect financing to franchisees for any items.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

New routines are available only from Jazzercise. Jazzercise does not currently charge you for new routines but may do so in the future. Jazzercise currently sends new routines through video streaming. However, Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits new routines to you at any time, and this may require you to make additional expenditures for equipment to receive these transmissions, such as a computer system that can download music and video files. Jazzercise currently makes choreography notes on its website available to you for download and printing.

You must purchase audio recordings for each song used with each routine. You may purchase the audio recordings from music websites such as iTunes or from any source available to you. Some of the audio recordings for songs used in new routines may be special recordings and may only be available from the music artist. You should anticipate purchasing new recordings monthly at a current annual cost of approximately

\$200.00 to \$300.00. The price of the audio recordings and other materials is set by the independent supplier of those items. Jazzercise has a link on its website to iTunes from which you can download the audio recordings. Jazzercise negotiates with performing licensing organizations for the use of music by Jazzercise instructors. Jazzercise collects royalties based on the number of your members and remits them to the licensing organization (see Item 6).

Jazzercise also offers online fitness classes through Jazzercise On Demand. You must offer members access to these classes in conjunction with your in-person classes. As of the date this Disclosure Document was issued, members you recruit receive a discount for Jazzercise On Demand and you may share in the revenue from these members. Jazzercise may modify or discontinue this program at any time.

Jazzercise has developed a nutrition program called Simply Plated. Simply Plated is an online education-based nutrition subscription program where Jazzercise provides a starter guide and meal plan, recipes and videos. You may offer this program to your members. In the future, we may require you to do so. As of the date this Disclosure Document was issued, members you recruit receive a discount for this program and you may share in the revenue from these members. Jazzercise may modify or discontinue this program at any time.

Jazzercise uses Glofox, a third party studio management platform to manage member registration and attendance, tickets and classes, and you must use this platform. If you live outside of the United States, you must use Glofox after you migrate. Jazzercise may replace Glofox at any time. You must also purchase a virus protection software suite. See Item 11 for details.

You must use our designated vendor to provide transaction services to your members. This vendor may charge you a fee and require you to submit to a credit check.

OneTouchPoint (OTP) (formerly BlueWater) is a Jazzercise marketing platform hosted by OTP that houses marketing materials, digital ads, access to order print and collateral materials, access to digital advertising, and an optional email platform. As of the date this Disclosure Document was issued, the base subscription fee of \$15 per month. If you also sign up for the email plan, you pay an additional \$25 per month. There is also an additional, optional pay-per-click plan that class owners can purchase. You are not required to use these services as of the date this Disclosure Document was issued. We may change the agency that we authorize to provide marketing services at any time. If you are a class owner or business franchisee, we may require you to use these types of marketing services in the future at a cost to you.

You must obtain the insurance coverage required by the Franchise Agreement. The required coverage currently includes worker's compensation insurance if required by law, including employer's liability if required by law, with limits as required by law, and comprehensive general liability insurance in the minimum amount of \$1,000,000, including personal injury, contractual liability, products and completed operations and professional liability coverage. The required coverage is subject to change. Jazzercise

makes liability insurance coverage available to franchisees from an insurance company with which Jazzercise has negotiated a contract for coverage. Alternatively, you may obtain the liability coverage from another insurance company acceptable to Jazzercise. If you choose to obtain the liability coverage from another company acceptable to Jazzercise, the coverage period must correspond to that of the coverage Jazzercise makes available. The current coverage period is November 1, 2024 to October 31, 2025. If you obtain liability insurance coverage through Jazzercise, Jazzercise will collect your premium and an amount to cover its administration and handling costs. For the year ended December 31, 2024, after remitting the premiums due to the insurance carriers, Jazzercise's income was \$605,956 or approximately 3% of its total revenues of \$20,534,356 (Jazzercise's gross revenue from franchisees who chose to obtain insurance coverage through Jazzercise was \$1,214,749 or approximately 5.9% of its total revenues of \$20,534,356). Jazzercise bore the cost of billing and collection, claim processing and research, responding to franchisee questions concerning insurance and issuing insurance certificates for franchisees and their landlords.

If you choose to lease a commercial facility on your own or with other franchisees, the lease must contain the following provisions: a conditional lease assignment (without rent increase or penalty), the landlord's acknowledgment that you may not transfer the lease without Jazzercise's consent, the landlord's consent to Jazzercise signage, the landlord's obligation to notify Jazzercise if you default, no amendment to the lease can be made without Jazzercise's consent, if the Franchise Agreement expires or is terminated, the lease is assigned to Jazzercise or its nominee (without rent increase or penalty) when Jazzercise notifies the landlord and the landlord can rely on the notice, that Jazzercise or its nominee are not responsible for any default before the lease is assigned, that the landlord must provide Jazzercise with reports, information and data if Jazzercise requests them, that if the Franchise Agreement expires or is terminated Jazzercise may enter the premises and make alterations, and that Jazzercise is a third party beneficiary to the lease. You must submit videos of your facility upon our request and provide us with a copy of your lease within 10 days after you sign the lease.

There are specifications for the audio player and microphone that you are required to purchase as of the date this Disclosure Document was issued:

- (a) Microphone – A sturdy wireless headset microphone is required. The microphone must comply with current Federal Communications Commission (FCC) requirements.
- (b) Stage – The stage must be high enough to be seen by a full room of members and large enough for you to perform routines correctly.

Jazzercise does not currently require you to use any specific supplier or purchase a specific brand name for equipment or services but reserves the right in the future to do so.

You may purchase promotional materials from Jazzercise if they are available. If Jazzercise decides to require an advertising campaign or marketing program, you must

purchase sufficient amounts of advertising material from Jazzercise or contribute funds to Jazzercise to conduct such a campaign or program.

You may also purchase exercise apparel and clothing bearing the “Jazzercise” name or any other name that we develop, and other products such as business items, accessories and related items from Jazzercise Apparel, a division of Jazzercise, for sale to your members. There are no other approved suppliers for these items. You may not sell any of these items via the Internet.

For the year ended December 31, 2024, Jazzercise’s gross revenue from the sale of business and instructional materials, promotional items, the items from Jazzercise Apparel described above, and the purchase of equipment was \$603,993 or approximately 2.9% of its total revenues of \$20,534,356. From these gross revenues, Jazzercise had to pay the cost of these items which averaged approximately 50.5% of sales during the 12-month period ended December 31, 2024.

As of the date this Disclosure Document was issued, Jazzercise has negotiated a 25% discount for franchisees with ProCPR.org for online renewal of franchisees’ CPR certification. Jazzercise also negotiates purchasing arrangements with vendors and with suppliers of portable stages, signage and other business supplies. We may require that you use these and other services in the future, which may involve a cost to you.

Other than Jazzercise itself, no officer of Jazzercise owns an interest in any supplier as of the date this Disclosure Document was issued.

Jazzercise does not provide material benefits to franchisees based on use of designated or approved suppliers.

Other than described above, Jazzercise does not currently receive revenues from required purchases and leases of products and services. However, Jazzercise may receive revenues for promotional services it provides to suppliers.

Jazzercise estimates that the purchases and leases described above constitute over 85% of your costs to establish and operate the franchised business.

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.

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
a. Site selection and acquisition/lease	Paragraph 1C of the Class Owner and Business Owner Franchise Agreement	Items 11 and 12
b. Pre-opening purchases/leases	Paragraph 1C of the Class Owner and Business Owner Franchise Agreement; Paragraph 4 of the Associate Franchise Agreement	Items 7 and 8
c. Site development and other pre-opening requirements	Paragraphs 1(C) and 4 of the Class Owner and Business Owner Franchise Agreement	Items 7 and 11
d. Initial and ongoing training	Paragraph 3	Item 11
e. Opening	Paragraph 2B	Item 11
f. Fees	Paragraphs 3A(3) and 7; Paragraph 8B of the Class Owner and Business Owner Franchise Agreement; Paragraph 2 of the End User License Agreement	Items 5 and 6
g. Compliance with standards and policies/operating manual	Paragraphs 3, 4, 5A, 6, and 8; Paragraphs 1C, 9B, 11, 13B, and 14B of the Class Owner and Business Owner Franchise Agreement; Paragraphs 10, 12B, and 13B of the Associate Franchise Agreement	Item 11
h. Trademarks and proprietary information	Paragraphs 3 and 4; Paragraphs 9B, 11, and 13B of the Class Owner and Business Owner Franchise Agreement; Paragraphs 10 and 12B of the Associate Franchise Agreement; Paragraph 3 of the End User License Agreement	Items 13 and 14
i. Restrictions on products/services offered	Paragraph 4	Item 16

