Special Risks to Consider About This Franchise

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

<u>Out-of-State Dispute Resolution</u>. The franchise agreement requires that most disputes with us be submitted to arbitration and litigation in Orange County, California. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitration or litigate with us in California than in your home state.

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

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

<u>Mandatory Minimum Payments</u>. You must make minimum royalty payments and advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise agreement and loss of your investment.

<u>Financial StatementsCondition</u>. The franchisor's financial condition, as reflected in its financial statements (see Item 21, exhibit C), calls into question the franchisor's financial ability to provide services and support to you.

Turnover Rate. During the last 3 years, a high percentage of franchised outlets (more than 44%) were terminated, not renewed, re-acquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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.

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

The Franchisor is Fit Body Boot Camp, Inc. and is referred to in this disclosure document as "we," "us," or "our". The person who buys the franchise is referred to in this disclosure document as "you" or "your". If you are a corporation, limited liability company, partnership or other type of legal entity, the provisions in the franchise agreement described in this disclosure document also apply to your owners by virtue of our requirement that your owners personally guarantee and be personally bound by your obligations under the franchise agreement.

The Franchisor, Parents and Affiliates

We are the franchisor of the Fit Body Boot Camp system. Our principal business address is 5867 Pine Avenue, Chino Hills, California 91709. <u>Franchisor has never offered franchises in this or any other line</u> of business and presently has no other business activities.

Our parent is Empire Master Holdings, LLC ("EMH"), a Delaware limited liability company formed on March 25, 2019. Our parent shares our principal business address.

Affiliates

Empire TM Holdings, LLC ("ETH"), a Delaware limited liability company whose principal business address is 5867 Pine Avenue, Chino Hills, California 91709, owns the trademarks that are licensed to you under the Franchise Agreement, including "Fit Body Boot Camp". ETH does not offer franchises in any line of business. ETH never offered franchises in this or any other line of business and presently has no other business activities.

ENP Ventures, LLC ("ENP"), a Delaware limited liability company formed on January 24, 2019, whose principal business address is 5867 Pine Avenue, Chino Hills, California 91709, offers and sells supplements to Fit Body Boot Camp franchisees, and may offer and sell other products to Fit Body Boot Camp franchisees at any time in the future. ENP never offered franchises in this or any other line of business and presently has no other business activities.

Go Inspire Fitness, LLC. ("Marketing Machine"), a California limited liability company formed on November 18, 2024, whose principal business address is 5867 Pine Avenue, Chino Hills, California 91709, offers and sells Fit Body Boot Camp franchisees email broadcasting and lead nurturing software services. Franchisees are required to use the Marketing Machine email broadcasting services. Marketing Machine has never offered franchises in this or any other line of business.

Other than as disclosed above, we are not controlled by, controlling, or under common control with any other entity that provides goods or services to our franchisees or that offers franchises in any line of business.

Predecessors

We have no direct predecessor. Our affiliate, Fitness Mastermind, LLC ("FMM"), a Delaware limited liability company with a principal business address at 5867 Pine Avenue, Chino Hills, California 91709, operated a physical fitness and exercise retail business under the Fit Body Boot Camp marks between 2009 and 2011. FMM does not offer franchises in this or any other line of business and presently has no business activities.

as compared to the form of Franchise Agreement attached to this FDD as <u>Exhibit A</u>. We also have the right to require you to sign a general release as a condition to our granting you the right to enter into your second and each subsequent Franchise Agreement. A sample release is attached to our Franchise Agreement as Exhibit 3.

General Market for Franchised Products and Services

The general market for the products and services you will offer consists of (i) individuals who reside in close proximity to your Outlet who are interested in engaging in physical fitness training activities remotely, via virtual sessions—; and (ii) individuals who reside in close proximity to your Outlet. The market for fitness services and related products is fully developed, does not involve sale primarily to a certain group and is not seasonal.

