

## FRANCHISE DISCLOSURE DOCUMENT



**SNAP FITNESS, INC.**  
a Minnesota corporation  
2411 Galpin Court, Suite 110  
Chanhassen, MN 55317  
(952) 474-5422  
sales@liftbrands.com  
<https://www.snapfitness.com/us/franchise-opportunities/>

The franchise offered is a SNAP FITNESS® Club (“Club”), which offers 24/7 gym access to members, group fitness, and personal training, using advanced fitness technologies and high-quality fitness equipment.

The total investment necessary to begin operation of a single Club ranges from \$430,800 to \$1,118,100. This includes \$51,067 to \$52,500 that must be paid to the franchisor or an 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 the disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact your Franchise Development Director at Snap Fitness, Inc., 2411 Galpin Court, Suite 110, Chanhassen, Minnesota 55317, (952) 474-5422 or at sales@liftbrands.com.

The terms of your contract will govern your franchise relationship. Do not rely upon the disclosure document alone to understand your contract. Read your entire 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: May 2340, 20254

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### 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
<b>How much can I earn?</b>	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 D.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only SNAP FITNESS business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a SNAP FITNESS franchisee?</b>	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

## Some States Require Registration

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

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

### Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Minnesota. 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 Minnesota than in your own state.

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.

**NOTICE REQUIRED  
BY  
STATE OF MICHIGAN**

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.**

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 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:

**THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**

- (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1<sup>st</sup> Floor, Lansing, Michigan 48909, Telephone (517) 335-7567.

**THIS MICHIGAN NOTICE ONLY APPLIES TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**

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### ITEM 1

#### THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “we” or “us” means Snap Fitness, Inc., the franchisor. “You” means the person or entity that buys the franchise. If the franchisee is a corporation, partnership or other entity, “you” includes the franchisee’s owners unless otherwise stated.

##### The Franchisor, its Parent and Affiliates

We are a Minnesota corporation incorporated on October 9, 2003. We initially were formed under the name AFC24 Hour Fitness, Inc., and changed our name to Snap Fitness, Inc. We currently do business only under our corporate name and under the trade name SNAP FITNESS®. Our principal place of business is 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. Our agents for service of process are disclosed in Exhibit A to this Disclosure Document. We have been offering franchises described in this Disclosure Document since March 2004. We have never offered franchises in any other line of business.

We have no predecessor. We are a wholly owned subsidiary of Lift Brands, Inc. (“**Lift Brands**”), a Delaware corporation, which is our direct parent company. The name and principal business address of each of the companies that directly or indirectly control us and our parent company are as follows:

Name of Company	Principal Business Address	Ownership or Control of Company
TZP Capital Partners II, L.P. and TZP Capital Partners II-A (Blocker), L.P.	888 7th Avenue, 20th Floor New York, NY 10106	Our “Ultimate Parent”
Snap Investments, LLC	888 7th Avenue, 20th Floor New York, NY 10106	Majority owned by TZP Capital Partners II, L.P. and TZP Capital Partners II-A (Blocker), L.P.
Snap Fitness Equity, LLC	888 7th Avenue, 20th Floor New York, NY 10106	Majority-owned by Snap Investments, LLC
Snap Fitness Topco, LLC	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Majority-owned by Snap Fitness Equity, LLC
Snap Fitness Holdings, Inc.	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Wholly owned by Snap Fitness Topco, LLC
Lift Brands, Inc.	2411 Galpin Court, Suite 110, Chanhassen, MN 55317	Wholly owned by Snap Fitness Holdings, Inc.

SAP Insurance Inc. (“**SAP Insurance**”), a North Carolina corporation and licensed insurance company facilitates the SAPP insurance program (see Item 8 for additional information about insurance). Our wholly owned subsidiary, Wholesale Fitness Supply, LLC (formerly known as Snap Fitness Wholesale, LLC) (“**Wholesale Fitness Supply**”), a Minnesota limited liability company, may provide services or sell products to franchisees, including fulfillment items (access cards etc.). Our wholly owned subsidiary, Fitness On Demand, LLC, (“**FitnessOnDemand**”) offers FitnessOnDemand services.

SAP Insurance, Wholesale Fitness Supply and FitnessOnDemand each maintain their principal business address at 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. SAP Insurance, Wholesale Fitness Supply and FitnessOnDemand have never: (i) operated a business similar to the one offered under this Disclosure Document; or (ii) offered franchises in any line of business.

We have wholly owned foreign subsidiaries that grant franchises and provide franchise support to SNAP FITNESS franchisees outside the United States. As of the date of this Disclosure Document, these are:

- *Lift Brands of Canada Inc. (formerly known as Snap Fitness of Canada Inc.)* (“**Snap Canada**”), a Canadian corporation. Snap Canada has offered SNAP FITNESS franchises in Canada since April 2008.



Snap Canada's address is Suite 2300, Bentall 5, 550 Burrard Street, Box 30, Vancouver, BC V6C 2B5, Canada.

- *Snap Fitness Mexico S. de R.L. de C.V. ("Snap Mexico")*, a Mexico limited liability entity. From January 2009 to August 2011, we offered SNAP FITNESS franchises directly in Mexico and from September 2011 to November 2012 Snap Mexico offered SNAP FITNESS franchises in Mexico. In December 2012, we appointed a master franchisee for Mexico. Snap Mexico's address is at Iglesia No 2, Torre E, Despacho 1204, Colonia Tizapan San Angel, Delegacion Alvaro Obregon 01090, Federal District, Mexico City.
- *Lift Brands (Australia) Pty Ltd (formerly known as Snap Fitness (Australia) Pty Ltd) ("Snap Australia")*, an Australian proprietary limited company. From June 2009 to April 2010, we directly offered SNAP FITNESS franchises in Australia and since April 2010 Snap Australia has offered SNAP FITNESS franchises in Australia. Snap Australia's address is Level 3, 545 Blackburn Road, Mount Waverley VIC 3149, Australia.
- *Lift Brands New Zealand Limited (formerly known as Snap Fitness New Zealand Limited) ("Snap New Zealand")*, a New Zealand limited company. Snap New Zealand has offered SNAP FITNESS franchises in New Zealand since November 2009. Snap New Zealand's address is Ground Floor, Princes Court, 2 Princes Street, Auckland 1010, New Zealand.
- *Lift Brands UK Limited (formerly known as Snap Fitness UK Limited) ("Snap UK")*, a UK limited company. Snap UK has offered SNAP FITNESS franchises in the UK since October 2009 and SNAP FITNESS franchises in Ireland since August 2016. Snap UK's address is [5 Bath Street, Ground Floor And Lower Ground Floor, London, England, EC1V 9LB](#) Unit 2, 118 Putney Bridge Road, London SW15 2NQ, United Kingdom.
- *Lift Brands Development Spain, S.L. (formerly known as HITAM Investments, S.L.) ("Snap Spain")* a Spanish company. Snap Spain has offered SNAP FITNESS franchises in Spain since November 2018. Snap Spain's address is Calle Nicaragua 27-29, bajos 1a, 08029 Barcelona (Barcelona) Spain.

None of Snap Canada, Snap Mexico, Snap Australia, Snap New Zealand, Snap UK, or Snap Spain has ever operated a business of the type described in this Disclosure Document. While we do not directly operate a business of the type described in this Disclosure Document, we have several subsidiaries that do operate SNAP FITNESS clubs in the United States and internationally (see Item 20 for the U.S. locations).

[From February 2014 to April 2025, our affiliate, Health Fran, LLC \("Health Fran"\) had the right to franchise 9ROUND® kickboxing gyms in Australia, New Zealand, and Europe. As of the date of this Disclosure Document, Health Fran is not offering or selling 9ROUND franchises.](#)

[Our affiliate, Health Fran, LLC \("Health Fran"\), has the right to franchise 9ROUND® kickboxing gyms in Australia, New Zealand, and Europe. Our foreign subsidiaries noted above may also offer franchises for the 9ROUND brand.](#)

Health Fran shares our principal business address at 2411 Galpin Court, Suite 110, Chanhassen, MN 55317. Health Fran has never offered franchises in any other line of business.

#### The Franchise Offered

We have developed a proprietary business format and system ("**System**"), offering 24-hour personal keycard access (except as restricted by law), as well as group fitness and personal training to our members, using advanced fitness technologies and high-quality fitness equipment; automated member billing and collection procedures and services; and use of our proprietary and confidential information. Our System includes a distinct interior layout, design, décor, color scheme, graphics, fixtures, and furnishings, operating and customer service standards and procedures, advertising and marketing specifications and requirements,

and other standards, specifications, techniques, and procedures that we designate (collectively, the “**Standards**”). Clubs operating under the System are identified by the trade name and service mark “SNAP FITNESS” and other trademarks, service marks and trade identifiers that we designate (the “**Marks**”). We grant qualified candidates the right to operate a SNAP FITNESS Club according to a Franchise Agreement (see Exhibit C) and our Standards which will be communicated to you via our confidential operations manuals and guides (collectively, the “**Manual**”).

#### Area Developer Program

We also offer to qualified candidates the right to develop multiple SNAP FITNESS Clubs in accordance with an agreed upon development schedule (the “**Development Schedule**”) within a protected area (the “**Development Area**”) under the terms of an area development agreement (the “**Area Development Agreement**”) (see Exhibit C-2). If you sign an Area Development Agreement, you will sign a separate Franchise Agreement for each Club developed under your Area Development Agreement.

#### The Market and Competition

The market for fitness and workout clubs is well developed and very competitive. You will compete with other fitness clubs offering similar services, including national franchise systems and other regional or local chains. You also will compete to a certain extent with public recreation centers and not-for-profit community organizations, such as the YMCA. Before selecting a site for your Club, you should survey the area for existing competitors and, in new or undeveloped areas, be aware that a competitor may enter the market at any time.

Typically, services are sold to individuals. You may experience peak months and membership fluctuations. For example, January is typically a busier month for health club membership sales.

#### Industry Specific Laws and Regulations

You must operate your Club in full compliance with all applicable federal, state, and local laws, rules, regulations, orders, and ordinances. In addition to laws and regulations that apply to businesses generally, your Club will be subject to various federal, state, and local government regulations, including those relating to site location and building construction, such as the Americans with Disabilities Act. Further, you are solely responsible for complying with all employment, wage and hour laws, discrimination, sexual harassment, worker’s compensation, and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes.

The physical fitness industry, particularly providing services through for-profit clubs, is subject to extensive regulation at the local, state, and federal levels. Many states have enacted specific laws (1) regulating membership contract length and terms, advertising, and limitations on pre-opening sales, and (2) requiring bonding, buyer’s remorse cancellation rights for limited periods (usually three to ten days after sale), and cancellation and partial refund rights for medical or relocation reasons. At the federal level, health clubs who sell memberships on credit may be subject to the federal Truth-In-Lending Act and Regulation Z and various other credit-related statutes like the Equal Credit Act and Fair Debt Collection Practices Act.

Some states have laws that require and regulate the content of service contracts and/or that require the presence of at least one person trained in administering CPR and/or to use an external defibrillator. Many states also require that certain types of fitness centers be equipped with working defibrillators. Additionally, if you play music in your Club or offer FitnessOnDemand programming inside your Club you may be required to obtain a Public Performance License or other music permits and licenses.

You may also choose to offer tanning and some states and municipalities also have laws or regulations specific to tanning services. The state tanning laws include regulations requiring trained operators present during tanning, specific operating procedures and recordkeeping, registration, and other requirements. In addition, you are required to collect sales tax on tanning services and remit those taxes to the Internal Revenue Service.

**It is solely your responsibility to comply with all applicable laws and regulations and to obtain and keep in force all necessary licenses and permits required by public authorities. Before purchasing the franchise, we strongly urge you to hire an attorney to review local, state, and federal laws that may affect your operations or impact your operating costs.**

**ITEM 2  
BUSINESS EXPERIENCE**

**Ty Menzies – Chief Executive Officer and Director**

Ty Menzies joined Lift Brands in June 2020 and serves as our Chief Executive Officer and Director. From April 2018 to May 2020, Mr. Menzies served as the Chief Executive Officer of our subsidiary Lift Brands (Australia) Pty Ltd.

**Paul Early – Chief Administrative Officer**

Paul Early joined Lift Brands in January 2021 as our Chief Financial Officer and currently serves as our Chief Administrative Officer for Lift Brands and its subsidiaries. From October 2019 to January 2021, Mr. Early served as Chief Administration Officer for Gold Gym International, Inc (acquired by RSG Group, Inc. in August 2020) located in Dallas, Texas. From March 2017 to October 2019, Mr. Early served as Chief Financial Officer for Bread Zeppelin Management, LLC a fast-casual restaurant chain located in Dallas, Texas.

**Brian Tietz – President of Franchise Operations**

Brian Tietz joined Lift Brands in April 2019 as our Vice President of Franchise Support and currently serves as our President of Franchise Operations for Lift Brands and its subsidiaries. From March 1997 to March 2019, Mr. Tietz served in numerous leadership roles with Life Time Fitness, most recently as Regional Manager, located in Chanhassen, Minnesota.

**Rose Minar – Chief Global Marketing & Experience Officer**

Rose Minar joined Lift Brands in December 2020 as our Chief Marketing Officer and currently serves as our Chief Global Marketing & Experience Officer for Lift Brands and its subsidiaries. From September 2019 until November 2020, Ms. Minar served as Chief Strategist with Striped Sheep, LLC, specialized in international marketing and based in Chanhassen, Minnesota. From July 2018 until September 2019 Ms. Minar served as Brand Strategy Consultant for the Radisson Hotel Group, and from January 2016 to June 2018, served as their Vice President, Global Branding & Innovation, based in Minnetonka, Minnesota.

**Andi Ruth-Negrini – Vice President, ~~Franchise Sales & Global Franchise Administration~~Americas Business Development**

Andi Ruth-Negrini, CFE, joined Lift Brands in September 2021 as the Director of North American Franchising and currently serves as Vice President, Franchise Sales & Global Franchise Administration for Lift Brands and its subsidiaries. From January 2017 to September 2021, Ms. Ruth-Negrini was the Director of Franchise Development and Administration for Miracle-Ear, Inc., located in Minneapolis, Minnesota.

**Peter Taunton – Founder**

Peter Taunton founded the SNAP FITNESS concept and served as our President/CEO since our inception in October 2003 through December 2018 and currently serves as non-executive Chairman of the Board for Lift Brands, Inc. ~~Mr. Taunton founded and currently serves as the CEO of Nautical Bowls Franchising, LLC located in Minnetonka, Minnesota since July 2021.~~

**Daniel H. Galpern – Director**

Daniel Galpern has served as our Director since December 2013. ~~From Since January 2025, he~~Mr. Galpern has served as ~~Chief Executive Officer of DanceOne, LLC.~~; From August 2008 to December 2010, Mr.

Galpern was a Senior Principal, and ~~since from~~ January 2011 ~~until December 2024~~ he ~~has been~~ was a Partner of TZP Group, LLC, a private equity firm based in New York City, New York. Mr. Galpern also has served as a member of the Board of Directors of Children's Rights, Inc. with headquarters in New York City, New York since 2002, as a Director of Assos of Switzerland, SA, with headquarters in Stabio, Switzerland, since 2015, ~~as a Director of Hylan Datacom, LLC, with headquarters in Holmdel, New Jersey, since 2016~~, as Chairman of the Board of Christy Sports, LLC, with headquarters in Denver, Colorado, since November 2019, as a Director of SA Company, LLC, with headquarters in Boca Raton, FL since October 2020, as Chairman of Saxx Holdings, LLC, with headquarters in Vancouver, British Colombia, Canada since August 2021 and as Chairman of the Board of DanceOne, LLC, with headquarters in Los Angeles, California since ~~September-August~~ 2023.

Samuel L. Katz – Director

Samuel Katz has served as our Director since December 2013. Since March 2007, Mr. Katz has served as Managing Partner of TZP Group, LLC, a private equity firm based in New York City, New York. Mr. Katz also is a Director of PennantPark Investment Corporation and PennantPark Floating Rate Capital, Ltd., as well as Founder and President of YRF Darca and Board and Executive Committee member of YRF Darca and Darca Schools. Mr. Katz also serves as a member of the board of Directors of BQ Resorts, LLC, with headquarters in Las Vegas, Nevada since 2013, BigName Commerce with headquarters in Melville, New York since 2015, HomeRiver Group, with headquarters in New York City, New York since 2016, Pyramid Hotel Group, with headquarters in Boston, Massachusetts since 2016, Triangle Home Fashions Holdings, LLC, with headquarters in New York City, New York since 2018, Whitestone Home Furnishings, LLC (d/b/a The Saatva Company) with headquarters in New York City, New York since 2018, Dwellworks Investors, LLC, with headquarters in Cleveland, Ohio since 2018 and Re-Bath, LLC with headquarters in Phoenix, Arizona since 2021. Mr. Katz also serves as a member of the Board of Advisors of Columbia University Medical Center.

Kenneth S. Esterow – Director

Kenneth Esterow has served as our Director since March 2018. Since February 2018, Mr. Esterow has served as a Partner of TZP Group, LLC, a private equity firm based in New York City, New York. Since March 2018, Mr. Esterow has served as a Director of Pyramid Hotel Group with headquarters in Boston, Massachusetts and as a Director of Triangle Home Fashions with headquarters in East Brunswick, New Jersey.

**ITEM 3  
LITIGATION**

Pending Actions None.

Concluded Actions

Snap Fitness, Inc. v. Scenic City Fitness, Inc. et al, Case No.: 24-CV-02803, United States District Court, District of Minnesota. On July 19, 2024 and July 24, 2024, respectively, we filed a complaint and a motion for a preliminary injunction against former franchisee Scenic City Fitness, Inc. and Gary Blankenship, Jr. (collectively, "Blankenship") seeking declaratory and injunctive relief to restrain Blankenship from using Snap Fitness' valuable trademarks and confidential information, diverting Snap Fitness' club members to a competing business and engaging in a competing business at the precise locations of their former Snap Fitness club. Our motion for preliminary injunction was granted on August 16, 2024. Due to Blankenship's failure to abide by the preliminary injunction, we filed a motion for contempt. The motion for contempt was granted on October 30, 2024. A Motion for Default Judgement against Blankenship was granted on March 25, 2025, granting a permanent injunction and finding Blankenship liable to Snap Fitness for

[\\$64,395.32 in liquidated damages, \\$54,000 in fines pursuant to the Court's Order of Contempt; and \\$55,965.64 in attorneys' fees and costs under the Franchise Agreement.](#)

SF Franchisee Association v. Snap Fitness, Inc., Case No.: 27-CV-19-20694, Minnesota State Court, Hennepin County. On December 16, 2019, the SF Franchisee Association (the "Association"), which is a group of SNAP FITNESS franchisees and former franchisees (the "Members"), filed an action against us alleging that we breached our obligations under the franchise agreement by requiring the Members to use club management software that allegedly failed to meet industry standards, was inadequate in fending off ransomware attacks and failed to properly limit damage caused by a ransomware attack. In the complaint, the Association seeks a declaratory judgement that: (i) we breached our obligations under the franchise agreement and the implied covenant of good faith and fair dealing by, among other things, requiring franchisees to purchase and use club management software that allegedly failed to include industry standard protections against ransomware attacks and/or failed to include adequate and timely response mechanisms to mitigate the damage caused by such a ransomware attack; (ii) these alleged material breaches of the franchise agreements and the implied covenant of good faith and fair dealing are incurable; and (iii) as a result of the incurable breaches the Members were entitled to terminate their franchise agreements. On May 20, 2021, the Association and Snap Fitness entered into a formal Settlement Agreement under which Snap Fitness and the Association agreed to the following material terms (subject to program terms and conditions) by which we would offer franchisees: (i) participation in \$2,500 per Club marketing match credit program; (ii) participation in \$2,000 modernization credit program; (iii) participation in transfer fee reduction program; (iv) participation in \$900 Global Convention Attendance program; (v) a release for any franchisees that have violated the non-compete provisions of their franchise agreement if they pay a percentage of liquidated damages, all outstanding accounts receivable, and a penalty of up to \$25,000 for each competing club, and also provide a release of claims against us; (vi) a release for any franchisees with clubs that were sold and are now operating as competing clubs in the same location if they pay a percentage of liquidated damages, all outstanding accounts receivable, and additional amounts for sale prices over a specific threshold, and also provide a release of claims against us and a two-year non-compete; (vii) a release for any franchisees with clubs that closed prior to December 31, 2020 if they pay their outstanding accounts receivable and provide a release of claims against us and a two-year non-compete.

Snap Fitness vs. John Mullins, JDM Advisors, Inc., and JDM Fitness, Inc., United States District Court, Case No. 0:20-cv-00522, District of Minnesota. On February 14, 2020, we filed a complaint against former franchisee, John Mullins, JDM Advisors, Inc., and JDM Fitness, Inc. (collectively "Mullins") seeking declaratory and injunctive relief to restrain Mullins from using Snap Fitness' valuable trademarks and confidential information, diverting Snap Fitness' club members to a competing business and engaging in a competing business at the precise locations of their former Snap Fitness clubs. On March 19, 2020, we filed an amended complaint seeking declaratory relief to address Mullins' efforts to assist a Snap Fitness competitor, in violation of the non-compete, confidentiality and trademark-related obligations that Mullins undertook in franchise agreements with Snap Fitness. On April 2, 2020, Mullins filed an answer to the amended complaint and counterclaims, alleging that we breached our obligations under the franchise agreement by requiring Mullins to use club management software that allegedly failed to meet industry standards, was inadequate in fending off ransomware attacks and failed to properly limit damage caused by a ransomware attack. In the complaint, Mullins seeks a declaratory judgement that: (i) we breached our obligations under the franchise agreement and the implied covenant of good faith and fair dealing by, among other things, requiring franchisees to purchase and use club management software that allegedly failed to include industry standard protections against ransomware attacks and/or failed to include adequate and timely response mechanisms to mitigate the damage caused by such a ransomware attack; (ii) these alleged material breaches of the franchise agreements and the implied covenant of good faith and fair dealing are incurable; and (iii) as a result of the incurable breaches Mullins was entitled to terminate their franchise agreements. Snap Fitness filed a Second Amended Complaint on May 28, 2020 to include Mullins'

violations of the liquidated damages obligations in their franchise agreements with Snap Fitness. On June 23, 2021, Mullins and Snap Fitness entered into a formal Settlement Agreement under which Mullins agreed to pay Snap Fitness \$115,000 and enter into a new two-year non-compete to settle the dispute.

Snap Fitness, Inc. v. Christina Clark; Jason Clark; CY Fitness, Inc.; & JC Fitness, Inc., American Arbitration Association, Case No. 012000152472. On October 13, 2020, we filed a demand for arbitration against former franchisees Christina Clark; Jason Clark; CY Fitness, Inc.; & JC Fitness, Inc. (“Clark”) alleging breach of contract related to transfer provisions, non-compete provisions, confidentiality provisions, and liquidated damages provisions. Snap Fitness seeks *(i)* an award of unspecified damages for breach of transfer provisions of the franchise agreements; *(ii)* an award of unspecified damages for breach of the non-compete provisions of the franchise agreements; *(iii)* an award of unspecified damages for breach of the confidentiality provisions of the franchise agreements; *(iv)* an award of liquidated damages in the amount of \$114,234.34; *(v)* an award of Snap Fitness’s attorneys’ fees and costs; and *(vi)* such other relief as the Court may deem just, equitable, or proper. On November 9, 2020, Clark filed an answer and counterclaim alleging that Snap Fitness breached the implied covenant of good faith and fair dealing, and breach of contract. On June 21, 2021, Clark and Snap Fitness entered into a formal Settlement Agreement under which Clark agreed to pay Snap Fitness \$57,493.80 and enter into a new two-year non-compete to settle the dispute.

Robert Miller v. Snap Fitness Inc. & Peter Taunton, Case No.: 2019-CV-0584, Ohio State Court, Ashtabula County. On October 25, 2019, Robert Miller (“Miller”), a Snap Fitness franchisee located in Clinton, Ohio, filed an action against us and Mr. Taunton alleging claims of breach contract and unjust enrichment in connection with the opening and operation of several Snap Fitness locations. Miller seeks *(i)* an award of unspecified monetary damages in excess of \$100,000 for breach of contract and unjust enrichment; *(ii)* transfer in ownership in any remaining locations which exist; and *(iii)* any other available relief. On April 17, 2020, we filed an Answer, denying all of Plaintiff’s material allegations and asserting various affirmative defenses. On March 5, 2021 Plaintiff’s Notice of Voluntary Dismissal, Without Prejudice, was filed dismissing the complaint.

Snap Fitness, Inc. v. Wellness Plus, LLC; Eric Robicheaux; Erryca Robicheaux; and Gail Robicheaux American Arbitration Association, Case No. 012000021235. On March 6, 2020 we filed a demand for arbitration against franchisee, Wellness Plus, LLC; Eric Robicheaux; Erryca Robicheaux; and Gail Robicheaux (“Robicheaux”) alleging breach of the franchise agreement as a result of Robicheaux’s abandonment of the franchise. On March 25, 2020 Robicheaux filed an answer and counterclaims alleging that Snap Fitness breached the implied covenant of good faith and fair dealing and various franchise agreement provisions by requiring that Robicheaux use software that was inadequate to protect against the ransomware attack in November 2018. They also allege an unspecified amount of damages. On September 29, 2020, Robicheaux and Snap Fitness entered into a Settlement Agreement, under which Robicheaux agreed to pay \$15,000 to Snap Fitness in settlement of Snap Fitness’s claims for damages in the arbitration. On October 16, 2020, the parties stipulated to the dismissal of all claims and counterclaims in the arbitration with prejudice, with each party to bear its own costs, expenses, and attorneys’ fees.

Thomas Dwyer v. Snap Fitness, Inc., United States District Court, Southern District of Ohio, Case No. 1:17-cv-00455-MRB, originally filed May 25, 2017 in the Court of Common Pleas, Hamilton County, Ohio, Case No. 17-455. On May 25, 2017, Thomas Dwyer (“Dwyer”), a member of a franchisee-owned SNAP FITNESS Club located in Cincinnati, Ohio, filed a class action complaint against us citing four causes of action relating to a Club Enhancement Fee (“CEF”) charged by Dwyer’s franchised SNAP FITNESS Club (the “State Action”). In his complaint, Dwyer alleged breach of contract, unjust enrichment, violation of the Ohio Consumer Sales Practices Act, and violation of the Ohio Prepaid Entertainment Contract Act. Dwyer’s breach of contract and unjust enrichment claims are brought on behalf of a putative nationwide class of members who paid a CEF, and Dwyer’s violation of the Ohio Consumer Sales Practice Act and Ohio Prepaid Entertainment Contract Act claims are brought on behalf of a putative Ohio sub-class relating

to any Ohio member who paid a CEF. On February 1, 2019, Dwyer and Snap Fitness entered into a Settlement Agreement, under which Snap Fitness agreed to pay \$2.9 million to a settlement fund for distribution to Dwyer and all Ohio State and nationwide class members. As part of the Settlement Agreement, Snap Fitness will pay up to \$350,000 in attorney's fees and is responsible for all costs associated with the class administration of the settlement fund. On September 19, 2019, the Court issued a final order confirming the Settlement Agreement.

Snap Fitness, Inc. v. Sharon Lockhart and Fitness Design Enterprises, LLC, Case No. 4:16-CV-00005-CLC-CHS (E.D. Tenn.). On January 18, 2016, we filed a Complaint against Sharon Lockhart and Fitness Design Enterprises, LLC, a former SNAP FITNESS franchisee (collectively, "Lockhart") alleging trademark infringement, false designation of origin, and breach of contract; seeking injunctive relief and monetary damages (the "Underlying Action"). On February 11, 2016, the court granted the parties' Stipulated Order for Preliminary Injunction under which Lockhart agreed to comply with the confidentiality, post-term noncompete and de-identification obligations outlined in the franchise agreement pending a final resolution of the dispute. On March 8, 2017, the parties entered into a Full Settlement Agreement pursuant to which Lockhart agreed to: (i) assign the lease for its existing Snap Fitness Club to Snap Fitness; (ii) deliver certain assets to Snap Fitness; (iii) transfer all member and billing information associated with member contracts to Snap Fitness; and (iv) comply with the post-term non-solicitation and post-term noncompete obligations outlined in the franchise agreement. Under the Full Settlement Agreement Snap Fitness was required to pay Lockhart \$30,000 and assume all obligations under the lease.

On July 13, 2017 Lockhart filed a Demand for Arbitration seeking enforcement of the Full Settlement Agreement. Sharon Lockhart and Fitness Design Enterprises, LLC v. Snap Fitness, Inc., American Arbitration Association, Case No. 01-17-0004-0985. On January 22, 2018, an Award of the Arbitrator was issued (collectively, the "Arbitration Award"). Under the Arbitration Award, we were required to pay Lockhart \$53,414.66, and the Arbitration Award reaffirmed Lockhart's obligation to comply with the post-term noncompete and non-solicitation obligations.

Snap Fitness, Inc. v. Scott Estes, American Arbitration Association, Case No. 01-18-0001-3017, Minneapolis, MN. On March 21, 2018, we filed a demand for arbitration against a former franchisee, Scott Estes ("Estes"), alleging breach of the franchise agreement due to Estes' abandonment of the franchise and failure to pay fees owed under the franchise agreement. On June 22, 2018, Estes filed an answer and counterclaim alleging that we violated federal and/or state franchise laws and breached our obligations under the franchise agreement. On October 29, 2018, an arbitrator issued a final award in our favor in the amount of \$99,497.89 and dismissed the counterclaim brought by Estes (the "Award"). On February 22, 2019, an Order confirming the Award was entered in our favor.

#### Litigation Against Franchisees in the Last Fiscal Year

During fiscal year 2024<sup>3</sup>, Snap Fitness did not initiate any lawsuits against franchisees other than as described above.

Other than the eight-nine actions noted above, no litigation is required to be disclosed in this Item.

### **ITEM 4 BANKRUPTCY**

Paul Early, our Chief Administrative Officer, was employed as Chief Administration Officer at Gold's Gym International, Inc., an affiliate of GGI Holdings, LLC, at the time of May 4, 2020 when GGI Holdings, LLC filed a bankruptcy petition under the liquidation provisions of Chapter 11 (In re: GGI Holdings LLC et al., Case No. 20-31318 in the United States Bankruptcy Court for the Northern District of Texas). The address and principal place of business for the debtor, GGI Holdings, LLC, is 4001 Maple Ave, Suite 200, Dallas, TX 75219. The date of confirmation for the reorganization plan was August 26, 2020.

## **ITEM 5 INITIAL FEES**

### Initial Franchise Fee

You will pay us an initial franchise fee when you sign a Franchise Agreement. If you are acquiring franchise rights for a single Club, the initial franchise fee is \$39,500.

If you are an existing franchisee acquiring your second or subsequent Club, you are eligible for a reduced initial franchise fee of \$34,500.

The initial franchise fee is payable in full when the Franchise Agreement is signed, and is considered fully earned and non-refundable upon payment. Except for the differences described in this Item, the initial franchise fee is uniform for all new franchisees. Our standard initial franchise fee was different in the past, and some of our existing franchisees have the right to develop additional Clubs under existing agreements and on different terms. In addition, we have discounted the initial franchise fee in the past, and may discount it in the future in situations we deem appropriate.

We currently participate in the IFA's VetFran program and offer a \$5,000 discount off the initial franchise fee for qualified veterans. If you qualify for this program, the initial franchise fee for one Club is \$34,500.

### Area Development Fee

If you sign an Area Development Agreement, you must develop a minimum of three Clubs within the Development Area. In connection with signing the Area Development Agreement you will pay us an Area Development Fee calculated as follows: \$89,500 for your first three Clubs and \$25,000 for each additional Club you agree to develop under the Area Development Agreement.

The Area Development Fee is payable in full when the Area Development Agreement is signed and is considered fully earned and non-refundable upon payment. That portion of the Area Development Fee paid for each Club to be developed under the Area Development Agreement will be applied to the initial franchise fee for each Club opened under the Area Development Agreement. As such, you will not pay us an initial franchise fee when you sign a Franchise Agreement for a Club developed under the Area Development Agreement. All other fees provided for in the Franchise Agreement will apply.

### Grand Opening Marketing

We conduct an initial promotional campaign in accordance with our standards and specifications, which includes a required minimum amount of \$10,500 remitted to us 90 days prior to opening for the Grand Opening advertising and marketing of your Club and is non-refundable.

### Door Access Fee

Prior to opening, you will be required to pay us or our affiliate a one-time fee of \$500 (the "Door Access Fee") for set-up of 24/7 member door access.

~~In 2023, the amounts paid by franchisees opening new SNAP FITNESS Clubs for the Door Access Fee was \$0.~~ The Door Access Fee is payable in full in advance of ~~opening, and opening and~~ is non-refundable upon payment. The Door Access Fee is uniform for all franchisees.

### Snap Asset Protection Plan

We have established an insurance plan for the benefit of our franchisees called the Snap Asset Protection Plan (SAPP). You must have insurance from the date you sign your lease that meets our minimum requirements and may obtain insurance coverage through SAPP or from a different source provided your coverage meets our minimum requirements. The insurance premium is collected by us as the billing



| administrator and forwarded to the insurance providers and is non-refundable. We estimate the amount you pay for this insurance prior to opening will be \$~~546,546~~ to \$1,700,640. See Item 8 for additional information about insurance.