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quotas	Not Applicable	Not Applicable
l. Ongoing product/service purchases	Paragraph 4	Item 8
m. Maintenance, appearance and remodeling requirements	Paragraph 4B of the Class Owner and Business Owner Franchise Agreement	Item 11
n. Insurance	Paragraph 5	Items 6 and 8
o. Advertising	Paragraph 9 of the Class Owner and Business Owner Franchise Agreement	Item 11
p. Indemnification	Paragraph 16 of the Class Owner and Business Owner Franchise Agreement; Paragraph 15 of the Associate Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Paragraph 4H of the Class Owner and Business Owner Franchise Agreement; Paragraph 4E of the Associate Franchise Agreement	Item 15
r. Records and reports	Paragraph 8	Item 6
s. Inspections and audits	Paragraph 10 of the Class Owner and Business Owner Franchise Agreement; Paragraph 9 of the Associate Franchise Agreement	Items 6 and 11
t. Transfer	Paragraph 14 of the Class Owner and Business Owner Franchise Agreement; Paragraph 13 of the Associate Franchise Agreement; Paragraph 2 of	Item 17

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
	the End User License Agreement	
u. Renewal	Paragraph 1E of the Class Owner and Business Owner Franchise Agreement; Paragraph 1D of the Associate Franchise Agreement	Item 17
v. Post-termination obligations	Paragraph 13 of the Class Owner and Business Owner Franchise Agreement; Paragraph 12 of the Associate Franchise Agreement; Paragraph 2 of the End User License Agreement	Item 17
w. Non-competition covenants	Not Applicable	Not Applicable
x. Dispute resolution	Paragraph 16J of the Class Owner and Business Owner Franchise Agreement; Paragraph 15J of the Associate Franchise Agreement	Item 17

ITEM 10

FINANCING

Jazzercise may offer financing for the initial franchise fee in the future. Otherwise, Jazzercise does not offer direct or indirect financing as of the date this Disclosure Document was issued. Jazzercise does not guarantee your note, lease or obligation.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, Jazzercise is not required to provide you with any assistance.

Before you begin to conduct your Jazzercise dance fitness business, Jazzercise will provide:

(1) Guidelines, criteria and specifications for selection of a facility at which to conduct your Jazzercise dance fitness business (See Franchise Agreements for Class Owner and Business Owner, Paragraph 1C(1)).

(2) If you are leasing a commercial facility at which to conduct your Jazzercise dance fitness business, evaluation of the location you propose for your classes. You select the location for your franchise business subject to Jazzercise's consent in writing. Jazzercise will not inspect the facility you propose, but you must submit photos and videos of the facility upon our request and provide us with a copy of your lease (See Franchise Agreements for Class Owner and Business Owner, Paragraph 1C).

After you submit your proposal for a location, Jazzercise will respond within 30 days. If you and Jazzercise cannot agree on a proposed location, then you must find another location and request Jazzercise's consent. You must obtain Jazzercise's consent to a location within three months after signing the Franchise Agreement. If you are a class owner or an associate, you must teach your first class within 30 days after becoming certified. If you are a class owner or a business owner, you must open your location for classes within three months after becoming certified. If you do not do so, your Franchise Agreement may be terminated.

(3) Assistance in initiating and promoting the use of facilities and development of classes (See Franchise Agreements for Class Owner and Business Owner, Paragraph 3B(1)).

(4) Instruction and assistance in bookkeeping techniques, recordkeeping and the general operation of your business (See Franchise Agreements for Class Owner and Business Owner, Paragraph 3B(2) and Franchise Agreement for Associate, Paragraph 3B(1)).

(5) Production and dissemination of dance routines which are provided to you through video streaming (Jazzercise may change the medium, e.g., digital recording, Internet or other electronic transmission, by which it transmits new routine packages to you at any time), materials and forms necessary to assist you in beginning your business (See Franchise Agreements for Class Owner and Business Owner, Paragraphs 3B(3) and 3D and Franchise Agreement for Associate, Paragraphs 3B(2) and 3D). Some of these materials are not sent to business franchisees.

(6) Instruction and training in health and fitness, Jazzercise procedures, choreographed routines, and the conduct of Jazzercise classes through organized training, as described in greater detail below (See Franchise Agreement, Paragraph 3A and LO Jazzercise and Junior Jazzercise Addenda, Paragraph 3).

(7) Jazzercise will grant you access to the portion of its website, which is known as The Studio but that may change to another name in the future. If you are a new instructor or are being recertified, you must pass the audition before Jazzercise will

grant you access to The Studio. The Studio is Jazzercise's proprietary franchise portal that provides operating policies and procedures, announcements, ongoing training, marketing materials, a forum for franchisee discussions and a learning management system. The Studio is Jazzercise's online version of an operating manual that includes videos. Jazzercise will notify you of updates to The Studio via the Jazzercise website while you are a franchisee (See Franchise Agreement, Paragraph 3C). Any changes to The Studio will not materially alter your fundamental rights under the Franchise Agreement. A copy of The Studio Navigation current as of our last fiscal year end is attached as Exhibit G to this Disclosure Document. Exhibit G also includes the number of pages in The Studio devoted to each subject and the total number of pages. The total number of pages/videos in The Studio is 662.

(8) Evaluation of your proposal to open a new location (See Franchise Agreements for Class Owner and Business Owner, Paragraph 4D). As of March 2024, the process was as follows: You must submit a proposal at least 30 days before your proposed opening of a new location, closing of a location or transfer to a new location. In general, the factors which Jazzercise may consider are whether there are other locations in the same geographic area at or near the same days and times, whether classes are at capacity, member demand and the need for additional locations in an area. Jazzercise may change this process and the criteria for approval of new locations at any time. These criteria currently may include:

(a) The proposed location may not cause a material diminution in the enrollment of existing classes in your territory or at the facility. Jazzercise will consider the number and the type of existing Jazzercise classes being taught by existing franchisees in the territory, the population of the territory and its density, demographics, the number of locations available to franchisees within the territory and the extent to which franchisees in the territory are actively seeking to increase the enrollment in their existing locations;

(b) The proposed location has a sufficient enrollment of new members not attending other Jazzercise locations;

(c) Jazzercise determines that the history of class growth in the territory and for the proposed schedule and location justifies the approval of an additional class; and

(d) Jazzercise's evaluation of the performance of franchisees currently operating in the territory.

The typical length of time between the earlier of the signing the Franchise Agreement or the first payment of consideration for the franchise and opening a location for classes is six weeks to six months. The factors that may affect this time period include your ability to locate a facility for your classes, your availability for training and the delivery of teaching equipment for your class.

During the operation of your business, Jazzercise will furnish the following assistance:

(1) Production of new choreographed routines which will be distributed to you at no cost, although Jazzercise may charge for the new routines in the future. If you are only licensed to teach classes with low impact routines, you can only teach routines designated "low impact". Therefore, you might only receive new routines for low impact routines. Similarly, if you are only licensed to teach children's programs, you might only receive new routines for children's programs. Jazzercise provides new routines through video streaming. You may not receive new routines at all if you are a business franchisee. Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits new routines to you at any time, and this may require you to make additional expenditures for equipment to receive these transmissions. Jazzercise currently makes choreography notes on its website available to you for download and printing. In addition, Jazzercise may distribute audio recordings of songs used with routines to you or make them available through a link on its website, if these recordings are available to Jazzercise. You are required to pay for these audio recordings as described in Item 8. If you are in breach of your Franchise Agreement, we may suspend delivery of new routines to you while you are in breach. (See Franchise Agreements for Class Owner and Associate, Paragraph 3D, and LO Jazzercise and Junior Jazzercise Addenda, Paragraph 3).

(2) If you are a Class Owner or a Business franchisee, provide you and your members with Jazzercise On Demand, a digital streaming package that members can purchase in person or online; we currently share revenues with you (See Franchise Agreements for Class Owner and Business Owner, Paragraph 4A(1)). Jazzercise may change or discontinue this program at any time.

(3) If you are a Class Owner or a Business franchisee, provide you and your members with Simply Plated., a nutrition program that members can purchase; we currently share revenues with you (See Franchise Agreements for Class Owner and Business Owner, Paragraph 4A(1)). You are currently not required to offer this program, but Jazzercise has the right to require that you do so in the future. Jazzercise may change or discontinue this program at any time.

(4) Continuous training and supervision in the routines and in the operation of your business including the preparation and revision of policies and procedures on The Studio to assist you in all phases of your business (See Franchise Agreements for Class Owner and Associate, Paragraph 3D).

(5) Preparation and dissemination of promotional and advertising materials for your use (See Franchise Agreements for Class Owner and Business Owner, Paragraph 3D).

(6) Creation and availability of a variety of materials including brochures, fliers and other materials for distribution to Jazzercise members (See Franchise Agreements for Class Owner and Business Owner, Paragraph 3D).