Industry Specific Laws or Regulations

The franchised business is subject to local, state and federal laws, rules and regulations that apply to businesses generally, in addition to laws pertaining to the regulation of fitness centers. The fitness industry is highly regulated. It is your obligation to develop, open and operate the franchised business in compliance with all applicable laws, rules and regulations. You will need a business license and reseller's permit, and you must comply with federal, state and local laws applicable to the operation and licensing of a physical fitness and organized exercise business, including obtaining all applicable licenses, permits, inspections and approvals by any applicable municipal, county or state agencies that regulate physical fitness and organized exercise operations. If your Outlet is in a jurisdiction (such as the District of Columbia or the states of Georgia, Maryland, New York, Oklahoma, South Carolina, Texas or Utah) with laws regulating and licensing "health spas" (defined as businesses which sell memberships in facilities providing physical exercise programs), you will need to comply with these laws. State laws and regulations may require registration with the state and filing of a corporate surety bond or letter of credit and may regulate the language of your Outlet membership agreements. Your Outlet must meet applicable municipal, county, state and federal handicap access codes. You are also subject to employment laws such as the Fair Labor Standards Act and various state laws governing matters including minimum wages, overtime and working conditions. These laws, rules and regulations may change over time. We strongly suggest that you consult with an attorney, consultant and/or financial advisor regarding all laws and regulations applicable to your Outlet before you buy a franchise from us.

Competition

This market is well developed and highly competitive. There are various independent and national fitness chains in operation and developing throughout the country. All Fit Body Boot Camp franchisees will compete with fitness centers, health clubs and other retail businesses that offer services and products comparable to the Franchised Business and Fit Body Boot Camp Services and Products. The market can change based on local, regional and national economic conditions, changes in consumer tastes and increases in the number and types of personal fitness facilities.

Prior Experience of Franchisor, Predecessors and Affiliates

We have been operating since March 2011 and we began offering Fit Body Boot Camp franchises in October 2011. We have not previously offered franchises providing the type of business you will operate. Nor have we ever offered franchises in other lines of business.

The Fit Body Boot Camp concept was developed in Chino Hills, California by Bedros Keuilian, and a business partner who is no longer associated with us. Between 2009 and 2011, our affiliate FMM, formerly known (until March 2, 2011) as Fit Body Boot Camp, LLC, conducted a business equivalent to the business you will be providing. Since 2001, Bedros Keuilian has trained and coached individuals and entities in fitness techniques that are equivalent to those that are used by Fit Body Boot Camp franchisees. Some of these individuals and entities were licensed by our affiliate, FMM, to use the name "Fit Body Boot Camp" on a royalty free basis, but they were not licensed to engage in their business under a marketing plan or system prescribed in substantial part by FMM.

FMM has not previously offered franchises providing the type of business you will operate or in other lines of businesses.

ITEM 2: BUSINESS EXPERIENCE

Bryce Henson: CEO & Executive Director of Marketing

Mr. Henson was named our CEO in July 2021 and Executive Director of Marketing in April 2025. Prior to that, Mr. Henson was our Vice President from July 2018 to July 2021. Previously from 2012 to July 2018, he was Chief Executive Officer and Founder of Henson Fitness Systems, Inc. which owns and operates a Fit Body Boot Camp franchise in California. Before taking on the CEO role, Mr. Henson owned and operated a total of three Fit Body Boot Camp locations in California and one in Michigan.

Bedros Keuilian: President

Mr. Keuilian is our President and has held this position since July 2021. Mr. Kueilian previously served as our CEO from May 2012 through July 2021. Mr. Keuilian also serves as President, Chief Executive Officer and Director of ENP (since January 2019), ESI, Chino Hills, California (since 2005) and President and Manager of FMM, Chino Hills, California (since 2009).

Brittany Carter: Executive Director

Ms. Carter was named our Executive Director in February 2022. Prior to that, Ms. Carter previously served as our Director of Operations from February 2019 to January 2022. Ms. Carter previously served as our (a) Operations Manager from July 2018 to February 2019, (b) Operations Coach from December 2016 to July 2018, and (c) Business Development Manager from September 2016 to December 2016. Prior to that time, Ms. Carter was an Assistant Store Manager for Office Depot, located in Temple City, California, from April 2014 to September 2016.

Jessica Waldheim: Finance Director

Ms. Waldheim was named our Director of Finance in January 2022. Prior to that she served as our Internal Human Resources from January 2018 to January 2022.

Barrett Henson: Director of Franchise Partner Development

Mr. Henson was named our Director of Coaching and Profitability in September 2019, which changed to the Director of Franchise Partner Development in April 2025. Mr. Henson also serves as the Owner of Berkley Fit Body Boot Camp located in Berkley, Michigan since December 2014.