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**ITEM 6  
OTHER FEES**

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fee	<del>6% of Gross Revenue</del> \$700 per month	Monthly, upon invoice	See Note 2. Gross Revenue means the aggregate of all revenue derived from all goods and services sold by you from or relating to the Club. Subject to annual increase by an amount not to exceed the increase in Consumer Price Index.
<u>Membership Maintenance Fee</u>	<u>\$0.70 per month for each new membership enrolled at the Club.</u>	<u>Monthly, upon invoice</u>	<u>Subject to annual increase by an amount not to exceed the increase in Consumer Price Index.</u>
<u>New Membership Fee</u>	<u>One-time fee of \$7.00 for each new membership agreement.</u>	<u>Monthly, upon invoice</u>	<u>Subject to annual increase by an amount not to exceed the increase in Consumer Price Index.</u>
National Marketing	<del>Up to 4% of Gross Revenue, currently 2%</del> \$500 per month	Monthly, upon invoice	See Note 2. Gross Revenue means the aggregate of all revenue derived from all goods and services sold by you from or relating to the Club. Subject to annual increase by an amount not to exceed the increase in Consumer Price Index.
Local Marketing Fund or Cooperative Advertising Contribution	\$200 per month (Note <del>23</del> )	Monthly	See Item 11 for more information about our right to set up and require participation in a Local Marketing Fund or an Advertising Cooperative.
Local Marketing	\$400 per month	As incurred	See Item 11 for more information about participating in local promotional programs.
<del>Snap-Ads</del>	<del>Then current minimum (currently \$325 per month) (Note 10)</del>	<del>Monthly, for a minimum of 3 months following Club Opening, Transfer, or Modernization.</del>	<del>See Note 10 and Item 11 for more information on participating in our digital advertising programs. This includes a management fee paid to Franchisor and counts towards Local Marketing spend.</del>
Technology Fee	<del>\$325</del> 400 per month	Monthly, upon invoice	See Note 2 and Note <del>54</del> . Subject to adjustment for CPI.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Door Access Cards	Then-current price (currently \$5.90) (Note 43)	As incurred	You must purchase any additional door access cards from us, our affiliate, or our designated supplier.
Insurance Reimbursement Processing Fee	\$45 per month	Monthly	Note 65
Medical Panic System	\$29.95 per month	Monthly	You pay us and we pay an approved supplier, or you pay a designated supplier directly, the monthly fee for this service.
Summit	Our then-current summit fee (currently, \$750 not including accommodations)	Annual	Note 76
Audits	Cost of audit plus interest	Immediately upon receipt of bill	You pay for cost of audit only if it shows an understatement of Memberships or revenue by 2% or more.
Mystery Shopper Fee	Cost of Mystery Shopper	Immediately upon receipt of bill	We reserve the right to require you to reimburse us for any mystery shopper program we implement.
Transfer Fee	\$5,000 if transferee is an existing SNAP FITNESS franchisee. If the transferee is new to the system, the transfer fee is equal to the then-current Initial Franchise Fee	Upon application for consent to transfer	Payable when you transfer your franchise. See Item 17 for additional information on transfers.  Note 98
Renewal Fee	\$0	Not applicable	See Item 17 for more information.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable only if your non-compliance with the Franchise Agreement causes us to incur legal expenses.
Insurance	<del>\$546.47</del> \$500 to \$667 per month	As incurred	See Item 8 for more information on the SAPP insurance program.
Interest and late fee	18% per annum in interest, late fee of the greater of 10% of past due or \$150 per month	Upon demand	Payable only if you fail to pay amounts owed to us or our affiliates when due.
Indemnification	Will vary under the circumstances	As incurred	You must reimburse us if we are held liable for claims arising out of your franchise operations.
Supplier Review Fee	Our costs and expenses, which are currently expected to range between \$1,000	As incurred	See Item 8 for more information on approved suppliers.

Type of Fee (Note 1)	Amount	Due Date	Remarks
	and \$3,000, although costs could exceed those amounts depending on the product.		
Additional Assistance or Training	Currently, \$250 per day plus travel costs	Immediately upon notice from us	Note <a href="#">87</a>
Securities Offering Costs	Will vary under the circumstances	Upon demand	If you engage in a private offering of securities, we must review the prospectus or other offering documents and you will pay our costs and expenses (including attorney's fees) for that review.

#### Notes

(1) All fees are imposed by, payable to, and collected by us unless otherwise noted. All fees are imposed uniformly and are non-refundable upon payment. As noted in this Item 6 table, some fees paid to us are subject to adjustment each year over the ten-year agreement term based on increases in the Consumer Price Index (CPI). Adjustments based on the CPI will be made no more than once per year.

~~(2) — For expiring Franchise Agreements whose annual Gross Revenue for the Club (as reported in the club management system) was more than \$220,000 for the previous 12 months of operation (measured from the actual date a renewal Franchise Agreement is signed) so long as Franchisee is in good standing and has met all the requirements for renewal ("Qualifying Franchisees"), Qualifying Franchisees may instead elect the following fee structure: (i) rather than a monthly Royalty Fee based on % of Gross Revenue, there is a Royalty Fee of \$660 per month, a Member Processing Fee of \$6.60 for each new member agreement, and a continuing Membership Maintenance Fee of \$0.70 per month per membership enrolled at the Club; (ii) the National Marketing Fee is \$485 per month rather than a % of Gross Revenue; and (iii) a \$325 Technology Fee (collectively, the "Legacy Fees"). All Legacy Fees are subject to increase during the term of the Franchise Agreement not to exceed the increase in the CPI. Qualifying Franchisees must meet the renewal conditions set forth in the expiring franchise agreement and will sign the Franchise Agreement Addendum attached as Exhibit F-3 if they elect the Legacy Fee option. The fee option for Qualifying Franchisees also will apply to an existing franchisee who is selling its Club and the Club's annual Gross Revenue (as reported in the club management system) was more than \$220,000 for the previous 12 months of operation (measured from the date we approve the transfer) ("Legacy Fee Threshold"). We make the final determination regarding whether a franchisee is eligible to select the Legacy Fee Addendum. During the term of the renewal Franchise Agreement, if Franchisee is in default, or does not meet the Legacy Fee Threshold for any one-year period of the renewal term, then we may terminate the Legacy Fees option and the standard fees will apply for the remaining term of the renewal franchise agreement, at our option.~~

~~(3)(2)~~ Each local advertising cooperative may elect to increase the monthly contribution if approved by a two-thirds majority of the cooperative members and the minimum contribution is subject to adjustment by an amount not to exceed the increase in the CPI. Clubs owned by us and our affiliates are also members of their respective local Cooperative and each company-owned club has the same voting rights as the franchised locations within the Cooperative. If our company-owned clubs comprise the majority of a given Cooperative the maximum and minimum fees for that Cooperative will be consistent with the range stated in this Item 6 (subject to adjustment for increases in the CPI).

~~(4)(3)~~ All door access/membership cards and/or member ID cards are in a numeral sequence and must be purchased through us. At this time, door access cards are sold in minimum quantities of 100. [Door Access](#)

[Cards purchased through us may be in physical or digital form, as determined by us.](#)

~~(5)(4)~~ This includes, but is not limited to the website, door access, member management system, prospect engagement tool, member engagement tool, and other technology fees, some of which are paid to third party suppliers.

~~(6)(5)~~ We administer certain reimbursements of membership dues for insurance companies, affinity groups and national accounts. The current reimbursement processing fee is payable for any month that the reimbursements of membership dues for a Club from these accounts is \$35 or more.

~~(7)(6)~~ Payment of [the](#) Summit fee is mandatory regardless of attendance.

~~(8)(7)~~ We may require you to receive additional training or assistance if you are not meeting our standards. You are responsible for the cost of that training or assistance at the then-current rate.

~~(9)(8)~~ Commencing May 10, 2024, and ending for transfers completed on or before April 30, ~~2025~~2026, Snap Fitness is offering a Transfer Fee Modification Program where Transfer Fees for the transfer of a Snap Fitness Club are reduced based on the purchase price as follows:

- For the transfer to a buyer who is an existing Snap Fitness franchisee, the transfer fee will be no more than \$5,000.
- For the transfer to a buyer who is new to the Snap Fitness system, the transfer fee will be \$10,000.
- If multiple clubs are being transferred between the same buyer and seller in a single transaction, one club will be charged the applicable transfer fee listed above, with each additional club charged a transfer fee of \$2,500 per club.

See Exhibit G.

~~(10) — Current monthly amount of \$325 is comprised of a \$75 management fee and minimum \$250 ad spend. These amounts are subject to change at our discretion.~~

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**ITEM 7**  
**ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount <sup>(1)</sup> 4,000 - 6,000 Sq. Ft.		Amount <sup>(1)</sup> 6,000 - 8,000 Sq. Ft.		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High	Low	High			
Initial Franchise Fee <sup>(2)</sup>	\$39,500	\$39,500	\$39,500	\$39,500	Lump Sum	Upon signing of Franchise Agreement	Us
Build-Out Labor Costs <sup>(3)</sup>	\$120,000	\$180,000	\$180,000	\$240,000	As arranged	As arranged	Approved suppliers and contractors
Leasehold Improvements <sup>(3)</sup>	\$80,000	\$210,000	\$120,000	\$280,000	As arranged	As arranged	Approved suppliers and contractors
Exterior Signage	\$10,000	\$20,000	\$10,000	\$20,000	As arranged	As arranged	Approved suppliers
Furniture and Fixtures	\$25,500	\$30,500	\$45,000	\$56,300	As arranged	As arranged	Approved suppliers
Fitness Equipment <sup>(4)</sup>	\$60,000	\$250,000	\$70,000	\$300,000	As arranged	As arranged	Approved suppliers
Technology	\$15,000	\$25,000	\$15,000	\$25,000	As arranged	As arranged	Approved suppliers
Door Access	\$500	\$500	\$500	\$500	Lump Sum	As arranged	Us
Grand Opening Marketing	\$10,500	\$10,500	\$10,500	\$10,500	As arranged	90 days before opening	Us
Occupancy (3-mo) <sup>(5)</sup>	\$26,500	\$36,500	\$36,500	\$53,100	As arranged	As arranged	Landlord
Lease Deposits <sup>(6)</sup>	\$8,800	\$12,200	\$12,200	\$17,700	As arranged	As arranged	Landlord
Insurance (3-mo) <sup>(7)</sup>	\$1,500	\$1,700	\$1,700	\$2,000	As arranged	As arranged	Us or Insurer
Travel and Training Expenses <sup>(8)</sup>	\$3,000	\$3,500	\$3,000	\$3,500	As arranged	As arranged	Airlines, hotel, restaurants, etc.
Professional Fees <sup>(9)</sup>	\$5,000	\$20,000	\$5,000	\$20,000	As arranged	As arranged	Various third parties
Additional Funds <sup>(10)</sup>	\$25,000	\$50,000	\$25,000	\$50,000	As arranged	As arranged	Various third parties
<b>TOTAL<sup>(11)</sup></b>	<b>\$430,800</b>	<b>\$889,900</b>	<b>\$573,900</b>	<b>\$1,118,100</b>			

The expenses in Item 7 are estimates of your initial investment for one location prior to commencing operations and for the first three months thereafter. The estimates above are based on Clubs with 4,000 to 8,000 square feet. Your estimated initial investment will vary depending on the square footage. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on how closely you follow the SNAP FITNESS system standards, your management skill, experience and business acumen, local economic conditions, acceptance by local consumers of our approved services, prevailing wage rates, competition, and other factors.

#### Notes

- (1) All payments are non-refundable unless otherwise permitted by a third-party supplier. The ranges in the Item 7 table for furniture and fixtures, fitness equipment, construction, leasehold improvements, and occupancy assumes you operate a 4,000 to 8,000 square foot Club. If you have a larger Club and/or choose to purchase additional equipment your costs may be higher. See Item 8 for more information about supplier sourcing. See Item 11 for additional information on the door access and technology system. Ranges in this table do not include estimates for shipping and freight fees, unless otherwise specified.
- (2) See Item 5 for a description of the Initial Franchise Fee and available discount according to our Area Development Agreement, the VetFran program and for existing franchisees.
- (3) The costs of construction and leasehold improvements depend upon the size and condition of the Club premises, the nature and extent of leasehold improvements required, the local cost of contract work and the location of your Club. In some cases, your landlord may agree to pay for some or all of the leasehold improvements as part of your lease negotiations. Ranges in this table assume site is delivered in “vanilla box” condition (i.e.: cement floor, ready to paint walls, working electrical outlets, lighting, plumbing, including plumbing rough ins for restroom facilities, finished ceiling, heating, and air conditioning).
- (4) You will need to lease or purchase fitness equipment. Most franchisees who choose to purchase equipment opt to finance the purchase. Our low-end estimate assumes a 20% downpayment on leased or financed equipment. Our high-end estimate assumes purchase of the equipment paid in full prior to commencing operations. Ranges for equipment costs include estimates for freight and installation fees.
- (5) The figures in the Item 7 table represent estimated three months’ occupancy. The occupancy expense may vary widely based on geographic location, size of the Club, local rental rates, and other factors.
- (6) Landlords may require a security deposit, and utility companies may require that you place a deposit prior to installing telephone, gas, and electricity and related utility services. A typical utility security deposit is one month’s expense. A typical lease deposit will be an amount equal to one month’s rent. These deposits may be refundable according to the agreements made with the utility companies and landlord.
- (7) See Item 8 for more information about our insurance requirements and our SAPP insurance program. This estimate includes premium for three months of our SAPP insurance plan. If you need additional insurance for your Club (for example, state required workers’ compensation or a surety bond), you may have additional costs. A surety bond may range from \$100 to \$500, depending on the state. Workers’ compensation coverage may range from \$450 to \$1,000 but may be more depending on the number of employees and your state requirements.
- (8) There is no separate training fee payable to us, as initial training is included in the Initial Franchise Fee. You must make arrangements and pay the expenses for you and your general manager to attend our training program, including transportation, lodging, meals and wages. See Item 11 for more information on training. The amount you spend will depend, in part, on the distance you must travel and the type of accommodations you choose. The estimate provided contemplates initial training of two people for three days, including travel, lodging, food, and miscellaneous expenses associated with two people traveling to our headquarters for training.

(9) We recommend that you hire your own attorney to help you evaluate this franchise offering, to identify the laws and regulations that may apply to your Club, to help you set up a business entity, to review and negotiate your lease(s), to assist you in adapting the Membership Agreement to laws and regulations in your state or locality, and for whatever other purpose you deem appropriate.

(10) The figures in the Item 7 table represent the estimated amount of working capital you will need to cover other initial operating expenses for a period of three months. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. Expenses not included are hourly labor costs, permits and licensing and rent (beyond the rent estimate noted above). Some states may have staffing requirements that could increase this number significantly.

(11) To compile these estimates, we relied on our franchisees' and affiliates' experience in operating similar businesses and our experience in franchising the operation of SNAP FITNESS Clubs. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Your costs will depend on factors such as: how closely you follow our recommended System; your management skill, experience, and business acumen; local economic conditions; the time of year; the local market for our services; competition; and the sales level reached during the initial period.

You should also allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs.

ESTIMATED INITIAL INVESTMENT FOR AREA DEVELOPMENT AGREEMENT. If you sign an Area Development Agreement, your initial investment for your first Club will be the same as disclosed in the Item 7 table. You also will pay a one-time Area Development Fee as described in Item 5. This is the only additional initial investment for the Area Development Agreement. You also should be aware that your initial investment for your second and subsequent Clubs likely will be higher than the above estimates for your first Club due to inflation and other economic factors that may vary over time.

#### **ITEM 8**

##### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

To help ensure a uniform image and uniform quality of products and services throughout the SNAP FITNESS System, you must maintain and comply with our required quality standards. Any required standards exist to protect our interest in the System and the Marks and not for the purpose of establishing any control, or the duty to take control, over those matters that clearly are reserved to you.

##### Site Selection

You must operate the Club at a location that meets our site selection requirements and that we have approved. If you lease the location, you and the landlord must execute the standard form of lease addendum (attached to the Franchise Agreement as Attachment D).

You must construct and equip your Club according to our approved design, specifications, and standards. In addition to meeting our design specifications and standards, it is your responsibility to ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state, and local laws. You also must use equipment (including hardware and software), signage, fixtures, furnishings, products, supplies, and marketing materials that meet our specifications and standards.

##### Approved and Designated Suppliers

We will provide you with a list of approved manufacturers, suppliers, and distributors ("**Approved Suppliers List**") and approved equipment, signs, supplies and other items or services necessary to operate the Club ("**Approved Supplies List**"). We, an affiliate, or a third-party vendor or supplier, may be the only approved supplier for certain products. The Approved Supplies List also may include other specific



products without reference to a particular manufacturer, or they may designate the specifications and/or standards for other approved products. We may revise the Approved Suppliers List and Approved Supplies List from time to time. We give you the approved lists as we deem advisable.

You may use in the operation of the Club only the proprietary or non-proprietary equipment that we specify and must purchase and lease all equipment that we designate (including the security system and In Club Technology from our approved suppliers). Zappy Limited (trading as Glofox) is currently the supplier for club management software and Stripe is currently the Payment Processor ([via Glofox](#)). If you choose to offer FitnessOnDemand programming from your Club, you must obtain the FitnessOnDemand software and equipment from our affiliate, Fitness On Demand, LLC. Except for these items and the SAPP insurance program, described below, neither we nor our affiliates currently are approved suppliers for any products or services. Except for any ownership interest in our affiliates and subsidiaries, none of our officers hold an interest in any of our suppliers.

Except for instances where we designate a single source supplier, if you wish to purchase any products or services for which we have established approved suppliers from an unapproved supplier, you may request our consent in writing. If we request, you must submit samples and other information as we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality and safety standards. We generally will notify you of supplier approval or disapproval within 30 days of our receipt of all the information and samples we request. You must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. The supplier also may be required to sign a supplier agreement. We may re-inspect the facilities and products of any supplier of an approved supplier or item and revoke our approval of any supplier or item that fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or item.

We apply the following general criteria in approving a proposed supplier: *(i)* ability to make product in conformity with our specifications; *(ii)* reputation and integrity of supplier; *(iii)* financial condition and insurance coverage of the supplier; and *(iv)* system uniformity.

#### Insurance

You must participate in the SAPP insurance program unless you provide proof of insurance meeting our minimum limits outlined in the Franchise Agreement. The SAPP insurance program includes property, crime, general liability, hired and owned auto, professional liability, ~~employment practices liability~~, and excess liability written by [Allianz Global Corporate & Specialty, headquartered in München, Germany](#). ~~Employment Practices Liability is with Beazley Insurance Company Inc., headquartered in Farmington, Connecticut.~~ ~~Mt. Hawley Insurance Company, headquartered in Peoria, Illinois.~~ The cyber liability is written by Lloyds of London headquartered in London, UK. The SAPP insurance provides the following minimum coverages:

Type of Insurance	Minimum Amount
Commercial General Liability including Product Liability and Personal and Advertising Injury	\$1,000,000 per occurrence; \$2,000,000 general aggregate
Damage to Premises Rented to You	\$500,000
Medical Expenses	\$1,000 any one person
Professional liability (for owners and W2 employees)	\$1,000,000 per occurrence
Hired and Non-Owned Auto Liability	\$1,000,000 combined single limit

Type of Insurance	Minimum Amount
Property – Special Form, including mechanical breakdown and plate glass	\$300,000
Improvements and Betterments	Included
Business Income (12 months)	\$500,000
Employee Dishonesty	\$50,000 per occurrence
Cyber Liability (internet security and privacy insurance)	\$100,000 per Club
Employment Practices Liability Insurance (inclusive of first and third party)	\$50,000
Property and Crime Deductible	\$1,000
Defense Costs	In addition to policy limits
Commercial Excess Liability	\$5,000,000 per occurrence and \$5,000,000 general aggregate

In addition to participation in the SAPP insurance program, you must carry workers' compensation and employer's liability coverage as required by the jurisdiction in which you operate the Club.

All required insurance not included in the SAPP insurance program must be obtained from a responsible carrier or carriers acceptable to us (generally an AM Best rating of A- or better). All of the policies must name us and anyone else we designate with an insurable interest as additional insured and must include a waiver of subrogation in favor of each additional insured where applicable.

#### Marketing and Promotional Materials

You may use only marketing and promotional materials that meet our standards (see Item 11 for more information on advertising and marketing).

#### Revenue Derived from Franchisee Purchases and Leases

We and our affiliates derive revenue from franchisee purchases and leases to the extent that you purchase products or services directly from us or our affiliates. We and our affiliates also have arrangements with certain suppliers whereby we or our affiliate receive rebates from franchisee purchases or leases, which may be a fixed amount per transaction or percentage and could range from 2% to 60%.

During our fiscal year ended December 31, 2024<sup>43</sup>, we and our affiliates derived approximately \$67,927,060,000 in revenue from the sale of goods or services to our franchisees worldwide, which amount represented approximately 124.43% of our total revenues of \$562,800,793,000 for that period. These figures were taken from our December 31, 2024<sup>43</sup> audited consolidated financial statements and accounting records.

#### Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that your required purchases will represent approximately 95% of your total purchases in connection with establishing the franchised business (excluding the franchise fee and other non-goods expenditures), and over 90% of the ongoing costs that you will need to operate the business (excluding franchise fees and royalties and other non-goods expenditures).

#### Description of Purchasing Cooperatives; Purchasing Arrangements

We negotiate purchase arrangements for the benefit of the System but not on behalf of individual franchisees. This does not guarantee that the price for these products or services will be lower than other products or services on the market. We are not aware of any purchasing or distribution cooperatives in the System as of the date of this Disclosure Document. We do not provide you any material benefits (such as renewal rights or the right to acquire additional franchises) based on your purchases from approved or designated suppliers.

### **ITEM 9 FRANCHISEE'S OBLIGATIONS**

**This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items in the Disclosure Document.**

<b>Obligation</b>	<b>Section in Franchise Agreement (FA) Section in Area Development Agreement (AD)</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	FA: Sections 2.B, 2.C and 5.A AD: Sections 1.4, 1.5 and 1.9	Items 7 and 11
b. Pre-opening purchases/leases	FA: Sections 5.A, 5.B, 5.C, 6.A and 6.D AD: Not Applicable	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	FA: Sections 2.B, 2.C, 5.A, 5.B and 5.C AD: Sections 1.4, 1.5 and 1.9	Items 7, 8 and 11
d. Initial and ongoing training	FA: Sections 7.B, 7.C and 11.C.7 AD: Not Applicable	Items 5, 6 and 11
e. Opening	FA: Section 5.D AD: Not Applicable	Items 5 and 11
f. Fees	FA: Sections 6.L, 7.C, 7.E, 8, 9, 11.C.9 and 11.H AD: Sections 1.2 and 4.3	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual	FA: Section 6 AD: Not Applicable	Items 6, 7, 8, 11, 14 and 16
h. Trademarks and proprietary information	FA: Sections 3, 6.I, 10.E, 10.F and 14.A AD: Section 1.3	Items 13 and 14
i. Restrictions on products/services offered	FA: Section 6 AD: Not Applicable	Items 6, 7, 8, 11, and 16
j. Warranty and customer services requirements	None for warranty. Customer services, see FA: Section 6 AD: Not Applicable	Items 6 and 11
k. Territorial development and sales quotas	FA: Sections 2.B and 2.C AD: Sections 1.1, 1.3, 1.4, 1.5 and 1.9	Item 12
l. Ongoing product/service purchases	FA: Section 6 AD: Not Applicable	Items 6, 7 and 8
m. Maintenance, appearance, modernization and remodeling requirements	FA: Section 5 AD: Not Applicable	Items 8 and 11

Obligation	Section in Franchise Agreement (FA) Section in Area Development Agreement (AD)	Disclosure Document Item
n. Insurance	FA: Section 10.C AD: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Section 8 AD: Not Applicable	Items 6, 7 and 11
p. Indemnification	FA: Section 10.B AD: Not Applicable	Not Applicable
q. Owner's participation/ management/staffing	FA: Sections 7 and 15.F AD: Not Applicable	Item 15
r. Records/reports	FA: Sections 6.E, 9.HG and 9.IH AD: Not Applicable	Not Applicable
s. Inspections/audits	FA: Sections 5.C, 6.F and 9.IH AD: Not Applicable	Items 6 and 11
t. Transfer	FA: Section 11 AD: Sections 3.1 and 3.2	Items 6 and 17
u. Renewal	FA: Section 4 AD: Not Applicable	Item 17
v. Post-termination obligations	FA: Sections 10.D and 14 AD: Section 2.3	Item 17
w. Non-competition covenants	FA: Section 10.D AD: Not Applicable	Item 17
x. Dispute resolution	FA: Section 12 AD: Sections 4.1, 4.2 and 4.3	Item 17
y. Other (describe)	FA: Not Applicable AD: Not Applicable	Not Applicable

**ITEM 10  
FINANCING**

As of the date of this Disclosure Document we do not offer direct or indirect financing and we do not guarantee your note, lease, or obligation.

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

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

Pre-Opening Obligations

Before you open your Club, we will:

1. Provide you with site selection criteria and general design requirements for your Club (Franchise Agreement, Sections 5.A and 5.C).
2. Provide you with the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6.D).
3. Provide you with access to an electronic version of the Manual that details the specifications and procedures incidental to the operation of the Club (Franchise Agreement, Section 6.H).
4. Provide the training programs described below (Franchise Agreement, Sections 7.B and 7.C).
5. Provide grand opening services and promotional materials (Franchise Agreement, Section 8.B).

### Ongoing Obligations

During the operation of your Club, we will:

1. Provide you with membership services, including administering certain aspects of reciprocity and membership billing (Franchise Agreement, Section 6.C and 6.P).
2. Provide updates to the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6.D).
3. Provide ongoing support and service as we determine necessary (Franchise Agreement, Section 6.F).
4. Provide refresher training courses as we determine necessary (Franchise Agreement, Section 7.C).

### Our Obligations Under the Area Development Agreement

An area developer will sign the initial Franchise Agreement under the Development Schedule at the time the Area Development Agreement is signed. Our obligations under the Franchise Agreement apply to an area developer. Each time an area developer signs another Franchise Agreement, our obligations are activated for the new Club to be established. We do not have separate obligations under the Area Development Agreement.

### Advertising and Marketing

#### *Local Marketing*

You must use your best efforts to aggressively promote and advertise the Club in your local area and participate in any local promotional programs that we establish (subject to applicable law). You must spend a minimum of \$4,800 per year (an average of \$400 per month) on local advertising. We strongly recommend that you spend money every month on local advertising, but you may want to spend more on local advertising during peak months and less during non-peak months. If you fail to spend at least \$4,800 each year on local advertising, we reserve the right to collect any deficiency from you and deposit the amount in the National Marketing Fund (defined below). ~~For a minimum of three months following Club opening, transfer of the Club, or modernization of the Club, you must participate in our Snap Ads digital advertising program and meet our then current minimum spend requirement (currently \$325 per month) each month during this period, which shall count towards your monthly required local advertising spend.~~

Any marketing material not designed or provided by us must be pre-approved; you must submit your marketing materials to us for approval prior to use (print, electronic or other forms of media) and actively promote your Club and the System through use of approved local marketing and marketing materials. We will not unreasonably withhold approval of your marketing materials if they are factually accurate and current, dignified, up-to-date, and in good condition, adhere to brand standards, and accurately depict the SNAP FITNESS Marks. The marketing materials will be deemed approved if we do not disapprove or comment within 10 business days of receipt.

#### *National Marketing Fund*

As of the date of this Disclosure Document, we operate and manage a National Marketing Fund (the “**Marketing Fund**”) to advertise and promote Clubs in the System. You will pay us the monthly National Marketing Fee. We will deposit the National Marketing Fee in the Marketing Fund which is part of our general account. We may use the Marketing Fund to conduct national, regional and local advertising, marketing, promotional and public relations campaigns, including the cost of: *(i)* preparing and conducting print, point-of-sale, radio, television, internet, electronic, out-of-home, and billboard advertising; *(ii)* conducting e-commerce website activities; *(iii)* updating and hosting a website (including the development of locator programs); *(iv)* providing market intelligence through analytics to the System; *(v)* conducting member interviews, focus groups and surveys; *(vi)* providing creative development services including the

development and modification of Club design and trade dress, logos, graphics and vehicle wraps; (vii) obtaining sponsorships and endorsements; (viii) developing and conducting contests, sweepstakes and other prize promotions; (ix) developing and administering member loyalty programs, coupons and gift certificates; (x) engaging advertising and marketing agencies and public relations firms; and (xi) any other expenses for developing and promoting the brand or System.

We also may use the Marketing Fund to develop advertising and promotional materials for regional and local advertising and marketing cooperatives and for use in each franchisee's local market. In certain markets, we may assist a franchisee with its initial advertising and promotional activities to increase brand awareness. We have an in-house marketing staff that assists in developing and placing national, local and regional advertising and other matters. We also contract with various outside advertising and marketing agencies and third party vendors to produce certain advertising and promotional materials and to create and implement public relations campaigns. We will determine the use of the monies in the Marketing Fund. We are reimbursed for reasonable administrative costs, salaries and overhead incurred in administering or providing services to the Marketing Fund.

We are not required to spend any particular amount of the Marketing Fund on marketing, advertising or production in the area in which your Club is located. National Marketing Fees not spent in any fiscal year will be carried over for future use. We may make loans to the Marketing Fund bearing reasonable interest to cover any deficit of the Marketing Fund and cause the Marketing Fund to invest in a surplus for future use by the Marketing Fund. National Marketing Fees will not be used for advertising principally directed at the sale of franchises, provided our general marketing materials may reference franchise sales available. At your written request, we will provide you with an annual unaudited statement of the receipts and disbursements of the Marketing Fund.

All Snap Fitness franchisees are required to pay the National Marketing Fee, provided the amount of the National Marketing Fee may vary depending on the National Marketing Fee amount in effect at the time the franchisee signed a franchise agreement. All company or affiliate owned Clubs will contribute to the Marketing Fund on the same basis as similarly situated franchisees.

During our last fiscal year ending December 31, ~~2023~~2024, the Marketing Fund was spent as follows: ~~45.18~~% on administrative expenses, 36% on local marketing support, ~~23.36~~% on media placement, ~~21.7~~% on advertising tools and technology, and ~~5.3~~% on production.

#### *Local Marketing Fund or Cooperative*

We have the right to designate, as we deem appropriate, any geographical area in which at least two SNAP FITNESS franchises are located as a "designated advertising area" for the purposes of establishing a local marketing fund that we control ("**Local Marketing Fund**") or local or regional advertising cooperative controlled by its members ("**Cooperative**"). If a Local Marketing Fund or Cooperative is established in your market, you will be required to participate and contribute. Any amount contributed to a Local Marketing Fund or Cooperative will be in addition to, and not in lieu of, the National Marketing Fee. We have the right to determine the amount of contribution, in our sole judgment, provided that aggregate monthly contributions will not exceed \$200 per month (subject to adjustment for increases in the Consumer Price Index) unless a 2/3 vote of the members of the Cooperative approves a higher fee. Any contributions you make to a Local Marketing Fund or Cooperative will count toward the minimum local advertising expenditure noted above.

If we establish a Cooperative in your area, you must participate in the Cooperative and its programs, execute any participating documents we require and abide by its bylaws. A Cooperative may vote to increase the required contribution amount referenced above if approved by members representing at least two-thirds of the Clubs in the Cooperative. Each Club in the Cooperative will have one vote. Clubs owned by us and our affiliates will be a member of the Cooperative and will make the same contribution and have the same voting rights as franchised locations. Each Cooperative will be required to adopt governing bylaws that

meet our approval and that we may require the Cooperative to amend from time to time. We will provide the Cooperative with a sample form of bylaws that the Cooperative must use, and we must approve, containing certain terms and conditions that we require, although the bylaws will not modify the voting structure described in this paragraph. Each Cooperative must submit to us its meeting minutes on our request. A Cooperative must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Each Cooperative must use only an approved media buyer and advertising agency approved by us. The members of each Cooperative and their elected officers will be responsible for the administration of the Cooperative. If you wish to obtain an accounting of your local Cooperative you may do so by submitting your request in writing to the officers of the Cooperative. We reserve the right to administer the Cooperatives' funds and will require payment from its members via electronic funds transfer. The governing documents are available for review upon reasonable request. We reserve the right to require advertising and marketing cooperatives to be formed, changed, dissolved, or merged.

#### *Grand Opening Marketing*

We conduct an initial promotional campaign in accordance with our standards and specifications, which includes a required minimum amount of \$10,500 remitted to us 90 days prior to opening for the Grand Opening advertising and marketing of your Club.

#### *Franchise Advisory Council*

We have established a Franchise Advisory Council (the “FAC”). The FAC currently consists of a minimum of ten franchisees elected by our United States and Canada franchisees, and two appointed members. FAC Members serve a two-year term. The FAC serves in an advisory capacity to provide advice on advertising, marketing and general business initiatives. We have the power to form, change or dissolve the FAC.

#### Technology System and Video Surveillance Equipment

You must acquire and use all computer hardware and related accessories and peripheral equipment, including door access components, panic system, camera and surveillance equipment, televisions, and related items that we prescribe for use by the Club (“**In Club Technology**”). You may not use any cash registers or computer hardware, accessories, or peripheral equipment that we have not approved for use. Requirements for use may include, among other things, connection to remote servers, off-site electronic repositories, and high-speed Internet connections, and establishment of one or more e-mail accounts.

You must: *(i)* use any proprietary software programs, system documentation manuals, and other proprietary materials that we provide to you in connection with your operation of the Club; *(ii)* input and maintain in your computer such data and information as we prescribe in the Manual and other written directives; *(iii)* purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever we adopt such new or upgraded programs, manuals, and materials system-wide. You must enter into all software license agreements, “terms of use” agreements, and software maintenance agreements, in the form and manner we prescribe, and pay all fees imposed by us or any third-party software and software service providers hereunder. As technology or software is developed in the future, we may, as we deem appropriate, require you to: *(i)* add memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software; and *(ii)* replace or upgrade the In Club Technology and software as we prescribe. There are no contractual limitations on the cost or frequency for updating or upgrading In Club Technology and software.

The In Club Technology collects and compiles customer identification data, other membership data, and door entry data. We may independently access from a remote location, at any time, all information (including member information) input to and compiled by In Club Technology (including video surveillance equipment) or an off-site server. We estimate the cost of the In Club Technology, including video surveillance equipment, to be \$15,000 to \$25,000. The estimated annual cost of any optional or required maintenance, updating,

upgrading, or support for In Club Technology is estimated to be approximately \$2,000-\$3,000 per year over the ten-year term of the initial Franchise Agreement.

Site Selection

You will select the site for the Club within the Preliminary Designated Area that will be identified in the Summary Pages when you sign the Franchise Agreement. You will identify a site within the Preliminary Designated Area (or if no sites are available in the Preliminary Designated Area, in proximity to it) for our acceptance. In evaluating the site, we will consider the following factors: demographics, visibility, ability to reflect image to be portrayed by SNAP FITNESS businesses, access and parking, and market type (rural, suburban, and urban). Within 15 days after you have submitted all requested information concerning the site, we will notify you whether or not the site is accepted. You must open the Club within one (1) year after the Franchise Agreement is signed.

Typical Length of Time Before You Open Your Club

The typical length of time between the signing of the Franchise Agreement, or the first payment of any consideration for the franchise, and the opening of your business is approximately six to twelve months from the execution of the Franchise Agreement. Factors that may impact this length of time may include whether you have a site selected upon execution of the Franchise Agreement, your ability to obtain a site, prepare a site survey, arrange leasing and financing, make leasehold improvements, install equipment and signs, decorate the Club, meet local requirements and other similar factors.