(7) Rendering bookkeeping and accounting services to assist you in preparing accountings and reports and for the purpose of maintaining statistical information for use by you and Jazzercise (See Franchise Agreement, Paragraph 3D).

(8) Taking all action Jazzercise deems necessary to protect the trademarks and goodwill of the Jazzercise name (See Franchise Agreement, Paragraph 3D).

(9) Public relation activities and promotion of the Jazzercise program through Jazzercise's choice of media, which may include newspapers, magazines, public appearances, celebrations, benefits and other special events, both nationally and regionally (See Franchise Agreement, Paragraph 3D).

(10) Assistance, advice, rehearsal, critiques and guidance in securing and preparing demonstrations, celebrations, public performances and other appearances (See Franchise Agreement, Paragraph 3D).

(11) Assistance and instruction in contacting the media and organizations for promotional purposes (See Franchise Agreement, Paragraph 3D).

(12) Assistance and training in procedures and policy and generally assisting you, which is provided through either Jazzercise's franchise business advisors if you are a Business or Class Owner, or Jazzercise's Business Support or Training & Development departments if you are an Associate; and for Business Owners and Class Owners only, assistance and training in coordinating class schedules, facilities and times and resolving conflicts or disputes between franchisees (See Franchise Agreement, Paragraph 3D).

(13) In addition, Jazzercise may create and make available to you a line of exercise-oriented clothing and other products for sale to your members (See Franchise Agreements for Class Owner and Business Owner, Paragraph 3D).

(14) Evaluation of your proposal to open a new or additional location. Currently, you must submit a proposal at least 30 days before your proposed start date for a location (See Franchise Agreements for Class Owner and Business Owner, Paragraph 4D).

(15) Provide you with suggested retail prices for the Jazzercise lines of clothing and other products made available periodically by Jazzercise and Jazzercise Apparel for sale to your members (See Franchise Agreements for Class Owner and Business Owner, Paragraph 4F(1)).

(16) Jazzercise may send its representative or agent to evaluate your conduct or otherwise evaluate your classes to determine whether or not you (or the Jazzercise instructor who conducts your classes if you are a business franchisee) are conducting them in a manner consistent with Jazzercise's policy and procedures. You may be required to send Jazzercise a digital file of yourself (or your instructor) teaching a class to allow Jazzercise to evaluate your performance periodically (See Franchise

Agreements for Class Owner and Business Owner, Paragraph 10 and Franchise Agreement for Associate, Paragraph 9).

(16) Providing a proprietary computer software program, a third party computer software program or other web-based system for member management and registration, for which you may be charged a fee (see Franchise Agreements for Class Owner and Business Owner, Paragraph 8B).

Advertising

Jazzercise disseminates advertising and conducts promotions, and may require you to participate in or contribute to a marketing program or advertising campaign. These programs and campaigns may involve gift certificates or discounts that are provided to members. Jazzercise may also establish an advertising fund. If it does so, you must contribute to it. Jazzercise has not established an advertising fund as of the date this Disclosure Document was issued. It has not determined how much franchisees would be required to contribute if it does establish an advertising fund. If it establishes an advertising fund, Jazzercise may make financial reports of the advertising fund available to you upon reasonable request. You may request a copy of Jazzercise's financial report that Jazzercise has prepared for the advertising fund (if and when Jazzercise establishes an advertising fund) by sending a written request to Jazzercise. Jazzercise may advertise in all types of media - print, radio, television - on a local, regional or national basis. Jazzercise provides you with promotional and advertising materials that it develops for your use. Jazzercise develops its advertising in its in-house marketing department. Jazzercise may periodically consult with an advertising agency. In addition, Jazzercise may provide sales training or other material to assist you in selling Jazzercise Apparel merchandise. If Jazzercise provides sales training and materials to you, it may transmit them by various means including via digital recording, Internet or other electronic transmission.

As of the date this Disclosure Document was issued, a digital marketing agency called OneTouchPoint (OTP) (formerly BlueWater) hosts a repository marketing materials, digital ads, access to order print and collateral materials, access to digital advertising, and an optional email platform. As of the date this Disclosure Document was issued, there is a base subscription fee of \$15 for class owner and business owner franchisees and an additional monthly fee of \$25 if you sign up for the email program. There is also an additional, optional pay-per-click plan that class owners can purchase. You are not required to use these services as of the date this Disclosure Document was issued. We may change the agency that we authorize to provide marketing services at any time. If you are a class owner or business franchisee, we may require you to use these types of marketing services in the future at a cost to you.

You may only use advertising materials, including advertising copy mailers, handouts and flyers, that Jazzercise provides to you. You may not participate in any benefits or promotional events unless they are approved by Jazzercise. Jazzercise's approval must be in writing.

As of the date this Disclosure Document was issued, there is no advertising council composed of franchisees, and you are not required to participate in any local or regional advertising cooperatives.

Computer System

As of the date this Disclosure Document was issued, Jazzercise requires you to obtain a computer system if you are a Class Owner or a Business Owner so that you have access to the following:

(1) The Jazzercise Business Center, our proprietary system designed to help franchisees manage their member transactions and recurring billing accounts, pay their fees and submit reports.

(2) The Class Check-In System, using a third-party studio management platform called Glofox, to help franchisees manage member registration and attendance, tickets and classes.

(3) The Studio, utilizing a third-party hosted tool called WiseTail that provides operating policies and procedures, announcements, ongoing training, marketing materials, a form for franchisee discussions and a learning management system.

(4) The Routines Database, our proprietary system designed to allow franchisees to stream videos of Jazzercise routines, choreography notes and teaching tips.

If you are an Associate, you may access the above through your mobile device.

Jazzercise uses a third party vendor to provide transaction services. We use Stripe, Inc. as our third party vendor as of the date this Disclosure Document was issued. You must pay any processing fees that the vendor requires, and you may have to submit to a credit check. We may change vendors at any time.

Following are the minimum requirements for your computer system:

Operating System:	Windows 11 or MacOS 13 or later version
Internet Connection:	5 Mbps or higher Internet connection
Printer:	Inkjet or Laser printer
Internet Browser:	Chrome, Safari, Firefox, Microsoft Edge
Scanner:	1D Barcode Scanner (optional)

Franchisees must also maintain a working e-mail address and have access to e-mail on a regular basis to receive communications sent by Jazzercise.

To maintain the integrity and security of Jazzercise systems, and for the protection of members, you must:

(1) Purchase, install and keep up-to-date a virus protection software suite. Jazzercise recommends the following vendors: Norton (Symantec), McAfee, AVG, Bit defender or Avast. Jazzercise does not guarantee these products or provide a warranty for them.

(2) Keep your system updated by applying security updates on your computer operating system.

(3) Use passwords on any computers or mobile devices that you use for accessing member data and Jazzercise systems, and change the passwords periodically.

Jazzercise may require that it have access to the information you store on your computer system and be able to download it. There are no contractual limitations on its rights to do so. The estimated cost to purchase or lease the computer system for the operation of your Jazzercise business is between \$500 and \$1,500, depending upon the system you choose to use.

Training

Our Training Specialist will e-mail you training materials after you are accepted into the training program. You must review the materials and practice the routines before the audition. Before you audition, you will be required to sign a Jazzercise New Franchisee Training Participation Agreement attached to this Disclosure Document as Exhibit L. The audition and training for all franchisees is conducted monthly online. Following is information on the training for all franchisees:

TRAINING PROGRAM

<u>SUBJECT</u>	<u>HOURS OF CLASSROOM TRAINING</u>	<u>HOURS OF ON THE JOB TRAINING</u>	<u>LOCATION</u>
<u>BEFORE AUDITION – ASSOCIATES AND CLASS OWNERS</u>			
Fundamental Anatomy and Exercise Physiology	2-4 hours	0	Online
Exam (taken online)	30 minutes-1 hour	0	Online
Routine choreography*	6-10 hours	0	Online
Video calls with Training Specialist	3 hours	0	Online

<u>SUBJECT</u>	<u>HOURS OF CLASSROOM TRAINING</u>	<u>HOURS OF ON THE JOB TRAINING</u>	<u>LOCATION</u>
<u>AFTER AUDITION – ASSOCIATES AND CLASS OWNERS</u>			
Social Media Basics	30 minutes	0	Online
New Instructor Onboarding	30 minutes	0	Online
Set Structure (video)	5 minutes	0	Online

We offer the following additional training to Class Owners and Business Owners.

AFTER TRAINING – CLASS OWNERS AND BUSINESS OWNERS

Working with an NFT Trainee (new instructor certifying as a class owner)	60 minutes	0	Online
Review “Explore Owning”	60 minutes	0	Online
Review New Owner Playbook	60 minutes	0	Online
Facilities	60 minutes	0	Online
Class Schedule	60 minutes	0	Online
Pricing	60 minutes	0	Online
Marketing, Advertising & Promos	60 minutes	0	Online
Accounting & Reporting	60 minutes	0	Online
Building a Team	60 minutes	0	Online

*Jazzercise currently sends this item to you electronically. However, Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits routine choreography to you at any time.

