



Josh Piper
Partner
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January 15, 2025

VIA MINNESOTA WEB PORTAL AND FEDERAL EXPRESS

Minnesota Department of Commerce
Registration Division (Franchises)
85 7th Place East, Suite 280
St. Paul, MN 55101

Subject: B3 Franchising LLC
Franchise Post-Effective Amendment Application
Minnesota File No. 9787

Ladies/Gentlemen:

Enclosed for filing on behalf of B3 Franchising LLC is an application for post-effective amendment of its barre3® franchise registration in Minnesota. B3 Franchising LLC's application includes the following:

1. Application Facing Page;
2. Notarized Certification Page; and
3. Blacklined pages of the franchise disclosure document, marked to show all changes from the version last filed with your office.

Our check in the amount of \$100 for the amendment filing fee is being transmitted via Federal Express.

If you have questions or comments regarding this application, please contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Josh Piper'.

Josh Piper

Enclosures

4924-2201-0639.1

UNIFORM FRANCHISE REGISTRATION APPLICATION

9787

(Insert file number of immediately
preceding filing of Application)

State: Minnesota

FEE: \$ 100.00

APPLICATION FOR (Check one only):

- ☐ RE-REGISTRATION OF AN OFFER AND SALE OF FRANCHISES
- ☐ RENEWAL APPLICATION OR ANNUAL REPORT
- ☐ PRE-EFFECTIVE AMENDMENT
- ☒ POST-EFFECTIVE MATERIAL AMENDMENT

1. Full legal name of Franchisor:

B3 Franchising LLC

2. Name of the franchise offering:

barre3®

3. Franchisor's principal business address:

25 N Shaver Street
Portland, Oregon 97227

4. Name and address of Franchisor's agent in this State authorized to receive service of process:

Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101-2198

5. The states in which this application is or will be shortly on file:

California, Hawaii, Illinois, Indiana, Maryland, Minnesota, New York, Rhode Island, Virginia,
Washington and Wisconsin

6. Name, address and telephone and facsimile numbers, and email address of person to whom communications regarding this application should be directed:


Josh Piper
Miller Nash LLP
605 5th Ave S, Suite 900
Seattle, WA 98104
(206) 777-7451
(206) 340-9599 Fax
franchise@millernash.com

CERTIFICATION

I certify and swear under penalty of law that I have read and know the contents of this application, including the Franchise Disclosure Document with an issuance date of March 26, 2024, as amended January 6, 2025 attached as an exhibit, and that all material facts stated in all those documents are accurate and those documents do not contain any material omissions. I further certify that I am duly authorized to make this certification on behalf of the Franchisor and that I do so upon my personal knowledge.

Executed at Spokane, Washington on January 9th, 2025.

B3 FRANCHISING LLC



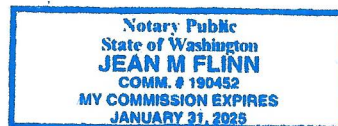
Michael Vlietstra
Chief Financial Officer

Subscribed and sworn to before me this 09th day of Jan., 2025.



Notary Public, in and for the State of Washington

My Commission expires: 01/31/2025



BLACKLINED PAGES

DISCLOSURE DOCUMENT



B3 Franchising LLC
an Oregon limited liability company
25 N Shaver Street
Portland, Oregon 97227
Telephone: (503) 542-2044
Websites: www.barre3.com
www.barre3franchise.com
www.facebook.com/barre3company
www.instagram.com/barre3
Email: harper.kalin@barre3.com

B3 Franchising LLC franchises the right to operate “barre3®” exercise service businesses providing specialized exercise classes using a ballet barre and other equipment in combination with ballet, Pilates and yoga techniques, and the sale of related services and products.

The total investment necessary to begin operation of a new barre3® studio franchised business ranges from ~~\$277,033~~279,333 to ~~\$552,524~~556,424. This includes ~~\$48,950~~51,250 to ~~\$58,100~~62,000 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to convert an existing exercise studio business into a franchised business and re-brand as a barre3® studio ranges from ~~\$71,165~~73,465 to ~~\$152,750~~156,650. This includes ~~\$27,700~~30,000 to ~~\$53,100~~57,000 that must be paid to the franchisor or its affiliate(s).

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

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 Rachel Intile at 25 N. Shaver Street, Portland, Oregon 97227, and rachel.intile@barre3.com.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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 like “*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 (“FTC”). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Circle, N.W., Washington, D.C. 20580. You can also visit the FTC’s home

page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 26, 2024, as amended January 6, 2025

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EXHIBITS:

Exhibit A	List of State Administrators and Agents for Service of Process
Exhibit B	Franchise Agreement, including the following attachments:
	A. Description of Search Area
	B. Description of Authorized Territory
	C. Guaranty and Assumption of Franchisee’s Obligations
	D. Statement of Franchisee
	E. Collateral Assignment of Telephone Numbers, Telephone Listings, Internet Addresses and Social Media Pages
	F. Nondisclosure and Noncompetition Agreement
	G. Franchisee Employee Nondisclosure, Noncompetition and No Joint Employer Acknowledgement Agreement
	H. Addendum Only for Franchisees Who Obtain SBA Financing
	I. Addenda for Transfers (Resales) and Renewals
	J. Lease Rider
	K. Addendum for Conversion and Re-Branding
Exhibit C	Financial Statements
Exhibit D	Manual Table of Contents
Exhibit E	List of Franchisees, Licensees and Former Franchisees
Exhibit F	State Specific Addenda to Franchise Disclosure Document and to Franchise Agreement
Exhibit G	Sample Release of Claims
Exhibit H	State Effective Dates
Exhibit I	Receipts



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Josh Piper

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4924-2201-0639.1

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “B3,” “us” or “we” means B3 Franchising LLC, the franchisor. “You” means the person who buys a studio franchise, and includes your owners if you are a business entity.

The Franchisor and its Parents and Affiliates

B3 is an Oregon limited liability company that was formed on April 12, 2010. B3’s principal business address is 25 N. Shaver Street, Portland, Oregon 97227 and telephone: (503) 542-2044. B3’s immediate parent company is B3 Studios LLC, an Oregon limited liability company (“B3 Studios”), and B3 Studios’ parent company is B3 Domain LLC, an Oregon limited liability company. We do business under our corporate name and no other name. We have offered franchises for barre3® exercise studios (“studios”) since August 2010.

Although we have not operated an exercise business, our parent B3 Studios has operated studios since 2008 and currently owns and operates two studios in Oregon. Additionally, our affiliate B3 PDX LLC, an Oregon limited liability company (“B3 PDX”), operates three studios in Oregon, and our affiliate B3 NYC Holdings LLC, a New York limited liability company, operates one studio in New York. We and our affiliates do not engage in any other business activities or offer franchises in any other line of business.