Blake Garcia: Director of Operations

- (6) This is an estimate of the costs associated with obtaining necessary business licenses to operate the Outlet. You are strongly encouraged to consult with an attorney or business advisor to determine the required licenses and permits, and costs associated therewith, in the area in which you are looking to open an Outlet as part of your due diligence.
- (7) You must purchase and use our designated Computer System and POS System, including the commercial billing service and its supplied computer program. This estimate includes fees related to our software reimbursement of \$400 USD per month (which currently includes Fit Body Marketing Machine standard account,——_Fit Pro Tracker, Fit Body Booking App——_all of which may be changed or modified at any time as we designate), system hardware (inclusive of the following components: either: (A) desktop computer, and an iPad Pro 10.5 / 64 GB or an iPad 9.7 / 32 GB; or (B) MacBook Pro, iPad Pro; and (C) a bar scanner) and the Fit Pro Tracker POS System.
- (8) You must purchase or lease fixtures, furniture and equipment necessary for the Outlet from our designated suppliers. Leasing these items may significantly reduce your initial investment expense by spreading out the costs over time. The estimate in the table assumes that you purchase, rather than lease, the furniture, fixtures and equipment.
- (9) This figure includes an estimate for purchasing our required initial inventory of the following items: dumbbells, kettlebells, slam balls, resistance bands, AED unit, first aid kit, battling ropes, battling rope mounts, suspension straps and suspension training rig, small cones, speakers, equipment and Plyo-boxes. Shipping costs may vary.
- (10) This figure includes an estimate for purchasing floor mats for the Outlet. Shipping costs may vary.
- (11) This represents the estimated cost for the InBody 270 Composition Analyzer you are required to purchase and use in connection with the operation of the Outlet.
- (12) This represents the estimated expenses of acquiring interior signage for the Outlet. The quantity, size, type and cost of signs will vary substantially per lease space and in accordance with stipulations of each landlord and local governmental regulation.
- (13) This represents the estimated expenses of acquiring the exterior signage for the Outlet. The quantity, size, type and cost of signs will vary substantially per lease space and in accordance with stipulations of each landlord and local governmental regulations. These figures include the estimated filing fees for obtaining the necessary sign permits. All signs containing the Fit Body Boot Camp proprietary marks must be created to our specifications and must be designed and fabricated by vendors designated or approved by us.
- (14) This represents the estimated cost of one AED device for the Outlet.
- (15) This represents an estimate of payroll expenses for two to three team members for the first three months of operating the Outlet, assuming you open the Outlet within the time period required under your Franchise Agreement. Labor costs and expenses vary significantly from area to area. You are strongly encouraged to investigate these costs and expenses in your area as part of your due diligence.
- (16) This includes estimates for your initial inventory of posters, bulletin boards and brochures.
- (17) The range of premiums anticipates an annual payment. As an independently owned and operated franchisee, you are responsible for all costs or liabilities arising from the operation of your Outlet, and it

is imperative you carry adequate insurance to protect yourself. The currently required *minimum* coverage and limits of insurance are (i) General Liability at minimum limits of \$1,000,000 per occurrence / \$3,000,000 annual aggregate, (ii) Auto Liability at minimum limits of \$1,000,000 combined single limit covering all owned, hired and non-owned vehicles, (iii) Workers' Compensation to meet the statutory coverage of the state where your Outlet is located; and (iv) employment practices liability insurance. To the extent permissible under law, these insurance requirements may be satisfied with a combination of primary, umbrella and/or excess policies. All insurance policies will name you as named insured and, except for Workers' Compensation policies, will name us and any of our subsidiaries and affiliates of these companies now existing or which may hereafter exist as additional insureds, including their employees, officers and directors on additional insured endorsement forms. All required insurance must be purchased from insurance companies of good reputation with a rating of "A VII" or better by A. M. Best Company. You must provide us with a Certificate of Insurance evidencing this coverage on an ongoing basis. The costs of premiums will vary based on location of the Outlet and any prior claim history.

- (18) You must conduct a Grand Opening Launch advertising and marketing campaign in accordance with our requirements and specifications. If you deviate from our requirements and specifications, in addition to being in default of your obligations under the Franchise Agreement. Your costs may vary depending on the area in which your franchised business is located and the extent of your marketing campaign.
- (19) Although we do not require minimum funds for you to start your business, there are some expenses you will incur when you begin operation of the Outlet, such as expenses associated with inventory, supplies and employees. It is always a good idea to have sufficient cash reserves available to cover initial operating expenses. The range in the chart estimates the additional funds you will need for your first 3 months of operation. The estimate of additional funds is based on an owner-operated franchised business. It includes payroll costs but does not include any allowance for owner's draws. We strongly encourage you to reach out to system franchisees to discuss their initial investment expenditure experiences for additional information.
- (20) General Note. This estimates your initial startup expenses. These figures are estimates, and we do not guarantee that you will not have additional expenses starting the business. If you are operating an existing fitness facility and converting it to a Fit Body Boot Camp franchised location, or if you are purchasing an existing Fit Body Boot Camp franchised location, you may incur a greater or smaller investment than the estimated disclosed in the chart, depending on the circumstances and the condition of the facility.