The training materials contain the instructional materials for each subject: text material on fundamental anatomy and exercise physiology, instructional presentations on techniques, and “Jazzercise” choreography. Jazzercise currently provides you with these presentations electronically. However, Jazzercise may change the medium (e.g., digital recording, Internet or other electronic transmission) by which it transmits routine choreography to you at any time. Instructors who conduct Jazzercise training for new franchisees have a minimum of two years of experience as Jazzercise franchisees and have received satisfactory instructor performance development evaluations from Jazzercise. They also have a minimum of two years of experience in the field of instruction.

Jazzercise does not charge for this training or service. As of the date this Disclosure Document was issued, training is online but if we decide to conduct training in person, you must pay your travel and living expenses while attending the training if it is conducted at a location that is not near your residence or if you choose to attend training conducted that is not near your residence. These expenses will vary from \$50.00 or less to a higher amount depending on the method of transportation and type of accommodations if the training is conducted at a location that is not near your residence.

The training program is mandatory for all new franchisees and for recertifying franchisees. You must complete the training program to Jazzercise's satisfaction within six months after signing the Franchise Agreement. You may also have to attend and satisfactorily complete the training program or parts of it to receive Jazzercise's consent to change your status from an instructor licensed only to teach classes with low impact routines or children's programs to an instructor licensed to teach other classes, or from a business franchisee to a franchisee who is an instructor (see Item 6).

You must comply with all of Jazzercise's requests to attend training sessions. As of the date this Disclosure Document was issued, we regularly host franchise meetings that you may, but are not required to, attend. In the future, we may require you to attend franchisee meetings.

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.

You are granted a non-exclusive right to conduct the Jazzercise dance fitness program at designated facilities and on approved dates and times within a non-exclusive territory. Territories are a state or a portion of a state.

Before you open a new location, close a location or transfer classes to a new location, you must obtain Jazzercise's written consent. As of the date this Disclosure Document was issued, the process was as follows: You must submit your proposal to open or relocate a location at least 30 days before the proposed start date of a location. In general, the criteria for approval by Jazzercise for opening a location or for relocating a location are whether there are other locations in the same geographic area at or near the same days and times, whether these classes are at capacity, member demand and the need for additional locations in an area. Jazzercise may change this process and the criteria for approval of new locations at any time.

Jazzercise may license additional franchisees in your territory when it determines there is a sufficient number of potential members to warrant additional classes or instructors in a given area or facility, or when Jazzercise determines there is a need for associate

instructors. On occasion, a new franchisee is appointed as an associate only or a new franchisee may be appointed in a territory in which only one class is available to be taught at a particular facility. In these cases the franchisee may be limited to substituting only or teaching this one class plus substituting for other franchisees until additional classes or facilities become available. Associate instructors are franchisees who do not own their own classes but who teach classes for other franchisees on a short or long term basis. You must make your own arrangements if you use associate instructors. There are some guidelines for using associate instructors, which are described in The Studio. You must also make your own arrangements with instructors if you are a business franchisee. There are laws concerning the distinction between employees and independent contractors. Jazzercise recommends that you consult with your own advisors on how these laws apply to you and how to structure your arrangements with associate instructors and the impact of those arrangements.

Some instructors are licensed to conduct a dance fitness program consisting solely of routines with low impact formats and children's programs. Other instructors are licensed to conduct a dance fitness program consisting solely of children's programs.

If you want to change your status from associate instructor to class owner or vice versa, you must first obtain Jazzercise's consent through its franchise business advisor. There may be conditions that you must satisfy in order for the consent to be effective. This also applies to instructors who are licensed only to teach classes with low impact routines or children's classes and wish to change their status to instructors certified to teach other classes, and to business franchisees who wish to change their status to become instructors.

Jazzercise has not granted any options, rights of first refusal or similar rights to acquire additional franchises as of the date this Disclosure Document was issued, but it reserves the right to do so.

Jazzercise conducts the dance fitness program at company-owned facilities in Oceanside and Carlsbad, California. Jazzercise may open additional company-owned facilities.

You must teach a minimum number of classes as provided in The Studio, except if you are a business owner and do not teach classes. This may change periodically and is four classes per month as of the date this Disclosure Document was issued. If you do not teach the minimum number of classes, you will be in breach of your Franchise Agreement and it may be terminated. Your non-exclusive right to conduct business in your territory is not dependent upon a certain sales volume, market penetration or other contingency. However, you are required to pay the minimum continuing fee of \$250.00 per month if you are a class owner. This may further increase to \$500.00 per month. If you are an associate instructor, the minimum annual fee is \$130.00 if you pay in one lump sum or \$13.00 per month if you pay monthly. This fee may further increase to \$300.00 annually if paid in one lump sum. If you are a business franchisee, the minimum continuing fee is \$500.00 per month. This may further increase to \$1,000 per month.

Jazzercise has used and reserves the right to use other channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing, to make sales of products bearing the “Jazzercise” or “Jazzercise Apparel” names or any other name we designate to or from any location. Jazzercise conducts an online fitness program through Jazzercise on Demand. Jazzercise also offers the Simply Plated. nutrition program. Jazzercise also reserves the right to use these channels of distribution to sell products or services under different trademarks.

You are not permitted to have an individual franchisee website. Jazzercise’s online policy and social media policy are integral parts of the Jazzercise System. Jazzercise has the right to review all online content on social media sites, blogs, in electronic communications and on other online sites on which its trademarks are used to protect the reputation and high quality associated with its trademarks. Jazzercise may require you to remove any questionable usage or content involving its trademarks. Jazzercise may also require you to cease using its trademarks at all on such sites. If you do not comply with Jazzercise’s online policy or social media policy, Jazzercise may take legal action to require you to do so, and may terminate your Franchise Agreement.

Jazzercise operates another dance fitness program under the trademark Revel Dance Fitness. As of the date this Disclosure Document was issued, Jazzercise did not offer franchises for this program but it may do so in the future. Jazzercise operates Revel Dance Fitness from its principal office headquarters in Carlsbad, California, and does not have separate training facilities. As of the date this Disclosure Document was issued, this program is only offered digitally, although there may be in-person classes at dedicated facilities in the future at any location. From time to time, Jazzercise may develop additional new programs under the Jazzercise family of brands.

ITEM 13

TRADEMARKS



Jazzercise grants you the right to conduct classes under the name “Jazzercise.” You must also use other trademarks that we develop or prescribe to identify your business and its services and products. By trademark, Jazzercise means trade names, trademarks, service marks and logos used to identify your business, its services and its products.

Jazzercise maintains control over the quality of its trademark and trade name usage. You must follow our rules when you use these trademarks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which Jazzercise licenses to you. You may not use Jazzercise’s trademarks in the sale of an unauthorized product or service or in a manner not authorized in writing by Jazzercise.

You must abide by Jazzercise’s online policy and social media policy, which include approved online activities to promote the Jazzercise program and approved use of its trademarks. Jazzercise’s online policy and social media policy are located in The

Studio and are subject to change periodically. Your failure to comply with the Jazzercise online policy is a serious breach of the Franchise Agreement and may result in termination. If you do not comply, Jazzercise may also take legal action against you.

The original “Jazzercise” name is registered on the Principal Register in the United States Patent & Trademark Office (“USPTO”), bearing registration number 1,079,083, registered on December 6, 1977 by Judi Sheppard Missett. All rights incident to the use and registration of the mark have since been assigned to Jazzercise. Jazzercise has filed all required affidavits and all renewals, where appropriate. A list of additional trademarks which Jazzercise has registered or for which it has applied for registration on the Principal Register of the USPTO appears below. In addition, Jazzercise has registered its trademarks or applied for registration in many other countries.