Our affiliate B3 Retail, LLC, an Oregon limited liability company, sells certain devices and equipment to our franchisees, including but not limited to exercise balls, mats, bands, straps and sliders used by our franchisees’ clients in classes (“props”), and certain branded and non-branded studio products and supplies, as well as other retail products. B3 Retail also sells online merchandise and accessories such as apparel, books and yoga mats, that may be similar to those you may be required to sell through your studio.

Our parent companies, B3 Studios and B3 Domain LLC, and our affiliate B3 Retail all have the same principal business address as ours: 25 N. Shaver Street, Portland, Oregon 97227. B3 Studios owns and has licensed to us, the right to license certain trademarks used in connection with our proprietary business system. B3 Studios also sells subscriptions to access barre3® workout content on the Internet, which may be similar to those classes you are required to offer through your studio. Prior to the time B3 Franchising LLC was formed, B3 Studios licensed certain trademarks owned by B3 Studios to two licensees in the United States that operate similar exercise businesses, however B3 Studios has not offered franchises in any line of business. Our agents for service of process are disclosed in Exhibit A.

The Barre Code Franchisor, LLC, an Illinois limited liability company (“Barre Code”), was the franchisor of THE BARRE CODE® franchise system. On or about August 14, 2023, we entered into a Franchise Agreement Acquisition and Transition Agreement with Barre Code pursuant to which we acquired all of Barre Code’s rights, title, and interest in most franchise agreements of THE BARRE CODE® system. These franchisees formerly operating under THE BARRE CODE® system franchise agreements (“TBC franchisees”) signed new franchise agreements with us and have re-branded as B3 franchisees their studios as barre3® franchised businesses.

Studio Barre Franchising LLC, a California limited liability company (“Studio Barre”), is the franchisor of the STUDIO BARRE franchise system. On or about January 1, 2025, we entered into a Franchise Agreement Acquisition and Transition Agreement with Studio Barre pursuant to which we

acquired all of Studio Barre's rights, title, and interest in most franchise agreements of the STUDIO BARRE system. These franchisees operating under the STUDIO BARRE system franchise agreements ("Studio Barre franchisees") will be re-branded as B3 franchisees, and will be offered the opportunity to sign our current franchise agreement in connection with re-branding their studios as barre3® franchised businesses.

The Franchise

We offer the right to develop and operate exercise studios from a fixed store location that provide specialized exercise classes using proprietary techniques that combine the use of a ballet barre with other equipment and ballet, Pilates and yoga movements and offer for sale authorized products. You must locate your studio within the territory that we designate. You must begin operations from the studio within 365 days after the effective date of your franchise agreement.

We may in certain circumstances offer an existing exercise studio business the right to convert the business to a franchise and re-brand as a barre3® studio.

Each studio operates according to our proprietary business systems and processes, the characteristics of which include: (a) requirements, standards and specifications for providing exercise classes and other services, and products for sale; (b) standards and specifications for equipment, furniture, fixtures, interior and exterior design, décor and color schemes, and the general layout of a studio; (c) sales techniques; (d) merchandising and inventory management systems; (e) branding standards and requirements, (f) promotion, marketing and advertising methodologies and requirements, as well as (g) our other unique and valuable know-how, techniques, information, methods, standards and specifications, sources, designs, trade secrets, confidential manual, confidential electronic and other communications, methods of Internet (defined below) usage, marketing programs, technology programs, supplier programs, and research and development (the "System"). We may modify our System at any time.

Our System is identified by and includes our methods of using certain trademarks, which includes trade names, services marks, trademarks, logos, emblems, trade dress, and indicia of origin, including the "barre3®" mark and any other trademarks, we may now or in the future designate in writing for use in connection with our System.

You must operate your studio according to our standard business operating practices and our System. You must sign our standard form barre3® franchise agreement. The franchise agreement grants you the right to develop and operate a single studio from within a single authorized territory. If you wish to develop more than one studio, you must enter into a separate franchise agreement for each studio you will develop. We may add, modify or delete any exercise classes, other services, or products that you must offer or sell at your studio at any time.

Market and Competition

The market for retail fitness is developed, but the use of a ballet barre may be growing as part of an exercise program. New exercise/concept growth is affected by general economic conditions, tight credit markets, restrictive business lending conditions, unemployment levels which may affect the extent of discretionary spending by consumers, and the presence of competition. There may be unforeseen changes in the economy or our industry. You will compete directly with local and national franchises and other businesses that offer exercise services and products such as health clubs, as well as ballet, yoga or Pilates studios. The exercise industry is changing and evolving.

consult with your attorney concerning these and other local laws and ordinances that may affect your center operations.

ITEM 2 BUSINESS EXPERIENCE

Co-Founder: Chris Lincoln

Mr. Lincoln has served as Co-Founder (and previously Co-Manager and Co-Managing Member) of B3 since its initial organization on April 12, 2010 in Portland, Oregon. He is also co-founder and an owner of our parent B3 Studios, in Portland, Oregon, and has served in that role since January 2008 and continues to do so.

Co-Manager: Sadie Lincoln

Mrs. Lincoln has served as Co-Manager (and previously Co-Managing Member) of B3 since its initial organization on April 12, 2010 in Portland, Oregon. She is also co-founder and an owner of our parent B3 Studios, LLC, in Portland, Oregon, and has served in that role since January 2008 and continues to do so.

Chief Operations Officer: Anna Martens

Mrs. Martens has served as B3's COO since September 2023. Previously, she served as VP of Product for B3 from August 2020 to September 2023. From June 2016 to July 2023, Mrs. Martens served as Director of Strategic Planning Projects for Amer Sports. All positions in Portland, Oregon

Vice President of Operations: Harper Kalin

Ms. Kalin has served as B3's Vice President of Operations since September 2018 in Portland, Oregon. Between January 2017 and September 2018, Ms. Kalin served as B3's Director of Instructor Training. Ms. Kalin served as an Instructor Franchise Trainer (formerly, "Instructor Master Trainer") for B3 from June 2013 to December 2016. Since March 2012 Ms. Kalin has also served as a barre3® class instructor for B3 Studios in Portland, Oregon.

Chief Financial Officer: Michael Vlietstra

Mr. Vlietstra has served as B3's Chief Financial Officer in Portland, Oregon since April 2020. From November 2015 to April 2020, he was a Principal of NextLevel in Portland, Oregon, and from November 2014 to April 2020, he was the Owner of MV Financial Consulting in Camas, Washington.

Chief Marketing Officer: Hannah Pscheid

Ms. Pscheid has served as B3's Chief Marketing Officer since March 2022. From August 2021 to November 2023, Ms. Pscheid also served as a barre3® class instructor for B3 Studios LLC. Prior to this role, she worked as VP Account Director at Rain the Growth Agency from July 2013 to September 2021. All positions in Portland, Oregon.