You must open the Club for business no later than one (1) year after the Franchise Agreement is signed. If you sign an Area Development Agreement, the opening schedule for each Club you agree to develop will be outlined in the Development Schedule attached to your Area Development Agreement. The timelines for securing a site and opening a Club under the Development Schedule will supersede any Franchise Agreement deadlines. If you fail to acquire an acceptable site or begin operations within the required time periods, we may terminate the Franchise Agreement or Area Development Agreement, or, at our election, may cancel any designated area protection afforded in the Franchise Agreement (Franchise Agreement, Sections 2.B, 2.C and 13.D) or Area Development Agreement (Area Development Agreement, Section 2.2).

Manual

You must operate your SNAP FITNESS Clubs consistent with the required standards and specifications outlined in the Manual. The Manual also may contain recommended practices, policies, and guidelines that you may, but are not required to, follow.

The Table of Contents for the Manual, including number of pages on each subject and total number of pages, is included herein as Exhibit E. In addition to the Manual, we also communicate operations information to franchisees through system bulletins and our online franchisee portal.

INITIAL TRAINING PROGRAM

We provide the following initial training to at least two people in your organization (including your general manager), which attendees must complete to our satisfaction. We provide ongoing webinars with relevant educational content and franchisee panels, and reserve the right to offer virtual or in-person training in our sole discretion. Our training program is ~~two~~ three days and includes:

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location	Instructor
Franchisee/Franchisor Relationship, Brand Heritage, Mission and Domestic Vision	0.51	Note 1	Virtual and/or Chanhassen, Minnesota	Note 2



Subject	Hours of Classroom Training	Hours of On-the-job Training	Location	Instructor
Our Members and Brand Experience Overview	<del>0</del> <u>51</u>	Note 1	<u>Virtual and/or</u> Chanhassen, Minnesota	Note 2
Operation Excellence in Business Planning, Market Strategy and Product Offering	<del>58</del>	Note 1	<u>Virtual and/or</u> Chanhassen, Minnesota	Note 2
Marketing Foundations and Marketing Planning	<del>24</del>	Note 1	<u>Virtual and/or</u> Chanhassen, Minnesota	Note 2
Sales, Onboarding and Retaining Members, <u>Personal Training</u>	<del>46</del>	Note 1	<u>Virtual and/or</u> Chanhassen, Minnesota	Note 2
Franchise Software and Resource Overview	4	Note 1	<u>Virtual and/or</u> Chanhassen, Minnesota	Note 2
TOTAL	<del>1624</del>	Note 1	Note 1	Note 2

#### Notes

(1) In addition to the on-site (or virtual) training program, additional onboard training is provided via one-on-one calls, video courses, site visits, and workshops. The additional onboard training includes 26 hours of training provided by Onboarding Coaches, Franchise Business Coaches, the club software support team, and the Marketing team. Topics as part of the onboard training include completing a competitive marketplace analysis, the lead generation/marketing process, the sales process, personal training, club culture, member retention and software training.

(2) Initial training will be conducted by our training staff which is led by our Franchise Onboarding Team. Our team includes the following industry professionals:

- Brian Tietz is our President of Franchise Operations and joined Snap Fitness in April 2019. He has served in numerous leadership roles within the fitness industry since 2001.
- Kelli Nadeau is our Senior Franchise Business Coach and joined Snap Fitness in October 2020. She is a former swim coach and sales/marketing professional. Kelli currently owns Snap Fitness Foley in Minnesota and has been in the fitness industry since 2007.
- Matt Krause is our Sr. Director of Franchise Support and joined Snap Fitness in June 2019. Since 2002, he has been in the fitness industry, serving in numerous roles over that time including Operations Manager, Sales Advisor, Personal Trainer, Personal Training Manager and Senior Personal Training Manager.
- Kurt Goodrich is our Onboarding Manager and has been with Snap Fitness since 2014. He has been in the fitness industry since 2012, including roles featuring personal training, managing, and over-seeing our corporately owned locations for three years. Kurt also owns two Snap Fitness clubs located in Winnipeg, and Steinbach, Manitoba, Canada.
- Lisa Boyer is our Program Manager and Marketing Lead and has been with Snap Fitness since 2022. Lisa started in 2004 in the fitness industry, including roles as a club owner, group fitness instructor, personal trainer, and life coach.

Other individuals who are involved in our initial training program include: The Marketing Team, the club

software support team, the Supply Chain Management team, and the Finance team, including:

- ~~Rose Minar is our Chief Marketing Officer and joined Snap Fitness in December of 2020. She has experience in marketing and brand strategy with leading global hospitality companies since 2001.~~
- Suzanne Haag is our Director of Marketing and has been with Snap Fitness since May 2023. She leads the marketing efforts for our US and Canadian franchisees and guides our field marketing and digital support teams. She has served in marketing roles since 2005 at General Mills, at a non-profit organization, and most recently at Regis Corp, the largest franchisor of hair salons in North America.
- Cody Sestito is our Senior Franchise Business Coach and joined Snap Fitness in May 2012, where he has held roles in Club Management and Franchise Business Coaching. Cody holds a Master of Science in Applied Psychology and a Master of Education in Positive Coaching.
- Shannon Reid is our National Fitness Director and has been with Snap Fitness since December 2015. She has been a Snap Fitness Franchise Owner since June 2014, owning two clubs in Winnipeg, Manitoba, Canada. Shannon has been a Certified Personal Trainer since January 2009.
- ~~Joel Obermeyer is our Global Support Representative and has been with Snap Fitness for over five years. He has been in the fitness industry experience at multiple brands as a Personal Trainer and General Manager since 2013.~~

The primary materials used in connection with the initial training program include the Manual, training guides and videos, presentation materials and other materials.

Unless we agree in writing that you may designate someone else to attend training, you must complete to our satisfaction this training program within 30 days of signing your location lease, or in a transfer situation, within 60 days of signing your Franchise Agreement. If you have a general manager at the time you begin operations, the general manager also must complete training to our satisfaction. The program lasts approximately three days. We do not charge for this training, but you must pay the travel and living expenses and supply costs for you and your employees. Training will occur at our headquarters in Chanhassen, Minnesota, or may be virtual, as designated by us.

The training is subject to change and may be offered by any of these personnel or by such individuals as we may designate from time to time who have experience related to specialized services or products that may be offered as part of the franchised business.

Periodically, we may offer additional training programs and we may charge a fee for attending these training programs. You must also pay the travel and living expenses and supply costs for you and your employees. If you designate a new general manager after the initial training program, the new general manager must complete the training to our satisfaction. We reserve the right to charge a fee to train any replacement general manager. In addition, we may hold and require that your Principal Owner (this is, a person who owns a 25% or greater interest in the franchisee entity) and general manager or other designated employees attend, at your expense, any conference, meeting, summit or seminar to present new methods and programs for operation, training, management, sales or marketing and we reserve the right to charge you a fee (currently, \$750 per Club excluding cost of accommodations) to attend any conference, meeting or summit we hold.

## **ITEM 12 TERRITORY**

When the Franchise Agreement is signed, you will select a general geographic area in which you intend to operate your Club (“**Preliminary Designated Area**”). We generally will approve your selection unless we

determine, in our sole judgment, that it may negatively affect the interest of another SNAP FITNESS franchisee or is otherwise unavailable for development under our current policies.

Your Preliminary Designated Area will be identified on the Summary Pages of the Franchise Agreement. Within one (1) year after the Franchise Agreement Effective Date, you must open the Club within the Preliminary Designated Area; provided that, if no sites are available in the Preliminary Designated Area, we generally will approve a site in proximity to the Preliminary Designated Area. Once you have acquired the site, we will complete the Franchise Agreement to reflect the site (which will become the Club's "**Authorized Location**") and to define your "**Designated Area**" around the Authorized Location. If the site you acquire is within the Preliminary Designated Area, your Designated Area will be substantially the same as your Preliminary Designated Area in terms of size, shape or demographics. Once defined in Attachment A and provided you comply with the terms of your Franchise Agreement, your Designated Area will remain constant throughout the initial term of the franchise.

A minimum Designated Area will consist of one city block and, in suburban and rural areas, may be as large as a three-mile radius from the anticipated location. The actual size and boundaries of your Designated Area will depend upon a variety of factors, including the population base; density of population; growth trends of population; the density of residential and business entities; and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas.

Unless approved by us, all membership sales must be made either face-to-face or through our website, although you may solicit membership sales *within* your Designated Area by mail, telemarketing (so long as you abide by the no-call lists) or other non-face-to-face basis. You may solicit, advertise, and accept memberships online or outside your Designated Area only with our prior written approval or according to our then-current policies. There are no other restrictions on your right to solicit or accept memberships inside or outside of your Designated Area. You may not sell merchandise or services through other channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. During the term of this Agreement, however, neither we nor our affiliates will develop or operate, or grant to anyone else the right to develop or operate, a SNAP FITNESS Club physically located in the Designated Area (except Special Sites described below). We and our affiliates have the right to develop and operate and grant others the right to develop and operate SNAP FITNESS Clubs outside the Designated Area, regardless of their proximity to the Designated Area or any negative impact they may have on your Club.

We and our affiliates also have the right to develop and operate, and grant others the right to develop and operate, fitness clubs and other businesses under a different trademark within and outside the Designated Area, which may be similar to or competitive with SNAP FITNESS Clubs.

Certain locations are by their nature unique and separate in character from sites generally developed as SNAP FITNESS Clubs ("**Special Sites**"). These Special Sites are excluded from the Designated Area and we have the right to develop, license or franchise Clubs at these locations within or outside your Designated Area: (1) military bases; (2) public transportation facilities, including, without limitation, airports, railway stations, limited access highway travel plazas and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) hotels, resorts or similar short-term lodging; (6) apartment or condominium complexes; and (7) corporate office buildings or office parks.

We reserve to ourselves all other rights to use the System and Marks anywhere and in any manner including, without limitation, the right to offer, sell or distribute items such as training videos, equipment, athletic gear, etc., associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any

franchisee. These distribution channels or methods may include, without limitation, retail stores, mail order, wholesale or the internet (or any other existing or future form of electronic commerce). For instance, we currently offer online member enrollment through [www.snapfitness.com](http://www.snapfitness.com). Our reserved rights also include the right for us or our affiliates to provide and to license third parties to provide the FitnessOnDemand program, and other ancillary programs developed by or for us or our affiliates, at host locations (such as apartments, condo associations, corporate office buildings, schools, community centers and other gyms and fitness centers).

We will not operate, franchise, or license the operation of a fitness club offering 24/7 keycard access and substantially similar to a SNAP FITNESS club in your Designated Area, except in connection with our acquisition of a multi-unit brand. If we acquire a multi-unit brand (through a stock purchase, asset purchase, merger, or otherwise), we or our affiliate may operate, franchise, or license the operation of the acquired brand within and outside the Designated Area, without offering any rights or compensation to you.

There are no restrictions on our rights to solicit or accept orders inside or outside of your Designated Area. We are not required to compensate you for soliciting or accepting orders in the Designated Area.

Continuation of your Designated Area does not depend on the achievement of a certain sales volume, market penetration or other contingency. You do not have any right to sublicense or sub-franchise within or outside of the Designated Area. You do not receive the right to acquire additional franchises within or outside of your Designated Area (although we may allow you to open another club if you sign another Franchise Agreement with us and meet our requirements).

If you fail to open the Club within one (1) year after the Franchise Agreement Effective Date, instead of terminating this Agreement, we may eliminate the Designated Area protection and open that area for development by us or another franchisee. We also may unilaterally modify your Designated Area upon renewal or if you transfer your franchise rights (see Item 17). Other than described above, we have no right to modify your territorial rights except by mutual written consent of the parties.

You may relocate your Club under certain circumstances and subject to our approval, as is stated in Section 5.G of the Franchise Agreement.

#### Area Development Agreement

If you and we enter into an Area Development Agreement requiring you to open and operate multiple SNAP FITNESS Clubs in a Development Area, we will not develop or operate or grant anyone else a franchise to develop and operate a SNAP FITNESS Club in the Development Area except for Special Sites (as defined above) and except for any existing SNAP FITNESS clubs located in the Development Area at the time you sign the Area Development Agreement (the “**Existing Clubs**”) prior to the earlier of: (i) the expiration or termination of the Area Development Agreement; (ii) the date on which you must execute the Franchise Agreement for your last Club pursuant to the terms of the Development Schedule; or (iii) the date on which the Designated Area for your final Club under the Area Development Agreement is determined. Upon the earliest occurrence of any of the foregoing events: (i) the Development Area will expire; and (ii) we will be entitled to develop and operate, or to franchise others to develop and operate SNAP FITNESS Clubs in the Development Area, except as may be otherwise provided under any Franchise Agreement that has been executed between us and you and that has not been terminated.



We determine the Development Area in an Area Development Agreement using the same criteria that is used in defining a Designated Area for one Club. However, the Development Area must be able to support the number of clubs you intend to establish in that area.

The rights and restrictions described above regarding what we and our affiliates can and cannot do in a franchisee’s Designated Area for a single Club are generally the same for the Development Area set forth in an Area Development Agreement. We are not required to pay you if we exercise any of the rights specified above inside your Development Area. In addition, we may terminate the Area Development Agreement if you: (i) fail to exercise options to enter into Franchise Agreements with us within any period

on the Development Schedule; *(ii)* fail to comply with any other terms and conditions of the Area Development Agreement; *(iii)* make or attempt to make a transfer or assignment in violation of the Area Development Agreement; or *(iv)* fail to comply with the terms and conditions of any individual Franchise Agreement or of any other agreement to which you and we or our affiliates are parties.

### ITEM 13 TRADEMARKS

The Franchise Agreement licenses you to use the “Snap Fitness” service mark, as well as other trademarks, service marks, trade names and commercial symbols. We own and have registered the following principal Marks on the Principal Register of the U.S. Patent and Trademark Office and have filed all required affidavits and maintenance documents.

Trademark	Register	Registration Date	Registration Number
Snap Fitness 24/7 and Design <b>snap fitness</b> 24/7	Principal	<a href="#">Application Date: July 30, 2021</a> <a href="#">August 22, 2023</a>	<a href="#">90858365*7146385</a>
Snap Fitness 24/7 and Design <b>snap</b> 24/7 <b>fitness</b>	Principal	<a href="#">Application Date: July 30, 2021</a> <a href="#">August 22, 2023</a>	<a href="#">90858367*7146386</a>
SNAP FITNESS & Design 	Principal	March 4, 2008	3391628
SNAP FITNESS	Principal	June 20, 2006	3107672
SNAP FITNESS FAST-CONVENIENT-AFFORDABLE & Design 	Principal	April 25, 2006	3084847

We also claim common law rights to variations of our SNAP FITNESS logo and other supplementary marks used from time to time in the operation of the franchise. \*Our application for the “SNAP FITNESS 24/7” logo is pending and filed based on actual use. These non-registered trademarks do not provide the same legal benefits and rights as a federally registered trademark. If our right to use our trademark is challenged, you may have to change to an alternative Mark, which may increase your expenses.

Your use of the Marks and any goodwill is to our and our affiliate’s exclusive benefit and you retain no rights in the Marks. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing. We may change the System presently identified by the Marks including the adoption of new Marks, new program offerings, new equipment or new techniques and you must adopt the changes in the System, as if they were part of the Franchise Agreement at the time of its execution. You must comply, at your cost, within a reasonable time if we notify you to discontinue or modify your use of any Mark. We will have no liability or obligation as to your modification or

discontinuance of any Mark.

There are currently no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the Marks. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Marks in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the Marks.

If there is any infringement of, or challenge to, your use of the Marks, you must immediately notify us, and we will take action that we deem appropriate. We have the right to control all administrative proceedings and litigation involving the Marks. The Franchise Agreement does not require us to take affirmative action if notified of the claim. The Franchise Agreement also does not require us to participate in your defense or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding based on your use of the Marks, or if the proceeding is resolved unfavorably to you. If we determine that a trademark infringement action requires changes or substitutions to the Marks, you must make the changes or substitutions at your own expense.

#### ***ITEM 14***

##### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

There are no patents, pending patent applications, or copyrights currently registered that are material to the franchise, although we do claim copyright ownership and protection for the design elements of our Marks, and the content of our Manual, training materials, web site, and promotional and other materials.

There are currently no effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

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

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

#### ***ITEM 15***

##### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

During the term of the Franchise Agreement, you or your general manager must devote sufficient time and best efforts to the management of the Club. You are expected to stay informed about our organizational plans, initiatives, and direction by regular review of communications sent to you electronically or otherwise.

You or your general manager must provide direct on-premises supervision to the Club. The general manager must complete our training course. The General Manager need not have any equity interest in the franchisee.

or the business entity that owns or operates the franchise. If the General Manager fails to satisfactorily complete the training program, you may designate a different individual and you must notify us immediately. We may request that you are present at the Club for any inspection or evaluation we conduct.

All officers, directors, members and all managers, instructors and other employees having access to our proprietary information must execute non-disclosure agreements in a form we accept. If we so require, your managers, instructors and other employees receiving training from us must execute covenants not to compete in a form that we approve.

Any individual or entity that holds, directly or indirectly, a 25% or greater equity interest in the franchisee must sign a personal guaranty. We reserve the right to require additional guarantors based on the financial qualification or ownership structure of the proposed franchisee.

#### **ITEM 16**

##### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer at the Club all of the products, equipment and services that we periodically require and you may not offer at the Club any unapproved products or use the premises for any purpose other than the operation of the Club. We have the unlimited right to change the types of authorized services you may offer.

If permitted by state and local law, you must be open for business every day of the week for 24 hours. You may solicit and accept memberships within your Designated Area. We may periodically negotiate contracts with corporations, affinity groups and insurance plans that will require that certain terms or discounts be offered to members of that corporation, affinity group or insurance plan by all franchisees at all locations (“**National Accounts**”). You must provide the special terms and/or discounts to these National Accounts. You are not otherwise limited in the customers to whom you may sell products or services.

You may not install or maintain on the Club premises any gaming, entertainment or vending machine without our prior written approval and you must agree to participate in any vending or media program we establish for the system.

#### **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 Agreement (FA), Area Development Agreement (AD) or Other Agreement	Summary
a.	Length of the franchise term	FA: Section 4.A AD: Section 2.1	Term is 10 years Term depends on the number of Clubs to be developed under the Area Development Agreement as specifically set forth in the Development Schedule.
b.	Renewal or extension	FA: Section 4.B AD: Not Applicable	Renewal for unlimited additional 10-year terms No renewal rights under the Area Development Agreement.
c.	Requirements for franchisee to renew or extend	FA: Section 4.B AD: Not Applicable	You must give us written notice of your decision to renew at least six months but not more than 12 months before the end of the expiring term; you must sign our then-current form of Franchise Agreement, the terms and

	Provision	Section in Franchise Agreement (FA), Area Development Agreement (AD) or Other Agreement	Summary
			conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to you, including different fees and a different Designated Area; you must sign our then-current form of Renewal Addendum (see Exhibit F); you have complied with the modernization requirements for your Club; you are not in default and have satisfied your obligations on a timely basis; if leasing, you have written proof of your ability to remain in possession of the Club premises throughout the renewal term and provide any then-required lease addendum; you comply with our training requirements; and you sign a release (provided that any release will not be inconsistent with any state law regulating franchising).
d.	Termination by franchisee	FA: Section 13.C AD: Not Applicable	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow at least 60 days notice and opportunity to cure such breach and, if not cured, wait 90 days from the original notice of breach before terminating the Franchise Agreement. You do not have the right to terminate the Area Development Agreement.
e.	Termination by franchisor without cause	FA: Not Applicable AD: Not Applicable	
f.	Termination by franchisor with cause	FA: Sections 13.A and 13.B AD: Section 2.2	We can terminate the Franchise Agreement and Area Development Agreement only if you default or fail to comply with your obligations.
g.	“Cause” defined – curable defaults	FA: Sections 13.A and 13.B AD: Section 2.2	You have 10 days to cure the non-submission of reports and non-payment of amounts due and owing; and 30 days to cure defaults for the failure to abide by our standards and requirements in connection with the operation of your business, or failure to meet any requirements or specifications established by us, and any other default not listed in h below. You have 30 days to cure any default under the Area Development Agreement.
h.	“Cause” defined – non-curable defaults	FA: Sections 13.A and 13.B AD: Not Applicable	Non-curable defaults include: failure to acquire a site for the Club or open the Club for business within one year after the Franchise Agreement Effective Date, abandonment, loss of lease, the failure to timely cure a default under the lease, the loss of your right of possession or failure to relocate, closing of



	Provision	Section in Franchise Agreement (FA), Area Development Agreement (AD) or Other Agreement	Summary
			Club, insolvency, unapproved assignments or transfers, convictions, intentionally understating or underreporting Memberships or fees, multiple defaults, or failure to cure within 24 hours of notice a default which materially impairs the goodwill associated with any of our Marks.
i.	Franchisee's obligations on termination/non-renewal	FA: Sections 10.D and 14.A-C AD: Section 2.3	Obligations include complete de-identification and payment of amounts due, assignment of your lease to us upon our demand, assignment to us of your telephone numbers, return of the Manual and proprietary materials, refunding members, and our right to purchase assets of the Club (also see o and r below). You lose all remaining rights to develop Clubs. Other obligations include those obligations noted above if existing Franchise Agreements are also terminated.
j.	Assignment of contract by franchisor	FA: Section 11.F AD: Section 3.1	No restriction on our right to assign.
k.	"Transfer" by franchisee – defined	FA: Section 11.A AD: Section 3.2	Includes any transfer of your interest in the Franchise Agreement, in all or substantially all of the Club assets, or in the business or any ownership change.
l.	Franchisor approval of transfer by franchisee	FA: Section 11.B AD: Section 3.2	We have the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	FA: Sections 11.B-D AD: Section 3.2	Transferee meets all of our then-current requirements for one of the franchise development programs then being offered, transferee must sign our then-current form of Franchise Agreement, the terms and conditions of which may be materially different than the terms and conditions of our current Franchise Agreement and which may contain terms less favorable to the transferee, including different fees and a different Designated Area; applicable transfer fee paid, all amounts owed by prior franchisee paid, required modernization is completed, training completed, required guarantees signed, necessary financial reports and other data on franchise business is prepared, and release signed by you (provided release will not be inconsistent with any state law regulating franchising (also see r below). You cannot transfer your rights under the Area Development Agreement unless you transfer all of your rights and interests under all Franchise Agreements.

	Provision	Section in Franchise Agreement (FA), Area Development Agreement (AD) or Other Agreement	Summary
n.	Franchisor's right of first refusal to acquire franchisee's business	FA: Section 11.E AD: Not Applicable	We can match any offer for your Club assets and, in the case of a proposed stock sale, we can purchase your Club assets at a price determined by an appraiser, unless you and we agree otherwise.
o.	Franchisor's option to purchase franchisee's business	FA: Section 14.B AD: Not Applicable	Upon expiration or termination, we have the right to assume your lease for the Club premises, to assume all membership contracts, to assume all telephone numbers used in connection with the operation of your Club to assume all social media accounts associated with the Club, and to purchase or designate a third party that will purchase all or any portion of the assets of your Club, including the equipment, fixtures, signs, furnishings, supplies, leasehold improvements and inventory. Qualified appraiser(s) will determine price as described in the Franchise Agreement.
p.	Death or disability of franchisee	FA: Section 11.D AD: Not Applicable	You can transfer your franchise right to your heir or successor in interest like any other transfer, but if assignee is an existing franchisee, your spouse or your child, no transfer fee is required.
q.	Non-competition covenants during the term of the franchise	FA: Section 10.D AD: Not Applicable	No direct or indirect involvement in the operation of any fitness business other than one authorized in the Franchise Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	FA: Section 10.D AD: Not Applicable	No direct or indirect involvement in a competing business for two years at the premises of the former Club; within 10 miles of the former Club; within any other franchisee's Designated Area; or within 10 miles of any other business or Club using the System.
s.	Modification of agreement	FA: Section 15.B AD: Section 5.7	No modifications generally, but we have the right to change the Manual and the list of authorized trademarks. We also have the right to define your Designated Area once you have acquired a site for the Club.
t.	Integration/merger clause	FA: Section 15.B AD: Section 5.7	Only the terms of the Franchise Agreement and Area Development Agreement (if applicable) are binding (subject to state law). We do not disclaim any representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	FA: Section 12 AD: Section 4	Except for certain claims, all disputes must first be submitted to mediation and, if not resolved by mediation, must be arbitrated in Minneapolis, Minnesota (subject to state law).
v.	Choice of forum	FA: Section 15.I AD: Section 4.4	Litigation must be in Minneapolis, Minnesota, except as restricted or prohibited by applicable

	Provision	Section in Franchise Agreement (FA), Area Development Agreement (AD) or Other Agreement	Summary
			state law regulating franchising.
w.	Choice of law	FA: Section 15.H AD: Section 5.5	Minnesota law governs construction of the Franchise Agreement and the parties' relationship, except as restricted or prohibited by applicable state law regulating franchising.

**ITEM 18  
PUBLIC FIGURES**

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

**ITEM 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its 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.

Except for the information provided herein, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. However, if you are purchasing an existing outlet, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting: Andi Ruth-Negrini, 952-567-5848 or email [sales@liftbrands.com](mailto:sales@liftbrands.com). You may also contact the Federal Trade Commission and the appropriate state regulatory agencies.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

This Item 19 is divided into two sections. Section 1 reflects certain financial information for Snap Fitness corporate owned clubs. Section 2 reflects certain financial information related to franchise owned clubs. Each section contains its own tables and notes as appropriate.

The Financial Performance Representation in Item 19 is based on the financial performance of Clubs during [2023 and 2022](#) [2024 and 2023](#). Some Snap Fitness Clubs have earned these amounts. Your individual results may vary. There is no assurance that you will earn as much.

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# 1. Corporate Owned Snap Fitness Clubs – Statement of Revenue and Member Count

Table A

## 2024 Statements of Revenue, Expenses, and Earnings for SNAP FITNESS Corporate Owned Clubs

There were 40-9 SNAP FITNESS Corporate Owned Clubs in the SNAP FITNESS system as of December 31, 20232024. We do not receive full operating expense data from our franchised clubs, but we do have this information for our Corporate Owned Clubs. No Corporate Owned Clubs were excluded from these results.

Description	Average	Median	Max	Min
<b>Annual Gross Revenue</b>	<b>\$365,206</b>	<b>\$376,128</b>	<b>\$704,399</b>	<b>\$159,987</b>
Membership Revenue	\$275,600	\$281,719	\$517,737	\$132,017
Personal Training Revenue	\$44,707	\$39,207	\$112,375	\$4,375
Insurance Revenue <sup>3</sup>	\$31,850	\$31,918	\$57,660	\$8,602
Other Revenue <sup>4</sup>	\$13,049	\$14,023	\$22,328	\$1,963
<b>Member Count</b>	<b>966</b>	<b>1,000</b>	<b>1,631</b>	<b>462</b>
<b>Square Feet</b>	<b>4,768</b>	<b>4,965</b>	<b>6,900</b>	<b>3,000</b>

	Average (9 Clubs)		Top Third Average (3 Clubs)		Middle Third Average (3 Centers)		Bottom Third Average (3 Clubs)	
<b>Average Monthly Membership Count<sup>1</sup></b>	671		977		645		391	
#/% At or Above	4/44%		1/33%		2/67%		2/67%	
Highest	1272		1272		688		467	
Lowest	254		829		588		254	
Median	660		831		660		453	
<b>Revenue</b>								
Memberships <sup>2</sup>	\$305,256		\$466,135		\$287,673		\$161,959	
Personal Training <sup>3</sup>	\$47,050		\$72,974		\$38,618		\$29,558	
Ins Reimbursement <sup>4</sup>	\$43,978		\$65,090		\$48,095		\$18,747	
Product/CEF <sup>5</sup>	\$1,591		\$2,049		\$2,638		\$84	
Other	\$12,491		\$19,779		\$13,667		\$4,027	
<b>Average Total Revenue</b>	<b>\$410,365</b>	<b>100%</b>	<b>\$626,028</b>	<b>100%</b>	<b>\$390,691</b>	<b>100%</b>	<b>\$214,377</b>	<b>100%</b>
#/% At or Above	4/44%		1/33%		1/33%		1/33%	
Highest	\$798,758		\$798,758		\$434,995		\$313,196	
Lowest	\$117,911		\$539,633		\$367,451		\$117,911	
Median	\$369,628		\$539,692		\$369,628		\$212,023	
<b>Cost of Goods Sold</b>								
Labor <sup>6</sup>	\$109,209	27%	\$149,575	24%	\$114,609	29%	\$63,442	30%

	<u>Average</u> (9 Clubs)		<u>Top Third Average</u> (3 Clubs)		<u>Middle Third Average</u> (3 Centers)		<u>Bottom Third Average</u> (3 Clubs)	
Personal Trainers <sup>6</sup>	\$14,112	3%	\$21,778	3%	\$11,562	3%	\$8,997	4%
Bank Service Charges	\$13,714	3%	\$19,768	3%	\$13,806	4%	\$7,567	4%
Product Cost	\$1,023	0%	\$1,228	0%	\$1,146	0%	\$695	0%
Corp Fees <sup>7</sup>	\$29,039	7%	\$32,237	5%	\$29,718	8%	\$25,161	12%
<b>Total COGS</b>	<b>\$167,096</b>	<b>41%</b>	<b>\$224,586</b>	<b>36%</b>	<b>\$170,840</b>	<b>44%</b>	<b>\$105,862</b>	<b>49%</b>
#/% At or Above	4/44%		2/67%		1/33%		1/33%	
Highest	\$326,318		\$326,318		\$199,401		\$183,656	
Lowest	\$44,463		\$160,858		\$167,480		\$44,463	
Median	\$168,076		\$247,720		\$168,076		\$81,690	
<b>Gross Profit</b>	<b>\$243,269</b>	<b>59%</b>	<b>\$401,441</b>	<b>64%</b>	<b>\$219,851</b>	<b>56%</b>	<b>\$108,515</b>	<b>51%</b>
#/% At or Above	4/44%		1/33%		1/33%		2/67%	
Highest	\$500,590		\$500,590		\$278,780		\$132,806	
Lowest	\$65,910		\$308,072		\$173,581		\$65,910	
Median	\$207,192		\$395,662		\$207,192		\$126,828	
<b>Operating Expenses</b>								
Rent/CAM	\$83,942	20%	\$132,081	21%	\$72,702	19%	\$47,045	22%
Utilities & Telecom	\$26,658	6%	\$40,567	6%	\$24,985	6%	\$14,422	7%
Repairs, Maintenance, Cleaning	\$16,670	4%	\$27,507	4%	\$11,538	3%	\$10,966	5%
Marketing & Advertising	\$5,483	1%	\$3,711	1%	\$5,104	1%	\$7,634	4%
SAPP Insurance <sup>8</sup>	\$5,574	1%	\$5,574	1%	\$5,574	1%	\$5,574	3%
Real Estate Tax	\$3,040	1%	\$1,832	0%	\$4,619	1%	\$2,670	1%
Other SGA	\$12,462	3%	\$15,595	2%	\$11,417	3%	\$10,375	5%
<b>Total Operating Expenses</b>	<b>\$153,831</b>	<b>37%</b>	<b>\$226,867</b>	<b>36%</b>	<b>\$135,939</b>	<b>35%</b>	<b>\$98,686</b>	<b>46%</b>
#/% At or Above	3/33%		1/33%		2/67%		1/33%	
Highest	\$284,087		\$284,087		\$153,263		\$106,952	
Lowest	\$90,259		\$186,573		\$116,575		\$90,259	
Median	\$137,981		\$209,940		\$137,981		\$98,847	
<b>Operating Income</b>	<b>\$89,439</b>	<b>22%</b>	<b>\$174,575</b>	<b>28%</b>	<b>\$83,912</b>	<b>21%</b>	<b>\$9,829</b>	<b>5%</b>
#/% At or Above	5/56%		2/67%		2/67%		2/67%	
Highest	\$216,503		\$216,503		\$140,799		\$36,570	
Lowest	-\$32,937		\$98,131		\$20,319		-\$32,937	
Median	\$90,618		\$209,089		\$90,618		\$25,854	

Table B

2024 Statements of Revenue, Expenses, and Earnings for SNAP FITNESS Corporate Owned Clubs Revitalized prior to 2024

As of December 31, 20232024, 2 of the 10-9 US SNAP FITNESS Corporate Owned Clubs had completed brand revitalization to the same design model required of all new club openings between 2022-2023. No Corporate Owned Revitalized Clubs which were revitalized between 2022-2023 were excluded from these results.

Description	Average	Median	Max	Min
Annual Gross Revenue	\$549,515	\$549,515	\$704,399	\$394,631
Membership Revenue <sup>1</sup>	\$399,555	\$399,555	\$517,737	\$281,372
Personal Training Revenue <sup>2</sup>	\$85,437	\$85,437	\$112,375	\$58,498
Insurance Revenue <sup>3</sup>	\$48,699	\$48,699	\$56,579	\$40,819
Other Revenue <sup>4</sup>	\$15,825	\$15,825	\$17,708	\$13,942
Member Count	1,327	1,327	1,631	1,022
Square Feet	5,262	5,262	6,900	3,624

	PLACERVILLE, CA		BETHEL, CT	
Average Monthly Billable Membership Count <sup>1</sup>	1272		688	
Revenue				
Memberships <sup>2</sup>	\$573,664		\$ 314,134	
Personal Training <sup>3</sup>	\$113,108		\$ 45,408	
Ins Reimbursement <sup>4</sup>	\$90,068		\$ 59,354	
Product/CEE <sup>5</sup>	\$2,015		\$ 6,292	
Other	\$19,903		\$ 9,807	
Total Average Revenue	\$798,758	100%	\$ 434,995	100%
Cost of Goods Sold				
Labor <sup>6</sup>	\$201,674	25%	\$ 98,977	23%
Personal Trainers <sup>6</sup>	\$32,898	4%	\$ 13,771	3%
Bank Service Charges	\$23,864	3%	\$ 14,887	3%
Product Cost	\$2,590	0%	\$ 376	0%
Corp Fees <sup>7</sup>	\$65,292	8%	\$ 39,468	9%
Total COGS	\$326,318	41%	\$ 167,480	39%
Gross Profit	\$472,441	59%	\$ 267,516	61%
Operating Expenses				
Rent/CAM	\$171,286	21%	\$ 86,418	20%

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Utilities & Telecom	\$43,267	5%	\$ 23,791	5%
Repairs, Maintenance, Cleaning	\$36,357	5%	\$ 3,989	1%
Marketing & Advertising	\$4,473	1%	\$ 3,419	1%
Insurance <sup>8</sup>	\$5,574	1%	\$ 5,574	1%
Real Estate Tax	\$2,591	0%	\$ 2,309	1%
Other SGA	\$20,537	3%	\$ 12,481	3%
<b>Total Operating Expenses</b>	<b>\$284,087</b>	<b>36%</b>	<b>\$ 137,981</b>	<b>32%</b>
<b>Operating Income</b>	<b>\$188,354</b>	<b>24%</b>	<b>\$ 129,535</b>	<b>30%</b>

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#### Notes to Table A and Table B

Note 1. Average monthly membership count includes active, billable members only and excludes members whose contracts are paused, past due, or who participate with certain programs which we administer reimbursement of membership dues for insurance companies, affinity groups and national accounts as described in Item 16.