<u>Type of Mark</u>	<u>Mark Name</u>	<u>Registration Number</u>	<u>Registration Date</u>
Service Mark	FIT IS IT	1,589,433	03/27/1990 (last renewed 04/10/2019)
Trademark/Service Mark		5,042,965	09/13/2016
Trademark/Service Mark		5,042,966	09/13/2016
Trademark	JAZZERCISE (CL.18)	1,587,823	03/20/1990 (last renewed 04/22/2019)
Trademark	JAZZERCISE (CL.21)	1,587,879	03/20/1990 (last renewed 04/22/2019)
Trademark	JAZZERCISE (CL.24)	1,587,896	03/20/1990 (last renewed 04/22/2019)
Trademark	JAZZERCISE (CL.25)	1,589,011	03/27/1990 (last renewed 05/10/2019)
Trademark	JAZZERCISE (CL.28)	1,589,110	03/27/1990 (last renewed 05/09/2019)
Trademark	JAZZERCISE (CL.41)	1,079,083	12/06/1977 (renewed 02/22/2017)
Service Mark	JUNIOR JAZZERCISE	1,586,174	03/06/1990 (last renewed

<u>Type of Mark</u>	<u>Mark Name</u>	<u>Registration Number</u>	<u>Registration Date</u>
			04/06/2019)
Service Mark	KIDS GET FIT	3,675,709	09/01/2009 (renewed 10/24/2018)
Service Mark	PERSONAL TOUCH	5,068,690	10/25/2016
Service Mark	JAZZERCISE LO	5,412,524	02/27/2018
Service Mark	JAZZERCISE ON DEMAND	6,300,644	03/23/2021
Trademark	SIMPLY PLATED	7,310,441	02/20/2024

There are no currently effective material determinations of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of this state or any court, or any pending infringement, opposition or cancellation or any pending material litigation against the principal trademarks.

No agreements limit Jazzercise's right to use or license the use of its trademarks.

You must notify Jazzercise immediately when you learn about an infringement of or challenge to your use of our trademarks. The Franchise Agreement requires Jazzercise to protect the trademarks and the goodwill of the "Jazzercise" name. The Franchise Agreement does not contain a provision requiring Jazzercise to protect franchisees against claims of infringement. However, Jazzercise does so as a matter of practice if you are using the trademarks in accordance with the Franchise Agreement. Jazzercise will control any proceeding or litigation relating to its trademarks. You are required to assist Jazzercise in protecting any of its rights, at Jazzercise's expense.

Jazzercise has the right to require you to modify or discontinue use of a trademark or to use a new trademark. If Jazzercise does so, you are responsible for any costs you incur to change or discontinue the use of that trademark or to begin using the new trademark.

Jazzercise does not know of any infringing uses that could materially affect your use of its trademarks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Jazzercise's program and classes do not involve patents and Jazzercise owns no patents.

As long as you are not in breach of your Franchise Agreement, you have the right to use Jazzercise's choreographed routines which are protected by copyright. Jazzercise or its founder has registered copyrights for its choreography and related textual materials with the U.S. Copyright Office, which have been assigned registration numbers PA 28-263, PA 28-262, PA 65-959, PA 95-429, PA 129-661, PA 171-336, PA-207 810, PA 261-461, PA 275-041, PA 567-196, PA 663-206, PA 721-793, PA 721-794, PA 721-795, PA 723-095, PA 723-096, PA 825-006, PA 825-007, PA 828-955, PA 836-044, PA 885-240, PA 930-604, TX 2-713-444, TX 5-547-188, TX 5-544-200, TX 5-547-189, PA 1-132-527, PA 1-220-146, PA 1-269-056, PA 1-317-599, PA 1-376-800, PA 1-672-948, PA 1-673-212, PA 1-691-308, PA 191-606, PA 163-877, PA 320-992, TX 3-101-818, TX 3-104-295, TX 2-659-917, TX 1-565-846, TX 1-928-612, PA 377-347, TX 3-106-811, TX 4-090-356, TX 4-090-357, TX 3-100-541, and TX 076-610.

Jazzercise or its founder has also registered copyrights for its motion pictures that include choreography with the U.S. Copyright Office, which have been assigned registration numbers PA 1-805-720, PA 750-085, PA 1-805-721, PA 1-805-719, PA 1-842-518, PA 1-842-508, PA 1-842-510, PA 1-842-512, PA 1-842-516, PA 1-842-505, PA 1-842-390, PA 1-842-449, PA 1-842-491, PA 1-842-494, PA 1-842-528, PA 1-842-519, PA 1-842-520, PA 1-842-521, PA 1-842-527, PA 1-895-194, PA 1-895-195, PA 1-895-191, PA 1-908-274, PA 1-897-768, PA 1-897-765, PA 1-927-132, PA 1-932-355, PA 1-928-145, PA 1-938-951, PA 1-963-140, PA 1-963-141, PA 1-969-224, PA 1-994-440, PA 2-015-894, PA 2-002-574, PA 2-038-414, PA 2-038-415, PA 2-062-660, PA 2-075-725, PA 2-075-654, PA 2-063-285, PA 2-089-310, PA 2-099-046, PA 2-107-055, PA 2-124-703, PA 2-137-102, PA 2-157-098, PA 2-166-077, PA 2-169-769, PA 2-177-622, PA 2-189-906, PA 2-226-641, PA 2-228-632, PA 2-262-951, PA 2-292-478, PA 2-296-656, PA 2-302-259, PA 2-318-317, PA 2-320-787, PA 2-366-626, PA 2-331-707, PA 2-335-619, PA 2-331-213, PA 2-354-465, PA 2-366-557, PA 2-366-611, PA 2-379-146, PA 2-395-407, PA 2-397-840, PA 2-416-265, PA 2-419-459, PA 2-432-775, PA-2-453-751, PA-2-450-723, PA-2-470-275 and PA-2-495-853. Filings for certain additional choreography are pending as of the date this Disclosure Document was issued.

Other than these registrations, there is no presently effective determination of the U.S. Copyright Office, or of any court, of any pending material litigation involving any of these copyrights.

In general, the term of copyright protection for a work for hire is the shorter of 95 years following its publication or 120 years from its creation. Works such as Jazzercise's choreography that were created after January 1, 1978 are not subject to renewal registration.

You must notify Jazzercise immediately when you learn about an infringement of or challenge to your use of our copyrighted materials. As a matter of practice, Jazzercise protects franchisees against claims of infringement if franchisees are using the copyrighted material in accordance with the Franchise Agreement and the End User Agreement. You are required to assist Jazzercise in protecting any of its rights, at Jazzercise's expense.

No agreements limit Jazzercise's right to use or license the use of its copyrighted materials.

Jazzercise does not know of any infringing uses that could materially affect your use of its copyrighted materials.

You also receive the right to use certain of Jazzercise's trade secrets and confidential information including program materials, routines, member lists, promotional materials and marketing and business methods. You must provide Jazzercise with updated member information upon request and return all member lists to Jazzercise when the Franchise Agreement is terminated or expires.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are the only individual authorized to conduct the Jazzercise dance fitness program. Some instructors are only permitted to conduct a dance fitness program consisting solely of low impact routines and children's programs or consisting solely of children's programs. An instructor must be actively teaching, as periodically described by Jazzercise in The Studio, in order to remain a franchisee. The minimum number of classes per month that an instructor must teach as of the date this Disclosure Document was issued is four classes per month. Business franchisees do not act as instructors at all. You may assign your franchised business to a corporation or other entity in which you are the owner of 100% of the outstanding shares or other ownership interest, or to a corporation or other entity in which you have a controlling interest and the stock or ownership is held by members of your immediate family or by you in trust for them. However, you remain the individual who is party to the Franchise Agreement and you (or your authorized instructor, if you are a business franchisee) must continue to be the sole individual conducting the dance fitness program.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Jazzercise permits you to conduct the Jazzercise dance fitness program. Some instructors are only permitted to conduct a dance fitness program consisting solely of low impact routines and children's programs or consisting solely of children's programs. Those instructors must obtain Jazzercise's written consent before they can teach other classes. Business franchisees are not permitted to teach classes at all and must make arrangements with other Jazzercise instructors to do so (see Item 12).

If you wish to do so, you may sell certain clothing, accessories and other products, which we make available under the Jazzercise trademarks. You may not sell these products via the Internet. You are not permitted to vary the Jazzercise program or to

add products or services that Jazzercise does not authorize. You must use the class structure and only those dance fitness routines and programs that have been choreographed and approved by Jazzercise. It is important that the Jazzercise program be consistent and incorporates the same elements wherever it is taught. This benefits all of our instructors. Therefore, you may not use the “Jazzercise” name or any of our other trademarks for any other activities.

Although your classes are confined to a specific territory, you may enroll members and sell Jazzercise merchandise to members who come from outside of your territory.

If you lease a center to conduct Jazzercise dance fitness classes, you may not offer products other than Jazzercise products to members in your Jazzercise classes unless we consent in writing. You may engage in a retail business that sells products similar to those dance fitness products distributed by Jazzercise if:

- (1) You obtain Jazzercise’s prior consent in writing. The Franchise Agreement does not set a time limit for Jazzercise to respond to your request, but Jazzercise will ordinarily do so within 30 days;
- (2) The business is not conducted from the same premises where the Jazzercise dance fitness classes is being conducted;
- (3) The business is not identified with Jazzercise;
- (4) You do not use any Jazzercise trademark in this business;
- (5) The time you devote to this business does not adversely affect your Jazzercise business;
- (6) You do not use Jazzercise’s confidential lists of members, franchisees and other personnel in connection with your other business; and
- (7) You obtain sufficient insurance coverage at limits and including coverage acceptable to Jazzercise that includes Jazzercise as an additional named insured with the right to receive at least 30 days’ prior written notice of any modification, cancellation or termination of such policy, and you must provide Jazzercise with evidence of all of this.