Director of Franchise Operations: Stephanie Rubenstein

Ms. Rubenstein has served as the Director of Franchise Operations since 2018, and prior to this role, she was the Franchise Account Manager since September 2017, both in Portland, Oregon. Ms. Rubenstein served as B3's Assistant Operations Manager of Portland studios from April 2012 to August

2017. From June 2009 to October 2018, Ms. Rubenstein also served as a barre3® class instructor for B3 Studios in Portland, Oregon.

Senior Director of ~~Instructor~~ Training: Sara Catherine Holder

Ms. Holder has served as B3's Senior Director of Training since May 2024 and is based in Chicago, Illinois. From October 2018 to May 2024 Ms. Holder served as Director of Instructor Training since October 2018 and is for B3 based in Nashville, TN Tennessee. She served as Franchise Trainer a Franchisee Training Specialist (formerly, "Franchise Master Trainer") for B3 from February 20162017 to October 2018. Since August 2013, Ms. Holder has also served as barre3 ~~class~~ Class Instructor, Mentor, Front Desk Associate, and Child Care associate in both Portland, Oregon and Nashville, Tennessee for our affiliates B3 PDX and B3 Studios in Portland, Oregon, as well as in Nashville, Tennessee for Music City Fit, LLC and in Chicago, Illinois for Equilibrium Chicago LLC.

Director ~~Manager~~ of New Studio Development: ~~Jess Zadok~~ Jordan Ware

Ms. ZadokWare has served as B3's Manager of New Studio Development since September 2024, in Portland, Oregon. From May 2022 to September 2024, Ms. Ware served as Senior Manager of Operations Services and New Shop Development for Heyday Wellness, LLC in Portland, Oregon. Ms. Ware was previously B3's Director of New Studio Development since June 2022 from November 2021 to May 2024, and Director of Corporate Studios from February 2018 to November 2021, both in Portland, Oregon. From December 2018 to May 2022, Ms. Zadok was the Owner of Jess Zadok, LLC, and operated her own Pilates and Rehabilitation training facility in Los Angeles, California, and also provided business Consulting services to boutique fitness studios across the United States. From June 2015 to December 2019, she worked for Xponential's leading brand, Club Pilates, as their Senior Operations Manager, Training and Development in Los Angeles, California. Ms. Zadok has been a certified Pilates instructor since 2010.

Franchise Sales Manager: Rachel Intile

Ms. Intile has served as our Franchise Sales Manager since October 2022 in Portland, Oregon. She worked for B3 as a Senior Customer Support Manager from June 2020 to October 2022, and as a Lead Customer Support Agent from November 2018 to June 2020, both in Portland, Oregon.

Senior Franchise Marketing Manager: Kaitlin Bitting

Ms. Bitting has served as B3's Senior Franchise Marketing Manager since January 1, 2024, and was previously Franchise Marketing Manager from March 2023 to January 1, 2024, both in Portland, Oregon. Ms. Bitting has also been an Instructor ~~and Mentor~~ since August 2019 ~~and Studio Manager since January 2020~~ for Greyfin Fitness LLC dba barre3 Cherry Hill in Cherry Hill, New Jersey, where she also serviced as Mentor from August 2019 to June 2023, and a Studio Manager from January 2020 to July 2024. From September 2018 to March 2023, she was the Owner of KB Copy LLC in Philadelphia, Pennsylvania and Haddonfield, New Jersey. ~~From December 2018 to January 2020, she was contracted with Campbell Soup Company for Brand Communications in Camden, New Jersey.~~

ITEM 3 LITIGATION

Concluded Action:

On May 27, 2010, the Securities Division of the Department of Financial Institutions of the State of Washington issued a Statement of Charges and Notice of Intent to Enter Order to Cease and Desist (Order Number S-10-122-10-SC01), against B3 Studios, LLC d/b/a/ barre3®, for violation of the provisions of the statutes relating to registration, RCW 19.100.020, and delivery of an offering circular/disclosure document, RCW 19.100.080. The Securities Division and B3 Studios, LLC entered into a Consent Order (Order Number S-10-122-10-CO01) in settlement of the Statement of Charges, in which B3 Studios, LLC agreed to cease and desist from offering or selling franchises in violation of RCW 19.100.020 and RCW 19.100.080 and reimbursed the State of Washington \$700 (*In the Matter of Determining Whether there has been a violation of the Franchise Investment Protection Act Washington by B3 Studios, LLC d/b/a barre3*).

Other than the action noted above, no litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Franchise Fee

You must pay us a lump sum of \$50,000 by wire transfer for a standard studio franchise at the time you sign the franchise agreement as an initial franchise fee.

~~The range of initial franchise fees paid during the fiscal year ended December 31, 2023 was \$0 to \$50,000. Former TBC franchisees did not pay an initial franchise fee.~~

If you or an entity you control choose to develop more than one territory, you must enter into a separate franchise agreement and pay us a separate discounted initial franchise fee for each such additional territory. In deciding control for purposes of determining whether an entity qualifies for the reduced franchise fee, we look to see whether a majority ownership of the entity are existing franchisees. The discounted initial franchise fee as of the issuance date of this disclosure document is \$41,250.

We will discount the initial franchise fee for existing studios re-branding to barre3® studios if multiple studios are converted at the same time. The discounted initial fee as of the issuance date of this disclosure document is \$25,000.

The range of initial franchise fees paid during the fiscal year ended December 31, 2024 was \$0 to \$50,000. Former TBC franchisees did not pay an initial franchise fee when signing our franchise agreement.

Branded Opening Props

You will pay for Branded Opening Props, including but not limited to exercise balls, hand-held weights, mats, mobility blocks, resistance bands, straps and sliders (“Props”). The fee for the Opening Props purchased from B3 Retail ranges from ~~\$2,700~~\$5,000 to ~~\$3,100~~\$7,000, depending on the studio capacity and size plus taxes and delivery charges. You will pay B3 Retail this Opening Prop fee after you have developed the location for your franchised studio, but before you begin operation of the franchised studio. You will also purchase additional Props from third party vendors as described in Item 7.

Grand Opening Fee

New studio franchisees must pay us a fee of \$5,000 when signing the franchise agreement for the minimum grand opening marketing obligation. We will use this \$5,000 to pay for a digital marketing and advertising campaign prior to and shortly after you open.

Studio Barre Franchisees

Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios will not pay an initial franchise fee, will be provided with a certain amount of Branded Opening Props at no charge, and will not be required to pay any amount to us for, or spend a minimum amount on, a grand opening event.

Other than the payments described above, you do not pay anything to us, or our affiliates, for products or services we or our affiliates provide to you before your studio opens. All initial fees are deemed to be fully earned and non-refundable upon payment to us.