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Note 2. The principal source of total sales for a SNAP FITNESS Club is its membership revenue. Membership revenue includes paid in full or as prepaid dues, the member's monthly dues obligation as well as annual and pro-rated annual fees. Typical monthly membership fees are ~~\$34.95~~\$44.95 to ~~\$59.95~~\$60.00 based on single membership types and ~~\$54.95~~\$74.95 to ~~\$84.95~~\$99.00 for joint ~~or family~~(2-person) membership types. Membership rates vary by club. Franchisees set their own membership prices depending on their club's competitive landscape and amenity service fees (such as ~~tanning~~recovery zones) that are added to a membership (exceptions are for National Accounts and certain promotional programs as described in Item 16).

Note 23. Clubs may earn a significant percentage of revenue through the sale of personal training services to members. Not all clubs offer personal training and personal training revenue varies widely by club depending on the ability to find qualified and motivated personal trainers, types of services and management of the personal training programs.

Note 34. Clubs may earn revenue through participation with certain programs which we administer reimbursement of membership dues for insurance companies, affinity groups and national accounts as described in Item 16.

Note 45. Clubs may earn additional revenue through Club Enhancement Fees, the sale of approved product and merchandise, and enrollment fees.

Note 6. Labor costs may vary significantly by location. Factors influencing these costs include the size of the facility, operating hours, the level of foot traffic, and local wage rates

Note 7. These fees have been adjusted to reflect the Royalty, National Marketing, and Technology fees that a franchisee would incur. See Item 6 for more detail.

Note 8. All Corporate Clubs participate in the SAPP insurance program. See Items 6 and 8 for more information.

## 2. Franchise Owned Snap Fitness Clubs - Statement of Revenue and Member Count

There were ~~520-493~~ US Snap Fitness Clubs in the Snap Fitness system as of December 31, ~~2023~~2024. Of those ~~520-493~~ Snap Fitness Clubs, ~~11-14~~ are excluded from the results displayed in Table A and Table B for the reasons provided in Note 1, Note 2, and Note 3 below. The average square footage, average total sales, average membership counts, average member counts, and average sales per square foot are derived from the historical performance of ~~509-479~~ Clubs.

**Table A**  
Franchised Clubs – Sales and Memberships by Quartile for ~~2024 and~~ 2023, ~~2022 and~~ 2021

		2023								2022						2021		
		Members				Revenue				Members			Revenue			Revenue		
		Total-Members	Met-or-Exceed #	Met-or-Exceed %	YOY-Growth	Sales-per-Year	Met-or-Exceed #	Met-or-Exceed %	YOY-Growth	Total-Members	Met-or-Exceed #	Met-or-Exceed %	Sales-per-Year	Met-or-Exceed #	Met-or-Exceed %	Sales-per-Year	Met-or-Exceed #	Met-or-Exceed %
All-Clubs	Club-Count	509								547						573		
	Average	697	205	40%	14%	242,930	201	39%	14%	614	229	42%	\$212,305	214	39%	\$194,127	226	39%
	Median	637	255	50%	13%	210,351	254	50%	12%	566	272	50%	\$187,361	270	49%	\$166,455	287	50%
	Max	3,243				1,298,542				3,018			\$1,021,939	-		\$990,332	-	
	Min	160				30,374	-		-	131			\$40,641	-		\$11,984	-	-
Top-Quartile	Club-Count	127								137						143		
	Average	1,065	55	43%	11%	438,090	41	32%	16%	956	54	39%	\$377,230	42	31%	\$339,543	46	32%
	Median	983	64	50%	15%	385,529	63	50%	16%	855	68	50%	\$332,116	68	50%	\$298,789	72	50%
	Max	3,243				1,298,542				3,018			\$1,021,939	-		\$990,332	-	
	Min	265				294,284	-		-	432			\$263,717	-		\$240,254	-	-
Second-Quartile	Club-Count	127								137						143		
	Average	718	55	43%	16%	250,606	59	46%	14%	621	64	47%	\$219,650	67	49%	\$201,430	70	49%
	Median	694	66	52%	14%	249,147	64	50%	14%	611	69	50%	\$218,930	69	50%	\$201,054	72	50%
	Max	1,613				293,775				1,155			\$263,637	-		\$240,203	-	
	Min	373				210,864	-		-	333			\$186,602	-		\$166,599	-	-
Third-Quartile	Club-Count	127								136						143		
	Average	593	60	47%	16%	174,198	61	48%	13%	512	64	47%	\$153,777	65	48%	\$142,382	72	50%
	Median	579	64	50%	17%	173,757	64	50%	14%	493	73	54%	\$151,979	67	49%	\$142,487	72	50%
	Max	986				210,351				927			\$186,436	-		\$166,455	-	
	Min	270				144,600	-		-	224			\$128,849	-		\$122,346	-	-
Bottom-Quartile	Club-Count	128								137						144		
	Average	414	57	45%	13%	109,874	62	48%	12%	366	62	45%	\$98,134	76	55%	\$93,855	77	53%
	Median	396	62	48%	12%	109,021	64	50%	6%	354	69	50%	\$102,748	69	50%	\$97,530	73	51%
	Max	822				144,376				1,034			\$128,746	-		\$122,145	-	
	Min	160	-	-	-	30,374	-	-	-	131	-	-	\$40,641	-	-	\$11,984	-	-



		2024								2023							
		Members				Revenue				Members				Revenue			
		Total	Met or	Met or	YOY	Sales per	Met or	Met or	YOY	Total	Met or	Met or	YOY	Sales per	Met or	Met or	YOY
		Members	Exceed	Exceed	Growth	Year	Exceed	Exceed	Growth	Members	Exceed	Exceed	Growth	Year	Exceed	Exceed	Growth
		#	%	%			#	%		#	%	%			#	%	
<u>All Clubs</u>	<u>Club Count</u>	479								509							
	<u>Average</u>	719	201	42%	3%	250,461	184	38%	3%	697	205	40%	14%	242,930	201	39%	14%
	<u>Median</u>	654	248	52%	3%	214,821	240	50%	2%	637	255	50%	13%	210,351	254	50%	12%
	<u>Max</u>	3,181				1,387,046			-	3,243				1,298,542			-
	<u>Min</u>	191				48,741			-	160				30,374			-
<u>Top Quartile</u>	<u>Club Count</u>	120								127							
	<u>Average</u>	1,103	51	43%	4%	457,667	39	33%	4%	1,065	55	43%	11%	438,090	41	32%	16%
	<u>Median</u>	1,030	61	51%	5%	390,736	60	50%	1%	983	64	50%	15%	385,529	63	50%	16%
	<u>Max</u>	3,181				1,387,046			-	3,243				1,298,542			-
	<u>Min</u>	415				315,175			-	265				294,284			-
<u>Second Quartile</u>	<u>Club Count</u>	119								127							
	<u>Average</u>	735	56	47%	2%	257,715	58	49%	3%	718	55	43%	16%	250,606	59	46%	14%
	<u>Median</u>	708	64	54%	2%	253,402	61	51%	2%	694	66	52%	14%	249,147	64	50%	14%
	<u>Max</u>	1,573				314,147			-	1,613				293,775			-
	<u>Min</u>	376				215,058			-	373				210,864			-
<u>Third Quartile</u>	<u>Club Count</u>	120								127							
	<u>Average</u>	622	61	51%	5%	177,965	57	48%	2%	593	60	47%	16%	174,198	61	48%	13%
	<u>Median</u>	592	67	56%	2%	176,897	61	51%	2%	579	64	50%	17%	173,757	64	50%	14%
	<u>Max</u>	1,091				214,821			-	986				210,351			-
	<u>Min</u>	355				143,063			-	270				144,600			-
<u>Bottom Quartile</u>	<u>Club Count</u>	120								128							
	<u>Average</u>	416	58	48%	1%	108,559	63	53%	-1%	414	57	45%	13%	109,874	62	48%	12%
	<u>Median</u>	387	63	53%	-2%	112,008	60	50%	3%	396	62	48%	12%	109,021	64	50%	6%
	<u>Max</u>	834				142,884			-	822				144,376			-
	<u>Min</u>	191				48,741			-	160				30,374			-

**Table B**  
 Franchised Clubs – Sales and Memberships by Club Size for ~~2023-2024~~ and ~~2022-2023~~

		2023							2022						
		Total- Members	Met-or- Exceed #	Met-or- Exceed- %	YOY- Growth	Sales-per- Year	Met-or- Exceed #	Met-or- Exceed- %	YOY- Growth	Total- Members	Met-or- Exceed #	Met-or- Exceed- %	Sales-per- Year	Met-or- Exceed #	Met-or- Exceed %
All Clubs	Club- Count	509								547					
	Average	697	205	40%	14%	242,930	201	39%	14%	614	228	42%	\$212,305	214	39%
	Median	637	255	50%	13%	210,351	254	50%	12%	566	270	49%	\$187,361	270	49%
	Max	3,243				1,298,542			-	3,018			\$1,021,939		-
	Min	160				30,374	-		-	131	-	-	\$40,641	-	-
≥8,000- Sq-Ft	Club- Count	25								25					
	Average	1,351	12	48%	13%	522,834	12	48%	20%	1,192	12	48%	\$436,325	13	52%
	Median	1,247	13	52%	12%	466,505	12	48%	4%	1,114	13	52%	\$448,780	12	48%
	Max	3,243				1,298,542			-	3,018			\$1,021,939		-
	Min	160	-	-	-	30,374	-	-	-	146			\$40,641		-
<8,000 >6,000 Sq-Ft	Club- Count	41								42					
	Average	940	17	41%	10%	353,733	16	39%	9%	856	14	33%	\$323,865	16	38%
	Median	871	21	51%	8%	331,554	21	51%	13%	807	21	50%	\$293,294	21	50%
	Max	2,401				939,389			-	1,990			\$897,814		-
	Min	423	-	-	-	134,600	-	-	-	389			\$110,790		-
<6,000 >4,000 Sq-Ft	Club- Count	177								190					
	Average	726	77	44%	12%	246,292	80	45%	10%	648	82	43%	\$223,123	83	44%
	Median	677	89	50%	9%	227,880	88	50%	11%	619	93	49%	\$205,391	95	50%
	Max	2,195				695,221			-	1,908			\$626,652		-
	Min	228	-	-	-	69,732	-	-	-	206			\$54,836		-
<4,000- Sq-Ft	Club- Count	266								290					
	Average	579	118	44%	14%	197,307	115	43%	16%	507	122	42%	\$169,748	121	42%
	Median	546	133	50%	14%	176,689	133	50%	16%	477	143	49%	\$152,664	143	49%
	Max	1,799				698,639			-	1,533			\$589,015		-
	Min	209	-	-	-	48,530	-	-	-	131	-	-	\$41,839	-	-

		2024							2023						
		Total Members	Met or Exceed #	Met or Exceed %	YOY Growth	Sales per Year	Met or Exceed #	Met or Exceed %	YOY Growth	Total Members	Met or Exceed #	Met or Exceed %	Sales per Year	Met or Exceed #	Met or Exceed %
<u>All Clubs</u>	<u>Club Count</u>	479								509					
	<u>Average</u>	719	201	42%	3%	250,461	184	38%	3%	697	205	40%	\$242,930	201	39%
	<u>Median</u>	654	248	52%	3%	214,821	240	50%	2%	637	255	50%	\$210,351	254	50%
	<u>Max</u>	3,181				1,387,046			-	3,243			\$1,298,542		-
	<u>Min</u>	191				48,741			-	160			\$30,374		-
<u>&gt;=8,000 Sq Ft</u>	<u>Club Count</u>	22								25					
	<u>Average</u>	1,380	11	50%	2%	557,637	11	50%	7%	1,351	12	48%	\$522,834	12	48%
	<u>Median</u>	1,351	12	55%	8%	552,029	11	50%	18%	1,247	13	52%	\$466,505	12	48%
	<u>Max</u>	3,181				1,387,046			-	3,243			\$1,298,542		-
	<u>Min</u>	592				162,237			-	160			\$30,374		-
<u>&lt;8,000 &gt;6,000 Sq Ft</u>	<u>Club Count</u>	39								41					
	<u>Average</u>	950	17	44%	1%	362,512	13	33%	2%	940	17	41%	\$353,733	16	39%
	<u>Median</u>	890	21	54%	2%	326,399	19	49%	-2%	871	21	51%	\$331,554	21	51%
	<u>Max</u>	2,209				1,057,267			-	2,401			\$939,389		-
	<u>Min</u>	435				132,070			-	423			\$134,600		-
<u>&lt;6,000 &gt;4,000 Sq Ft</u>	<u>Club Count</u>	174								177					
	<u>Average</u>	745	77	44%	3%	250,866	73	42%	2%	726	77	44%	\$246,292	80	45%
	<u>Median</u>	688	89	51%	2%	231,200	87	50%	1%	677	89	50%	\$227,880	88	50%
	<u>Max</u>	2,431				671,979			-	2,195			\$695,221		-
	<u>Min</u>	215				78,680			-	228			\$69,732		-
<u>&lt;4,000 Sq Ft</u>	<u>Club Count</u>	244								266					
	<u>Average</u>	604	113	46%	4%	204,567	105	43%	4%	579	118	44%	\$197,307	115	43%
	<u>Median</u>	562	128	52%	3%	183,883	122	50%	4%	546	133	50%	\$176,689	133	50%
	<u>Max</u>	1,936				917,906			-	1,799			\$698,639		-
	<u>Min</u>	191				48,741			-	209			\$48,530		-

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**Table C**

Franchised Clubs — Sales and Memberships for Clubs Revitalized Prior to 2023

		2023								2022					
		Members				Revenue				Members			Revenue		
		Total-Members	Met-or-Exceed-#	Met-or-Exceed-%	YOY-Growth	Sales-per-Year	Met-or-Exceed-#	Met-or-Exceed-%	YOY-Growth	Total-Members	Met-or-Exceed-#	Met-or-Exceed-%	Sales-per-Year	Met-or-Exceed-#	Met-or-Exceed-%
All Clubs	Club-Count	7								7					
	Average	645	4	57%	4%	313,866	1	14%	37%	621	3	43%	228,651	1	14%
	Median	654	4	57%	9%	241,475	4	57%	42%	600	4	57%	170,599	1	14%
	Max	1,126				871,458			-	870			575,192		-
	Min	391	-	-	-	170,125	-	-	-	347	-	-	107,150	-	-

**Notes to Table A, and Table B, and Table C**

Note 1. Table A, and Table B, and Table C reflect the data of Franchised Clubs open for respective calendar years ~~2023-2024~~ and ~~2022-2023~~. ~~Table A also includes data of Franchised Clubs open for respective calendar year 2021.~~

Note 2. Table A, and Table B, and Table C only include data of Franchised Clubs that were open as of December 31, ~~2023-2024~~. In other words, data from Clubs that opened January 1, ~~2024-2025~~ or later are excluded from Table A, and Table B, and Table C.

Note 3. Table A, and Table B, and Table C, exclude data from our corporate-owned Clubs.

Note 4. [The principal source of total sales for a SNAP FITNESS Club is its membership revenue. Membership revenue includes any initial enrollment fees, paid in full or as prepaid dues, the member's monthly dues obligation as well as annual and pro-rated annual fees. Clubs also earn a significant percentage of revenue through the sale of personal training services to members. Not all clubs offer personal training and clubs historically have not been required to report personal training revenue to us. Personal training revenue varies widely by club depending on the ability to find qualified and motivated personal trainers, types of services and management of the personal training programs. Typical monthly membership fees are \\$44.95 to \\$60.00 based on single membership types and \\$74.95 to \\$99.00 for joint \(2-person\) membership types. Membership rates vary by club. You set your own membership prices depending on your club's competitive landscape and amenity service fees \(such as](#)

recovery zones) that are added to a membership (exceptions are for National Accounts and certain promotional programs as described in Item 16). The principal source of total sales for a SNAP FITNESS Club is its membership revenue. Membership revenue includes any initial enrollment fees, paid in full or as prepaid dues, the member's monthly dues obligation as well as annual and pro-rated annual fees. Clubs also earn a significant percentage of revenue through the sale of personal training services to members. Not all clubs offer personal training and clubs historically have not been required to report personal training revenue to us. Personal training revenue varies widely by club depending on the ability to find qualified and motivated personal trainers, types of services and management of the personal training programs. Typical monthly membership fees are \$34.95 to \$59.95 based on single membership types and \$54.95 to \$84.95 for joint or family membership types. Membership rates vary by club. You set your own membership prices depending on your club's competitive landscape and amenity service fees (such as tanning) that are added to a membership (exceptions are for National Accounts and certain promotional programs as described in Item 16).

Note 5. The average values stated are based on highest to lowest sales and quartile cohorts structured accordingly. All averages, medians, highs, and lows are then based on club Key Performance Indicator facts found within these cohorts.

Note 6. Table C includes only clubs that had either opened as or fully revitalized to our current club design version, launched in 2021. Clubs that are operating under a prior design version or that have started, but not completed their revitalization to our current club design version, are excluded from Table C.

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**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
for Years ~~2021-2022~~ to ~~2023~~2024

<u>Outlet Type</u>	<u>Year</u>	<u>Outlets at the Start of the Year</u>	<u>Outlets at the End of the Year</u>	<u>Net Change</u>
Franchised- Outlets	<del>2021</del>	<del>629</del>	<del>585</del>	<del>-44</del>
	<del>2022</del>	<del>585</del>	<del>547</del>	<del>-38</del>
	<del>2023</del>	<del>547</del>	<del>510</del>	<del>-37</del>
Company- Owned	<del>2021</del>	<del>28</del>	<del>22</del>	<del>-6</del>
	<del>2022</del>	<del>22</del>	<del>12</del>	<del>-10</del>
	<del>2023</del>	<del>12</del>	<del>10</del>	<del>-2</del>
Total Outlets	<del>2021</del>	<del>657</del>	<del>607</del>	<del>-50</del>
	<del>2022</del>	<del>607</del>	<del>559</del>	<del>-48</del>
	<del>2023</del>	<del>559</del>	<del>520</del>	<del>-39</del>

<u>Outlet Type</u>	<u>Year</u>	<u>Outlets at the Start of the Year</u>	<u>Outlets at the End of the Year</u>	<u>Net Change</u>
<u>Franchised Outlets</u>	<u>2022</u>	<u>585</u>	<u>547</u>	<u>-38</u>
	<u>2023</u>	<u>547</u>	<u>510</u>	<u>-37</u>
	<u>2024</u>	<u>510</u>	<u>484</u>	<u>-26</u>
<u>Company Owned</u>	<u>2022</u>	<u>22</u>	<u>12</u>	<u>-10</u>
	<u>2023</u>	<u>12</u>	<u>10</u>	<u>-2</u>
	<u>2024</u>	<u>10</u>	<u>9</u>	<u>-1</u>
<u>Total Outlets</u>	<u>2022</u>	<u>607</u>	<u>559</u>	<u>-48</u>
	<u>2023</u>	<u>559</u>	<u>520</u>	<u>-39</u>
	<u>2024</u>	<u>520</u>	<u>493</u>	<u>-27</u>

Table No. 2  
Transfers of Outlets from Franchisees to New Owners (other than Franchisor) for Years ~~2021-2022~~ to ~~2023~~2024

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
Arizona	<del>2021</del>	<del>0</del>
	<del>2022</del>	<del>1</del>
	<del>2023</del>	<del>1</del>
California	<del>2021</del>	<del>2</del>
	<del>2022</del>	<del>2</del>
	<del>2023</del>	<del>1</del>
Colorado	<del>2021</del>	<del>1</del>
	<del>2022</del>	<del>0</del>
	<del>2023</del>	<del>0</del>

Connecticut	2021	1
	2022	0
	2023	1
Delaware	2021	1
	2022	0
	2023	0
Florida	2021	0
	2022	0
	2023	1

State	Year	Number of Transfers
Idaho	2021	0
	2022	0
	2023	1
Iowa	2021	1
	2022	0
	2023	0
Illinois	2021	3
	2022	1
	2023	2
Indiana	2021	1
	2022	0
	2023	0
Louisiana	2021	3
	2022	1
	2023	2
Maine	2021	0
	2022	1
	2023	0
Michigan	2021	0
	2022	1
	2023	4
Minnesota	2021	9
	2022	4
	2023	8
Mississippi	2021	1
	2022	0
	2023	1
Missouri	2021	0
	2022	1
	2023	0
Nebraska	2021	0
	2022	0
	2023	1
New Mexico	2021	0
	2022	1
	2023	0
New York	2021	0
	2022	1
	2023	0
North Carolina	2021	0
	2022	2
	2023	0
	2021	0



State	Year	Number of Transfers
Ohio	2022	1
	2023	0
Oregon	2021	3
	2022	5
	2023	3
Pennsylvania	2021	2
	2022	3
	2023	0
South Carolina	2021	0
	2022	1
	2023	0
Tennessee	2021	0
	2022	1
	2023	0
Texas	2021	4
	2022	12
	2023	4
Utah	2021	1
	2022	0
	2023	0
Vermont	2021	0
	2022	2
	2023	1
Virginia	2021	0
	2022	1
	2023	1
Washington	2021	1
	2022	1
	2023	0
Wisconsin	2021	4
	2022	6
	2023	1
Total	2021	38
	2022	49
	2023	33

State	Year	Number of Transfers
Arizona	2022	1
	2023	1
	2024	0
California	2022	2
	2023	1

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
	<u>2024</u>	<u>1</u>
	<u>2022</u>	<u>0</u>
<u>Connecticut</u>	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>0</u>
<u>Delaware</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>1</u>
<u>Florida</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>0</u>
<u>Idaho</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>0</u>
<u>Illinois</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>1</u>
<u>Indiana</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Louisiana</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>2</u>
	<u>2024</u>	<u>5</u>
<u>Maine</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Michigan</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>4</u>
	<u>2024</u>	<u>4</u>
<u>Minnesota</u>	<u>2022</u>	<u>4</u>
	<u>2023</u>	<u>8</u>
	<u>2024</u>	<u>5</u>
<u>Mississippi</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>1</u>
<u>Missouri</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Nebraska</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>0</u>
<u>New Mexico</u>	<u>2022</u>	<u>1</u>

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>New York</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>North Carolina</u>	<u>2022</u>	<u>2</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Ohio</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Oregon</u>	<u>2022</u>	<u>5</u>
	<u>2023</u>	<u>3</u>
	<u>2024</u>	<u>1</u>
<u>Pennsylvania</u>	<u>2022</u>	<u>3</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>South Carolina</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Tennessee</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Texas</u>	<u>2022</u>	<u>12</u>
	<u>2023</u>	<u>4</u>
	<u>2024</u>	<u>4</u>
<u>Utah</u>	<u>2022</u>	<u>0</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>1</u>
<u>Vermont</u>	<u>2022</u>	<u>2</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>0</u>
<u>Virginia</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>1</u>
<u>Washington</u>	<u>2022</u>	<u>1</u>
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>3</u>
<u>Wisconsin</u>	<u>2022</u>	<u>6</u>
	<u>2023</u>	<u>1</u>
	<u>2024</u>	<u>3</u>

<u>State</u>	<u>Year</u>	<u>Number of Transfers</u>
<u>Total</u>	<u>2022</u>	<u>49</u>
	<u>2023</u>	<u>33</u>
	<u>2024</u>	<u>31</u>

**Table No. 3**  
**Status of Franchised Outlets for Years ~~2021-2022~~ to 20232024**

<u>State</u>	<u>Year</u>	<u>Outlets- at Start of Year</u>	<u>Outlets- Opened</u>	<u>Terminations</u>	<u>Non- Renewals</u>	<u>Reacquired- by- Franchisor</u>	<u>Ceased- Operations -Other- Reasons</u>	<u>Outlets- at End- of the- Year</u>
<u>Alabama</u>	<u>2021</u>	<u>8</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>

State	Year	Outlets-at-Start of Year	Outlets-Opened	Terminations	Non-Renewals	Reacquired-by-Franchisor	Ceased-Operations-Other-Reasons	Outlets-at-End-of-the-Year
	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
	2024	15	0	0	0	0	0	15
Arizona	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	15
Arkansas	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
California	2021	20	1	1	0	0	0	20
	2022	20	0	0	0	0	4	16
	2023	16	0	0	0	0	0	16
Colorado	2021	6	0	0	0	0	1	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Connecticut	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Delaware	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Florida	2021	8	0	0	0	0	0	8
	2022	8	0	1	0	0	0	7
	2023	7	0	0	1	0	1	5
Georgia	2021	20	0	3	1	0	1	15
	2022	15	0	0	1	0	0	14
	2023	14	0	0	1	0	2	11
Idaho	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Illinois	2021	22	0	1	0	0	0	21
	2022	21	0	0	0	0	2	19
	2023	19	0	0	1	0	0	18
Indiana	2021	6	0	1	2	0	0	3
	2022	3	0	0	1	0	0	2
	2023	2	0	0	0	0	1	1
Iowa	2021	9	0	0	0	0	0	9
	2022	9	0	0	1	0	0	8
	2023	8	0	0	1	0	0	7
Kansas	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Kentucky	2021	11	0	0	0	0	1	10
	2022	10	0	0	0	0	3	7
	2023	7	0	0	1	0	1	5
Louisiana	2021	26	0	2	0	0	0	24
	2022	24	0	0	0	0	0	24
	2023	24	0	0	0	0	0	24
Maine	2021	2	0	0	0	0	0	2

State	Year	Outlets-at-Start of Year	Outlets-Opened	Terminations	Non-Renewals	Reacquired-by-Franchisor	Ceased-Operations-Other-Reasons	Outlets-at-End-of-the-Year
Maryland	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Massachusetts	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	1	5
Michigan	2021	39	0	1	1	0	3	34
	2022	34	0	0	0	0	0	34
	2023	34	0	0	2	0	5	27
Minnesota	2021	90	0	1	5	0	3	81
	2022	81	1	1	1	0	2	78
	2023	78	0	0	0	0	2	76
Mississippi	2021	14	0	0	0	0	0	13
	2022	13	0	0	1	0	1	11
	2023	11	0	0	0	0	0	11
Missouri	2021	13	0	0	0	0	1	12
	2022	12	0	0	0	0	0	12
	2023	12	0	0	3	0	0	9
Montana	2021	5	0	0	1	0	0	4
	2022	4	0	0	1	0	0	3
	2023	3	0	0	1	0	0	2
Nebraska	2021	3	0	0	1	0	0	2
	2022	2	0	0	1	0	0	1
	2023	1	0	0	0	0	0	1
Nevada	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
New-Hampshire	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New-Jersey	2021	12	0	1	0	0	0	11
	2022	11	0	0	0	0	1	10
	2023	10	0	0	1	0	0	9
New-Mexico	2021	6	0	0	0	0	0	6
	2022	6	0	0	1	0	0	5
	2023	5	0	0	1	0	0	4
New-York	2021	16	0	0	0	0	1	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	2	0	0	13
North-Carolina	2021	11	0	0	0	0	2	9
	2022	9	1	0	0	0	2	8
	2023	8	0	0	0	0	0	8
North-Dakota	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Ohio	2021	35	0	0	0	0	0	35

State	Year	Outlets-at-Start of Year	Outlets-Opened	Terminations	Non-Renewals	Reacquired-by-Franchisor	Ceased-Operations-Other-Reasons	Outlets-at-End-of-the-Year
Oregon	2022	35	0	0	1	0	0	34
	2023	34	0	0	1	0	1	32
	2021	21	1	0	0	0	0	22
	2022	22	1	0	0	0	1	22
	2023	22	1	0	0	0	0	23
Pennsylvania	2021	23	0	0	1	0	0	22
	2022	22	0	0	0	0	1	21
	2023	21	0	0	0	0	0	21
South Carolina	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2021	3	0	0	0	0	0	3
South Dakota	2022	3	0	0	0	0	0	3
	2023	3	0	0	1	0	0	2
	2021	5	0	0	0	0	1	4
Tennessee	2022	4	0	0	0	0	0	4
	2023	4	0	0	1	0	0	3
	2021	60	0	3	1	0	3	53
Texas	2022	53	0	0	1	0	4	48
	2023	48	1	0	0	0	4	45
	2021	6	0	0	0	0	0	6
Utah	2022	6	0	0	1	0	0	5
	2023	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
Vermont	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2021	17	0	1	0	0	0	16
Virginia	2022	16	0	0	1	0	3	12
	2023	12	0	0	0	0	0	12
	2021	19	0	0	0	0	0	19
Washington	2022	19	0	0	0	0	1	18
	2023	18	0	0	1	0	1	16
	2021	35	0	0	1	0	0	34
Wisconsin	2022	34	0	0	1	0	1	32
	2023	32	0	0	1	0	0	31
	2021	5	0	0	0	0	0	5
West Virginia	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2021	1	0	0	0	0	0	1
Wyoming	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2021	629	3	15	14	0	18	585
Total	2022	585	4	2	13	0	27	547
	2023	547	2	0	20	0	19	510

<u>State</u>	<u>Year</u>	<u>Outlets at Start of Year</u>	<u>Outlets Opened</u>	<u>Terminations</u>	<u>Non- Renewals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations -Other Reasons</u>	<u>Outlets at End of the Year</u>
<u>Alabama</u>	<u>2022</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>
	<u>2023</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>
	<u>2024</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>
<u>Arizona</u>	<u>2022</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>
	<u>2023</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>
	<u>2024</u>	<u>15</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16</u>
<u>Arkansas</u>	<u>2022</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2023</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
<u>California</u>	<u>2022</u>	<u>20</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>16</u>
	<u>2023</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>16</u>
	<u>2024</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>15</u>
<u>Colorado</u>	<u>2022</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
<u>Connecticut</u>	<u>2022</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Delaware</u>	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Florida</u>	<u>2022</u>	<u>8</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
	<u>2023</u>	<u>7</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Georgia</u>	<u>2022</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>14</u>
	<u>2023</u>	<u>14</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>11</u>
	<u>2024</u>	<u>11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>10</u>
<u>Idaho</u>	<u>2022</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2024</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
<u>Illinois</u>	<u>2022</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>19</u>
	<u>2023</u>	<u>19</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>18</u>
	<u>2024</u>	<u>18</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>17</u>
<u>Indiana</u>	<u>2022</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Iowa</u>	<u>2022</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>8</u>
	<u>2023</u>	<u>8</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>7</u>
	<u>2024</u>	<u>7</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>6</u>



<u>State</u>	<u>Year</u>	<u>Outlets at Start of Year</u>	<u>Outlets Opened</u>	<u>Terminations</u>	<u>Non- Renewals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations -Other Reasons</u>	<u>Outlets at End of the Year</u>
<u>Kansas</u>	<u>2022</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2024</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
<u>Kentucky</u>	<u>2022</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>7</u>
	<u>2023</u>	<u>7</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Louisiana</u>	<u>2022</u>	<u>24</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24</u>
	<u>2023</u>	<u>24</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24</u>
	<u>2024</u>	<u>24</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>24</u>
<u>Maine</u>	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Maryland</u>	<u>2022</u>	<u>3</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2023</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2024</u>	<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Massachusetts</u>	<u>2022</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
	<u>2023</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Michigan</u>	<u>2022</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34</u>
	<u>2023</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>5</u>	<u>27</u>
	<u>2024</u>	<u>27</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>1</u>	<u>24</u>
<u>Minnesota</u>	<u>2022</u>	<u>81</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>78</u>
	<u>2023</u>	<u>78</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>76</u>
	<u>2024</u>	<u>76</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>74</u>
<u>Mississippi</u>	<u>2022</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>11</u>
	<u>2023</u>	<u>11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>11</u>
	<u>2024</u>	<u>11</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>9</u>
<u>Missouri</u>	<u>2022</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
	<u>2023</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>9</u>
	<u>2024</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>7</u>
<u>Montana</u>	<u>2022</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Nebraska</u>	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Nevada</u>	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>

<u>State</u>	<u>Year</u>	<u>Outlets at Start of Year</u>	<u>Outlets Opened</u>	<u>Terminations</u>	<u>Non- Renewals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations -Other Reasons</u>	<u>Outlets at End of the Year</u>
<u>New Hampshire</u>	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>New Jersey</u>	<u>2022</u>	<u>11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>10</u>
	<u>2023</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>9</u>
	<u>2024</u>	<u>9</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10</u>
<u>New Mexico</u>	<u>2022</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2024</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
<u>New York</u>	<u>2022</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15</u>
	<u>2023</u>	<u>15</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>13</u>
	<u>2024</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>12</u>
<u>North Carolina</u>	<u>2022</u>	<u>9</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>8</u>
	<u>2023</u>	<u>8</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>
	<u>2024</u>	<u>8</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8</u>
<u>North Dakota</u>	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Ohio</u>	<u>2022</u>	<u>35</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>34</u>
	<u>2023</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>32</u>
	<u>2024</u>	<u>32</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>31</u>
<u>Oklahoma</u>	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2024</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Oregon</u>	<u>2022</u>	<u>22</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>22</u>
	<u>2023</u>	<u>22</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23</u>
	<u>2024</u>	<u>23</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>22</u>
<u>Pennsylvania</u>	<u>2022</u>	<u>22</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>21</u>
	<u>2023</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21</u>
	<u>2024</u>	<u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>20</u>
<u>South Carolina</u>	<u>2022</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>South Dakota</u>	<u>2022</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2024</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Tennessee</u>	<u>2022</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
	<u>2023</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>3</u>
	<u>2024</u>	<u>3</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>