You may not use any of the Jazzercise trademarks in a manner that will confuse the public as to the origin of any other products or to imply that they are offered under the Jazzercise name.

Jazzercise has the right to change the types of authorized goods and services that you provide by making changes to The Studio. There are no limits on its right to do so except that the changes may not materially alter your fundamental rights under the Franchise Agreement.

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	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	Paragraph 1E(1) of Class Owner and Business Owner Franchise Agreement; Paragraph 1D(1) of Associate Franchise Agreement	Five years.
b. Renewal or extension of the term	Paragraph 1E(2) of Class Owner and Business Owner Franchise Agreement; Paragraph 1D(2) of Associate Franchise Agreement	If you meet certain conditions, you can enter into a renewal Franchise Agreement for an additional term of five years; this does not apply if you are signing a new Franchise Agreement because you are relocating to a new state. Business Owners have no right to renew.
c. Requirements for franchisee to renew or extend	Paragraph 1E(3) of Class Owner Franchise Agreement; Paragraph 1D(3) of Associate Franchise Agreement	You must sign Jazzercise's then-current form of Franchise Agreement. This agreement may contain materially different terms and conditions than your original Franchise Agreement. You must comply with and fulfill all of your obligations under your current Franchise Agreement.

Provision	Section in Franchise or Other Agreement	Summary
	Franchise Agreement	You must meet Jazzercise's then-current requirements for franchisees including maintaining Jazzercise's image. You must also successfully complete initial training if Jazzercise requires you to do so. You must sign a release. You must not have received three or more default notices in any 24 month period. Jazzercise must not have decided to withdraw from your market. You must have the right to continue occupying your current location. You must not have repeatedly misused or failed to use Jazzercise's current names and logos on advertising materials. Renewal option does not apply if you have moved to another state.
d. Termination by franchisee	Paragraph 12A of Class Owner and Business Owner Franchise Agreement; Paragraph 11A of Associate Franchise Agreement	Be in good standing and give 60 days' notice, subject to state law.
e. Termination by franchisor without cause.	Not Applicable	Not Applicable
f. Termination by franchisor with cause.	Paragraph 12B and 12C of Class Owner and Business Owner Franchise Agreement;	Jazzercise can terminate only if you default or if the events described in g and h occur.

Provision	Section in Franchise or Other Agreement	Summary
	Paragraph 11B and 11C of Associate Franchise Agreement	
g. "Cause" defined- curable defaults	Paragraph 12C of Class Owner and Business Owner Franchise Agreement; Paragraph 11C of Associate Franchise Agreement	You have five days to cure nonpayment and up to 30 days for other types of noncompliance, subject to applicable law.
h. "Cause" defined- non-curable defaults	Paragraph 12B of Class Owner and Business Owner Franchise Agreement; Paragraph 11B of Associate Franchise Agreement	Non-curable defaults (subject to applicable law): bankruptcy or insolvency, inability to pay debts as they come due, assignment for benefit of creditors, receiver is appointed, abandonment, mutual agreement to terminate, your material misrepresentation or omission to Jazzercise in application or report, conduct which reflects unfavorably on Jazzercise, failure to obtain Jazzercise's consent to a location within three months after signing the Franchise Agreement (for class owners and business owners), failure to teach your first class within 30 days after becoming certified (for class owners and associates), failure to open your location within three months after becoming certified (for class owners and business owners), failure to complete the initial training program within six months after signing the

Provision	Section in Franchise or Other Agreement	Summary
		<p>Franchise Agreement, repeated failure to comply with franchise requirements, conviction of you or your principal or no contest plea to a felony or other criminal misconduct or engagement in conduct that reflects adversely on Jazzercise, unauthorized transfer, termination of any other agreement with Jazzercise, eviction by lessor for any reason, seizure by government official, creditor or lienholder, judgment of \$5,000 or more unsatisfied for 30 days, issue of writ or levy of execution, unauthorized use of Jazzercise intellectual property, failure to treat The Studio and contents confidentially, noncompliance with law after 10 days' notice, intentional failure to report money collected, failure to make timely payments on three or more occasions in a 12-month period, unsatisfactory performance development evaluation followed by unsatisfactory follow-up evaluation, we determine your continued operation would cause imminent danger to public health or safety, you become a specially designated national or blocked person, you do not comply with Jazzercise's online or social media policy, you are not authorized to work in the United States, you engage in fraud, you fail to submit to us reports from local licensing authorities within seven days.</p>

Provision	Section in Franchise or Other Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Paragraph 13 of Class Owner and Business Owner Franchise Agreement; Paragraph 12 of Associate Franchise Agreement	Pay all amounts due to Jazzercise (if you fail to do so, Jazzercise may assign to a debt collection agency), discontinue use of trademarks, de-identify, return, destroy and permanently delete documents, lists and all other proprietary information to Jazzercise, stop use of phone numbers, e-mail address, and other similar communication methods, assist in smooth transition, refrain from soliciting members or personnel, refrain from making disparaging remarks, obtain tail insurance coverage, comply with all other requirements on The Studio (also see r below).
j. Assignment of contract by franchisor	Paragraph 14A of Class Owner and Business Owner Franchise Agreement; Paragraph 13A of Associate Franchise Agreement	No restriction on Jazzercise's right to assign.
k. "Transfer" by franchisee – definition	Paragraph 14B of Class Owner and Business Owner Franchise Agreement; Paragraph 13B of Associate Franchise Agreement	Transfer includes any voluntary, involuntary, direct or indirect assignment, sale, division, encumbrance, hypothecation, mortgage, pledge or other transfer, in whole or in part, of any interest in the Franchise Agreement or any interest in Jazzercise. Transfer also includes any transfer to any of your surviving spouse, heirs,

Provision	Section in Franchise or Other Agreement	Summary
l. Franchisor approval of transfer by franchisee	Paragraph 14B of Class Owner and Business Owner Franchise Agreement; Paragraph 13B of Associate Franchise Agreement; Addenda (Paragraph 3)	<p>estate or other representative upon death.</p> <p>You may only transfer to another franchisee. You must obtain Jazzercise's consent to all transfers. However, you may transfer a class to an existing franchisee in your territory if you notify your franchise business advisor in writing and report to Jazzercise the facility information, gross sales, sale price of classes, total sale price and the terms and conditions of the sale. There are restrictions on transferring classes to instructors who are only permitted to teach classes with low impact routines or children's programs. You may transfer your business to an entity, but you must remain the franchisee under the Franchise Agreement.</p>
m. Conditions for franchisor approval of transfer	Paragraph 14B(4) of Class Owner and Business Owner Franchise Agreement; Paragraph 13B(4) of Associate Franchise Agreement	<p>You must be in good standing and be in compliance with all of Jazzercise's then-current standards. You must obtain lessor's consent if required. The transferee must successfully complete Jazzercise's training and must meet franchisee qualifications. The transferee must assume your obligations in writing by signing the then-current Franchise Agreement. You must sign a release. The transferee must have all of the necessary licenses. The transferee must not be a specially designated national or blocked person.</p>

Provision	Section in Franchise or Other Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	Paragraph 14C of Class Owner and Business Owner Franchise Agreement; Paragraph 13C of Associate Franchise Agreement	Jazzercise can match any offer for your business.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p. Death or disability of franchisee	Paragraph 14D of Class Owner and Business Owner Franchise Agreement; Paragraph 13C of Associate Franchise Agreement	If you die, your executor or representative may sell the franchise to a qualified buyer within 90 days provided an associate instructor conducts the classes until the sale and payments to Jazzercise continue to be made. If you become disabled you must secure an associate instructor; if you cannot do so, you can request a leave of absence (see Item 6); your disability may not extend beyond 24 weeks.
q. Non-competition covenants during the term of the franchise	Not Applicable	Not Applicable
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s. Modification of the agreement	Paragraph 16I of Class Owner and Business Owner Franchise Agreement;	No modification without a writing signed by you and Jazzercise, except that Jazzercise may change its policies described on The Studio.