ITEM 6 OTHER FEES

FEES FOR STUDIOS

Type Of Fee (1)	Amount	Due Date	Remarks
Royalty Fee (2)	If you commence operations before your studio opens, 6% of Gross Revenues. The greater of 6% of Gross Revenues or \$850 per month after studio opening.	Monthly on the 10th day of the month, or another period as we may determine, via electronic funds transfer.	<u>Studio Barre franchisees – see Note 14.</u>
Discounted Initial Franchise Fee	As of the issuance date of this disclosure document, the discounted initial franchise fee is \$41,250.	Upon the execution of a franchise agreement for an additional studio franchise.	Payable only if you purchase additional studio franchises.
Marketing Fund Fee (3)	2% of Gross Revenues.	Monthly on the 10th day of the month, or another period as we may determine, via electronic funds transfer.	<u>Studio Barre franchisees – see Note 14.</u>

Type Of Fee (1)	Amount	Due Date	Remarks
Special Visit Fee (6)	\$300 - \$750 per day, plus travel and living expenses. The estimated range of travel and living expenses are \$1,000 - \$3,000.	As incurred.	We provide ongoing assistance as we deem reasonable regarding the operations and marketing of your studio. Additional on-site assistance is available at your expense upon your request.
Additional, Repeat, or New Instructor Training Fee (7)	Additional, Repeat, or New Instructor Training will be at our then-current fee, which currently is \$400 per person. We provide this training virtually. You are responsible for your expenses incurred to attend training.	The new instructor training fee is due 15 days before the training program begins and will be auto-withdrawn from your account; however, we may choose to require that you pay the new instructor training fee upon registration by credit card.	Payable to B3 and third parties. <u>Studio Barre franchisees – see Note 14.</u>
Instructor Mentor Training Fee (8)	<u>Instructor Mentor Training for one person is included in the initial franchise fee.</u> The instructor mentor training fee <u>for any additional mentors</u> will be at our then-current fee, which currently is \$400 250 - \$600 per person. We provide this training virtually. You are responsible for your expenses incurred to attend training.	The optional <u>required</u> instructor mentor training fee is due 15 days before the training program begins and will be auto-withdrawn from your account; however, we may choose to require that you pay the instructor mentor training fee upon registration by credit card.	Payable to B3. Instructor mentor training for your first one instructor mentor is, whether it be you or someone you hire, is included in the initial franchise fee. You are required to ensure your instructor mentor is complying with our operational standards. Training materials for additional and repeat instructor mentor training are available in our learning management system. New Instructor Mentors are required to attend training. We may change the fees at any time. <u>Studio Barre franchisees – see Note 14.</u>

Type Of Fee (1)	Amount	Due Date	Remarks
Studio Upgrades (12)	Up to \$50,000.	As incurred.	We may require you to upgrade, update or replace fixtures, equipment, or other tangible property of the studio to comply with our standards.
Music License Fee (13)	Prorated portion of negotiated system-wide bill for music license services. Fees are currently \$655 <u>\$669</u> , but are subject to increase.	Annually.	Fees are paid to B3 which then pays the vendors.
Music License Administration Fee	Will vary based on a percentage of your monthly bill.	We do not currently charge a Music License Administration Fee, but reserve the right to do so in the future.	We negotiate and administer music licensing agreements with two of the music licensing agencies you are required to use in the operation of your studio. We may change the vendor for music licensing at any time in our discretion. We may charge a fee for this administration.
Software License Fee	Currently \$489 <u>\$487</u> per month, but subject to increase.	As incurred	You pay this fee directly to the vendor.
Cost to De-Identify the Studio	Costs and expenses associated with ceasing operations or changing the business to a dissimilar and non-competing business, and de-identifying the studio and yourself with our business system.	Upon expiration or termination of the franchise agreement.	Upon termination, expiration, non-renewal, or transfer of the franchise agreement for any reason, you must pay your own costs and expenses associated with ceasing operations and de-identifying your franchised location and yourself with the studio and our business system.
Management Fee	The then-current fee we publish in our confidential manual, which currently is \$500 per day. Additionally, you must reimburse us for reasonable and actual overhead expenses.	Payable at the same time as the royalty fee.	Payable only if we elect to manage the studio after a death, permanent incapacity that results in a change in control, or during a cure period after a default of the franchise agreement.

sales commission equal to 25% of the then-current initial franchise fee in addition to the transfer fee.

- (6) Special Visit Fee. We will provide you with continuing consultation and advice as we deem necessary and appropriate regarding the management and operation of your studio. We will provide ongoing assistance, in our discretion, by telephone, facsimile, email or intranet communication at no additional cost. If you request or we require that you obtain additional on-site assistance you must pay us a fee. The cost for onsite assistance ranges from \$300 - \$750 a day depending on your needs, plus our travel and living expenses.
- (7) Additional, Repeat, or New Instructor Training Fees. We do not charge a separate fee for the first new instructor training program for your instructor mentor and up to five (5) instructor trainees which may include you (or your designated and approved owner). You must pay our then-current fee for the new instructor training program if you wish to have additional persons attend the new instructor training program at any time during the term of the franchise agreement. You must also pay our then-current fee for the new instructor training program if we require any employee to retake the new instructor training program if (i) any such person does not complete the new instructor training program to our satisfaction or is not meeting our business system compliance requirements, (ii) we develop new content, techniques, sequencing or other fitness programs, (iii) your full time approved instructor mentor's employment ends or such person is unable to perform the duties of the role due to a physical limitation or otherwise and you hire a new employee to fulfill the instructor mentor role, or (iv) otherwise as we determine, at your expense. The fee for the new instructor training program is currently \$400. We provide this training virtually. You will be responsible for any expenses incurred, such as meals and personal expenses, while attending training.
- (8) Instructor Mentor Training. The first instructor mentor training program for one person, whether it be you or someone you hire, is required and included in your initial franchise fee. You must ensure that your instructor mentor complies with our operational standards. Instructor mentor training for additional persons will be at our then-current training fee, which currently is ~~\$400~~\$250 - \$600 per person. We provide this training virtually. You will be responsible for any expenses incurred, such as meals and personal expenses, while attending training.
- (9) Additional or Repeat Operator Training Fee. The first operator training program for one or two persons is required and is included in your initial franchise fee. Thereafter, you must pay this fee any time you have a new designated and approved owner, or operations manager to whom you delegate the day-to-day operations of the studio. We may require any person from your studio to retake the operator training program. You will also be responsible for all travel expenses for all persons attending the operator training program including airfare, lodging, meals, ground transportation and personal expenses. If you live close to our headquarters office or near a location where we may conduct a regional training course, or if we offer this program virtually, you may not incur travel and living expenses, or these expenses may be less than estimated. The fees for the operator training program may increase in the future.
- (10) Return Check Fee. We will collect all ongoing payments from you via electronic funds transfer. In the event of a returned check or insufficient funds from your electronic funds transfer account, you must pay a fee of \$100 per occurrence.
- (11) Insurance Costs. You must procure and maintain, at your own expense, insurance policies protecting you, us, our designated affiliates and these parties' shareholders, officers, directors, employees and agents against any loss, liability, personal injury, death, property damage, data security breach (cyber insurance), employment claims (EPLI), or expense resulting from the

operation of your studio and all services you provide in connection with the operation of your studio as we may require for your and our protection in amounts set forth in our confidential manual and franchise agreement (which we may adjust from time to time). You must also procure and maintain all other insurance required by state or federal law, such as worker's compensation insurance and unemployment insurance. If you fail to purchase insurance as required in our confidential manual, we have the right to purchase it on your behalf and to charge you an administrative fee of up to 18% of the cost of buying the insurance for you.