<u>State</u>	<u>Year</u>	<u>Outlets at Start of Year</u>	<u>Outlets Opened</u>	<u>Terminations</u>	<u>Non- Renewals</u>	<u>Reacquired by Franchisor</u>	<u>Ceased Operations -Other Reasons</u>	<u>Outlets at End of the Year</u>
<u>Texas</u>	<u>2022</u>	<u>53</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>4</u>	<u>48</u>
	<u>2023</u>	<u>48</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>45</u>
	<u>2024</u>	<u>45</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>2</u>	<u>40</u>
<u>Utah</u>	<u>2022</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Vermont</u>	<u>2022</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Virginia</u>	<u>2022</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>3</u>	<u>12</u>
	<u>2023</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
	<u>2024</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>11</u>
<u>Washington</u>	<u>2022</u>	<u>19</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>18</u>
	<u>2023</u>	<u>18</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>16</u>
	<u>2024</u>	<u>16</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>14</u>
<u>Wisconsin</u>	<u>2022</u>	<u>34</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>32</u>
	<u>2023</u>	<u>32</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>31</u>
	<u>2024</u>	<u>31</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>2</u>	<u>28</u>
<u>West Virginia</u>	<u>2022</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
<u>Wyoming</u>	<u>2022</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2024</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Total</u>	<u>2022</u>	<u>585</u>	<u>4</u>	<u>2</u>	<u>13</u>	<u>0</u>	<u>27</u>	<u>547</u>
	<u>2023</u>	<u>547</u>	<u>2</u>	<u>0</u>	<u>20</u>	<u>0</u>	<u>19</u>	<u>510</u>
	<u>2024</u>	<u>510</u>	<u>6</u>	<u>1</u>	<u>21</u>	<u>0</u>	<u>10</u>	<u>484</u>

**Table No. 4**  
**Status of Company-Owned Outlets for Years 2022 to 2024**

State	Year	Outlets at- Start- of- Year	Outlets- Opened	Reacquired From- Franchisees	Outlets Closed	Outlets- Sold-to- Franchisees	Outlets-at- End-of-the Year
Alabama	2021	1	0	0	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
California	2021	3	1	0	0	0	4
	2022	4	0	0	1	0	3
	2023	3	0	0	0	0	3
Connecticut	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Illinois	2021	1	0	0	1	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Louisiana	2021	3	0	0	1	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
Michigan	2021	5	0	0	1	0	4
	2022	4	0	0	3	0	1
	2023	1	0	0	0	0	1
Minnesota	2021	5	0	1	0	1	5
	2022	5	0	0	3	1	1
	2023	1	0	0	0	0	1
Mississippi	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	1	0	0
North Carolina	2021	1	0	0	0	0	1
	2022	1	0	0	0	1	0
	2023	0	0	0	0	0	0
Oregon	2021	3	1	0	2	0	2
	2022	2	0	0	0	1	1
	2023	1	0	0	0	1	0
Texas	2021	4	0	0	2	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
Total	2021	28	2	1	7	2	22
	2022	22	0	0	7	3	12
	2023	12	0	0	1	1	10

State	Franchise-Agreements Signed But-Outlet-Not-Opened	Projected-New-Franchised-Outlets in The Next Fiscal-Year <sup>(b)</sup>	Projected-New-Company-Owned-Outlets in the Current Fiscal Year <sup>(b)</sup>
Alabama	1	0	0
Arizona	1	1	0
California	2	0	0
Colorado	1	1	0
Georgia	2	0	0
Maryland	1	1	0
New-Jersey	3	1	0
New-York	1	0	0
Ohio	1	1	0
Washington	2	0	0
<b>Total</b>	<b>16</b>	<b>5</b>	<b>0</b>

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
California	2022	4	0	0	1	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
Connecticut	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Louisiana	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	0	0	0	1	1
Michigan	2022	4	0	0	3	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Minnesota	2022	5	0	0	3	1	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Mississippi	2022	1	0	0	0	0	1
	2023	1	0	0	1	0	0
	2024	0	0	0	0	0	0

<a href="#">North Carolina</a>	<a href="#">2022</a>	<a href="#">1</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">1</a>	<a href="#">0</a>
	<a href="#">2023</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>
	<a href="#">2024</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>
<a href="#">Oregon</a>	<a href="#">2022</a>	<a href="#">2</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">1</a>	<a href="#">1</a>
	<a href="#">2023</a>	<a href="#">1</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">1</a>	<a href="#">0</a>
	<a href="#">2024</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>
<a href="#">Texas</a>	<a href="#">2022</a>	<a href="#">2</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">2</a>
	<a href="#">2023</a>	<a href="#">2</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">2</a>
	<a href="#">2024</a>	<a href="#">2</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">2</a>
<a href="#">Total</a>	<a href="#">2022</a>	<a href="#">22</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">7</a>	<a href="#">3</a>	<a href="#">12</a>
	<a href="#">2023</a>	<a href="#">12</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">1</a>	<a href="#">1</a>	<a href="#">10</a>
	<a href="#">2024</a>	<a href="#">10</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">0</a>	<a href="#">1</a>	<a href="#">9</a>

**Table No. 5**  
**Projected Openings for Upcoming Fiscal Year of 12/31/~~2024~~2025**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in The Next Fiscal Year <sup>(1)</sup>	Projected New Company-Owned Outlets in the Current Fiscal Year <sup>(1)</sup>
California	1	0	0
Georgia	1	1	0
New Jersey	1	0	0
New York	1	0	0
Texas	2	0	0
Utah	3	1	0
Washington	2	1	0
<b>Total</b>	<b>11</b>	<b>3</b>	<b>0</b>

Attached at Exhibit D is a list of SNAP FITNESS Clubs open as of December 31, 2024~~3~~ and a list of franchisees who are in the process of opening Clubs. Exhibit D also includes a list of franchisees who have left the system within the last fiscal year or who have not communicated with us within 10 weeks of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other potential franchisees of Snap Fitness when you leave the SNAP FITNESS system.

In some instances, current and former franchisees sign confidentiality provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Except for the Franchisee Advisory Council (FAC) and local advertising cooperatives listed below, we have not created, sponsored or endorsed any franchisee association.

## **ITEM 21**

### **FINANCIAL STATEMENTS**

Attached as Exhibit B are the audited consolidated balance sheets of Snap Fitness, Inc. and subsidiaries as of December 31, ~~2023~~–2024 and ~~2022~~2023, and the related consolidated statements of earnings, comprehensive income, stockholder’s equity, and cash flows for each of the three years in the period ended December 31, ~~2023~~2024.

**ITEM 22**  
**CONTRACTS**

This Disclosure Document includes a sample of the following contracts:

**EXHIBIT C-1** Sample Standard Franchise Agreement and State-Specific Addenda

**EXHIBIT C-2** Sample Area Development Agreement and State-Specific Addenda

**EXHIBIT F** Sample Franchise Agreement Addenda

**ITEM 23**  
**RECEIPTS**

Attached to this Disclosure Document in Exhibit I are two acknowledgments of receipt.

## STATE APPENDIX TO DISCLOSURE DOCUMENT

### **FOR THE STATE OF CALIFORNIA**

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

Item 17 of the Disclosure Document is supplemented by the following:

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

You must sign a release if you renew or transfer your franchise. California Corporations Code voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).

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

The Franchise Agreement requires binding arbitration. The arbitration will occur at Minneapolis, Minnesota. This provision may not be enforceable under California law.

The Franchise Agreement requires application of the laws of Minnesota. This provision may not be enforceable under California law.

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

While the earnings claims figures do reflect historical ranges, they do not reflect all operating expenses or other costs and expenses that must be deducted from gross sales to obtain net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

California Corporations Code section 31512.1 prohibits a franchisor from disclaiming or denying representations made by the franchisor or its agents to a prospective franchisee or a franchisee's reliance on these representations, or disclaiming violations under the law, in any franchise disclosure document, franchise agreement or a related document. Franchisees subject to California Corporations Code section 315.12 will not be asked to sign any document in violation of California law. To the extent that any signed document is later deemed to violate California Corporations Code section 315.12, the violating provision will be deemed null and void.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf



of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Our website can be found at [www.snapfitness.com](http://www.snapfitness.com). OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT [www.dbo.ca.gov](http://www.dbo.ca.gov).

#### **FOR THE STATE OF ILLINOIS**

The Illinois Franchise Disclosure Act and the Rules and Regulations promulgated thereunder dictate that “any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of this State is void with respect to any cause of action which otherwise is enforceable in this State, provided that a Franchise Agreement may provide for arbitration in a forum outside of this State.”

Nothing in the Franchise Disclosure Document or the Franchise Agreement (or the attachments thereto) may require franchisees covered by the Illinois Franchise Disclosure Act to waive compliance with Illinois law. Any provision in the Franchise Agreement (including but not limited to any choice of law provision) that may be read as calling for application of a state law other than Illinois law is hereby deleted and franchisees covered by the Illinois Franchise Disclosure Act are entitled to the protections of Illinois law, notwithstanding any such provision.

Item 1 of the Disclosure Document is supplemented by the following paragraphs:

The Illinois Physical Fitness Facility Medical Emergency Preparedness Act requires that a physical fitness facility (which excludes any facility serving less than 100 individuals or that does not employ any persons to provide instruction, training, or assistance for persons using the facility) have at least one automated external defibrillator (AED) and ensure that there is a trained AED user on staff and present during all staffed hours. Other provisions apply. See 815 ILCS 74 *et seq.*

The Illinois Dance Studio Act (which applies to any person or business entity which contract with members of the general public to provide dance studio services, including instruction, training or assistance in dancing, the use of studio facilities, membership in any group formed by a dance studio, and participation in dance competitions or showcases) requires that every contract for dance studio services be in writing and its contents must conform to the Act’s requirements. The Act provides for contract execution, cancellation and refund. Other provisions apply. See 815 ILCS 610 *et seq.*

Compliance with these requirements may cause you to incur additional expenses.

#### **FOR THE STATE OF MARYLAND**

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 5 of the Franchise Disclosure Document is revised to add the following language:

The Commissioner has imposed a deferral requirement based on our financial condition.

We will defer collection of the initial franchise fees until you have opened your Franchise for business. After you open the franchised business, Franchisee must pay to Franchisor the initial franchise fees. Payment of the initial franchisee fees is fully earned and is nonrefundable.

Item 17 of the Disclosure Document is supplemented by the following:

- (a) Any release or waiver provision contained in the Franchise Agreement or any release required as a condition of the sale, renewal, and/or assignment/transfer of the franchise shall not apply to any liability incurred under the Maryland Franchise Registration and Disclosure Law (the “Maryland Franchise Law”).

- (b) Any claims arising under the Maryland Franchise Law must be brought within three years after the grant of the franchise;
- (c) Subject to your arbitration obligations, any provision in the Franchise Agreement requiring litigation in a forum outside the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland.

The Disclosure Document is supplemented by the following:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**FOR THE STATE OF MINNESOTA**

Item 13 of the Disclosure Document is supplemented by the following:

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols ("Marks") or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred that you incur in the defense of your right to use the Marks, so long as you were using the Marks in the manner that we authorized, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 of the Disclosure Document is supplemented by the following:

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

Item 17 does not provide for a prospective general release of any claims against us which may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Minn. Rules 2860.4400J states that you cannot consent to us obtaining injunctive relief. However, we may seek injunctive relief and a court will determine if a bond is required.

Minn. Statutes, Section 80C.17, Subd. 5, provides that no action may be commenced thereunder more than 3 years after the cause of action accrues.

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In

addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

**FOR THE STATE OF NEW YORK**

1. The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

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

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

- A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any

other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

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

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

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

#### **FOR THE STATE OF NORTH DAKOTA**

1. The Securities Commissioner for the State of North Dakota has determined that the following types of provisions are deemed to be contrary to North Dakota law:

- (a) A provision requiring a North Dakota franchisee to sign a general release upon renewal of the Franchise Agreement;
- (b) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages;
- (c) A provision requiring a North Dakota franchisee to consent to the jurisdiction of courts outside the state of North Dakota;
- (d) A provision restricting the time in which a North Dakota franchisee may make a claim to less than the applicable North Dakota statute of limitations;
- (e) A provision calling for the waiver by a North Dakota franchisee of the right to trial by jury;
- (f) A provision requiring a North Dakota franchisee to consent to a waiver of exemplary and punitive damages.

Any and all provisions in the Franchise Agreement that are in violation of Paragraphs 1 (a-f) are deleted.

2. North Dakota Century Code Section 9-08-06 subjects covenants not to compete to the provisions of that statute. The covenants not to compete contained within the Franchise Agreement are subject to Section 9-08-06 and may be unenforceable under North Dakota law.

3. The site of any mediation or arbitration of the parties’ disputes shall be at a site mutually agreeable to all parties. If all parties cannot agree upon a location, the arbitration or mediation shall be Fargo, North Dakota.

#### **FOR THE STATE OF RHODE ISLAND**

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

#### **FOR THE COMMONWEALTH OF VIRGINIA**

Item 1 of the Disclosure Document is supplemented by the following:

Health spas in Virginia are regulated by the Department of Agriculture, Office of Consumer Affairs who can be reached at (804)786-1343.

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document is supplemented by the following:

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

#### **FOR THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the Membership Agreement and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchase of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW § 19.100.180 may supersede the franchise agreement or related agreements concerning your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations

period for claims under the Washington Franchise Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchisee is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or suspended by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorney's Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorney's fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

**16. Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**17. Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**18. Advisory Regarding Franchise Brokers.** Under the Washington Franchise Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

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

RCW will prevail. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington. RCW 49.62.060 prohibits a franchisor from

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

~~No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.~~

***FOR THE STATE OF WISCONSIN***

Item 17 of the Disclosure Document is supplemented by the following:

For franchisees subject to the Wisconsin Fair Dealership Law, Ch. 135, Stats., provisions in the Fair Dealership Law supersede any inconsistent provisions of the Franchise Agreement or a related contract.



***EXHIBIT A***  
**LIST OF STATE ADMINISTRATORS**  
**LIST OF AGENTS FOR SERVICE OF PROCESS**

***LIST OF STATE ADMINISTRATORS***

**California**

Department of Financial Protection and Innovation  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013  
(866) 275-2677

**Hawaii**

Commissioner of Securities of the State of Hawaii  
Department of Commerce and Consumer Affairs  
Business Registration Division  
Securities Compliance Branch  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(808) 586-2722

**Illinois**

Office of Attorney General  
500 S. Second Street  
Springfield, Illinois 62701  
(217) 782-4465

**Indiana**

Franchise Section  
Securities Division  
302 W. Washington St., Room E-111  
Indianapolis, Indiana 46204  
(317) 232-6681

**Maryland**

Office of Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202  
(410) 576-6360

**Michigan**

Consumer Protection Division  
Antitrust and Franchise Unit  
Department of Attorney General  
525 W. Ottawa St.  
G. Mennen Williams Bldg., 1<sup>st</sup> Floor  
PO Box 30212  
Lansing, Michigan 48909  
(517) 335-7622

**Minnesota**

Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1500

**New York**

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
212-416-8285

**North Dakota**

North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol – 14th Floor Dept. 414  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

**Rhode Island**

Securities Division  
Department of Business Regulation  
1511 Pontiac Avenue  
John O. Pastore Complex – Building 68-2  
Cranston, Rhode Island 02920  
(401) 462-9527

**South Dakota**

Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501  
(605) 773-3563

**Virginia**

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 Main Street, 1<sup>st</sup> Floor  
Richmond, Virginia 23219  
(804) 371-9051

**Washington**

Department of Financial Institutions  
Securities Division  
P.O. Box 9033  
Olympia, Washington 98507  
(360) 902-8760

**Wisconsin**

Franchise Administrator  
Division of Securities  
Department of Financial Institutions  
345 West Washington Street  
Madison, Wisconsin 53703  
(608) 266-8557

***LIST OF AGENTS FOR SERVICE OF PROCESS***

**California**

Commissioner of Financial Protection and Innovation  
Department of Financial Protection and Innovation  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013

**Hawaii**

Commissioner of Securities of the State of Hawaii  
Department of Commerce and Consumer Affairs  
Business Registration Division  
Securities Compliance Branch  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813

**Illinois**

Office of the Attorney General  
500 South Second Street  
Springfield, Illinois 62701

**Indiana**

Indiana Secretary of State  
Securities Division  
302 W. Washington Street., Room E-111  
Indianapolis, Indiana 46204

**Maryland**

Maryland Securities Commissioner  
Maryland Division of Securities  
200 St. Paul Place  
Baltimore, Maryland 21202-2021

**Michigan**

Michigan Department of Attorney General  
Consumer Protection Division  
Attn: Franchise Section  
525 West Ottawa Street  
G. Mennen Williams Bldg., 1<sup>st</sup> Floor  
Lansing, Michigan 48913

**Minnesota**

Minnesota Commissioner of Commerce  
Minnesota Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101-2198

**New York**

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

**North Dakota**

North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, 14<sup>th</sup> Floor Dept 414  
Bismarck, North Dakota 58505

**Oregon**

Division of Consumer and Business Services  
Finance and Corporate Securities  
350 Winter Street N.E.  
Labor and Industries Building, Room 21  
Salem, Oregon 97310

**Rhode Island**

Director, Department of Business Regulation  
Securities Division  
1511 Pontiac Avenue, Bldg. 68-2  
Cranston, Rhode Island 02920

**South Dakota**

Division of Insurance  
Securities Regulation  
124 South Euclid, Suite 104  
Pierre, South Dakota 57501

**Virginia**

Clerk of the State Corporation Commission  
1300 East Main Street, 1st Floor  
Richmond, Virginia 23219

**Washington**

Director of Department of Financial Institutions  
Securities Division  
150 Israel Road, S.W.  
Tumwater, Washington 98501

**Wisconsin**

Administrator, Division of Securities  
Department of Financial Institutions  
345 West Washington Street, 4<sup>th</sup> Floor  
Madison, Wisconsin 53703

***EXHIBIT B***  
**FINANCIAL STATEMENTS**

# Consolidated Financial Statements and Independent Auditor's Report

## **Snap Fitness, Inc. and Subsidiaries**

As of December 31, 2023 and 2022, and for the  
years ended December 31, 2023, 2022, and 2021

## **Snap Fitness, Inc. and Subsidiaries**

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Consolidated statements of operations	7
Consolidated statements of comprehensive income (loss)	8
Consolidated statements of stockholders' equity	9
Consolidated statements of cash flows	10
Notes to consolidated financial statements	12



**Deloitte & Touche LLP**  
50 South 6th Street  
Suite 2800  
Minneapolis, MN 55402-1538  
USA

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Fax: +1 612 397 4450  
[www.deloitte.com](http://www.deloitte.com)

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Snap Fitness, Inc.  
Minneapolis, Minnesota

### **Opinion**

We have audited the consolidated financial statements of Snap Fitness, Inc. and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years ended December 31, 2023, 2022 and 2021, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

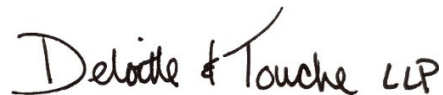
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Other Information Included in the Franchise Disclosure Document**

Management is responsible for the other information included in the Franchise Disclosure Document. The other information comprises the information included in the Franchise Disclosure Document but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

May 8, 2024



**Snap Fitness, Inc. and Subsidiaries**

**CONSOLIDATED BALANCE SHEETS**

**December 31, 2023 and 2022**

in 000's

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 6,415	\$ 11,491
Restricted cash	1,832	1,853
Receivables:		
Accounts receivable, net	5,749	4,353
Current portion of financing receivables, net	26	4
Parent intercompany receivable	5,965	1,122
Current portion of notes receivable, net	339	429
Inventories, net	384	622
Prepaid expenses	1,307	1,340
Current portion of deferred costs	232	267
Total current assets	<u>22,249</u>	<u>21,481</u>
<b>PROPERTY AND EQUIPMENT - AT COST</b>		
Equipment and leasehold improvements	19,715	21,289
Software development costs	6,051	5,580
	<u>25,766</u>	<u>26,869</u>
Less accumulated depreciation	<u>(20,768)</u>	<u>(21,318)</u>
	4,998	5,551
<b>OTHER ASSETS</b>		
Right of use assets, net	14,888	15,576
Goodwill, net	5,851	6,093
Reacquired franchise rights, net	1,659	2,239
Equity method investments	3,553	3,888
Deferred income taxes	862	-
Deposits	780	819
Deferred costs, net of current portion	833	835
Intangibles, net	110	123
Notes receivable, net of current portion	6	75
Financing receivables, net of current portion	82	-
	<u>28,624</u>	<u>29,648</u>
<b>Total assets</b>	<u><u>\$ 55,871</u></u>	<u><u>\$ 56,680</u></u>

(Continued)

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**  
**CONSOLIDATED BALANCE SHEETS**  
December 31, 2023 and 2022  
in 000's

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Payables:		
Accounts payable	\$ 1,223	\$ 1,153
Accrued expenses	9,019	8,913
Deferred revenue:		
Current portion of deferred franchise fees	1,065	953
Deferred member sessions	35	74
Deferred subscription revenue	1,906	1,752
Current portion of lease liabilities	2,615	2,601
Customer deposits	319	176
Income tax payable	2,548	946
Current portion of notes payable	-	63
Total current liabilities	<u>18,730</u>	<u>16,631</u>
<b>NON-CURRENT LIABILITIES</b>		
Deferred franchise fees, less current portion	6,175	5,436
Deferred income taxes	-	288
Lease liabilities, less current portion	<u>13,517</u>	<u>13,475</u>
Total liabilities	38,422	35,830
<b>STOCKHOLDERS' EQUITY</b>		
Series A redeemable preferred stock – 100,000,000 shares of no par value authorized; 40,800,000 shares issued and outstanding as of December 31, 2023 and 2022	-	-
Common stock – authorized 400,000,000 shares of no par value and 1,000,000 shares of \$.01 par value as of December 31, 2023 and 2022; 22,266,953 shares of no par value issued and outstanding as of December 31, 2023 and 2022	-	-
Additional paid-in capital	-	-
Retained earnings	20,008	23,391
Accumulated other comprehensive loss	<u>(3,480)</u>	<u>(3,378)</u>
Total Snap Fitness, Inc. stockholders' equity	16,528	20,013
Non-controlling interest	<u>921</u>	<u>837</u>
Total equity	<u>17,449</u>	<u>20,850</u>
Total liabilities and stockholders' equity	<u><u>\$ 55,871</u></u>	<u><u>\$ 56,680</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

**Years ended December 31**

in 000's

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenues, net			
Franchising	\$ 30,878	\$ 28,423	\$ 29,568
Commercial	11,346	12,033	11,509
Corporate fitness clubs	9,137	9,610	11,743
Insurance	<u>1,406</u>	<u>1,289</u>	<u>1,463</u>
Total revenues, net	52,767	51,355	54,283
Cost of revenues	<u>14,445</u>	<u>13,314</u>	<u>15,877</u>
Gross profit	38,322	38,041	38,406
Operating expenses			
Sales, general, administrative, and IT related costs	31,568	34,484	39,097
Impairment	-	419	323
Legal settlements	-	4	(208)
(Gain) loss on sale of corporate clubs	<u>150</u>	<u>(223)</u>	<u>999</u>
Operating profit (loss)	6,604	3,357	(1,805)
Other income (expense)			
Interest income	220	125	14
Interest expense	(102)	(96)	(25)
Income from equity method investments	104	836	974
Other	<u>(322)</u>	<u>2,073</u>	<u>1,037</u>
	(100)	2,938	2,000
Net income before income taxes	6,504	6,295	195
Income tax expense	<u>1,545</u>	<u>2,259</u>	<u>916</u>
Net income (loss)	4,959	4,036	(721)
Net (income) loss attributable to non-controlling interest	<u>(84)</u>	<u>(120)</u>	<u>(155)</u>
Net income (loss) attributable to Snap Fitness, Inc.	<u>\$ 4,875</u>	<u>\$ 3,916</u>	<u>\$ (876)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

**Years ended December 31  
in 000's**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net income (loss)	\$ 4,959	\$ 4,036	\$ (721)
Other comprehensive income (loss):			
Foreign currency translation adjustments	<u>(102)</u>	<u>(1,441)</u>	<u>(923)</u>
Comprehensive income (loss)	4,857	2,595	(1,644)
Comprehensive (income) loss attributable to non-controlling interest	<u>(84)</u>	<u>(120)</u>	<u>(155)</u>
Comprehensive income (loss) attributable to Snap Fitness, Inc.	<u>\$ 4,773</u>	<u>\$ 2,475</u>	<u>\$ (1,799)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Snap Fitness, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31  
in 000's

	Series A Redeemable Preferred Stock		Common stock		Additional paid-in capital	Retained Earnings	Accumulated other comprehensive loss	Non-controlling interest	Total equity
	Shares	Par value	Shares	Par value					
<b>Balance, January 1, 2021</b>	40,800,000	-	22,266,953	-	6,618	23,581	(1,014)	562	29,747
Noncontrolling interest investment	-	-	-	-	-	-	-	155	155
Distributions	-	-	-	-	(3,057)	-	-	-	(3,057)
Comprehensive income (loss)	-	-	-	-	-	(876)	(923)	-	(1,799)
<b>Balance, December 31, 2021</b>	40,800,000	-	22,266,953	-	3,561	22,705	(1,937)	717	25,046
Noncontrolling interest investment	-	-	-	-	-	-	-	120	120
Distributions	-	-	-	-	(3,561)	(3,230)	-	-	(6,791)
Comprehensive income (loss)	-	-	-	-	-	3,916	(1,441)	-	2,475
<b>Balance, December 31, 2022</b>	40,800,000	-	22,266,953	-	-	23,391	(3,378)	837	20,850
Noncontrolling interest investment	-	-	-	-	-	-	-	84	84
Distributions	-	-	-	-	-	(8,258)	-	-	(8,258)
Comprehensive income (loss)	-	-	-	-	-	4,875	(102)	-	4,773
<b>Balance, December 31, 2023</b>	40,800,000	-	22,266,953	-	-	20,008	(3,480)	921	17,449

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Years ended December 31

In 000's

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>			
Net earnings (loss)	\$ 4,959	\$ 4,036	\$ (721)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Depreciation and amortization	3,155	3,360	3,263
Deferred income taxes	(1,150)	512	(582)
Deferred rent	-	-	1,523
Provision for inventory	23	228	257
Accounts receivable allowance and bad debt	(55)	(1,049)	1,312
Earnings from equity method investments	(112)	(836)	(974)
Impairment	-	419	323
(Gain)/loss on disposal equity investment	38	-	-
(Gain)/loss on disposal of property and equipment	143	(327)	579
Loss on disposal of intangible assets	64	96	601
Changes in operating assets and liabilities:			
Accounts receivable	(1,651)	2,089	(2,545)
Income and sales tax receivable	1,602	(11)	985
Inventories	214	(161)	441
Prepaid expenses and other assets	72	(448)	437
Deferred costs	36	98	62
Operating lease assets and liabilities	745	(840)	-
Accounts payable	70	(262)	69
Accrued expenses	105	(187)	936
Deferred revenue	966	822	386
Customer deposits	143	(707)	231
Net cash provided by operating activities	<u>9,367</u>	<u>6,832</u>	<u>6,583</u>
<b>Cash flows from investing activities:</b>			
Purchase of property and equipment	\$ (1,574)	\$ (3,180)	\$ (1,367)
Proceeds from sale of property and equipment	15	370	-
Principal collections on lease contracts and notes receivable	358	451	33
New note receivables issued	-	-	(158)
Dividend received from equity investment	400	719	1,200
Net cash used in investing activities	<u>(801)</u>	<u>(1,640)</u>	<u>(292)</u>

(continued)

The accompanying notes are an integral part of these consolidated financial statements.

**Snap Fitness, Inc. and Subsidiaries**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Years ended December 31  
In 000's

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from financing activities:</b>			
Distributions to stockholder	(8,258)	(6,791)	(3,057)
Payments on note payable	(63)	(60)	(56)
Due (to) from parent	(4,843)	(1,032)	(340)
Net cash used in financing activities	<u>(13,164)</u>	<u>(7,883)</u>	<u>(3,453)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(499)</u>	<u>(517)</u>	<u>(297)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(5,097)	(3,208)	2,541
<b>Cash and cash equivalents at beginning of year</b>	<u>13,344</u>	<u>16,552</u>	<u>14,011</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 8,247</u></u>	<u><u>\$ 13,344</u></u>	<u><u>\$ 16,552</u></u>
<b>Supplemental disclosures of cash flow information:</b>			
Cash paid for:			
Income taxes	\$ 1,170	\$ 666	\$ 543
Interest	\$ 102	\$ 96	\$ 25
<b>Cash and cash equivalents per the consolidated balance sheets:</b>			
Cash and equivalents	\$ 6,415	\$ 11,491	\$ 14,723
Restricted cash	<u>1,832</u>	<u>1,853</u>	<u>1,829</u>
Total cash and cash equivalents at period end	<u><u>\$ 8,247</u></u>	<u><u>\$ 13,344</u></u>	<u><u>\$ 16,552</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

## Snap Fitness, Inc. and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023, 2022 and 2021

#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Snap Fitness, Inc. and subsidiaries (collectively, the “Company” or “Snap”) sells franchises to operate 24-hour fitness centers under the name “Snap Fitness,” “YogaFit,” “Steele Fitness” and “9Round” and provides services to its franchisees. The Company, headquartered in Chanhassen, Minnesota, is a wholly owned subsidiary of Lift Brands, Inc. (the Parent). At December 31, 2023, the Company had 1,011 franchises open throughout the United States, Canada, Australia, New Zealand, Europe, and Asia. The Company also operates 24 company-owned Snap Fitness and 9Round clubs at December 31, 2023 throughout the United States, United Kingdom, Australia and New Zealand.

The Company sells Fitness on Demand which allows customers around the world to deliver premium group fitness programs to their users through an innovative video delivery system.

The Company administers a commercial property, crime and general liability insurance program for certain of its franchisees through SAP Insurance, Inc., a variable interest entity and a captive insurance company.

A summary of significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

#### *Principles of Consolidation*

The consolidated financial statements include the accounts of Snap Fitness, Inc. and its wholly owned subsidiaries:

Lift Brands of Canada Inc.	Wholesale Fitness Supply, LLC
Snap Fitness (India) Pvt. Ltd.	Snap Fitness Development, LLC
Snap Fitness Mexico S de RL de C.V.	Snap Fitness Properties, LLC
Lift Brands (Australia) Pty. Ltd.	Lift Brands Development Spain, S.L.
Lift Brands New Zealand Limited	Kosama Holdings, LLC
Lift Brands UK Limited	GoFit, LLC
Snap Security Systems, Inc.	Health Fran LLC
YogaFit Franchising, LLC	Insurgence Franchising AU Pty Ltd
Steele Fitness, LLC	SF Development Spain, S.L.
Snap Fitness International, LLC	

On December 28, 2020, the Company made a taxable distribution of the common stock of two subsidiaries, FOD Holdings, Inc. (“FOD Holdings”) and Health Fran Holdings, Inc. (“Health Fran Holdings”). The distribution was the final step in a series of reorganization steps to change a portion of the ownership of the underlying businesses in the partnerships of Fitness on Demand, LLC (“FOD”) and Health Fran LLC (“Health Fran”), which resulted in the creation of FOD Holdings and Health Fran Holdings, and a change of ownership from the Company to the Company’s Ultimate Parent (Snap Fitness Topco, LLC). The Company maintains ownership of the preferred units of the FOD and Health Fran partnerships, while the Ultimate Parent owns 100% of FOD Holdings and Health Fran Holdings, who holds the common unit interests in the partnership operating businesses of FOD and Health Fran. Due to majority interest, FOD and Health Fran are consolidated into the Company in accordance with accounting principles generally accepted in the United States of America.

The consolidation includes two variable interest entities, SAP Insurance, Inc. and SF TMF, LLC (“SF TMF”).

SAP Insurance, Inc. is owned by Snap Fitness Holdings, Inc. and is a related party to Snap Fitness, Inc. through common ownership. Snap Fitness, Inc. is considered to be the primary beneficiary of SAP Insurance, Inc. as Snap Fitness, Inc. has provided financial support in the past and its company owned



## **Snap Fitness, Inc. and Subsidiaries**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

clubs and franchisees receive the benefits of the services provided by SAP Insurance, Inc. Snap Fitness Inc. is exposed to potential losses of, and claims against, SAP Insurance, Inc. in the future. Revenue, assets and liabilities for SAP Insurance, Inc. are described in Note D.

All significant intercompany accounts and transactions have been eliminated in the consolidation.

#### ***Cash and cash equivalents***

The Company maintains bank accounts in the United States of America, Canada, New Zealand, Mexico, United Kingdom and Australia. At times, the bank balances may be in excess of insured limits. As of December 31, 2023 and 2022, the Company had \$5.0 million and \$9.8 million of cash located in foreign banks. The Company has not experienced any losses associated with its deposits.

Cash equivalents consist of highly liquid investments with original maturities of three months or less.

#### ***Restricted Cash***

For the years ended December 31, 2023 and 2022, the Company had cash of \$1.8 million and \$1.9 million, respectively, restricted to pay potential claims pursuant to their agreement with their third-party insurance company. Additionally, at December 31, 2023 and 2022, the Company had \$60,000 and \$100,000, respectively, restricted to cover costs relating to their national marketing fund, lease guarantees, and funds held on behalf of franchisees.

#### ***Accounts Receivable***

Accounts receivable consist of amounts due for continuing franchise fees and sales and services. Additionally, it includes rebates due from vendors on the sale of equipment to franchisees and other miscellaneous amounts. Accounts outstanding longer than the contractual payment terms are considered past due.

#### ***Allowance for Credit Losses***

Accounts receivables are stated at the amount management expects to collect from balances outstanding at year-end. Management provides for uncollectible amounts through a valuation allowance based on its assessment of the status of individual accounts and an estimate for expected credit losses. When developing an estimate of the Company's expected credit losses. The Company considers all available relevant information regarding the collectability of cash flows, including historical information, current conditions, and reasonable and supportable forecasts of future economic conditions over the contractual life of the receivable.

#### ***Inventories***

Inventories consist principally of equipment, furniture, fixtures, and supplies for fitness centers which are held for sale and are stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method. All inventory is considered finished goods. The Company performs on-going lower of cost or net realizable value evaluations, and adjustments are made to reflect changes in market conditions, if necessary. The Company recorded inventory reserves of \$184,000 and \$207,000 as of December 31, 2023 and 2022, respectively.

#### ***Property and Equipment***

Property and equipment, which consists primarily of office equipment, exercise equipment installed in corporate-owned clubs and leasehold improvements, are stated at cost. Depreciation is being provided using the straight-line method over the estimated useful lives of the related assets, which is three to seven

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

years. Leasehold improvements are amortized over the estimated service life of the asset or the term of the related lease, whichever is shorter. Software development costs are being amortized over five years.