Provision	Section in Franchise or Other Agreement	Summary
	Paragraph 15I of Associate Franchise Agreement	
t. Integration/merger clause	Paragraph 16I of Class Owner and Business Owner Franchise Agreement; Paragraph 15I of Associate Franchise Agreement	Only the terms of the Franchise Agreement and Addendum are binding (subject to state law). Any representations or promises outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement is intended to disclaim anything contained in the Disclosure Document.
u. Dispute resolution by arbitration or mediation	Paragraph 16J of Class Owner and Business Owner Franchise Agreement; Paragraph 15J of Associate Franchise Agreement	Except for certain claims, all disputes must first be mediated and if mediation is unsuccessful, then arbitrated, subject to state law.
v. Choice of forum	Paragraph 16J of Class Owner and Business Owner Franchise Agreement; Paragraph 15J of Associate Franchise Agreement	Except for certain claims, all disputes must be mediated or arbitrated in the city in which Jazzercise's headquarters is located at the time of mediation or arbitration (currently, Carlsbad, California), subject to state law.
w. Choice of law	Paragraph 16J of Class Owner and Business Owner Franchise	California law applies, subject to state law.

Provision	Section in Franchise or Other Agreement	Summary
	Agreement; Paragraph 15J of Associate Franchise Agreement	

ITEM 18

PUBLIC FIGURES

Jazzercise's founder, Executive Chair and sole shareholder is Judi Sheppard Missett. Ms. Missett has entered into an employment agreement with Jazzercise to lend her name and services for promotion and advertising. Compensation to Ms. Missett for the right to the use of her name is provided for by the salary she receives from Jazzercise.

You have the right to use Judi Sheppard Missett's name in accordance with Jazzercise's guidelines in promoting, advertising and conducting Jazzercise classes. No payment must be made to Ms. Missett.

In addition, Shanna Missett Nelson acts as Jazzercise's CEO and Director. She is not an owner of Jazzercise but receives a salary.

Jazzercise has no other ongoing arrangements with any public figure but may seek arrangements with public figures, in particular for special events.

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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised businesses. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing franchise, however, we may provide you with the actual records of that business. 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 Clarissa Zulick, Jazzercise, Inc. 2460 Impala Drive, Carlsbad, California 92010-7226, (760) 602-7189, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Systemwide Outlet Information For Years Ended 2022 to 2024

Column 1 Outlet Type¹	Column 2 Year Ended³	Column 3 Outlets at Start of the Year	Column 4 Outlets at End of the Year	Column 5 Net Change
Franchised	2022	5,844	5,533	-311
	2023	5,533	5,253	-280
	2024	5,253	5,251	-2
Company-Owned ²	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	5,844	5,533	-311
	2023	5,533	5,253	-280
	2024	5,253	5,251	-2

Notes:

1. Jazzercise franchisees are instructors who conduct the Jazzercise dance fitness program (see Item 1) in various types of locations. They do not necessarily operate retail outlets.
2. Jazzercise operates facilities offering dance fitness classes in Carlsbad and Oceanside, California. All of the instructors at these facilities are franchisees.
3. For the year ended December 31st.

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years Ended 2022 to 2024**

State	Year ¹	Number of Transfers
TOTAL	2022	0
	2023	0
	2024	0

Notes:

1. For the year ended December 31st.

**Status of Franchised Outlets
For Years Ended 2022 to 2024**

Column 1 State	Column 2 Year ¹	Column 3 Outlets at Start of Year	Column 4 New Outlets ²	Column 5 Termina- tions	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Opera- tions – Other Reasons ³	Column 9 Outlets at End of Year ⁴
Alabama	2022	28	3	0	0	0	2	29
	2023	29	1	0	0	0	2	28
	2024	28	0	0	0	0	2	26
Alaska	2022	12	2	0	0	0	2	12
	2023	12	0	0	0	0	1	11
	2024	11	1	1	0	0	1	10
Arizona	2022	113	4	1	0	0	11	105
	2023	105	6	0	0	0	7	104
	2024	104	12	0	0	0	12	104
Arkansas	2022	58	2	2	0	0	3	55
	2023	55	1	0	0	0	12	44
	2024	44	4	1	0	0	0	47
California ⁴	2022	665	31	10	0	0	52	634
	2023	634	11	7	0	0	49	589
	2024	589	35	3	0	0	36	585
Colorado	2022	158	9	1	0	0	13	153
	2023	153	11	0	0	0	21	143
	2024	143	16	0	0	0	10	149
Connecticut	2022	57	2	1	0	0	6	53
	2023	53	6	0	0	0	8	51
	2024	51	8	0	0	0	1	58
Delaware	2022	23	1	0	0	0	3	21
	2023	21	2	0	0	0	3	20
	2024	20	0	0	0	0	0	20
Florida	2022	330	22	2	0	0	35	315
	2023	315	19	4	0	0	29	301
	2024	301	19	0	0	0	19	301

Column 1 State	Column 2 Year ¹	Column 3 Outlets at Start of Year	Column 4 New Outlets ²	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons ³	Column 9 Outlets at End of Year ⁴
Georgia	2022	158	6	2	0	0	15	147
	2023	147	8	2	0	0	14	139
	2024	139	20	1	0	0	12	146
Hawaii	2022	19	0	0	0	0	3	16
	2023	16	1	0	0	0	1	16
	2024	16	2	0	0	0	3	15
Idaho	2022	36	1	0	0	0	4	33
	2023	33	3	1	0	0	5	30
	2024	30	2	0	0	0	6	26
Illinois	2022	228	6	2	0	0	13	219
	2023	219	13	1	0	0	23	208
	2024	208	14	1	0	0	16	205
Indiana	2022	92	2	1	0	0	5	88
	2023	88	0	1	0	0	7	80
	2024	80	6	0	0	0	3	83
Iowa	2022	65	3	0	0	0	7	61
	2023	61	3	0	0	0	6	58
	2024	58	4	0	0	0	2	60
Kansas	2022	171	5	3	0	0	19	154
	2023	154	9	3	0	0	12	148
	2024	148	8	0	0	0	6	150
Kentucky	2022	111	6	0	0	0	10	107
	2023	107	2	0	0	0	8	101
	2024	101	5	0	0	0	8	98
Louisiana	2022	107	2	1	0	0	4	104
	2023	104	16	0	0	0	9	111
	2024	111	4	0	0	0	3	112
Maine	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
	2024	10	2	1	0	0	3	8
Maryland	2022	125	4	1	0	0	6	122
	2023	122	10	0	0	0	13	119
	2024	119	7	0	0	0	6	120
Massachusetts	2022	71	4	1	0	0	4	70
	2023	70	6	1	0	0	5	70
	2024	70	3	0	0	0	0	73
Michigan	2022	214	11	2	0	0	11	212
	2023	212	6	0	0	0	15	203
	2024	203	13	0	0	0	10	206
Minnesota	2022	57	3	0	0	0	9	51
	2023	51	3	0	0	0	1	53
	2024	53	2	0	0	0	5	50
Mississippi	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2022	168	4	1	0	0	12	159

Column 1 State	Column 2 Year ¹	Column 3 Outlets at Start of Year	Column 4 New Outlets ²	Column 5 Termina- tions	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Opera- tions – Other Reasons ³	Column 9 Outlets at End of Year ⁴
Missouri	2023	159	13	2	0	0	14	156
	2024	156	12	0	0	0	14	154
Montana	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15
	2024	15	4	0	0	0	2	17
Nebraska	2022	204	6	3	0	0	22	185
	2023	185	9	2	0	0	16	176
	2024	176	5	0	0	0	22	159
Nevada	2022	25	2	0	0	0	4	30
	2023	30	0	0	0	0	1	29
	2024	29	8	0	0	0	1	36
New Hampshire	2022	41	2	0	0	0	6	37
	2023	37	2	1	0	0	1	37
	2024	37	1	1	0	0	4	33
New Jersey	2022	126	1	2	0	0	12	113
	2023	113	1	3	0	0	8	103
	2024	103	5	1	0	0	5	102
New Mexico	2022	94	1	2	0	0	7	86
	2023	86	4	0	0	0	9	81
	2024	81	7	0	0	0	10	78
New York	2022	126	2	1	0	0	17	110
	2023	110	3	0	0	0	9	104
	2024	104	4	1	0	0	5	102
North Carolina	2022	135	5	2	0	0	7	131
	2023	131	3	3	0	0	18	113
	2024	113	9	0	0	0	9	113
North Dakota	2022	4	2	0	0	0	1	5
	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	1	5
Ohio	2022	328	16	1	0	0	26	317
	2023	317	12	2	0	0	23	304
	2024	304	14	1	0	0	15	302
Oklahoma	2022	56	5	0	0	0	3	58
	2023	58	2	0	0	0	6	54
	2024	54	8	0	0	0	5	57
Oregon	2022	109	2	3	0	0	7	101
	2023	101	4	2	0	0	8	95
	2024	95	3	0	0	0	7	91
Pennsylvania	2022	122	5	3	0	0	12	112
	2023	112	5	0	0	0	8	109
	2024	109	9	1	0	0	9	108
Rhode Island	2022	13	0	0	0	0	1	12
	2023	12	0	0	0	0	0	12
	2024	12	1	0	0	0	0	13
South Carolina	2022	69	5	0	0	0	6	66
	2023	66	2	2	0	0	3	63
	2024	63	7	0	0	0	2	68
	2022	0	1	0	0	0	0	1