- (12) Studio Upgrades. We may at any time require you to upgrade, update or replace the studio fixtures, equipment, and other tangible property of the studio in accordance with our standards to conform to the standards for similarly situated new studios. The maximum cumulative amount that you will be required to spend upgrading, updating or replacing property at the studio during the first ten years of the first term of the franchise is \$50,000. This amount does not include any required expenditures for Computer Systems, for improvements necessary to offer any required new classes, other services, or products, for upgrades that you make voluntarily, for normal maintenance and refreshing of the studio whenever necessary, or for compliance with upgrade requirements at the time of any transfer or renewal.
- (13) Music License Fee. You must play certain music and playlists in the classes and programs offered through your studio and at all times in the lobby area of your studio, as directed or approved by us. You are required to pay a license fee for the use of this music to two different licensing agencies. We have negotiated group rates with these licensing agencies. For these agencies, you will pay us and we will administer payment to the agencies on your behalf. You may be required to enter into a license agreement directly with a third and/or fourth licensing agency and pay them directly if you play music at your studio that is licensed by such agency. We may change the vendor for music licensing at any time at our discretion. If we do so, the fees for music licensing may change. We currently do not charge a fee for the administration of the license fee payments, but reserve the right to do so in the future.
- (14) Studio Barre Franchisees. Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios (a) will pay a reduced royalty fee of 5% of Gross Revenues for first 12 months after signing the barre3® franchise agreement, and will pay the standard royalty fee thereafter; (b) will pay a reduced marketing fund fee of 1% for first 12 months after signing the barre3® franchise agreement, and will pay the standard marketing fund fee thereafter; and (c) will not pay the instructor mentor training fee or new instructor training fee for mentors and instructors who hold those positions on the date the barre3® franchise agreement becomes effective.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT
New barre3® Studios

Type of Expenditure (1)	Amount Low	Amount High	Method Of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (2)	\$41,250	\$50,000	Lump Sum	Upon signing the franchise agreement	Us
Financing Fees (3)	\$0	\$10,900	As Agreed	Before Opening	Third Parties
Insurance (4)	\$2,250	\$3,800	As Agreed	As Incurred	Insurance providers
Travel and Room and Board While Attending the Operator Training Program (5)	\$1,000	\$2,500	As Agreed	During Training	Airlines, hotels, restaurants, car rentals and other third parties
Lease, Utility and Security Deposit (6)	\$4,533	\$13,874	As Agreed	As Incurred	Lessor, utility providers and contactors
Professional Services(7)	\$1,000	\$5,600	As Agreed	As Incurred	Attorneys, bookkeeper, accounting services
Site Selection (8)	\$5,000	\$5,000	Lump Sum	Before Opening	Our approved site selection vendor
Construction Management (Architects, Designers, Construction Managers) (9)	\$38,000	\$46,500	As agreed		Our approved studio design and construction management vendor
Additional Engineers (10)	\$0	\$5,500	As agreed	Before Opening, if necessary	Third parties
Leasehold Improvements (11)	\$118,000	\$300,000	As Incurred	Before Opening	Contractors and other third parties
Equipment (13)	\$12,300	\$14,900	As Incurred	As Incurred	Suppliers
Software (14)	\$500	\$750	As Incurred	Before Opening	Suppliers
Branded Opening Props (15)	\$2,700 <u>\$5,000</u>	\$3,100 <u>\$7,000</u>	EFT Debit	As Incurred	Us or our affiliates

Type of Expenditure (1)	Amount Low	Amount High	Method Of Payment	When Due	To Whom Payment is to be Made
Additional Props and Retail Items/Apparel (16)	\$5,500	\$7,100	As Incurred	As Incurred	Third parties
Pre-Opening and Grand Opening Advertising (17)	\$15,000	\$20,000	Lump Sum	\$5,000 to us at the same time as the Initial Franchise Fee. The remaining amount (at least \$10,000) to third party vendors.	Us and third parties and Suppliers
Optional Pre-Opening Services (18)	\$0	\$5,000	As Incurred	If you elect to begin offering classes after satisfactory completion of New Instructor Training.	Third parties.
Additional funds for the initial period (the first 3 months of your studio operations) (19)	\$30,000	\$58,000	As Incurred	Employee wages, rent, utilities, as incurred	Employees, Suppliers and Utilities
TOTAL (21)	<u>\$277,033</u> <u>27,933</u>	<u>\$552,524</u> <u>55,642</u>			

Re-Branded Studios

Type of Expenditure (1)	Amount Low	Amount High	Method Of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (2)	\$25,000	\$50,000	Lump Sum	Upon signing the franchise agreement	Us
Insurance (4)	\$2,250	\$3,800	As Agreed	As Incurred	Insurance providers
Travel and Room and Board While Attending the Operator Training Program (5)	\$0	\$2,500	As Agreed	During Training	Airlines, hotels, restaurants, car rentals and other third parties

Type of Expenditure (1)	Amount Low	Amount High	Method Of Payment	When Due	To Whom Payment is to be Made
Professional Services(7)	\$1,000	\$5,600	As Agreed	As Incurred	Attorneys, bookkeeper, accounting services
Re-Branding Alterations (12)	\$7,715	\$25,000	As Incurred	As Incurred	Suppliers
Software (14)	\$500	\$750	As Incurred	As Incurred	Suppliers
Branded Opening Props (15)	\$2,700 <u>\$5,000</u>	\$3,100 <u>\$7,000</u>	EFT Debit	As Incurred	Us or our affiliates
Additional Props and Retail Items/Apparel (16)	\$2,000	\$4,000	As Incurred	As Incurred	Third parties
Additional funds for the initial period (the first 3 months of your studio operations) (19)	\$30,000	\$58,000	As Incurred	Employee wages, rent, utilities, as incurred	Employees, Suppliers and Utilities
TOTAL (20) (21)	\$71,165 <u>\$73,465</u>	\$152,750 <u>\$156,650</u>			