All fees and payments due to us or any of our affiliates are non-refundable. The terms you negotiate with outside suppliers or third parties govern the refundability of all payments due to them. We do not finance any part of the initial investment. This estimate is based on the experience of our affiliates, certain franchised outlets, and principal officers in opening and operating Outlets. We strongly encourage you to reach out to system franchisees to discuss their initial investment expenditures for additional information and to review these figures carefully with a business advisor before making any decision to purchase the franchise, as system franchisees do not always share their investment cost experiences with us.

YOUR ESTIMATED INITIAL INVESTMENT UNDER AN ADA

If you sign an Area Development Agreement you should review both the above tables of estimated initial investment expenses applicable to Franchise Agreements as well as the following table of fees.

Type of Expenditure	Amount	Method of Paymen t	When Due	To Whom Payment Is to Be Made
Development Fee ²	\$114,200 USD	Lump sum, non- refundab le	When you sign the ADA	Us
Initial Investment for the First Fit Body Boot Camp Franchised Business	\$157,250 - \$ 270,900 <u>334,200</u>	See Chart 7(A) above. The low range is equal to the low range of the total from Chart 7(A) minus the Initial Fee, and the high range is equal to the high range of the total from Chart 7(A) minus the Initial Franchise Fee. See Note 3.		
Total Initial Investment	\$271,450 \$448,400 \$448,400	investment ex each Facility development investment ra	penses for the development you are obligated schedule. The cunge for the development above tables and is	Fee, you will incur initial elopment and opening of ed to open under the current estimated initial opment of a Facility is subject to adjustment and

Note 1. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee.

Note 2. The Development Fee is described in greater detail in Item 5 of this FDD. If you are a First Responder, your Development Fee will be discounted to \$86,900 USD. The Development Fee is due and payable in full upon signing the ADA.

<u>Note 3</u>. This estimated initial investment for each Fit Body Boot Camp Franchised Business you are obligated to develop under the ADA is subject to change and is likely to increase for the development of the second and third Fit Body Boot Camp Franchised Business you are obligated to develop under the ADA, based on our then current offer at the time of sale, and costs associated with the types of expenditures listed in the first chart included in this Item 7.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

You must develop and operate the Franchised Business in strict conformance with our methods, standards and specifications which we prescribe in our Manual and various other writings, all of which we may change at our sole discretion at any time (the "Manual"). As a System franchisee, you will be required to purchase or lease certain goods and services from suppliers and vendors that we designate in connection with the establishment, construction and build-out of the Franchised Business, and also on an ongoing basis in

	Provision	Section in franchise agreemen t	Summary
			Fit Body Boot Camp franchise system, us, or any of our officers, managers, employees or agents. If your rights under the Franchise Agreement or any other agreement with us are terminated by us for material breach, we may, at our option, (i) declare you in default of all franchise agreements or other agreements you have with us, and (ii) terminate your rights under those franchise agreements or other agreements as well.
g	"Cause" defined – curable defaults	13.3	You have 30 days after notice to cure monetary defaults and other defaults (including defaults under a lease for your Outlet) that can be cured.
h	"Cause" defined – non-curable defaults	13.2	Non-curable defaults: your bankruptcy or insolvency; abandonment of the franchise; you engage in conduct that reflects materially and unfavorably upon the operation or reputation of Fit Body Boot Camp or our franchise system; you make material misrepresentations relating to your acquisition of the Franchise or you engage in conduct that reflects materially and unfavorably upon the operation and reputation of the Franchised Business or the System; you fail, for a period of 10 days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Franchise; after curing any default, you engage in the same noncompliance whether or not such noncompliance is corrected after notice; you repeatedly fail to comply with one or more material requirements of the Franchise Agreement, whether or not corrected after notice; the Franchised Business or your Outlet is seized, taken over, or foreclosed by a government official, creditor, lien holder or lessor, or that a final judgment against you remains unsatisfied for 30 days; you are convicted of a felony or any other criminal misconduct that is relevant to the operation of the Franchise; or we make a reasonable determination that your continued operation of the Franchise will result in an imminent danger to public health or safety.
i.	Franchisee's obligations on termination or non-renewal	15.1	Obligations include removal of our Marks, compliance with non-competition covenants, return of all confidential and proprietary information and erasure of all copies of confidential and proprietary information, forwarding of telephone number and payment of amounts due (also see r, below).