Depreciation expense was \$1.8 million, \$2.0 million and \$2.6 million for years ended December 31, 2023, 2022 and 2021, respectively.

***Impairment of Long-Lived Assets and Property and Equipment***

The Company evaluates the carrying value of depreciating property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amounts of the asset may not be recoverable. When such a determination is made, management's estimate of the undiscounted cash flows to be generated by the asset (or asset group) is compared to the carrying value of the asset to determine if it is recoverable. If the carrying amount is deemed not to be recoverable, the amount of the impairment recognized in the financial statements is determined by estimating the fair value of the asset and recording a loss for the amount by which the carrying value exceeds the estimated fair value. Impairments are recorded in the statement of operations.

Impairments of long-lived assets were \$0, \$26,000 and \$323,000 for the years ended December 31, 2023, 2022 and 2021, respectively.

***Intangible Assets***

In accordance with Financial Standards Accounting Board ("FASB") Accounting Standards Codification ("ASC") 805, *Business Combinations*, the Company accounts for finite lived intangibles at fair value upon acquisition and amortizes this intangible asset on a straight-line basis over the life of the asset. We review these assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets might not be recoverable. We record an impairment loss for any portion of the carrying value that is not recoverable.

The Company's acquired intangible assets include trade name and customer relationships made in conjunction with the Australia and New Zealand acquisitions in 2018. The useful lives of these assets are as follows:

Trade name	10 years
Customer relationships	3 years

Amortization expense was \$0, \$21,000, and \$71,000 for the years ended December 31, 2023, 2022 and 2021.

Balances of intangible assets are as follows as of December 31, 2023, in thousands:

	Gross carrying value	Foreign currency adjustment	Accumulated Impairment	Accumulated amortization	Net
Finite lived intangibles	\$ 843	\$ (43)	\$ -	\$ (800)	\$ 0
Indefinite lived intangibles	110	-	-	-	110
Total intangible assets, net	<u>\$ 953</u>	<u>\$ (43)</u>	<u>\$ -</u>	<u>\$ (800)</u>	<u>\$ 110</u>

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

Balances of intangible assets are as follows as of December 31, 2022, in thousands:

	Gross carrying value	Foreign currency adjustment	Accumulated Impairment	Accumulated amortization	Net
Finite lived intangibles	\$ 843	\$ (30)	\$ -	\$ (800)	\$ 13
Indefinite lived intangibles	110	-	-	-	110
Total intangible assets, net	<u>\$ 953</u>	<u>\$ (30)</u>	<u>\$ -</u>	<u>\$ (800)</u>	<u>\$ 123</u>

**Goodwill**

Goodwill represents the excess of purchase price over net assets acquired. The Company has adopted the accounting alternative under Accounting Standard Update (“ASU”) 2021-03, *Goodwill and other (Topic 350): Accounting Alternatives for Evaluating Triggering Events*. The company assesses goodwill for impairment at an entity-wide level. The Company has assessed goodwill for impairment and the end of the reporting period and determined that there have been no events or changes in circumstances that indicate that the fair value of the Company may be below its carrying value (a triggering event). The Company has elected to amortize goodwill over 10 years effective January 1, 2022. Goodwill amortization for the year ended December 31, 2023 and December 31, 2022 was \$732,000.

Future amortization is as follows in thousands:

2024	732
2025	732
2026	732
2027	732
2028	732
Thereafter	1,701

The changes in the carrying amount of goodwill for the years ended December 31, 2023 and 2022 are as follows, in thousands:

	2023	2022
Balance at beginning of year	\$ 6,093	\$ 7,312
Current year disposals and write-offs	0	0
Amortization	(732)	(732)
Foreign exchange translation	490	(487)
Balance at end of year	<u>\$ 5,851</u>	<u>\$ 6,093</u>

**Investment in 9Round Franchising, LLC**

The Company owns a 40% equity interest in 9Round Franchising, LLC (9Round), which the Company accounts for using the equity method of accounting. The remaining 60% is owned by an independent third party. 9Round is a 30-minute complete-body kickboxing circuit. 9Round has international locations

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

including Australia, New Zealand, Mexico, United States and Europe. The Company's share of 9Round earnings for 2023, 2022 and 2021 of \$0.1 million, \$0.9 million and \$1.0 million, respectively, is recognized in the Company's consolidated statement of operations. Earnings and losses of 9Round increase and decrease the Company's investment account. Dividends received from 9Round decrease the Company's investment account. The Company received dividends from 9Round during the years ended December 31, 2023, 2022 and 2021 of \$0.4 million, \$0.7 million and \$1.2 million, respectively. The total equity investment amount at December 31, 2023 and 2022 was \$3.6 million and \$3.9 million.

***Fair Value Measurements***

The Company uses a framework for measuring fair value that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of hierarchy under the framework are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology are inputs other than quoted prices related to Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The carrying amounts of cash and cash equivalents and accounts receivable and payable approximate fair value because of their short-term maturities.

As of the year ended December 31, 2022, impaired operating leases are measured using Level 3 inputs including club earnings before interest, depreciation, and amortization (EBITDA) and earnings before interest, depreciation, amortization and rent (EBITDAR). For the year ended December 31, 2023, we recorded no lease impairments.

The fair value of intangibles was measured at the end of the reporting period. There were no intangible impairments for the year ended December 31, 2023.

Finite lived intangible assets are recorded at fair value upon acquisition and amortized on a straight-line basis over the life of the asset. We review these assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets might not be recoverable. We record an impairment loss for any portion of the carrying value that is not recoverable.

***Reacquired Franchise Rights***

Occasionally the Company reacquires franchisee rights through various acquisitions. In accordance with ASC 805, the Company accounts for franchise rights acquired from franchisee location purchases at fair value upon acquisition and amortizes this intangible asset on a straight-line basis over the term of the franchise agreements. Amortization expense related to franchise rights on corporate clubs was \$600,000, \$711,000 and 520,000 for the years ended December 31, 2023, 2022 and 2021, respectively, which is included in Sales, general and administrative expense on the statement of operations.

# Snap Fitness, Inc. and Subsidiaries

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023, 2022 and 2021

In 2022, we impaired the 9Round Europe, Middle East, Asia (EMEA) reacquired rights due to poor performance in the EMEA region. The \$393,000 is recorded in Impairments in the consolidated statement of operations.

Future amortization is as follows, in thousands:

2024	592
2025	579
2026	261
2027	126
2028	37
Thereafter	64

The changes in the carrying amount of reacquired franchise rights for the years ended December 31, 2023 and December 31, 2022 are as follows, in thousands:

	2023	2022
Balance at beginning of year	\$ 2,239	\$ 2,933
Additions	0	607
Disposals and impairments	(64)	(493)
Amortization	(600)	(707)
Foreign exchange translation	84	(101)
Balance at end of year	<u>\$ 1,659</u>	<u>\$ 2,239</u>

### Revenue Recognition

**Franchising** - The Company derives revenues from the sale of franchises and related services to franchisees. The Company receives initial franchise fees, royalties and revenues from providing products and services to franchisees and rebates from certain vendors used by the company and its franchisees.

Initial franchise fees, which are non-refundable, are typically \$19,500 - \$45,000 per club. The fees are recognized ratably over the contract period. However, in the instance that the franchisees' designated area reservation agreement is terminated and a store doesn't open, revenue is fully recognized at the time of cancellation. During the year ended December 31, 2023, 2022 and 2021, the Company recognized \$81,000, \$37,000 and \$440,000, respectively, of franchising revenue from terminated franchisees' designated area reservation agreements.

Pursuant to the franchise agreement, franchisees for Snap Fitness are required to pay a continuing fee of \$400 - \$900 per month which is recognized monthly, beginning when the franchise operations commence.

The Company sells equipment, furniture, fixtures, and supplies to franchisees prior to the store opening. Sales are recognized when the products are shipped. Membership processing services and internet hosting services are provided monthly to franchisees and revenue is recognized when services are provided.

The Company receives rebates from certain vendors used by the franchisee that are recorded as service and sales revenue when franchisees purchase equipment and the related equipment is delivered to the franchisee.

Franchisees contribute \$100 - \$400 per month to an advertising fund which the Company, at its discretion, may spend for advertising and marketing initiatives. Advertising fees collected were approximately \$2.2

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

million, \$1.9 million and \$1.9 million in the years ended December 31, 2023, December 31, 2022 and December 31, 2021, respectively.

*Corporate Fitness Clubs* - The Company owns fitness clubs under the Snap Fitness and 9Round brands. Monthly membership dues are recorded as revenue when earned. Personal training session revenue is deferred until the session has occurred or when the session has expired. Apparel and merchandise sales are recorded at the point of sale. Returns have not been material.

*Commercial* - The Company sells to, and installs certain equipment for, franchisees prior to the store opening. The Company sells ongoing wholesale fitness supplies to its franchisees and other third parties. Sales are recognized when control of the products are transferred to the customer. The Company enters into sales arrangements that may provide for multiple deliverables to a customer. Sales agreements for Fitness on Demand as well as a heart rate-based system to monitor physical activity may include hardware, audio visual products, installation services, and monthly subscription fee. In general, revenues are separated between hardware, audio visual products, installation services and subscription fees. The allocated revenue for each deliverable is then recognized ratably based on relative fair values of the components of the sale. Revenue from audio visual products and installation services are deemed to have value on a stand-alone basis and are recognized at the time of delivery. Revenue from subscription fees is recognized when the service is delivered on a monthly basis. Revenue from hardware does not have value on a stand-alone basis and is deferred and recognized over the term of the customer contract and is included within the caption deferred subscription revenue in the consolidated balance sheets.

The Company collects various taxes from customers and remits these amounts to applicable taxing authorities. The Company's accounting policy is to exclude these taxes from revenues and cost of sales.

*Insurance* - The Company administers a commercial property, crime and general liability insurance program for certain US based franchisees and corporate clubs under the Snap Fitness brand.

The insurance program covers franchisee claims up to \$10 million per occurrence. The Company acts as a reinsurance company for a third-party insurance company that handles claims administration and payments.

Premiums are collected by the Company from franchisees through its monthly franchise billing process and passed directly to SAP Insurance, Inc. SAP Insurance, Inc. records revenue at the value it receives from the third-party insurance company under the reinsurance contract. Recorded costs include actual claims paid per the reinsurance agreement, claims reported but not yet paid and an estimate of claims incurred but not reported. SAP Insurance, Inc. was determined to be a variable interest entity for which Snap Fitness is the primary beneficiary.

**Costs to Obtain a Contract:** The amended guidance under ASC 340, *Other Assets and Deferred Costs*, requires the capitalization of all incremental costs of obtaining a contract with a customer that an entity expects to recover. The Company has identified commissions eligible for capitalization under ASC 340 as they are incremental costs solely associated with new contracts that are expected to be recovered.

These capitalized costs are amortized between 5-15 years, which represents the life of the franchise agreement. The Company classifies such capitalized costs as current and non-current assets (under the caption deferred costs) based on the expected timing of expense recognition. The following table reflects the change in capitalized costs between December 31, 2023 and December 31, 2022, in thousands:

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

	<b>2023</b>	<b>2022</b>
Balance, at beginning of year	\$ 1,102	\$ 1,200
Commission payments	411	290
Amortization	(389)	(338)
Effect of exchange rates	(59)	(50)
Balance, at end of year	<u>\$ 1,065</u>	<u>\$ 1,102</u>

**Contract Liabilities:** Contract liabilities consist of deferred revenue (current and non-current) resulting from franchise fees paid by franchisees. We classify these liabilities within current liabilities and other liabilities within our consolidated balance sheets (under the caption deferred franchise fees) based on the expected timing of revenue recognition associated with these liabilities.

The following table reflects the change in contract liabilities December 31, 2023 and December 31, 2022, in thousands:

**Franchise Fees**

	<b>2023</b>	<b>2022</b>
Balance, beginning of year	\$ 6,389	\$ 5,391
New franchise payments	2,365	2,418
Revenue recognized	(1,465)	(1,141)
Effect of exchange rates	(49)	(279)
Balance, end of year	<u>\$ 7,240</u>	<u>\$ 6,389</u>

The following table illustrates estimated revenues expected to be recognized in the future related to unsatisfied performance obligations as of December 31, 2023 in thousands:

2024	1,065
2025	1,013
2026	988
2027	910
2028	839
Thereafter	2,425

**Subscription Revenue (in thousands)**

	<b>2023</b>	<b>2022</b>
Balance, beginning of year	\$ 1,752	\$ 1,884
New subscription payments	4,469	4,362
Revenue recognized	(4,302)	(4,486)
Effect of exchange rates	(13)	(8)
Balance, end of year	<u>\$ 1,906</u>	<u>\$ 1,752</u>

Our Fitness on Demand line of business sells fitness videos on demand subscriptions to customers that are recognized over the life of the subscription. All subscriptions are 1 year and will be recognized in 2024 on a straight-line basis.

## **Snap Fitness, Inc. and Subsidiaries**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

#### ***Advertising***

Advertising costs are charged to cost of revenues and operating expenses as incurred. Advertising costs charged to cost of revenues totaled \$2.7 million, \$2.2 million and \$2.1 million for the year ended December 31, 2023, 2022 and 2021, respectively. Costs charged to operating expenses totaled \$0.8 million, \$0.9 million and \$2.5 million for the year ended December 31, 2023, 2022 and 2021, respectively. Costs charged to cost of revenue include cost of advertising materials sold to newly opened clubs, marketing and advertising expenses for corporate-owned clubs in addition to design costs and ad materials for the advertising fund.

#### ***Foreign Currency Translation***

Foreign operations use the local currency as its functional currency. Accordingly, assets and liabilities denominated in foreign currencies are translated using the exchange rate in effect at the balance sheet date and revenues and expenses are translated at the average foreign exchange rates in effect for the period. Translation gains and losses relating to the foreign currencies considered to be long-term in nature are reflected in the balance of accumulated other comprehensive loss in stockholders' equity in the consolidated balance sheets.

Translation gains and losses relating to the foreign currencies considered to be short-term in nature are reflected in other in the consolidated statements of operations.

#### ***Income Taxes***

The Company files a consolidated federal income tax return with Snap Fitness Holdings, Inc.

The Company provides for income taxes utilizing the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's consolidated financial statements.

Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period when the new rate is enacted.

The impact of an uncertain tax position taken or expected to be taken on an income tax return is recognized in the consolidated financial statements at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized in the consolidated financial statements unless it is more likely than not of being sustained. The Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes.

#### ***Use of Estimates***

Preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Recently Adopted Accounting Pronouncements***

In June 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments, which provides guidance on the measurement of credit losses on certain financial instruments. The new guidance introduces the use of a current expected credit loss (CECL) model for the measurement of credit losses on financial instruments within the scope of this guidance, which includes



## Snap Fitness, Inc. and Subsidiaries

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023, 2022 and 2021

certain investments in debt securities, trade accounts receivable, and other financial assets. The CECL model requires an entity to measure credit losses using historical information, current information, and reasonable and supportable forecasts of future events, rather than the model required under prior GAAP guidance. The Company adopted the new guidance effective January 1, 2023, and it did not have a material impact on the consolidated financial statements and disclosures.

#### **Subsequent Events**

The Company has evaluated its consolidated financial statements for subsequent events through May 8, 2024, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

#### **NOTE B - STOCKHOLDERS' EQUITY**

The Series A Preferred shares provide preferences for payment of dividends and with respect to liquidation or dissolution of the Company. The liquidation preference is equal to the original purchase price of the shares. The Series A Preferred shares are convertible at any time, at the option of the holder, into shares of common stock at a ratio of \$1.00 of common stock for each preferred share.

The conversion rate is adjusted periodically upon additional sales of common stock or issuance of options, warrants, and other rights to common stock.

Upon a liquidation event, as defined, the holders of the Series A Preferred are entitled to be paid out of the assets of the Company an amount equal to the original purchase price of the outstanding Series A Preferred before any distribution may be made with respect to the common stock or any other class of capital stock. After such amount is paid to the Series A Preferred holders, they will participate with holders of the common stock on a pro rata basis as if they had converted their shares prior to the liquidation event.

#### **NOTE C - RELATED PARTY TRANSACTIONS**

The Company sold products and provided services to a club owned by a family member of a minority stockholder. In addition, the Company purchased merchandise and professional services from a company owned by a family member of the same minority stockholder. A summary of these transactions are as follows, in thousands:

	2023	2022	2021
Merchandise purchased	91	288	113
Amounts due to related parties included in accounts payable	15	9	17

The Company leases its corporate office space from an entity owned by a minority stockholder. The current lease expires in 2031. The current lease agreement calls for minimum base rent, including escalating payments as well as association dues and real estate taxes. Total lease expense paid to this related party was \$93,000 and \$360,000 for the years ended December 31, 2023 and December 31, 2022, respectively. In April 2023, the corporate office space was sold to an unrelated third party.

The Company has a receivable from its Parent company of \$6.0 million at December 31, 2023. In addition, during 2023, the Company made a \$8.3 million distribution of returned capital to the Parent Company.

On June 29, 2020 the Parent Company amended and restated its syndicated loan facility ("Amended Agreement"). As a result of the Amended Agreement, \$74.8 million of existing debt was converted into

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

Tranche A and Tranche B term loans. The Tranche A and Tranche B term loans mature on June 29, 2025, at which point all outstanding amounts are due.

The agreements are subject to various financial covenants, which include a liquidity requirement, in which the Company was required to maintain \$3 million in liquidity through June 30, 2022, evaluated at the end of each month through May 31, 2022. The Company must also maintain a Fixed Charge Coverage Ratio ("FCCR"), Tranche A Leverage Ratio ("Leverage Ratio"), and Minimum Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"). As of December 31, 2023, the Parent Company was in compliance with their covenant.

The Amended Agreement is guaranteed by substantially all of the personal and real property assets held by the Parent Company's subsidiaries. There are no restrictions on the Parent Company's ability to obtain or direct funds from its subsidiaries to satisfy principal or interest payments on the loan facility.

**NOTE D - INSURANCE ACTIVITIES**

Insurance revenues are comprised of the following for the years ended December 31, in thousands:

	2023	2022	2021
Insurance premiums earned from franchisees	\$ 531	\$ 458	\$ 480
Insurance premiums ceded	(13)	(69)	(102)
Insurance revenues, net	518	389	378
Premiums earned from reinsurance	888	900	1,085
Total insurance revenue, net	\$ 1,406	\$ 1,289	\$ 1,463

Additional information for SAP Insurance is comprised of the following, in thousands:

	2023	2022
Current assets	\$ 3,042	\$ 2,966
Restricted cash included in current assets	1,772	1,752
Liabilities (all current)	1,880	2,327
Liability for insurance claims	1,749	2,274

SAP Insurance, Inc. paid a dividend to its Parent in the amount of \$200,000 and \$400,000 in 2023 and 2022, respectively.

**NOTE E - COMMITMENTS AND CONTINGENCIES**

***Operating Leases***

Expenses for the various operating leases for the year ended December 31, 2023 and 2022 was \$3.0 million and \$3.4 million, respectively. As of December 31, 2023, aggregate annual commitments for operating leases are as follows; \$2.7 in 2024, \$2.5 million in 2025, \$2.3 million in 2026, \$2.3 million in 2027,

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

\$1.7 million in 2028 and \$5.4 million thereafter. The difference between discounted and undiscounted cash flow commitments is \$0.8 million.

The Company leases consist primarily of office space and owned club locations with various expirations dates through March 2035.

The components of the lease expense for the years ended December 31, 2023 and 2022, along with related lease information and balances are as follows, in thousands:

	<b>2023</b>	<b>2022</b>
Lease Cost	\$3,044	\$3,357
Short-term, variable, and non-lease costs	0	19
Sublease income	(33)	(36)
Total lease cost	3,011	3,340
Other information in thousands:		
Operating cash flows from leases	\$3,339	\$3,364
Right of use assets obtained in exchange for new lease liabilities	2,923	none
Weighted-average remaining lease term	6.46	8.08
Weighted-average discount rate	4.8%	1.48%

***Litigation***

The Company is involved in legal proceedings arising in the ordinary course of business. Although the outcome of these proceedings cannot presently be determined, in the opinion of management, disposition of these proceedings will not have a material adverse effect on the financial position or results of operations of the Company.

***Insurance and Claims***

The Company consolidated SAP Insurance, Inc, a captive insurance company that is used for the franchisee insurance program described in Note A. Insurance coverage is maintained for per-incident and cumulative liability losses in amounts the Company considers sufficient based upon ongoing review.

The Company provides currently for its share of estimated losses. In connection with insurance carriers and regulatory authorities, as of December 31, 2023 and 2022, the Company maintains restricted cash to guarantee settlement of claims in the amount of \$1.8 million, which is reflected as restricted cash on the consolidated balance sheets. Should the captive experience losses greater than expected over an extended period, they could have an adverse impact on the operating results of the Company.

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

***Self-Insured Health Insurance***

The Company has a self-insured medical and dental plan for its employees and their families. The Company has purchased insurance against all claims exceeding \$105,000 during 2023. The Company has recorded an estimated liability of approximately \$115,000 at December 31, 2023 for claims incurred but not yet received or approved by the plan administrator. The policy renews annually on January 1.

**NOTE F - CYBER SECURITY**

The Company discovered in November 2018 that malicious software was clandestinely installed on our computer systems ("the Cyber-Attack"). The Company incurred information technology and other expenses in connection with the Cyber-Attack of \$1.4 million in fiscal year 2018. The Company has received its final installment on the settlement in 2021 of \$232,500 making the life-to-date recovery \$886,500 in insurance proceeds related to the Cyber-Attack. The settlement is included in the statement of operations in legal settlements, net.

**NOTE G - INCOME TAXES**

The following table shows the components of deferred tax assets (liabilities) as of December 31 in thousands:

	2023	2022
Deferred tax assets		
Net operating losses	\$ 850	\$ 914
Capital loss carryforward	305	130
Right of use asset	3,669	983
Bad debt reserve	47	226
Unrealized foreign currency	-	48
Compensation accruals	42	138
Amortization	654	38
Depreciation	175	-
Inventory adjustment	6	117
Deferred revenue	1,964	507
Accrued expenses	192	95
Other	128	-
	<u>8,032</u>	<u>3,196</u>
Valuation allowance	<u>(1,670)</u>	<u>(971)</u>
Deferred tax assets	<u>6,362</u>	<u>2,225</u>
Capitalized commission	(130)	(27)
Unrealized foreign currency	(10)	-
Lease liability	(4,108)	(898)
Other	-	(93)
Prepaid expense	(117)	-
Equity investments	(1,135)	(1,108)
Depreciation	<u>-</u>	<u>(387)</u>
Deferred tax liabilities	<u>(5,500)</u>	<u>(2,513)</u>
Net deferred tax (liabilities) assets	<u>\$ 862</u>	<u>\$ (288)</u>

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2023, 2022 and 2021**

Income tax expense (benefit) consists of the following for the years ended December 31 in thousands:

	2023	2022	2021
Current income tax expense	\$ 2,694	\$ 1,747	\$ 1,498
Deferred income tax expense (benefit)	(1,149)	512	(582)
Income tax expense	\$ 1,545	\$ 2,259	\$ 916

The Company's 2023 effective income tax rate is 23.75%. The difference between the U.S. federal statutory rate of 21% and the effective tax rate is primarily attributable to the change in valuation allowance, deferred tax adjustments, foreign rate differential, and state taxes.

The Company's 2022 effective income tax rate is 36.58%. The difference between the U.S. federal statutory rate of 21% and effective tax rate was primarily attributable to the changes in valuation allowance, FIN 48 liability, the sale of subsidiary stock, foreign rate differential, transfer pricing, and state taxes.

As of December 31, 2023, the Company has foreign net operating loss carryforwards of \$3.3 million (tax effected \$0.9 million) and capital loss carryforwards of \$1.0 million (tax effected \$0.3 million). The net operating losses relate to operations in the UK, Mexico, India and Canada. The capital losses related to Australia. All losses can be carried forward indefinitely. The capital loss carryforward can only be used to offset capital gain income. Management assesses available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations to estimate whether sufficient future income will be generated to permit the use of deferred tax assets, including the capital loss carryforward. On the basis of this evaluation a valuation allowance of \$1.7 million on the deferred tax assets for certain foreign subsidiaries has been recorded.

Uncertain tax positions are included in accrued expenses on the consolidated balance sheets. A reconciliation of the beginning and ending amount of unrecognized tax benefits for the years ended December 31, 2023 and 2022, were as follows, in thousands:

	2023	2022
Beginning balance	\$ 619	\$ 95
Changes related to prior period tax positions	62	524
Ending balance	\$ 681	\$ 619

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. The Company recognized penalty and interest expense of approximately \$33,000, \$0 and \$(16,000) in income tax expense for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company files tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. For federal income tax purposes, tax years 2020-2022 remain open for examination by tax authorities under the normal three-year statute of limitations. Federal tax returns prior to 2020 remain limited circumstances due to NOL carryback claims filed. For state tax purposes, 2019 through 2022 tax years remain open for examination by the tax authorities under a four-year statute of limitations. For foreign income tax purposes, the statute of limitation varies by country, but open tax years include 2015 – 2023, depending on the jurisdiction.

**Snap Fitness, Inc. and Subsidiaries**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONCLUDED**

**December 31, 2023, 2022 and 2021**

The Company has not provided any additional U.S. federal or state income taxes or foreign withholding taxes on the undistributed foreign earnings as such earnings have been indefinitely reinvested in the business. The determination of the amount of the unrecognized deferred tax liability related to the undistributed earnings is not practicable because of the complexities associated with its hypothetical calculation.

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law. The CARES Act changed certain provisions of the Tax Act. Under the CARES Act, NOLs arising in taxable years beginning after December 31, 2017 and before January 1, 2021 may be carried back to each of the five taxable years preceding the tax year of such loss, but NOLs arising in taxable years beginning after December 31, 2020 may not be carried back. All other provisions included in the CARES Act were adopted with-out material impact.

On August 16, 2022 the Inflation Reduction of Act of 2022 (the "IRA") was signed into law. The IRA includes numerous tax provisions, clean-energy related tax incentives, and funding for IRS enforcement, among other initiatives. New corporate taxes, including a 15% alternative minimum tax and a 1% excise tax on stock repurchases by certain publicly traded corporations, were introduced in the IRA. The alternative minimum tax and excise tax imposed on repurchases of stock are applied in periods beginning after December 31, 2022. The provisions of the IRA have no material impact on our financial statements as of December 31, 2023.

**NOTE H - EMPLOYEE BENEFIT PLANS**

The Company has established a defined contribution profit sharing plan that conforms to the IRS provisions for 401(k) plans. The Plan covers all employees who meet certain eligibility requirements. Employer matching contributions are made at a rate of 25% of the first 6% of eligible compensation that each eligible participant contributes to the Plan, subject to certain limitations contained in the Plan and as defined by ERISA. The Company made contributions to the Plan of \$405,000, \$420,000 and \$336,000 during the year ended December 31, 2023, 2022 and 2021, respectively.

***EXHIBIT C-1***  
**SAMPLE FRANCHISE AGREEMENT AND STATE-SPECIFIC ADDENDA**

***EXHIBIT C-2***  
**SAMPLE AREA DEVELOPMENT AGREEMENT AND STATE-SPECIFIC ADDENDA**



***EXHIBIT D***  
**FRANCHISEE LIST**

## SNAP FITNESS FRANCHISEES OPEN CLUBS

AS OF DECEMBER 31, ~~2023~~2024

Franchisee Name	Phone	Address	City	State	Zip
WIT Fitness LLC	256-344-0373	977 Gilbert Ferry Rd SE, Suites P & Q	Attalla	AL	35954
TPM1, LLC	205-319-0381	301 Airport Commons Dr	Calera	AL	35040
Quick Fitness LLC	205-610-9291	208-A W College St	Columbiana	AL	35051
CKO Investments LLC	256-273-0400	2605 Gault Ave N, Suite 500	Fort Payne	AL	35967
M & S Assoc LLC	256-478-9991	620 Banks St	Glencoe	AL	35905
Quick Fitness LLC	205-640-5588	2846 Moody Pkwy, Suite 200	Moody	AL	35004
Quick Fitness LLC	205-338-7666	2401 Stemley Bridge Rd	Pell City	AL	35128
MR BUSINESS ENTERPRISES LLC	256-369-1221	207 James B Payton Blvd	Sylacauga	AL	35150
Quick Fitness LLC	256-474-0363	215 E Battle St	Talladega	AL	35160
LulingJJ, LLC	870-298-4420	1410 Dr Martin Luther King Jr Dr	Crossett	AR	71635
Functional Health+Wellness Restoration, LLC	870-493-3343	805 Highway 165 E	Dumas	AR	71639
Muddy Rhino Investments, LLC	479-202-9930	2600 W Pleasant Crossing Dr, Suite 50	Rogers	AR	72758
Brawley's Fitness, LLC	870-663-0049	2110 S Buerkle St, Unit D	Stuttgart	AR	72160
PK Fitness Scottsdale, LLC	480-745-2465	827 E Monroe Ave	Buckeye	AZ	85326
Steele Fitness cv1 Inc	928-282-7627	400 Finnie Flat Rd	Camp Verde	AZ	86322
Conrad Fitness, LLC	928-776-0355	1938 N Hwy 89	Chino Valley	AZ	86323
Steele Fitness CW, Inc.	928-649-1905	976 S Main St	Cottonwood	AZ	86326
Dynamite Fitness, LLC	928-522-6600	7810 N US-89	Flagstaff	AZ	86004
Heart Fitness Center LLC	480-837-3901	13525 N Fountain Hills Blvd	Fountain Hills	AZ	85268
<del>HCJ Enterprises LLC DBA DM Fitness</del>	<del>928-889-1879</del>	<del>91 London Bridge Road</del>	<del>Lake Havasu City</del>	<del>AZ</del>	<del>86403</del>
Conrad Fitness, LLC	928-443-1309	1046 Willow Creek Rd	Prescott	AZ	86301
Conrad Fitness, LLC	928-775-0888	6455 N Viewpoint Dr	Prescott Valley	AZ	86314
Steele Fitness VOC, Inc.	928-284-0554	7000 State Highway 179, Suite D200 & C 200	Sedona	AZ	86351
Steele Fitness WS, Inc.	928-282-2139	2081 W State Route 89A	Sedona	AZ	86336
Steele Fitness Taylor Inc.	928-457-2800	704 N Main St	Taylor	AZ	85939
DSF Express-Four, LLC	520-572-8788	7545 S Houghton Rd, Suite #3	Tucson	AZ	85747
Benjamin Burton	520-400-4646	8567 N Silverbell Rd	Tucson	AZ	85743
Steele Fitness Wickenburg Corporation	928-232-4200	340 W Wickenburg Way	Wickenburg	AZ	85390
Steele Fitness Winslow Corporation	928-224-3030	1535 N Park Dr, Suite 1520	Winslow	AZ	86047
Morris Fitness Solutions LLC	925 276-3166	1516 Kirker Pass Road #A	Clayton	CA	94517
K&K Fitness, LLC	916-933-9448	2222 Francisco Dr, #290	El Dorado Hills	CA	95762
P&EEnterprisesLLC	209-838-7517	1900 McHenry Ave	Escalon	CA	95320
Terry's Unlimited Fitness, LLC	408-848-8701	8050 Santa Teresa Blvd	Gilroy	CA	95020
MVCCM, LLC	209-309-0009	18919 Ferretti Rd, Suite B	Groveland	CA	95321
<del>Allen-C. Hall, Inc; DxK Fitness, LLC</del>	<del>650-948-5500</del>	<del>955 Fremont Ave</del>	<del>Los Altos</del>	<del>CA</del>	<del>94024</del>
Basecamp Wellness, LLC	530-344-7027	6454 Pony Express Trl, Suite 25	Pollock Pines	CA	95726
Fortress Fitness, LLC	650-365-7627	3209 Oak Knoll Dr	Redwood City	CA	94062

Cutting Edge Fitness, Inc.	626-639-3787	2451 Mission Street	San Marino	CA	91108
<del>TITANIUMFIT, LLC</del>	<del>650-393-5625</del>	<del>1232 W Hillsdale Blvd</del>	<del>San Mateo</del>	<del>CA</del>	<del>94403</del>
J & A's Health & Fitness LLC	408-260-1111	60 N Winchester Blvd	Santa Clara	CA	95050
Cutting Edge Fitness, Inc.	661-424-2700	19233 Golden Valley Rd	Santa Clarita	CA	91387
Cutting Edge Fitness, Inc.	626-403-6463	807 Meridian Ave	South Pasadena	CA	91030
Burch Industries, Inc.	925-938-8006	1533A Palos Verdes Mall	Walnut Creek	CA	94597
Stay Well Brands L.L.C.	530-923-2360	1707 Colusa Hwy, Suite 400	Yuba City	CA	95993
F8 Enterprises, LLC	303-289-7333	18240 E 104th Ave	Commerce City	CO	80022
Colorado Fitness Solutions, Inc.	303-904-7627	8351 N Rampart Range Rd	Littleton	CO	80125
<del>Colorado Fitness Solutions #2, LLC</del>	<del>720-749-3958</del>	<del>5935 S Zang St, #10,11 &amp; 12</del>	<del>Littleton</del>	<del>CO</del>	<del>80127</del>
Utopia Enterprises, Inc.	719-544-7627	279 S Purcell Blvd	Pueblo	CO	81007
AppleCor, LLC	719-422-4733	2202 Freedom Rd	Trinidad	CO	81082
M&G Fitness, LLC	719-686-6494	1131 E US Highway 24	Woodland Park	CO	80863
DDA Fitness LLC	860-552-2018	266 E Main St, Unit C1	Clinton	CT	06413
DDA Fitness LLC	860-603-5060	179 Linwood Ave	Colchester	CT	06415
DDA Fitness LLC	860-767-0155	125 Westbrook Rd	Essex	CT	06426
Moran 4, Inc.	860-691-1140	88 Pennsylvania Ave, Suite 1	Niantic	CT	06357
Moran 4, Inc.	860-434-3332	54 Halls Rd	Old Lyme	CT	06371
<del>JEFFKO, Inc-The First Gym LLC</del>	<del>302-235-2180</del>	<del>7209 Lancaster Pike</del>	<del>Hockessin</del>	<del>DE</del>	<del>19707</del>
Fitness Acquisitions LLC	302-653-8023	665 S Carter Rd	Smyrna	DE	19977
Rick Bourn and Harold Moss	407-598-2700	1655 Rock Springs Rd	Apopka	FL	32712
D&IGymsLLC	850-362-6019	232 Racetrack Rd NE	Fort Walton Beach	FL	32547
JBF Fitness, Inc.	904-738-8325	2216 Oak St	Jacksonville	FL	32204
Heavy Weights Gym LLC	386-423-8995	424 Luna Bella Ln, Suite 131	New Smyrna Beach	FL	32168
Whole Fitness Solutions Inc	813-814-1984	12611 Race Track Rd	Tampa	FL	33626
M.R. Fitness, LLC	404-627-8000	920 Glenwood Ave SE, Suite 102/103	Atlanta	GA	30316
<del>M.R. Fitness, LLC</del>	<del>404-584-9669</del>	<del>245 N Highland Ave NE, Suite 250</del>	<del>Atlanta</del>	<del>GA</del>	<del>30307</del>
Starwood LLC	770-693-9013	3621 Vinings Slope SE	Atlanta	GA	30339
Build-A-Body Fitness, LLC	912-225-1211	214C N Duval St	Claxton	GA	30417
Hatchfit Enterprises, Inc.	706-507-7627	1290 Double Churches Rd	Columbus	GA	31904
Wholesome Ventures, Inc.	678-705-1439	137 S McDonough St	Decatur	GA	30030
Protective Knowledge Base LLC.	478-302-0660	58 Surrey Plz	Hawkinsville	GA	31036
Georgia Shade, LLC	770-403-1142	375 Rockbridge Rd, Suite 148	Lilburn	GA	30047
H3 Fitness, LLC	770-251-6900	3161 B Hwy 34 E	Newnan	GA	30265
Build-A-Body Fitness, LLC	706-498-9636	1053 Franklin Springs St	Royston	GA	30662
DeLoney Enterprises, LLC	770-727-1003	27 Barnes St	Senoia	GA	30276
J&S Sports, LLC	641-569-7005	710 N 18th St	Centerville	IA	52544
Bushleaguer Fitness, Inc.	641-330-2963	222 North Main St	Charles City	IA	50616
<del>Maxxed, LLC</del>	<del>563-659-1948</del>	<del>100 6th Ave</del>	<del>De Witt</del>	<del>IA</del>	<del>52742</del>
Kelly and Brad Miller	563-289-2700	1405 Eagle Ridge Rd, Suite A	Le Claire	IA	52753
SCW Fitness, LLC	515-465-2848	509 1st Ave	Perry	IA	50220