Notes:

- (1) Expenditures. The amounts provided in this Item 7 include costs you will incur to start your business. These estimates are based on our experience franchising studio businesses. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. The low and high ranges in the table are based on an average size studio premises, and do not include optional upgrades to equipment or facility design. The estimates provided in this Item 7 assume that you will rent your franchised location from a third party landlord. It does not include costs associated with the acquisition of real estate if you decide to operate from a building you purchase. The costs for rent, fixtures and improvements will vary based on the square footage, location, economic climate, market conditions, prevailing interest rates and other financing costs, the conditions of the property and other physical characteristics of your franchised location.
- (2) Initial Franchise Fee. The initial franchise fee for your first studio is \$50,000. We will discount our then-current initial franchise fee for any additional studios you purchase after your initial studio franchise. The discounted initial franchise fee is currently \$41,250. We will discount the initial franchise fee for existing studios re-branding to barre3® studios if multiple studios are converted at the same time. The discounted initial fee as of the issuance date of this disclosure document is \$25,000. The initial franchise fee is due when you sign the related franchise agreement and is nonrefundable once paid. Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios will not pay an initial franchise fee.

- (9) Construction Management (Architects, Designers, Construction Managers). This estimate includes the cost for our construction management service provider which you are required to engage at the time you are presented with a letter of intent or lease for your studio space. Our vendor provides architectural, design, basic engineering and construction management services for the development of your franchised location including plans, drawings, design specifications, permits and zoning approvals, as well as oversight of your general contractor during the construction phase.
- (10) Additional Engineering. This estimate includes the cost for structural, acoustical and other specialized engineering services that are outside of the scope of those included in the services provided by our construction management service provider. These services may or may not be needed depending on the location and characteristics of your franchised location.
- (11) Leasehold Improvements. You will need to alter the interior space to meet our then-current specifications, before you open your studio. This figure includes estimates related to demolition, concrete repair, insulation, doors and hardware, partition walls, acoustical ceilings, flooring, painting, installation of fixtures, cabinets, plumbing, HVAC, electrical, fire alarm, security system, decorating, signage and similar costs for a facility up to 2,000 sq. ft.. The cost to alter your interior space will vary depending on the size of your studio and whether you elect to do a simplified or premium build out. We may designate mandatory contractors or suppliers for any build out service or product at any time. Some landlords will pay some or all of your tenant improvements as part of your lease negotiations. We recommend that you lease existing space, and do not recommend that you buy or build your premises, and this estimate does not include construction of the premises from the ground up. The estimated cost range for these leasehold improvements is \$180,960 to \$395,000. These figures do not include any amounts to purchase a barre3 business as a going concern.
- (12) Re-Branding Alterations. When you re-brand as a B3 studio, you will need to alter the interior and exterior of your space to meet our then-current specifications. This figure includes estimates related to decorating, signage, and similar costs.
- (13) Equipment. This figure includes all the equipment necessary to begin operations of the studio as specified in our confidential manual like the cost of all office equipment, Computer Systems, related supplies, a sound system, furniture and fixtures. You are required to purchase a telephone system, copier/printer/fax/scan machine, Computer Systems, headsets, amplifier, mixer, speakers and wireless microphone system, as specified in our confidential manual. The amount of required equipment will depend on the size of the studio and anticipated sales volume. We may change the selection of equipment and supplies you must provide at any time.
- (14) Software. We have the right to specify one or more approved Computer Systems vendors, including software vendors, for the management operations of your studio. You must also obtain high-speed access to the internet. You must provide us with electronic access to all information in the software systems in real time.
- (15) Branded Opening Props. Branded Opening Props are purchased from B3 Retail and include exercise balls, hand-held weights, mats, mobility blocks, resistance bands, straps and sliders. We have the right to change the selection of props at any time. The fee range depends on the studio capacity and size plus taxes and delivery charges. You will pay for Branded Opening Props after you have developed the location for your franchised studio, but before you begin operation of the studio.

- (16) Additional Props and Retail Items/Apparel. You must purchase additional Props and opening retail inventory from our approved suppliers. This will include Props for use in classes taught at your studio, as well as B3-branded and non-branded inventory products such as fitness apparel, accessories, towels, books, mats, and other products for sale at your studio. We have the right to change the selection of opening inventory at any time.
- (17) Grand Opening Advertising. You must spend a minimum of \$15,000 on your grand opening. You must pay \$5,000 of this amount to us when you sign your franchise agreement. We will use this \$5,000 to pay for promotion of your studio, which may include digital advertising such as a social media ad campaign prior to and shortly after you open. The balance of \$10,000 will be paid to third party vendors directly, and you must provide receipted documentation to us for these expenditures. Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios will not be required to pay any amount to us for, or spend a minimum amount on, a grand opening event.
- (18) Optional Pre-Opening Services. You may elect to begin operations by offering barre3® classes outdoors or in third party spaces after you become a certified barre3® instructor and before your studio opens. If you choose to do this, you must pay for access to studio management software, a music licensing fee and a royalty fee of 6% of Gross Revenues. You may also incur operational expenses such as instructor payroll and space rental fees. The amount disclosed in the above chart assumes that you may begin operations three months before your studio opens. If you begin operations before or after this time, you may incur additional or lesser pre-opening operation fees.
- (19) Additional Funds. Additional funds include additional operating expenses after the date you first begin operations during the first 3 months of operations. This amount includes estimated operating expenses during this time, including payroll costs (but not a draw or salary for the managing owner or for other owners of the franchisee), less any revenue generated by your studio. We recommend you have at least an additional 3 months of additional funds. Your costs depend on many unpredictable factors, including how well you follow our methods and procedures; your management skills, experience and business acumen; local economic conditions; the local market; the prevailing wage rate; and competition. You should develop your own business plan with your own business advisors.
- (20) Total Estimated Initial Investment. The above chart does not include any sales, use, or similar taxes that may be assessed by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed. All figures in Item 7 are estimates only and are based on our affiliate's experiences and our experience opening and franchising studios. We cannot guarantee that you will not have additional expenses or other categories of expenses to start the studio.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must establish and operate your studio in compliance with your franchise agreement and the System, standards and specifications contained in any B3 confidential manual provided to you by us during the term of your franchise agreement. Our confidential manual may consist of one or more manuals, and includes technical bulletins, other written materials or directives communicated by us. We expect that changes to technology, laws and markets will result in changes that we will make to our standards and specifications, and to our System. We may change any standard or specification within

vendors, including software vendors. You must also use our supplier of payment-processing equipment and services for the processing of all payments, including without limitation credit cards and checks.