Column 1 State	Column 2 Year ¹	Column 3 Outlets at Start of Year	Column 4 New Outlets ²	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons ³	Column 9 Outlets at End of Year ⁴
South Dakota	2023	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
Tennessee	2022	67	8	0	0	0	6	69
	2023	69	5	0	0	0	3	71
	2024	71	9	0	0	0	4	76
Texas	2022	524	32	6	0	0	53	497
	2023	497	32	6	0	0	47	476
	2024	476	45	7	0	0	38	476
Utah	2022	81	5	1	0	0	8	76
	2023	76	5	1	0	0	6	74
	2024	74	3	0	0	0	8	69
Vermont	2022	42	0	0	0	0	4	38
	2023	38	1	1	0	0	2	36
	2024	36	5	0	0	0	4	37
Virginia	2022	228	5	6	0	0	12	215
	2023	215	5	2	0	0	18	200
	2024	200	12	3	0	0	7	202
Washington	2022	198	12	1	0	0	22	187
	2023	187	7	1	0	0	24	169
	2024	169	23	0	0	0	18	174
Washington, D.C.	2022	8	0	1	0	0	0	7
	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	1	6
West Virginia	2022	9	0	0	0	0	0	9
	2023	9	1	0	0	0	1	9
	2024	9	0	0	0	0	4	5
Wisconsin	2022	137	5	3	0	0	13	126
	2023	126	2	0	0	0	10	118
	2024	118	4	2	0	0	4	116
Wyoming	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
TOTALS	2022	5,844	256	67	0	0	499	5,533
	2023	5,533	255	48	0	0	487	5,253
	2024	5,253	385	24	0	0	363	5,251

Notes:

1. For the year ended December 31st.
2. Column 4 New Outlets does not include franchisees who resign but are reinstated within one year or franchisees who moved into one state from another state.
3. Column 8 Ceased Operations – Other Reasons does not include franchisees who moved to another state. It does include franchisees who resigned.

4. Some franchisees own a franchise in more than one state. If this applies, the franchisee is listed in the state in which he or she has the most revenue. Associate instructors are included in the state in which they reside.
5. Jazzercise operates facilities in Carlsbad and Oceanside, California that offer dance fitness classes. The instructors at these facilities are franchisees.

Status of Company-Owned Outlets*
For Years Ended 2022 to 2024

Column 1 State	Column 2 Year ¹	Column 3 Outlets at Start of Year	Column 4 New Outlets	Column 5 Outlets Reacquired from Franchisee	Column 6 Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of Year
Total	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

* Some franchisees may also be employees of Jazzercise for purposes other than conducting their franchise businesses.

Notes:

1. For the year ended December 31st.

PROJECTED OPENINGS
AS OF DECEMBER 31, 2024

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened*	Column 3 Projected New Franchised Outlets In The Next Year	Column 4 Projected New Company- Owned Outlets In Next Fiscal Year
Alabama	0	1	0
Alaska	0	1	0
Arizona	0	5	0
Arkansas	0	2	0
California	1	31	0
Colorado	1	8	0
Connecticut	0	3	0
Delaware	0	1	0
Florida	1	16	0
Georgia	1	8	0
Hawaii	0	1	0
Idaho	0	1	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened*	Projected New Franchised Outlets In The Next Year	Projected New Company-Owned Outlets In Next Fiscal Year
Illinois	0	11	0
Indiana	0	4	0
Iowa	1	3	0
Kansas	0	8	0
Kentucky	0	5	0
Louisiana	0	6	0
Maine	0	0	0
Maryland	1	6	0
Massachusetts	0	4	0
Michigan	2	11	0
Minnesota	0	3	0
Mississippi	0	0	0
Missouri	0	8	0
Montana	0	1	0
Nebraska	0	8	0
Nevada	0	2	0
New Hampshire	0	2	0
New Jersey	0	5	0
New Mexico	0	4	0
New York	0	5	0
North Carolina	0	6	0
North Dakota	0	0	0
Ohio	2	16	0
Oklahoma	0	3	0
Oregon	0	5	0
Pennsylvania	1	6	0
Rhode Island	0	1	0
South Carolina	1	4	0
South Dakota	0	0	0
Tennessee	0	4	0
Texas	4	25	0
Utah	0	4	0
Vermont	0	2	0
Virginia	0	11	0
Washington	3	9	0
Washington, D.C.	0	0	0

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened*	Column 3 Projected New Franchised Outlets In The Next Year	Column 4 Projected New Company-Owned Outlets In Next Fiscal Year
West Virginia	0	0	0
Wisconsin	0	6	0
Wyoming	0	0	0
Totals*	19	274	0

*As of January 1, 2025. This column consists of franchisees who had signed Franchise Agreements, but who had not yet successfully completed the Jazzercise instructor training and become certified as Jazzercise instructors.

Attached to this Disclosure Document as part of Exhibit H is a current list of the names, addresses and telephone numbers of all existing franchisees in this state. If there are fewer than 100 franchisees in this state, Exhibit H includes the 100 franchisees who are closest to this state.

Also included in Exhibit H is a list of the name, city and state and current business telephone number (or, if unknown, last known home telephone number) of every franchisee who has had his or her franchise terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement (including due to transfers) during the 12 months ended December 31, 2024 or who has not communicated with Jazzercise or its representative within the 10 week period before the issuance date of this Disclosure Document (or the date of application for franchise registration in states that require it). This last category does not necessarily include associate instructors or inactive instructors because they often have no reason to communicate with Jazzercise or its representatives for extended periods of time. 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, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There is no trademark-specific franchisee organization that has been created, sponsored or endorsed by Jazzercise or that has requested that Jazzercise include it in the Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit C to this Disclosure Document are the audited balance sheets of Jazzercise as of December 31, 2024, December 31, 2023 and December 31, 2022 and the related statements of operations and retained earnings and cash flows the years ended December 31, 2024, December 31, 2023 and December 31, 2022.

ITEM 22

CONTRACTS

Attached are copies of the following agreements proposed for use in this state:

- | | |
|-----------|--|
| Exhibit D | Franchise Agreement – Class Owners |
| Exhibit E | Franchise Agreement – Associates |
| Exhibit F | Franchise Agreement – Business Owners |
| Exhibit I | Addendum for Junior Jazzercise
Addendum for LO Jazzercise |
| Exhibit J | General Release |
| Exhibit L | Jazzercise New Franchisee Training Participation Agreement |
| Exhibit M | SBA Addendum |

ITEM 23

RECEIPT

Copies of the Receipt are attached to the end of this Disclosure Document, following the Exhibits. Please sign the Receipt, date it the date you receive the Disclosure Document and return it to Jazzercise. Make sure that you indicate the franchise seller(s) with whom you had substantive discussions about this franchise. A duplicate of the Receipt is attached for your records.

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	January 1, 2025 (exemption)
Hawaii	April 17, 2025
Illinois	April 4, 2025
Indiana	April 1, 2025
Maryland	April 14, 2025 (exemption)
Michigan	December 15, 2024
Minnesota	Pending
New York	March 27, 2017 (exemption)
North Dakota	April 4, 2025 (exemption)
Rhode Island	April 22, 2025 (exemption)
South Dakota	April 7, 2025
Virginia	April 10, 2025
Washington	Pending
Wisconsin	March 27, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

JAZZERCISE, INC.
RECEIPT

The Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Jazzercise offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Jazzercise 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 applicable state agency listed in Exhibit A.

Following is information about the franchise seller involved in this transaction: Clarissa Zulick, Jazzercise, Inc., 2460 Impala Drive, Carlsbad, California 92010; telephone: (760) 602-7189.

Issuance Date: March 1, 2025

I received a Disclosure Document issued March 1, 2025 that included the following Exhibits:

- A. List of State Franchise Administrators
 - B. List of Agents for Service of Process
 - C. Financial Statements
 - D. Franchise Agreement – Class Owners and Addenda
 - E. Franchise Agreement – Associates and Addenda
 - F. Franchise Agreement – Business Owners and Addenda
 - G. The Studio Navigation
 - H. Information on Franchisees
 - I. Addendum to Franchise Agreement (Junior Jazzercise)
Addendum to Franchise Agreement (LO Jazzercise)
 - J. General Release
 - K. State-Specific Addenda to FDD
 - L. Jazzercise New Franchisee Training Participation Agreement
 - M. SBA Addendum
- State Effective Dates Page

Date
Instructor No.
(if applicable): _____

Franchisee

Print Name

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RECEIPT

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Date
Instructor No.
(if applicable): _____

Franchisee

Print Name