Franchisee Name	Phone	Address	City	State	Zip
Fit4Christ, LLC	712-722-2594	108 16th St SW	Sioux Center	IA	51250
Ramos Elite Fitness LLC	515-832-7965	902 Seneca St	Webster City	IA	50595
HLF Fitness, LLC	208-209-7089	231 W Hayden Ave	Hayden	ID	83835
Lewiston Fitness, LLC	208-746-7472	625 21st Street Suite C	Lewiston	ID	83501
Dvorak Investments, LLC	208-596-4685	224 E Third Street	Moscow	ID	83843
<del>David Simmons</del> Bulletproof Body LLC	217-438-4348	650 E Jackson St	Auburn	IL	62615
RSKC Fitness LLC	815-234-2700	211 N Walnut St	Byron	IL	61010
Bulletproof Body LLC	217-483-5701	1061 Jason Pl	Chatham	IL	62629
Brett and Meghann Benson	312-533-4646	1212 S Michigan Ave	Chicago	IL	60605
Snap Fitness Dundee, Inc.	847-551-3690	4640 W Main St	Dundee	IL	60118
Maxhaltero Holdings, LLC	309-467-9500	1958 S Main St	Eureka	IL	61530
RSKC Fitness LLC	847-683-3300	111 W Oak Knoll Dr	Hampshire	IL	60140
Work It Out, LLC	847-868-3111	452 W State Rd	Island Lake	IL	60042
Darr Capital, LLC Darr Fitness	618-498-7330	1404 Windy Ln	Jerseyville	IL	62052
Lake Villa Fitness Inc.	847-838-1299	850 Tower Dr, Unit 118	Lake Villa	IL	60046
BAHA Investments Inc.	217-321-4545	900 W Union Ave	Litchfield	IL	62056
Landwehr Enterprises, LLC	815-568-6000	910 C Greenlee St	Marengo	IL	60152
<del>Unique Health and Fitness Corp.</del>	<del>217-223-3488</del>	<del>6228 Broadway</del>	<del>Quiney</del>	<del>IL</del>	<del>62305</del>
Conyers Enterprises LLC	847-546-1400	821 W Rollins Rd	Round Lake Beach	IL	60073
Lake Villa Fitness, Inc.	847-740-7627	139 W Belvidere Rd	Round Lake	IL	60073
Simmons SOULutions, Inc.	217-381-4951	131 Illini Blvd	Sherman	IL	62684
Bulletproof Body LLC	217-679-0081	1362 Toronto Rd.	Springfield	IL	62791
David Pickard	815-338-7627	1400 N Seminary Ave	Woodstock	IL	60098
PJ's Fitness, LLC	317-867-7627	220 W 161st St	Westfield	IN	46074
3MJ Fitness, LLC	913-367-1511	409 Commercial St	Atchison	KS	66002
Legacy Fitness, LLC	913-724-2424	15604 Pinehurst Dr	Basehor	KS	66007
Legacy Fitness, LLC	913-358-6059	5437 Roberts St	Shawnee	KS	66226
Dennis and June Smith	270-387-0124	121 Commerce Blvd	Benton	KY	42025
Dennis and June Smith	270-387-0124	888 5 <sup>th</sup> Ave	Calvert City	KY	42029
Power Up Fitness, LLC	859-586-6100	1990 N Bend Rd	Hebron	KY	41048
ABDFitness LLC	270-358-5417	83 Shawnee Dr	Hodgenville	KY	42748
Benson Health and Fitness LLC	859-271-8210	4384 Clearwater Way	Lexington	KY	40515
Abbeville Plaza LLC	337-893-0009	109 Rue Centre Suite 3	Abbeville	LA	70510
Outdoor Lawn Development LLC	225-751-0121	14241 Coursey Blvd, Suite A-13	Baton Rouge	LA	70817
Adams Investments & Properties, LLC	985-732-1774	400 Georgia Ave, Suite 3	Bogalusa	LA	70427
Wellness One LLC	337-839-8277	218 St Nazaire Rd	Broussard	LA	70518
Jake Fitness, LLC	225-791-0100	34254 LA Hwy 16	Denham Springs	LA	70706
MC Investment Group LLC	225-665-0272	1217 N Range Ave	Denham Springs	LA	70726
Luscappo, LLC	225-622-7627	40306 Highway 42	Galvez	LA	70769
<del>East Creek 2 LLC</del> CLO Harriman LLC	225-622-9999	14505 LA-44	Gonzales	LA	70737

Franchisee Name	Phone	Address	City	State	Zip
Joshua W Johnson LLC	225-474-8208	6473 LA-44	Gonzales	LA	70737
CDTRAINACO LLC	225-261-5008	14485 Greenwell Springs Rd, Suite A	Greenwell Springs	LA	70739
Jake Fitness, LLC	225-261-6119	18513 Magnolia Bridge Rd	Greenwell Springs	LA	70739
Dang Fit LLC	504-301-1289	3700 Lapalco Blvd, Suite B	Harvey	LA	70058
Natale Management Group, LLC	504-305-6220	910 W Esplanade Ave, Suite D	Kenner	LA	70065
True Elite LLC	337-456-7983	2425 W Congress St	Lafayette	LA	70506
John Foret, Jr. and Lisa Foret	337-478-4525	2724 Country Club Rd	Lake Charles	LA	70605
MJG Silverlilly Investments LLC	985-785-1718	12715 Highway 90, Suite 160A	Luling	LA	70070
<del>K Investments Mandeville LLC</del> No Worries Enterprises LLC	985-674-7627	3441 E Causeway Approach	Mandeville	LA	70448
BJZJ, LLC	337-385-1996	9611 Maurice Ave., Suite 2	Maurice	LA	70510
<del>Natale Management Group LLC</del>	<del>504-304-7321</del>	<del>3501 Severn Ave, Suite #10</del>	<del>Metairie</del>	<del>LA</del>	<del>70002</del>
City Park Fitness LLC	504-304-3638	785 Harrison Ave	New Orleans	LA	70124
<del>Snap Fitness of New Roads, LLC</del> & M Newton Properties LLC	225-638-7627	1320 Hospital Rd	New Roads	LA	70760
<del>JJ Fitness LA, LLC</del>	<del>225-687-6271</del>	<del>58630 Belleview Rd</del>	<del>Plaquemine</del>	<del>LA</del>	<del>70764</del>
JJSP, LLC	985-386-7105	18539 LA-22	Ponchatoula	LA	70454
JJ Fitness LA	225-372-2003	28977 Walker South Rd, Suite H	Walker	LA	70785
MK Fitness LLC	504-348-4242	1401 Westbank Expy	Westwego	LA	70094
EastHampton Fitness Inc.	413-529-2200	39 Union St	Easthampton	MA	01027
DMZ Fit, Inc.	508-833-7627	280B Rte 130, Suite 8	Forrestdale	MA	02644
GarvCorp, Inc.	413-566-1600	5 Allen St	Hampden	MA	01036
GarvCorp, Inc.	413-532-7627	506 Westfield Rd	Holyoke	MA	01040
Ashley Soules	413-243-8000	14 Pleasant St	Lee	MA	01238
Coastal Fitness, LLC	410-216-2747	2101 Somerville Rd, Suite 120	Annapolis	MD	21401
<del>Coastal Fitness, LLC</del>	<del>443-292-8146</del>	<del>1161 State Route 3N</del>	<del>Gambrills</del>	<del>MD</del>	<del>21054</del>
ROCK STRONG FITNESS, LLC	410-600-7627	2721 Fallston Rd	Fallston	MD	21047
Motivate Fitness, LLC	410-679-1000	413 Pulaski Hwy	Joppa	MD	21085
Pheonix Fitness LLC	301-829-0680	1311 S Main St	Mount Airy	MD	21771
Cascade Health, Inc.	207-934-6136	8 Heath St	Old Orchard Beach	ME	04064
Holbrook Fitness Inc.	207-799-0864	747 Broadway	South Portland	ME	04106
Milam, Inc.	844-895-2176	6101 Lake Michigan Dr	Allendale	MI	49401
Beach Fitness LLC	616-536-2662	9321 Cherry Valley Ave SE	Caledonia	MI	49316
FASTFIT 247, LLC	734-398-7627	4011 S Canton Center Rd	Canton	MI	48188
Caledonia Fitness, LLC	616-997-7627	1136 W Randall Rd	Coopersville	MI	49404
Trinity Fitness, LLC	734-529-7627	107 Waterstradt Commerce Dr, Unit A and B	Dundee	MI	48131
<del>WoodWard Fit Club 247, LLC</del>	<del>248-399-4030</del>	<del>23000 Woodward Ave</del>	<del>Ferndale</del>	<del>MI</del>	<del>48220</del>
George Zerka	810-275-1250	1381 W Bristol Rd	Flint	MI	48507
<del>C.L. Rosser, LLC</del>	<del>989-705-7627</del>	<del>1140 Gorniek Ave</del>	<del>Gaylord</del>	<del>MI</del>	<del>49735</del>
Triple Deuce Fitness, LLC	810-694-4000	4501 E Hill Rd	Grand Blanc	MI	48439
M & Z Fitness LLC	616-453-6666	2052 Lake Michigan Dr NW	Grand Rapids	MI	49504

Beltline Fitness, LLC	616-942-5600	855 Michigan St NE	Grand Rapids	MI	49503
Grabruck Consulting, LLC	586-601-5335	26110 Crocker Blvd	Harrison Township	MI	48045

Franchisee Name	Phone	Address	City	State	Zip
Carter Collaboration, LLC	517-339-7627	1630 Haslett Rd	Haslett	MI	48840
Beach Fitness LLC	269-953-1031	804 W State St	Hastings	MI	49058
Coco Fitness Inc.	248-714-9686	2825 E Highland Rd, Suite #119	Highland	MI	48356
Creating A Better U, LLC	616-355-1070	1153 Washington Ave, Suite C and D	Holland	MI	49423
Creating A Better U, LLC	616-741-9380	12059 Felch St	Holland	MI	49424
Barbara Rabitoy	906-483-0310	850 W Sharon Ave	Houghton	MI	49931
Gym Partners, LLC	616-669-9100	3715 Baldwin St	Hudsonville	MI	49426
Gym Partners, LLC	616-777-1345	5696 Balsam Dr	Hudsonville	MI	49426
Kevin J Miller Fitness LLC	616-522-0301	3192 Commerce Ln	Ionia	MI	48846
KPIJZ LLC	906-364-7687	629 W Cloverland Dr	Ironwood	MI	49938
J Ryan Fitness, LLC	517-782-1001	1527 Horton Rd	Jackson	MI	49203
Whispering Willows, LLC	517-244-0300	132 S Cedar St	Mason	MI	48854
FiveStrong LLC	734-648-0889	1337 E. M-36	Pinckney	MI	48169
GETBIGFITNESS, Inc.	989-227-8000	2453 Ontario Dr	Saint Johns	MI	48879
B&R Partners LLC	616-846-7627	414 W Savidge St	Spring Lake	MI	49456
Albany Fitness, LLC	320-845-7888	131 8th St S	Albany	MN	56307
TMJ Fitness, LLC	507-377-1290	148 S Broadway Ave	Albert Lea	MN	56007
Fit STMA, LLC	763-276-1016	5676 La Centre Ave, Suite 200	Albertville	MN	55301
JERU Fitness, LLC	320-762-8879	619 3 <sup>rd</sup> Avenue East, Suite 102	Alexandria	MN	56308
Heins Fitness Inc	763-489-0001	1574 154th Ave NW, #104	Andover	MN	55304
H & E Fitness LLC	320-274-7627	125 Oak Ave N	Annandale	MN	55302
Snap Fitness of Mayer, LLC	507-964-5664	108 5 <sup>th</sup> Ave NW	Arlington	MN	55307
Bank Street Fitness LLC	763-220-0787	14083 Bank St	Becker	MN	55308
MDH LLC	952-873-6663	320 S Laredo St, Unit 1	Belle Plaine	MN	56011
B&B Bemidji Fitness, LLC	218-444-9163	3835 Supreme Ct NW, Suite 1	Bemidji	MN	56601
NealResults LLC.	320-843-2127	110 14th St S	Benson	MN	56215
Bank Street Fitness LLC	763-220-0787	651 Rose Dr	Big Lake	MN	55309
Osseo Fitness LLC	612-209-8777	8507 Jefferson Lane North	Brooklyn Park	MN	55445
Ferguson Fitness LLC	952-736-1348	1024 County Road 42 E	Burnsville	MN	55337
Clear Lake Fitness, LLC	763-552-7627	234 Main St N	Cambridge	MN	55008
JMH Fitness I, LLC	507-263-8326	1219 4 <sup>th</sup> St S	Cannon Falls	MN	55009
Persistence Fitness L.L.C.	763-434-5858	18447 Highway 65 NE, Sutie A	Cedar	MN	55011
RE Fitness, LLC	952-448-6500	1012 Gateway Dr	Chaska	MN	55318
Clear Lake Fitness, LLC	320-558-6088	800 Nelson Dr	Clearwater	MN	55320
Hoffman Fitness L.L.C.	320-685-8836	20 Red River Ave S, Suite #120	Cold Spring	MN	56320
Crookston Sport Fitness, LLC	218-281-7627	404 N Broadway	Crookston	MN	56716
RPS Enterprises LLC	218-844-3822	1315 Hwy 10	Detroit Lakes	MN	56501
Freedom Fitness and Health, LLC	218-212-5213	4425 E Superior St	Duluth	MN	55804
CZ Lobo, LLC	218-727-2544	102 E Central Entrance	Duluth	MN	55811
N-E Fitness, LLC	612-920-3385	4402 France Ave S	Edina	MN	55410

Franchisee Name	Phone	Address	City	State	Zip
Momentum Fitness Endeavor L.L.C.	763-241-8387	19022 Freeport St	Elk River	MN	55330
Foley Fit Enterprises LLC	320-968-4900	10 2nd Ave W	Foley	MN	56329
B and C Wald Enterprises LLC	651-464-3234	220 Lake Street N	Forest Lake	MN	55025
Cornerstone Fitness Centers LLC	651-438-9309	275 33rd St W, Suite B	Hastings	MN	55033
Essential Health Solutions LLC	218-283-0020	10 Shorewood Drive	International Falls	MN	56649
A&J Fitness IGH, LLC	612-567-2716	6502 Cahill Avenue	Inver Grove Heights	MN	55076
Clear Lake Fitness II, LLC	763-444-3400	404 Whiskey Rd, Suite J	Isanti	MN	55040
Northland Investment Group, LLC	952-997-9753	7409 179th St W	Lakeville	MN	55044
Angell Fitness, LLC	507-357-2242	100 E Minnesota St	Le Center	MN	56057
Persistence Fitness L.L.C.	651-257-2348	12715 Lake Blvd	Lindstrom	MN	55045
TAM Fitness Inc.	320-593-1429	27 E Depot St	Litchfield	MN	55355
Bramel Company LLC	507-744-3700	739 Ash St NE	Lonsdale	MN	55046
<del>3D Fitness LLC</del>	<del>763-493-3488</del>	<del>9475 Garland Ln N</del>	<del>Maple Grove</del>	<del>MN</del>	<del>55311</del>
DAK Fitness LLC	763-447-4014	13408 Bass Lake Rd	Maple Grove	MN	55311
Snap Fitness of Mayer, LLC	952-373-4084	255 Ash Ave N	Mayer	MN	55360
Clear Lake Fitness, LLC	320-983-2300	900 State Hwy 23 West, Suite B	Milaca	MN	56353
<del>Minnesota fitness group LLC</del>	<del>763-231-0125</del>	<del>1400 County Road 101 N, Suite H</del>	<del>Minneapolis</del>	<del>MN</del>	<del>55447</del>
Next Phase Ventures, LLC	763-544-0055	687 Winnetka Ave N	Minneapolis	MN	55427
Top Form, Inc.	612-824-4454	5409 Nicollet Ave S, Suite B	Minneapolis	MN	55419
KNH Enterprises LLC	612-746-4002	945 Broadway St NE	Minneapolis	MN	55413
Ferguson Fitness LLC	763-390-1313	4070 Lakeland Ave N	Minneapolis	MN	55422
Jackson Fitness, LLC	320-321-1348	1111 Black Oak Ave	Montevideo	MN	56265
TWF, Inc.	507-364-8050	300 1st St N	Montgomery	MN	56069
Global Fitness LLC	952-758-9250	130 Main St W, Suite A	New Prague	MN	56071
Widmark Management, LLC	507-359-8888	319 N Front St	New Ulm	MN	56073
Unique Health and Fitness Corp.	507-387-7627	1754 Commerce Drive, Suite 101	North Mankato	MN	56003
RL Health and Fitness, LLC	952-467-2680	308 US-212 W	Norwood Young America	MN	55368
AM Fitness of Owatonna, LLC	507-455-3500	1824 S Cedar Ave	Owatonna	MN	55060
Torino Fitness, Inc.	320-243-2100	970 Diekmann Drive, Suite 100	Paynesville	MN	56362
Global Fitness Prior Lake LLC	952-440-1660	16731 Hwy 13 South, Suite 111	Prior Lake	MN	55372
Snap Fitness of Redwing LLC	651-388-7774	3257 S Service Dr	Red Wing	MN	55066
Momentum Fitness Endeavour L.L.C.	763-428-2208	13635 Northdale Blvd	Rogers	MN	55374
Northland Investment Group, LLC	651-321-7066	14855 S Robert Trl	Rosemount	MN	55068
B and C Wald Enterprises LLC	320-358-0091	1170 W 4th St	Rush City	MN	55069
Highland Partners, LLC	952-446-8879	4195 Main St, Suite 1040	Saint Bonifacius	MN	55375
Hoffman Fitness L.L.C.	320-363-7757	708 Elm St E	Saint Joseph	MN	56374
Ferguson Fitness LLC	651-289-3070	1960 Cliff Lake Rd, Suite 115	Saint Paul	MN	55122
Lerdahl Enterprises, LLC	651-484-0428	2800 Rice St	Saint Paul	MN	55113
B & B Fitness Inc.	320-351-7627	1190 Main St S	Sauk Centre	MN	56378
NealResults LLC	320-796-2424	300 MN-23 S	Spicer	MN	56288



Franchisee Name	Phone	Address	City	State	Zip
Ruud Fitness, LLC	952-471-1114	4671 Shoreline Dr	Spring Park	MN	55384
Hoffman Fitness L.L.C.	320-259-0991	24086 State Highway 15	St. Augusta	MN	56301
Big Red Fitness, LLC	952-926-3040	7210 Minnetonka Blvd	St. Louis Park	MN	55426
KOLENI INC	651-275-9628	1471 Stillwater Blvd N	Stillwater	MN	55082
JAD Fitness LLC	612-224-4102	1495 Stieger Lake Lane	Victoria	MN	55386
Licursi Wellness, LLC	952-442-3815	1309 Oak Ave	Waconia	MN	55387
Madel Fitness of Waseca LLC	507-835-0043	122 Elm Ave E	Waseca	MN	56093
TWF, Inc.	612-221-2787	605 Lewis Ave N	Watertown	MN	55388
B&D, LLC	320-222-7627	812 1st St S	Willmar	MN	56201
B and C Wald Enterprises LLC	651-462-9073	5377 266th St	Wyoming	MN	55092
JMH Fitness II, LLC	507-732-7047	92 West 5th Street	Zumbrota	MN	55992
A&S Fitness Inc	816-623-9775	881 SW Lemans Ln	Lees Summit	MO	64082
<del>WOF Investment Ventures, LLC</del>	<del>816-272-0146</del>	<del>631 NE Woods Chapel Rd</del>	<del>Lees Summit</del>	<del>MO</del>	<del>64064</del>
Bradley Winterle	417-725-6656	830 West Mount Vernon Street, Suite #7	Nixa	MO	65714
Skowrya Ventures, LLC	314-846-4414	6070 Telegraph Rd, Suite G	Oakville	MO	63129
VeeFit LLC	636-240-3934	1084 Tom Ginnever Ave	O'Fallon	MO	63366
<del>Walter and Velda Cadwell</del>	<del>660-827-5598</del>	<del>711 E Broadway Blvd</del>	<del>Sedalia</del>	<del>MO</del>	<del>65301</del>
Fear Not Fitness LLC	417-889-7627	3659 E Sunshine St	Springfield	MO	65809
Malone Campbell, LLC	573-468-5656	575 Wal-Mart Dr	Sullivan	MO	63080
Michael Thompson LLC	636-745-8222	10 Wildcat Dr.	Wright City	MO	63390
Snap Fitness Brookhaven, LLC	601-823-7080	939 Brookway Blvd, Suite P	Brookhaven	MS	39601
Pump Room, Inc.	662-627-5511	650 Friars Point Rd	Clarksdale	MS	38614
Bossier and Wiese Greenwood, LLC	662-546-1288	625 W Park Ave	Greenwood	MS	38930
Universal Fitness Personal Training Studio LLC	662-294-8800	1324 Sunset Dr, Suite A	Grenada	MS	38901
W8, Corp.	662-595-4069	1105 Hwy 82 East	Indianola	MS	38751
<del>Snap Fitness McComb, LLC</del>	<del>601-684-1990</del>	<del>1056A Highway 98 - 51</del>	<del>McComb</del>	<del>MS</del>	<del>39648</del>
Bossier Wiese & Wiese, LLC	662-259-2256	304 Heritage Drive, Suite 8	Oxford	MS	38655
Bossier and Wiese East, LLC	662-550-4800	1903 B University Ave	Oxford	MS	38655
<del>Ridgeland Fitness LLC</del>	<del>601-383-4445</del>	<del>7048 Old Canton Rd, Ste 1004</del>	<del>Ridgeland</del>	<del>MS</del>	<del>39157</del>
Riley Fit LLC	662-869-3181	135 City Market Dr	Saltillo	MS	38866
BLMT, LLC	662-844-7627	549 N Coley Rd	Tupelo	MS	38801
Thomas Belgrade Fitness LLC	406-388-0433	207 W Main St	Belgrade	MT	59714
Ashley Investments LLC	406-476-1616	116 Glacier Dr, #102	Lolo	MT	59847
RG Fitness Enterprises, Inc.	252-728-3357	1718 Live Oak St	Beaufort	NC	28516
Fitness by Ghaleb, LLC	704-523-4015	4805 Park Rd	Charlotte	NC	28209
Nyquist Enterprises, LLC	704-895-7474	130 Harbour Place Dr	Davidson	NC	28036
Graziadei Fitness Investments, LLC	704-439-4543	11159 Davinci Dr	Davidson	NC	28036
East Coast Fitness, LLC	252-758-7627	2120 E Fire Tower Rd, Suite 111	Greenville	NC	27858
RaeJax Fitness Inc.	704-624-8400	7427 Matthews Mint Hill Rd, Suite 107	Mint Hill	NC	28227
R & D Health and Fitness LLC	336-643-5501	1433 B (68 Place) Highway 68 North	Oak Ridge	NC	27310

Franchisee Name	Phone	Address	City	State	Zip
Hall Fitness and Wellness, LLC	704-243-2935	3913 Providence Rd S	Waxhaw	NC	28173
Fobb Fitness Inc.	701-672-7627	102 7 <sup>th</sup> Street S	Wahpeton	ND	58075
MRSHERM Enterprises LLC.	402-476-5444	5633 NW 1st St, Suite #105	Lincoln	NE	68521
NH Fitness 247 Inc	603-671-7008	880 Central St	Franklin	NH	03235
Fitness 1 <sup>st</sup> LLC	609-357-1177	1278 Yardville Allentown Rd	Allentown	NJ	08501
DeBiasi Fitness LLC	201-876-2502	139 Brunswick St	Jersey City	NJ	07302
TC Fitness, LLC	856-988-7627	795 E Route 70	Marlton	NJ	08053
Mike Foxwell	609-953-7627	7 Wilkins Station Rd	Medford	NJ	08055
Shari's Exercise Express LLC.	973-409-4299	5716 Berkshire Valley Rd	Oak Ridge	NJ	07438
Lakeland Fitness inc.	973-556-5956	115 Skyline Dr	Ringwood	NJ	07456
JC Fitness, LLC	973-875-0600	455 State RT 23	Sussex	NJ	07461
Towaco Fitness Inc.	973-917-4555	702 Route 202	Towaco	NJ	07082
Shari's Exercise Express, LLC	973-764-7627	514 CR-515	Vernon	NJ	07462
Shari's Exercise Express LLC.	973-506-4333	20 Marshall Hill Rd	West Milford	NJ	07480
Tramway 24-7 Fitness LLC	505-839-1535	1530 Tramway Blvd NE	Albuquerque	NM	87112
Finish the Race Inc.	505-332-3944	7900 Carmel Ave NE	Albuquerque	NM	87122
Cibola 24-7 Fitness LLC	505-287-9784	901 North 1st Street	Grants	NM	87020
DNA Fitness, LLC	575-359-7100	1608 E Spruce St, Sutie 100	Portales	NM	88130
J&S Fitness Boulder City Inc.	702-403-1671	1030 Nevada Hwy	Boulder City	NV	89005
FIT AD, LLC	716-902-4250	13242 Broadway St	Alden	NY	14004
Viveros Enterprises LLC	607-973-2888	32 E Market St	Corning	NY	14830
Clean Life Fitness LLC	716-947-9010	6950 Erie Rd	Derby	NY	14047
FIT E.A. LLC	716-655-6600	42 Riley St, Suite 100	East Aurora	NY	14052
HERGON LLC	607-973-2888	1801 W Water St	Elmira	NY	14905
RanPop Fitness LLC	716-775-8486	2488 Grand Island Blvd	Grand Island	NY	14072
Meta-Fitness LLC	716-201-4663	6507 Wheeler Rd	Lockport	NY	14094
Meta-Fitness LLC	585-735-4201	11184 Maple Ridge Rd	Medina	NY	14103
FIT O.P. LLC	716-508-8400	4180 N Buffalo Rd	Orchard Park	NY	14127
Vilop Fitness LLC	607-973-2888	203 Lake St	Penn-Yan	NY	14527
North Rockland Fitness Inc.	845-269-3333	32 S Liberty Dr	Stony Point	NY	10980
Sugar Free Fitness LLC	914-499-3999	69 N Broadway	Tarrytown	NY	10591
Shari's Exercise Express, LLC	845-987-9656	148 State Route 94 S	Warwick	NY	10990
JB HALEX LLC	419-903-0577	1051 Commerce Pkwy	Ashland	OH	44805
Oxgate Partners, Inc	330-995-0795	317 E Garfield Rd	Aurora	OH	44202
JA Fitness 2 LLC	330-460-4446	2264 Locust St S	Canal Fulton	OH	44614
S S Young Fitness, LLC	567-890-7627	1107 N. Main Street, Suite 112	Celina	OH	45822
HD Falls Fitness, LLC	440-247-2013	524 E Washington St	Chagrin Falls	OH	44022
Leelanu Fitness LLC	440-286-1060	520 5th Ave, Suite 5	Chardon	OH	44024
Get Fit Investments, LLC	513-574-7627	6701 Ruwes Oak Dr, Suite 12	Cincinnati	OH	45248
Cashell Fitness LLC	740-420-7627	1186 N Court St	Circleville	OH	43113

E6, LLC	614-754-7014	864 S 3rd St	Columbus	OH	43206
E6, LLC	614-824-5291	2080 Arlington Ave	Columbus	OH	43221
E6, LLC	614-559-9955	1409 W 3rd Ave	Columbus	OH	43212
E6, LLC	614-824-2082	2408 E Main St	Columbus	OH	43209
<del>Head West LLC</del>	<del>614-947-7464</del>	<del>2130 N High St</del>	<del>Columbus</del>	<del>OH</del>	<del>43202</del>
E6, LLC	614-299-9006	14 E Hubbard Ave	Columbus-Short North	OH	43215
Ralston Professional Services LLC	440-599-9951	236 Main St	Conneaut	OH	44030
Dayton Fitness, LLC	937-567-0105	312 N Patterson Blvd	Dayton	OH	45402
Emerald Fitness, LLC	614-356-8389	5615 Woerner Temple Rd	Dublin	OH	43016
Oxgate Partners, Inc.	330-527-8032	8289 Windham St	Garrettsville	OH	44231
Leelanau Fitness LLC	440-466-9143	767 S Broadway	Geneva	OH	44041
Godspeed, LLC	937-547-3311	1370 A/B Kitchenaid Way	Greenville	OH	45331
<del>Bantam Enterprises, LLC</del>	<del>330-474-2910</del>	<del>2500 Ohio-59</del>	<del>Kent</del>	<del>OH</del>	<del>44240</del>
HD Fitness, LLC	440-290-4255	6581 N Ridge Rd	Madison	OH	44057
JB HALEX LLC	419-610-2111	1034 Ashland Rd	Mansfield	OH	44905
<del>JB HALEX LLC</del>	<del>419-560-2031</del>	<del>1446 Lexington Ave</del>	<del>Mansfield</del>	<del>OH</del>	<del>44904</del>
Lazy Mutt L.L.C.	330-391-7237	919 N Court St	Medina	OH	44256
Motivated Fitness LLC	937-444-5230	127 N Point Dr	Mount Orab	OH	45154
JA Fitness 1 LLC	330-825-0002	3300 Greenwich Rd.	Norton	OH	44203
DCMW, LLC	419-678-7627	531 S Eastern Ave	Saint Henry	OH	45883
S S Young Fitness, LLC	419-300-9623	1280 Indiana Ave	Saint Marys	OH	45885
BRAINS & BRAUN LLC	419-342-4000	209 Mansfield Ave	Shelby	OH	44875
Fitright Training & Consulting, LLC	330-963-6527	7995 Darrow Rd	Twinsburg	OH	44087
Worthington Fitness, LLC	614-987-6714	661 North High St	Worthington	OH	43085
In Strength Enterprises, LLC	937-372-5500	1822 West Park Sq.	Xenia	OH	45385
ST International LLC	541-201-2444	310 Oak St	Ashland	OR	97520
ST International LLC	541-201-2450	2205 Ashland St	Ashland	OR	97520
B5 Butler Market, LLC	541-382-2348	2700 NE 4th St	Bend	OR	97701
B5 Fitness, LLC	541-749-2015	2753 NW Lolo Dr	Bend	OR	97703
B5 Fitness, LLC	541-749-2013	19550 Amber Meadow Dr	Bend	OR	97702
EA Management LLC	541-508-5445	1310 SE Reed Market Rd, Suite #130	Bend	OR	97702
Artino Fitness LLC	503-266-5515	1109 SW 1st Ave, Suite C	Canby	OR	97013
Ikaika Fitness LLC	971-293-3422	400 NW Eastman Pkwy	Gresham	OR	97030
DDH Sunnyside Fitness LLC	503-427-2569	14800 SE Sunnyside Road, Suite B	Happy Valley	OR	97015
DL Fitness, LLC	541-716-5393	2940 Cascade Ave	Hood River	OR	97031
ST International, LLC	541-702-0700	650 G St	Jacksonville	OR	97530
Evinger Fit LLC	541-238-5858	3810 S 6th St #110	Klamath Falls	OR	97603
DC Oswego Fitness LLC	503-968-7627	6296 SW Meadows Rd	Lake Oswego	OR	97035
D Caldwell Enterprises LLC	503-436-6684	697 SW Keck Dr	Mcminnville	OR	97128
<del>ST International, LLC</del>	<del>541-210-5888</del>	<del>930 N Phoenix Rd, #101</del>	<del>Medford</del>	<del>OR</del>	<del>97504</del>
Lifelong Fitness LLC	503-353-7627	4200 SE King Rd	Milwaukie	OR	97222