We operate and maintain a website for B3, B3 merchandise and the B3 franchise system. You may not develop or operate a website or other Internet site, including any social media account, related to your studio or use B3's marks on the Internet without our prior written approval. The content and layout of any Internet site, including any webpage, membership page or social media account must comply with B3's specifications. In some instances we may create social media accounts for your use. We own these accounts and give you administrative rights to operate them in compliance with our requirements.

We have access to and own all of the data stored in these Computer Systems. You must update and maintain these Computer Systems as we specify, without limitation.

Music

You must play certain music and playlists in the classes and programs offered through your studio and at all times in the lobby area of your studio, as directed or approved by us. Music is licensed by third party music licensing agencies. You are required to pay a license fee for the use of this music. We have negotiated group rates with two of these licensing agencies. For these two agencies, you will pay us the music-licensing fee and we will administer payment to the agencies on your behalf. Use of music in social media or on demand is not covered by these licenses and any such use is at your option and fees and costs for such use are your separate responsibility. We may change music licensors at any time. You must enter into a license agreement directly with other music licensing agencies if necessary, and pay them directly. We currently do not charge a fee for the administration of the license fee payments, but reserve the right to do so in the future. You may also be required to purchase a subscription for a music streaming software service that manages music and playlists. You are required to furnish your studio with a laptop or workstation to manage and play your music playlist.

Insurance

You must obtain the insurance coverage required by the franchise agreement and our confidential manual from a carrier with a rating of at least A-. The required coverage currently includes comprehensive General Liability, in the minimum amounts of \$2,000,000 per occurrence and \$3,000,000 in the aggregate premises liability including coverage required by the terms of any lease or lender, bodily injury, professional liability, products and completed operations, personal and advertising liability, sexual misconduct/abuse liability (if the studio has a play lounge with limits of \$100,000 per occurrence minimum) and such other limits and coverage as B3 may periodically require; Cyber Liability in the minimum amount of \$1,000,000 per occurrence, including data breach, privacy breach, and cybercrime; Property Insurance including full replacement cost for Tenant Improvements, Business Personal Property, and Business Income/Extra Expense to cover operations of a 12 month period; Automobile including Hired/Non-Owned Automobile Liability; Unemployment and Workers Compensation, with limits as required by law; Employment Practices Liability Insurance (EPLI) including unfair labor practices, joint employer, sexual harassment. The required coverage is subject to change. Your insurance policy must name us, and our affiliate, agents, members, officers, directors, shareholders, and all other parties as additional insureds and contain waivers of subrogation naming B3 as the first payee of any claim.

Childcare

You may offer childcare services as an incidental service provided by your studio. Our confidential manual will provide standards for build out, design and operational procedures for a childcare room at your studio. If you offer childcare services, you will need to obtain additional permits, licenses and follow other specifications as required by your state and local jurisdictions. If you provide

Subject	Hours Of Classroom/Practical Training	Hours of Home Study	Location
Business operations strategy, accounting leadership, recruiting, marketing, retail, sales and studio environment	16	0	Portland, Oregon, or virtually at our discretion
Home Study and Implementation: business operations strategy, accounting, recruiting, marketing, retail, sales and studio environment	0	50	Your home or another location chosen by you
SALES AND OPERATIONS PRACTICAL TRAINING:			
Pre-Training Homework	0	10	Your home or another location chosen by you
Studio Sales Shadowing: practical sales work, role playing	22	0	Portland, Oregon, another location selected by us, or virtually at our discretion
Home Study: Software set up training	0	5	Your home or another location chosen by you
Total	40	90	

Instructional materials provided include our confidential manual, Google deck presentations, videos and handouts. The operator training program will be conducted by training personnel under the direction of ~~Jess Zadok~~Jordan Ware, our ~~Director~~Manager of New Studio Development. ~~Ms. Zadok, who~~ has over ~~136~~ years of experience in the field related to training, including her experience with B3 since ~~June 2022~~February 2018. Other instructors involved in the training have all had experience in at least 1 particular aspect of studio operations, and have received at least 12 hours of in-person instructor training and 8 hours of self-guided instructor training through our HUB training modules. We may change or substitute training personnel as necessary, and we may delegate our duties and share our responsibilities with regard to training.

Failure to successfully complete the operator training to our satisfaction or begin operations within 365 days after the effective date of your franchise agreement may, at our option, result in the requirement for any person who fails the operator training program to retake it at your expense, or if your designated and approved owner fails, the termination of your franchise agreement. The fee to retake the operator training program or if you cause another person to take the program at any time during the term after you begin operations is \$4,000 plus travel and personal expenses, unless the program is offered virtually. We may change the operator training fee at any time in the future.

2. We require that your studio have an “instructor mentor.” ~~We~~and we will provide our instructor mentor training program to your ~~first~~ instructor mentor. (Section 6.2(f) and 7.1(e), franchise agreement). An instructor mentor is a person designated by you (or your designated and approved owner) and approved by us who is responsible for instructor recruitment, auditions, training before and after the

new instructor training program, and quality control of class instruction at your studio. If you (or your designated and approved owner) are approved by us, you may serve as the instructor mentor; if not approved, you must select another person to fill this role. Your first instructor mentor and all subsequent instructor mentors must be approved by us and must complete to our satisfaction both ~~the instructor mentor training and~~ new instructor training ~~and the instructor mentor training~~. ~~Subsequent instructor mentors must be approved by us and complete the new instructor training to our satisfaction and a self-guided training program on our learning management system. If you and we agree, we may provide the~~ The instructor mentor training program to fee for your first instructor mentor is included in the initial franchise fee. You will pay us our then current fee for any subsequent instructor mentors of your studio for a fee to attend instructor mentor training.

The instructor mentor training program lasts approximately 20 hours. The instructor mentor training program includes instruction and training on instructor recruitment, auditions, training before and after our new instructor training program, and quality control of class instruction at your studio through manuals, classroom training, practical training and videos. ~~The first training hours consist of 6-8 hours is a of self-guided elearning curriculum consisting of learning modules hosted on our internal learning management system and focuses on is focused on our barre3 training approach, instructor recruitment, auditions, and training onboarding of new instructors, and maintaining class quality and instructor development. The next approximate 126-12 hours consists of classroom training including lecture and practical work that focuses on mentoring barre3® certified instructors and barre3® philosophies and teaching techniques practical application of skills leading to a video submission and cumulative test that, when passed, result in becoming a certified instructor mentor.~~ We offer the instructor mentor training program periodically at our discretion at our facility in Portland, Oregon, elsewhere in at a location we designate, or virtually at our discretion.