Ikaika Fitness LLC	503-656-2580	19729 S Highway 213	Oregon City	OR	97045
DSC Adventures LLC	503-645-7900	18335 NW West Union Rd	Portland	OR	97229
The Muscle Train, LLC	503-334-1887	7110 SE Milwaukie Ave	Portland	OR	97202
Lucky 13 Enterprises, LLC	503-991-5053	4555 Liberty Rd., Suite #390	Salem	OR	97302
2DM Lifestyles, LLC	503-991-5902	1124 Wallace Rd NW, Suite 140	Salem	OR	97304
RAD Fitness Scappoose, LLC	503-987-7060	33464 Havlik Dr	Scappoose	OR	97056
ST International, LLC	541-512-6077	245 W Valley View Rd	Talent	OR	97540
Fitness Acquisitions LLC	610-751-5105	426 Blue Valley Dr	Bangor	PA	18013
Pure Fitness Business Group, LLC	724-707-0225	204 Memorial Blvd	Connellsville	PA	15425
Silver Streak Fitness LLC	814-462-2455	124 W Smith St	Corry	PA	16407
Holy Gains Investment, LLC	724-553-5516	2710 Rochester Rd, Suite 100	Cranberry Township	PA	16066
Team Five-O, LLC	610-385-5555	180 Old Swede Rd	Douglassville	PA	19518
Vincent GR Dougherty	814-299-4304	22 Hoover Ave, Marketplace Center	Du Bois	PA	15801
Team Five-O, LLC	610-286-3663	600 Crossings Blvd	Elverson	PA	19520
Andrew J. Hellmann Enterprises, LLC	814-315-6191	2424 E 38th St	Erie	PA	16510
Daniel Spring	814-774-0000	20 Sunset Dr	Girard	PA	16417
Harmony Athletics LLC	724-452-9300	100 Perry Hwy, Suite 112	Harmony	PA	16037
PHMM Fitness LLC	724-744-7775	4016 Route 130	Irwin	PA	15642
WFB Inc	724-687-0456	158 Brickyard Rd, Suite 400	Mars	PA	16046
Donald Beveridge and David Limano	814-350-2499	19023 Park Avenue Plz	Meadville	PA	16335
Spesh Robinson	724-204-8411	310 Countryside Plz	Mount Pleasant	PA	15666
TOMI M FITZPATRICK LLC	814-725-2000	69 E. Main, Unit 1	North East	PA	16428
Worrall Fitness Company, LLC	484-365-2533	603 Commons Drive	Oxford	PA	19363
Fenton Fitness LLC	814-343-6448	911 N Front St	Philipsburg	PA	16866
<del>Body Revised – Etna LLC</del>	<del>412-821-7627</del>	<del>550 Butler St</del>	<del>Pittsburgh</del>	<del>PA</del>	<del>15223</del>
Body Revised - McKnight LLC	412-837-2092	4721 McKnight Rd	Pittsburgh	PA	15237
Fitness Acquisitions LLC	610-554-7096	200 S Best Ave	Walnutport	PA	18088
Worrall Fitness Company, LLC	484-746-5400	63 Jenners Village Ctr	West Grove	PA	19390
<del>B&amp;W Fitness, LLC</del>	<del>843-856-3600</del>	<del>1184 Clements Ferry Rd, Suite E</del>	<del>Charleston</del>	<del>SC</del>	<del>29492</del>
Warrior Gyms LLC	803-802-7348	3150 US-21	Fort Mill	SC	29715
Jones and Wells Inc.	605-262-7627	1601 6th Ave SE	Aberdeen	SD	57401
Casey Jones, Inc.	605-692-7627	1009 Main Ave S	Brookings	SD	57006
<del>Seenie City Fitness, Inc.</del>	<del>423-665-4120</del>	<del>8530 Hixson Pike, Suite 114</del>	<del>Hixson</del>	<del>TN</del>	<del>37343</del>
Manchester Fitness, LLC	931-450-3430	1216 Hillsboro Blvd	Manchester	TN	37355
FHG Fitness LLC	423-855-8950	1667 Ooltewah-Ringgold Rd	Ooltewah	TN	37363
Teamworks LLC	361-756-5500	2521 E Main St., Suite 103	Alice	TX	78332
Kenan Davis and Company LLC	979-319-7200	1802A N Velasco St	Angleton	TX	77515
VestInvestments LLC	682-888-1463	2800 Forestwood Dr, Suite 130	Arlington	TX	76006
Coolspace Fitness, LLC	903-670-3111	1111 E Tyler St, Suite 101B	Athens	TX	75751
ULM Enterprises, L.L.C.	325-718-4774	1918 South Bridge	Brady	TX	76825
McCue Movement Systems, LLC	979-776-7627	4282 Boonville Rd, Suite 130	Bryan	TX	77802

Franchisee Name	Phone	Address	City	State	Zip
Optimum Resolutions, Inc.	210-245-7447	113 Rodeo Way, Suite 116	Cibolo	TX	78108
Outdoor Lawn Development LLC	936-465-9050	1275 E Loop 304, Suite 100	Crockett	TX	75835
<del>Sheffield Property Management LLC</del>	<del>281-462-4935</del>	<del>6500 N FM 2100, Suite 290</del>	<del>Crosby</del>	<del>TX</del>	<del>77532</del>
JIMCYP, LLC	281-758-5654	16341 Mueschke Rd, Ste 250	Cypress	TX	77433
Alpha One Enterprises, LLC	936-681-0043	400 E Highway 90	Dayton	TX	77535
Teamworks LLC	830-663-8008	615 E Hondo Ave	Devine	TX	78016
Teamworks LLC	830-776-5103	1975 N Veterans Blvd, Suite 2B	Eagle Pass	TX	78852
V4 Enterprises, Inc.	979-543-2348	2209 West Loop	El Campo	TX	77437
Our Fitness Corp	972-357-7006	1104 Ranch Rd, Suite 111	Forney	TX	75126
TNG Fitness LLC	979-202-1061	303 A S Brazosport Blvd	Freeport	TX	77541
<del>VEMIGym LLC</del>	<del>817-243-0012</del>	<del>1030 E Highway 377, Suite 124</del>	<del>Granbury</del>	<del>TX</del>	<del>76048</del>
Cowboy Fitness, LLC	936-755-3811	130 Col Etheredge Blvd, Suite A	Huntsville	TX	77340
Fortitude Fitness, LLC	972-971-3101	2017-A South Washington Ave.	Kaufman	TX	75142
Teamworks LLC	361-595-3119	805 S 14 <sup>th</sup> St, Suite A	Kingsville	TX	78363
<del>Gardeen Fitness, LLC</del>	<del>281-360-2198</del>	<del>2510 Mills Branch Dr</del>	<del>Kingwood</del>	<del>TX</del>	<del>77345</del>
Hester Family Fitness, LLC	806-221-2676	500 West 7th St	Littlefield	TX	79339
Janke Fitness, LLC	512-398-2454	605 State Park Rd	Lockhart	TX	78644
Southwest Brands LLC	806-224-2700	9806 Indiana Ave	Lubbock	TX	79423
Janke Fitness Luling, LLC	830-351-5030	417 E Davis St	Luling	TX	78648
Moneer Enterprises, L.L.C.	281-778-7620	4607 Sienna Pkwy	Missouri City	TX	77459
<del>Gardeen Inc.</del>	<del>936-825-3000</del>	<del>1610 N La Salle St, Suite C</del>	<del>Navasota</del>	<del>TX</del>	<del>77868</del>
Outdoor Lawn Development LLC	281-996-9800	3108 Dixie Farm Rd, Suite 1112	Pearland	TX	77581
Teamworks LLC	903-226-7111	723 E Quinlan Pkwy	Quinlan	TX	75474
J&E Widrick Investments, LLC	972-576-0388	120 State Highway 342	Red Oak	TX	75154
Tech Fit, Inc.	832-862-3199	1221 FM 359 Rd	Richmond	TX	77406
Teamworks LLC	956-263-1974	1212 E US Highway 83	Rio Grande City	TX	78582
Teamworks LLC	512-430-4446	734 W Cameron Ave	Rockdale	TX	76567
JJSP, LLC	361-386-2909	2810 Highway 35 N	Rockport	TX	78382
FitTex, LLC	972-635-2544	125 W Interstate 30, Suite L	Royse City	TX	75189
Roman and Lorena Villa	210-888-8282	6511 West FM, Loop 1604 North, Suite 104	San Antonio	TX	78254
JM&C Houston Elite Enterprises, LLC	281-532-4000	2900 Nasa Pkwy, Suite 430	Seabrook	TX	77586
<del>Gardeen Inc.</del>	<del>281-689-9555</del>	<del>13841 US-59, Suite B</del>	<del>Splendora</del>	<del>TX</del>	<del>77372</del>
D&V Fitness, LLC	281-624-5423	6905 Cypresswood Dr	Spring	TX	77379
GFJJSSPR, LLC	817-382-4343	511 E Highway 199	Springtown	TX	76082
Fantastic 4 Fitness LLC	903-848-6100	400 Gilmer St	Sulphur Springs	TX	75482
Teamworks LLC	830-591-9335	330 North Getty St	Uvalde	TX	78801
Clinnard Fitness LLC	430-625-2222	107 W US Highway 80	White Oak	TX	75693
Covenant Agreement Corporation	903-873-8887	130 S 4th St, Suite 100	Wills Point	TX	75169
Williams Family Fitness, LLC	469-395-6430	560 Country Club Rd, Suite 102	Wylie	TX	75098

Franchisee Name	Phone	Address	City	State	Zip
Charlene and Willard Stead	435-867-1301	145 N Main St	Cedar City	UT	84721
Call Fitness Ventures, L.L.C.	801-737-1570	2331 N Washington Blvd	Ogden	UT	84414
Call Fitness Ventures, L.L.C.	385-238-4833	3484 W 4800 S	Roy	UT	84067
Jordan John	801-825-0191	2107 W 1700 S	Syracuse	UT	84075
PaPow Fitness, LLC	801-282-2766	7759 S 4800 W	West Jordan	UT	84084
The Friday Group of Virginia, LLC	703-299-9499	1315 King St	Alexandria	VA	22314
Parkway Group of VA, LLC	703-348-8507	1508 Belle View Blvd	Alexandria	VA	22307
AM Fit, LLC	434-381-6001	203 S Main St	Amherst	VA	24521
Pans Out, LLC	434-973-0587	386 Hillsdale Dr	Charlottesville	VA	22901
Two Girls, One Holding, LLC	434-270-8875	340 Towncenter Ln, Suite 300	Charlottesville	VA	22911
ssBoys LLC	703-463-9886	13300 Franklin Farm Rd	Herndon	VA	20171
Be Fit Associates, LLC	434-384-6600	2820 Linkhorne Road, Suite B	Lynchburg	VA	24503
Innovative Fitness Solutions, LLC	703-680-7627	6340 Hoadly Rd	Manassas	VA	20112
Mount Moriah Packaging, Inc.	804-769-7627	1142 Richmond-Tappahannock Hwy	Manquin	VA	23106
BJ Fitness LLC	804-883-0190	16609 Mountain Rd	Montpelier	VA	23192
Binda Fitness, LLC	757-659-0074	475-G Wythe Creek Rd	Poquoson	VA	23662
<del>Muffin-Top-Fitness, LLC</del>	<del>757-229-7627</del>	<del>7500 Richmond Rd, Suite D</del>	<del>Williamsburg</del>	<del>VA</del>	<del>23188</del>
East West Coast Bros L.L.C.	802-476-0460	1400 US Route 302, Suite #3	Barre	VT	05641
Burlington Fitness 247 LLC	802-881-0707	1127 North Ave	Burlington	VT	05408
Milton Fitness 247 LLC	802-891-6346	384 Route 7 S	Milton	VT	05468
Lotus Enterprises, LLC	802-888-3500	125 Munson Ave	Morrisville	VT	05661
East West Coast Bros L.L.C.	802-886-2407	363 River St, Suite 104	Springfield	VT	05156
Fitness 620, LLC	360-723-0100	2312 W Main St	Battle Ground	WA	98604
DSR Fitness LLC	360-627-8746	1600 NE Roseway Ln, Suite 120	Bremerton	WA	98311
Harman Fitness LLC	509-235-7627	2726 1st St	Cheney	WA	99004
Clarkston Fitness, LLC	509-254-5065	1620 13th St	Clarkston	WA	99403
B & A Enterprises, LLC	360-636-4321	1940 Cascade Way	Longview	WA	98632
B & A Enterprises LLC	360-425-5900	3707 Ocean Beach Hwy	Longview	WA	98632
Ashley Investment II LLC	509-299-3883	207 Hwy 902	Medical Lake	WA	99022
Ashley Investments II LLC	509-350-8747	2707 W Broadway Ave	Moses Lake	WA	98837
Healthworks Fitness 2, LLC	360-930-6110	1016 N.E. Forest Rock Lane, #115	Poulsbo	WA	98370
<del>Healthworks-Fitness, LLC</del>	<del>360-698-2628</del>	<del>3114 NW Randall Way</del>	<del>Silverdale</del>	<del>WA</del>	<del>98383</del>
Ashley Investments LLC	509-473-9477	3717 S Grand Blvd	Spokane	WA	99203
MINAPLI, LLC	509-468-2862	8801 N Indian Trail Rd	Spokane	WA	99208
<del>Fitness-52-Inc.</del>	<del>509-209-8288</del>	<del>14017 N. Newport Hwy., Suite C</del>	<del>Spokane</del>	<del>WA</del>	<del>99021</del>
Avery Fitness, LLC	509-385-0909	9331 E Montgomery Ave, Space 105	Spokane	WA	99206
J. Smith Fitness, LLC	509-893-8880	11205 E Dishman Mica Rd	Spokane Valley	WA	99206
Fitness 620, LLC	360-225-1111	1307 Lewis River Rd	Woodland	WA	98674
KPIJZ LLC	715-682-0141	1804 Lake Shore Dr E	Ashland	WI	54806
Cornerstone Fitness WI, LLC	715-688-6888	570 10th Ave	Baldwin	WI	54002

Franchisee Name	Phone	Address	City	State	Zip
EP Fitness LLC	608-413-0277	34 Glacier Edge Sq	Cross Plains	WI	53528
The Collective Place, LLC	262-723-7627	56 W. Market Street	Elkhorn	WI	53121
Ellsworth Snap Fitness	715-273-3734	185 E Main St, #5	Ellsworth	WI	54011
New Lifestyle of Hartford, LLC	262-397-8726	1532 E Sumner St	Hartford	WI	53027
JC Smith Enterprises LLC	262-367-1800	352 Cottonwood Ave, Suite C	Hartland	WI	53029
North Country Closeouts, Inc.	715-934-2988	10342 Dyno Dr, North Country Mall	Hayward	WI	54843
<del>JSK Management, LLC</del>	<del>715-377-7950</del>	<del>824 Carmichael Rd</del>	<del>Hudson</del>	<del>WI</del>	<del>54016</del>
Andre Adams Official LLC	262-683-2356	5506 75th St	Kenosha	WI	53142
JnF Fitness: La Crosse LLC	608-788-5880	2432 State Rd	La Crosse	WI	54601
MJ Fitness, LLC	608-847-7060	610 McEvoy St	Mauston	WI	53948
MA Fitness LLC	715-232-9999	1102 N Broadway St	Menomonie	WI	54751
C Blu, LLC	414-486-7627	2450 S Kinnickinnic Ave	Milwaukee	WI	53207
Second Chance Fitness L.L.C.	414-354-3481	4301 W Bradley Rd	Milwaukee	WI	53223
JC Smith Enterprises LLC	414-259-1300	7226 W North Ave	Milwaukee	WI	53213
<del>C Blu, LLC</del>	<del>414-276-7627</del>	<del>1815 N Farwell Ave</del>	<del>Milwaukee</del>	<del>WI</del>	<del>53202</del>
NZFitness LLC	608-437-7627	1855 Springdale St	Mount Horeb	WI	53572
Spaeth Fitness, LLC	715-246-9105	575 N Knowles Ave, Suite A	New Richmond	WI	54017
The Company West, LLC	715-294-4554	2388 State Road 35	Osceola	WI	54020
NZFitness LLC	608-348-5121	180 McGregor Plz	Platteville	WI	53818
Full Wattage Fitness LLC	715-262-5003	1435 North Acres Rd., Suite 600	Prescott	WI	54021
Stephens Fitness LLC	715-434-7627	225 S Main St	Rice Lake	WI	54868
River Falls Snap Fitness, Inc.	715-425-9330	1025 S Main St	River Falls	WI	54022
JSK Management, LLC	715-749-9019	147 Jennifer Rae Jct N	Roberts	WI	54023
The Company West, LLC	715-483-9765	340 E McKenney St	Saint Croix Falls	WI	54024
Paddock Lake Fitness LLC	262-586-5424	7353 256th Ave, Suite 150	Salem	WI	53168
<del>John Hrusovszky</del>	<del>715-524-4348</del>	<del>1056 E Green Bay St, Suite 500</del>	<del>Shawano</del>	<del>WI</del>	<del>54166</del>
The Company West, LLC	715-247-5657	709 Rivard Street	Somerset	WI	54025
JC Smith Enterprises LLC	262-246-9500	N69W25055 Indiangrass Ln	Sussex	WI	53089
ClubHub America, LLC	262-862-2793	12033 Antioch Rd	Trevor	WI	53179
Work It Out, LLC	304-840-0180	3554 US Route 60 E	Barboursville	WV	25504
Work It Out, LLC	304-881-0707	13 Kanawha Blvd W	Charleston	WV	25302
Work It Out, LLC	304-397-5727	3703 Teays Valley Rd	Hurricane	WV	25526
Work It Out, LLC	304-592-4011	305 E Main St	Milton	WV	25541
Work It Out, LLC	304-586-6014	3440 Winfield Rd	Winfield	WV	25213
Dmshow LLC	307-237-6878	2135 E 12th St	Casper	WY	82601

FRANCHISE AGREEMENT SIGNED BUT NOT OPEN AS OF DECEMBER 31, 20243

Franchisee Name	Location Address	City	State	Phone
<del>Quick Fitness LLC</del>	<del>TBD</del>	<del>TBD</del>	<del>AL</del>	<del>205-337-1201</del>
<del>Neutrax, LLC</del>	<del>TBD</del>	<del>TBD</del>	<del>AZ</del>	<del>520-423-0123</del>

Franchisee Name	Location Address	City	State	Phone
SWB2 LLC	Wilshire Blvd. and Lincoln Blvd. West	Los Angeles	CA	925-286-5049
Vitality Health LLC	Central Ave & Oak St	San Francisco	CA	415-302-9054
Colorado Fitness Solutions #2, LLC	Littleton	Littleton	CO	303-521-7779
MR3 Fitness, LLC	TBD	Columbus	GA	404-797-2996
MR3 Fitness, LLC	TBD	Augusta	GA	
Coastal Fitness, LLC	1153 Route 3 N	Gambrells	MD	410-729-1133
DeBiasi Fitness LLC	TBD	Jersey City	NJ	917-841-2245
DeBiasi Fitness LLC	TBD	Summit	NJ	917-841-2245
Roxy Fit LLC	TBD	Caldwell	NJ	973-476-4607
DeBiasi Fitness LLC	TBD	South Hampton	NY	917-841-2245
JB Halex LLC	1446 Lexington Ave	Mansfield	OH	
Teamworks LLC	TBD	Kyle	TX	713-894-9175
TechFit, Inc.	TBD	Katy	TX	713-894-9175
Call Fitness Ventures, L.L.C.	TBD	Farmington	UT	801-648-8770
Call Fitness Ventures, L.L.C.	TBD	South Ogden	UT	801-648-8770
Call Fitness Ventures, L.L.C.	TBD	Layton	UT	801-648-8770
Lewiston Fitness, LLC	TBD	Walla Walla	WA	208-305-3013
Lewiston Fitness, LLC	TBD	Walla Walla	WA	208-305-3013

**FRANCHISEES WHO LEFT THE SYSTEM  
DURING THE 12-MONTH PERIOD ENDING DECEMBER 31, ~~2023~~2024**

NOTE: If you buy this franchise, your contact information may be disclosed to other potential franchisees of Snap Fitness when you leave the Snap Fitness system.

**Franchisees no longer in the system due to Transfer:**

Club State	Franchisee	City	State	Phone
AZ	Apex Physical Conditioning and Fitness, LLC	Fountain Hills	AZ	480-432-6764
CA	Pony Express Fitness 24-7 LLC	Pollock Pines	CA	707-644-9464
FL	JTK Destination Fitness LLC	New Smyrna Beach	FL	386-690-8783
LA	Wellness Partners, LLC	Abbeville	LA	337-591-5437
MI	Bubba Chuck Enterprises, LLC	Dundee	MI	419-787-2737
MI	Cavalli Fitness LLC	Ionia	MI	517-348-4848
MN	Blue Skyle, LLC	Albertville	MN	763-477-8783
MN	Foley Fitness, LLC	Foley	MN	320-968-4900
MN	Fox Fitness, LLC	Burnsville	MN	952-447-6326
MN	Fox Fitness, LLC	Minneapolis	MN	651-335-8951
MN	Get Fit MN LLC	Maple Grove	MN	612-432-6436
MN	JML Group Inc.	Benson	MN	952-941-3900
MN	Koleni, Inc.	Forest Lake	MN	651-762-2895
MN	PAJR Enterprises LLC	Chaska	MN	952-210-9575



MS	Seoggins & Wiese, LLC	Grenada	MS	901-674-5205
NE	Stone Age Phun, Inc.	Lincoln	NE	402-438-5107
OR	ST International LLC	Klamath Falls	OR	707-845-1652
TX	B & C Lawrence Fitness, LLC	Kaufman	TX	972-972-3101

Club/State	Franchisee	City	State	Phone
TX	BV Fitness, LLC	Bryan	TX	281-615-5491
TX	Jackson Works, LLC	Dayton	TX	936-336-3456
TX	Wake Up & Grand LLC	White Oak	TX	903-235-6040
VT	BT Fitness Inc.	Barre	VT	205-863-5098
VA	Poquoson Fitness, LLC	Poquoson	VA	757-593-4945
WI	Ahl's Five Star Fitness, Inc.	Elkhorn	WI	262-249-2221

Club/State	Franchisee	City	State	Phone
CA	Allen C. Hall, Inc.	Palo Alto	CA	650-493-6176
DE	JEFFKO, Inc.	Newark	DE	302-453-0444
IL	David Simmons	Chatham	IL	217-691-8452
LA	K Investments Mandeville LLC	Denham Springs	LA	225-324-9331
LA	Snap Fitness Brookhaven	Greensburg	LA	225-222-0040
LA	MK Fitness LLC	Marrero	LA	504-266-5772
LA	Snap Fitness of New Roads, LLC	New Roads	LA	225-931-3383
LA	C & T Fitness	Prairieville	LA	225-620-7706
MI	George Zerka & Joseph Zerka	Grand Blanc	MI	810-516-6388
MI	R Cook Holdings, LLC	Grand Rapids	MI	616-822-2049
MI	M & Z Fitness LLC	Walker	MI	616-813-9070
MN	Bank Street Fitness LLC	Clear Lake	MN	763-286-8612
MN	CZ Lobo LLC	Duluth	MN	218-724-9575
MN	H & E Fitness LLC	Otsego	MN	619-540-1450
MN	B & B Fitness Inc.	Sauk Centre	MN	320-249-6231
OR	Lucky 13 Enterprises, LLC	South Salem	OR	503-508-0427
TX	Marc Shipton & Brad Worthington	Lubbock	TX	806-797-3320
TX	Janke Fitness, LLC	Manchaca	TX	512-282-6346
TX	Williams Family Fitness, LLC	Rowlett	TX	972-978-5459
UT	Jordan John	Syracuse	UT	801-807-8592
VA	Am Fit LLC	Amherst	VA	434-946-7867
WA	Ashley Investments II LLC	Spokane	WA	509-944-5410
WA	Fitness 620, LLC	Washougal	WA	360-335-8027
WI	NZFitness LLC	Platteville	WI	920-318-3159
WI	Full Wattage Fitness LLC	Prescott	WI	952-220-7793
WI	North Country Closeouts, Inc.	St. Croix Falls	WI	715-768-0094

Franchisees that left the system due to termination, non-renewal or ceased operations:

Club/State	Franchisee	City	State	Phone
FL	Galaxy Fitness Corp	Clewiston	FL	954-734-5888
FL	KinFit Inc	Eustero	FL	425-408-2895
GA	Georgia Health Club Partners, LLC	Statesboro	GA	912-489-5935

GA	Randolph-Michael-LLC	Hampton	GA	845-629-4584
IA	Katrina-Althaus-Inc.	Eldridge	IA	563-529-2677
IN	AJ-FITNESS-LLC	Greencastle	IN	765-719-1494
KY	Kingdom-Investments-3,-Inc.	Brandenburg	KY	270-668-2208
KY	Sun-Park	Independence	KY	513-900-0075
MA	Grafton-Hill-Fitness-LLC	Worcester	MA	508-667-3848
MI	T&K-Snap-Inc.	Clio	MI	810-287-7267
MI	T&K-Snap-Inc.	Flushing	MI	810-287-7267
MI	TAC-Acquisitions,-LLC	Charlotte	MI	989-745-4119
MI	TAC-Acquisitions,-LLC	Grand-Ledge	MI	989-745-4119
MI	Triple-Deuce-Fitness,-LLC	Swartz-Creek	MI	248-933-5010
MN	Blue-Skyle,-LLC	Saint-Michael	MN	763-477-8783
MN	Global-Fitness-Savage-LLC	Prior-Lake	MN	612-306-9053
MO	BR-Diversified,-LLC	St.-Joseph	MO	816-596-2473
MO	J.-Michael-Fitness,-LLC	Saint-Louis	MO	314-393-7112
MT	LJM-Fitness,-LLC	Laurel	MT	406-672-7532
NJ	Byberry-ServicesSolutions,-LLC	Columbus-Mansfield	NJ	609-367-2800
NM	Richard-Gross-III	Bosque-Farms	NM	505-507-7171
NY	David-Principino	Scottsville	NY	585-729-0522
NY	Vinama-First-LLC	Horseheads	NY	607-346-6482
OH	Dan-Pierson,-LLC	Cincinnati	OH	513-295-4049
OH	Techmikem-USA-LLC	Streetsboro	OH	330-775-8813
SD	Pleasure-Park,-LLC	North-Sioux-City	SD	712-253-4432
TN	J-&-J-Fitness-24/7,-LLC	Ashland-City	TN	615-714-5388
TX	Perrodin-Enterprises-LLC	Richmond	TX	337-257-3042
TX	TOPTEN-FITNESS-GROUP,-LLC	Dallas	TX	214-763-6165
TX	TOPTEN-FITNESS-GROUP,-LLC	Richardson	TX	214-763-6165
WA	Cunning-Health,-Inc	Long-Beach	WA	303-651-1108

Club State	Franchisee	City	State	Phone
MN	Minnesota Fitness Group, LLC	Plymouth	MN	763-260-0716
WI	JSK Management, LLC	Hammond	WI	715-222-2235
MN	3D Fitness LLC	Crystal	MN	612-812-2007
LA	Natale Management Group LLC	Metairie	LA	713-409-7665
LA	Snap Fitness McComb, LLC	Greensburg	LA	225-222-0040
MI	WOODWARD FIT CLUB 247 LLC	Clinton Township	MI	586-260-2781
WI	John Hrusovszky	Junction City	WI	715-570-0338
SC	B&W Fitness, LLC	Charleston	SC	843-270-4803
CA	TITANIUMFIT, LLC	San Mateo	CA	650-339-8812
TX	Gardeca Fitness, LLC	Woodlands	TX	281-466-4660
WA	Healthworks Fitness, LLC	Poulsbo	WA	360-697-4802
MI	Carter Collaboration, LLC	Stockbridge	MI	517-749-3003
GA	M.R. Fitness, LLC	Atlanta	GA	404-624-1985
MS	Ridgeland Fitness LLC	Madison	MS	601-856-6202
MO	WOF Investment Ventures, LLC	Kansas City	MO	816-350-3345
IL	Unique Health and Fitness Corp.	Macomb	IL	309-837-2567
IA	Maxxed, LLC	DeWitt	IA	563-659-1948
VA	Muffin Top Fitness, LLC	Lanexa	VA	804-966-1966
PA	Body Revised - Etna LLC	Etna	PA	704-650-4902
WI	C Blu, LLC	Lake Geneva	WI	262-325-1961
MI	C.L. Rosser, LLC	Gaylord	MI	989-390-2991
OH	Bantam Enterprises, LLC	Stow	OH	330-676-1063
NY	Vilop Fitness LLC	Painted Post	NY	607-821-2631
OR	ST International, LLC	Eureka	CA	707-845-1652
TX	VEMIGym LLC	Granbury	TX	951-231-7308
TX	Sheffield Property Management LLC	Crosby	TX	832-445-9143
OH	Head West LLC	Columbus	OH	513-335-6740
MO	Walter and Velda Cadwell	Marshall	MO	660-886-8806
TN	Scenic City Fitness, Inc.	Humbolt	TN	423-779-8887

**SNAP FITNESS CORPORATE AND AFFILIATE-OWNED CLUBS AS OF DECEMBER 31, ~~2023~~2024**

Club Name	Phone	Address	City	State
Half Moon Bay	650-726-4600	20 Stone Pine Road	Half Moon Bay	CA
Placerville	530-621-2777	1248 Broadway	Placerville	CA
Shingle Springs	530-672-2777	3975 Durock Road, Suite 104	Shingle Springs	CA
Bethel-Downtown	203-683-4131	9 Durant Ave.	Bethel	CT
Plaquemine	<del>225-687-6274</del>	<del>58630 Bellview Road</del>	Plaquemine	<del>LA</del>
Thibodaux	985-447-1685	1655 St Mary Street	Thibodaux	LA
Lowell	616-987-4000	2173 W Main St	Lowell	MI

Chanhassen	952-567-5800	2411 Galpin Court	Chanhassen	MN
Cleveland	281-761-2668	1715 E. Houston Street	Cleveland	TX
Ingleside	361-345-4543	2334 Highway 361, Suites 138-158	Ingleside	TX

***EXHIBIT E***  
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***EXHIBIT F***  
**SAMPLE FRANCHISE AGREEMENT ADDENDA**

***EXHIBIT F-1***

**SAMPLE GENERAL RELEASE AGREEMENT  
(Subject to change by Snap Fitness, Inc.)**

***EXHIBIT F-2***  
**SAMPLE ~~STANDARD~~ RENEWAL ADDENDUM**  
**(Subject to change by Snap Fitness, Inc.)**

***EXHIBIT F.3***  
**SAMPLE LEGACY FEE RENEWAL ADDENDUM**  
**(Subject to change by Snap Fitness, Inc.)**

***EXHIBIT G***  
**TRANSFER FEE MODIFICATION PROGRAM**

### Snap Fitness® Transfer Fee Modification Program

Commencing May 10, ~~2024-2025~~ through April 30, ~~2025~~2026, Snap Fitness, Inc. (“**Snap Fitness**”) is offering a Transfer Fee Modification Program. During this time, if a Snap Fitness club (“**Club**”) in the United States is transferred, ~~the transfer fee will be determined by the purchase price of the transferred Club,~~ as follows:

- For the transfer to a buyer who is an existing Snap Fitness franchisee, the transfer fee will be no more than \$5,000.
- For the transfer to a buyer who is new to the Snap Fitness system, the transfer fee will be \$10,000.
- If multiple clubs are being transferred between the same buyer and seller in a single transaction, one club will be charged the applicable transfer fee listed above, with each additional club charged a transfer fee of \$2,500 per club.

To participate, please see Terms and Conditions outlined below.

This Transfer Fee Modification Program shall be effective for transfers completed on or before April 30, 202~~6~~5. Any transfer that is processed by Snap Fitness after April 30, 202~~6~~5 shall not qualify for this program, and such transfer shall be subject to the then current transfer fee as determined solely by Snap Fitness.

To request your transfer fee reduction, submit to Snap Fitness your draft or signed Purchase Agreement, Sale of Business Agreement, or other applicable transfer document for the transfer of the Club (the “**Sale Agreement**”) Such transfer document must include the purchase price of the transferred Club. We recommend submitting transfer documents as early as possible as the amount of the transfer fee must be included in the Snap Fitness Consent to Transfer Agreement.

All transfer requirements outlined in the Franchise Agreement must be completed before Snap Fitness consents to the transfer. Snap Fitness will review the new Franchisee Application, Sale Agreement, and other transfer documents applicable to the transfer of the Club for approval prior to consenting to the transfer. As part of the Consent to Transfer and in consideration of the reduced fee, existing Franchisee will be required to sign a General Release.

Only Clubs located in the United States are eligible for this program. Snap Fitness reserves the right to make changes to this policy at any time.



***EXHIBIT H***  
**STATE EFFECTIVE DATES**

### 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	May 10, 2024
Hawaii	Not filed
Illinois	May 10, 2024
Indiana	May 10, 2024
Maryland	September 20, 2024
Michigan	May 10, 2024
Minnesota	July 10, 2024
New York	May 10, 2024
North Dakota	May 14, 2024
Rhode Island	June 20, 2024
South Dakota	May 10, 2024
Virginia	July 11, 2024
Washington	August 19, 2024
Wisconsin	May 10, 2024

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

**EXHIBIT I**  
**RECEIPT**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If Snap Fitness, Inc. 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 (or sooner if required by state law). 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 Snap Fitness, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A to this disclosure document.

Issuance Date: May 23<sup>40</sup>, 2025<sup>4</sup>, or the Effective Date reflected on the State Effective Dates Page.

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I acknowledge receiving this Franchise Disclosure Document issued May 23<sup>40</sup>, 2025<sup>4</sup> (or the date reflected on the State Effective Dates Page), including the following exhibits:

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**EXHIBIT A** – List of State Administrators and List of Agents for Service of Process; **EXHIBIT B** – Financial Statements; **EXHIBIT C-1** – Sample Standard Franchise Agreement and State-Specific Addenda; **EXHIBIT C-2** – Sample Area Development Agreement and State-Specific Addenda; **EXHIBIT D** – Franchisee List; **EXHIBIT E** – Operations Manual Table of Contents; **EXHIBIT F** – Sample Franchise Agreement Addenda; **EXHIBIT G** – Transfer Fee Modification Program; **EXHIBIT H** – State Effective Dates; **EXHIBIT I** – Receipts.

Date FDD Received: _____	Signed*: _____
	Print Name: _____
Date FDD Received: _____	Signed*: _____
	Print Name: _____
Date FDD Received: _____	Signed*: _____
	Print Name: _____
Date FDD Received: _____	Signed*: _____
	Print Name: _____

\*Signed individually and as an authorized representative of the franchisee company.

**FRANCHISE SELLER'S NAME AND CONTACT INFORMATION:**

Andi Ruth-Negrini, Joseph Mackay, Matt Gosche and Lindley Lonnee, 2411 Galpin Ct, Suite 110, Chanhassen, MN 55317, Phone: 952-474-5422. ~~Kimberly Champion Hopewell, Strategic Franchise Development, 2847 S Ingram Mill Rd, C101, Springfield, MO 65804.~~

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