INSTRUCTOR MENTOR TRAINING PROGRAM

Subject	Hours Of Classroom Training	Hours of Home Study	Location
Pre Training: barre3 Training Approaches, Recruitment and, Auditions, New Instructor Training, Continued Instructor Support and Development	0	6 - 8	Your home, other location or your franchised location
Lecture and Practical on Technique and Teaching Methods Skills Assessment on Class Quality and Certification Requirements	120	012	At a barre3 studio selected by us, or virtually at our discretion
Total	120	618 - 820	

Instructional materials provided include our confidential manual, power point presentations, videos and handouts. The instructor mentor training will be conducted by training personnel under the direction of ~~the~~ Sara Catherine Holder, our Senior Director of Instructor Training. ~~Ms. Holder, who~~ has over 4 years' experience training barre3® instructors and owners. Training personnel have 2+ years of

experience training instructors and have completed a rigorous franchise trainer training program including advanced anatomy, vocal training, breath, coaching and musicality.

3. We will provide our new instructor training program to your first instructor mentor and an additional five (5) of your other qualified employees, which may include you (or your designated and approved owner). (Sections 6.2(g) and 7.1(e), franchise agreement). Each employee who you intend to teach classes must satisfactorily complete our instructor audition process before participating in new instructor training. Before you open your studio, each employee that will provide instruction of any classes must also successfully complete our new instructor training program and obtain our instructor certification. Whomever is approved by us to serve in the instructor mentor role at your studio must complete the new instructor training and obtain a barre3® teacher certification at least 4 months before the opening of your studio. If you (or your designated and approved owner) will not also serve as the instructor mentor at your studio, but will teach classes at your studio, you must complete the new instructor training and become certified at least 4 months before the opening of your studio. Your additional employees must complete the new instructor training and become certified within one month before the opening of your studio. There is no fee for the first new instructor training program for you (or your designated and approved owner) and/or instructor mentor and employees for a total of six (6) trainees. You are responsible for all travel expenses, meals, ground transportation and other personal expenses incurred by you and your employees attending any training program.

The new instructor training program lasts 67 - 78 hours, and includes instruction and training on how to teach barre3 classes, including musicality, form and movement, performance skills and client connection through manuals, classroom training, practical training, videos, personal practice, practice classes and workshops. The first 25 hours of training consists of learning and practicing the ~~quarterly~~ training class. The next 12 - 23 hours of training consists of lecture and practical work on technique and teaching methods. The following 30 hours of training involves the teaching of practice classes. We offer the new instructor training program approximately every month at our facility in Portland, Oregon, or elsewhere in a location we designate, or virtually at our discretion.

NEW INSTRUCTOR TRAINING PROGRAM

Subject	Hours Of Classroom Training	Hours of Home Study	Location
Pre-Training: Quarterly Training Class Study and Practice and Workshops with <u>Instructor Mentor</u>	0	25	Your home, other location or your franchised location
32 Day In-Person Intensive Training: Lecture and Practical on Technique and Teaching Methods	12 - 23	0	At a barre3 studio selected by us, or virtually at our discretion
Post Training: Practice Classes and Workshops	0	30	A practice appropriate location of your choosing
Total	12 - 23	55	

Instructional materials provided include our confidential manual, presentations, videos and handouts. The new instructor training program will be conducted by training personnel under the direction of ~~the~~ Sara Catherine Holder, our Senior Director of Instructor Training. ~~Ms. Holder, who~~ has

over 4 years' experience training barre3® instructors and owners. Training personnel have 2+ years of experience training instructors and have completed a rigorous franchise trainer training program including advanced anatomy, vocal training, breath, coaching and musicality.

4. Failure of whomever is approved by us to serve in the instructor mentor role at your studio, which may be you, your designated and approved owner, or approved instructor mentor, to complete the new instructor training and obtain a barre3 teacher certification at least 4 months before the opening of your studio may, at our option, result in: the requirement for such person or a new approved instructor mentor to retake the new instructor training program at your expense, or the termination of your franchise agreement. In addition, failure of an additional four of your employees to complete the new instructor training and obtain a barre3® teacher certification within one month before the opening of your studio may, at our option, result in: the requirement for such person(s) (or substitute person(s) who pass our audition) to retake the new instructor training program at your expense, or may result in a default of your franchise agreement and delayed opening date of your studio. The fee to retake the new instructor training program or to have another instructor attend training is \$400 per person plus travel and personal expenses. We may change this fee at any time in the future.

5. We also offer optional barre3® management training programs to educate and empower the barre3® franchise owner, studio manager, and operations manager (if applicable). Course work includes communication management for clients and staff, sales strategies, retail management, social media, marketing, and more. This management training program is an optional service provided by us, except in the case of mandatory attendance as part of the renewal process, and you may be invited by us at times and for reasons that we determine and may be discontinued at any time. We may stop offering these optional trainings at any time.

6. Throughout the term of the franchise agreement, you are responsible, at your expense, for making sure that your employees are properly trained to our standards and requirements. If at any time during the term of the franchise agreement you hire a new approved operations manager, you must cause each such new manager to complete our operator training program to our satisfaction. If at any time during the term of the franchise agreement you recruit a new instructor mentor, you must cause each such new instructor mentor to ~~complete the self-guided new instructor mentor training modules available on our learning management system or to attend the~~ attend the required instructor mentor training program to our satisfaction. If at any time during the term of the franchise agreement you recruit a new instructor, you must cause each such new instructor to complete the new instructor training program to our satisfaction. No employee may teach any classes until completing the new instructor training program to our satisfaction. All training attendees must sign a confidentiality and nondisclosure agreement prior to attending any program. (Section 7.15 and 13.1(b), franchise agreement).

7. We may require that you (or your designated and approved owner), any of your instructors, instructor mentor and your approved operations manager attend additional training or retake a training program if we develop new techniques or if such person(s) does not meet our standards or requirements. Additional instructor training may include new techniques, sequencing or other fitness programs. Additional training and retraining will be provided at our facility in Portland, Oregon, another location designated by us, virtually through online video or conferencing, or other home study materials. The fees for additional instructor training are \$400 per person plus travel and personal expenses. The fees for additional instructor mentor training, ~~not including the self-guided modules available on our learning management system, is~~ are \$400250 - \$600 per person plus travel and personal expenses. The fees for an additional person to take or retake the operator training program is \$4,000 plus travel and personal expenses. We may change these fees in the future. (Definitions and Section 6.2(e),(f),(g) and 7.4(a), franchise agreement).

Provision		Section	Summary
t.	Integration/ merger clause	§ 20.4	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement, may not be enforceable.
u.	Dispute resolution by arbitration or mediation	§ 19	Subject to state law, all disputes must be mediated and if necessary, arbitrated in the State of Oregon, except that we may seek injunctive relief to enforce the misuse of our trademarks, restrictive covenants, or claims of past due amounts.
v.	Choice of forum	§ 19.3, 19.4, 19.5	All disputes must be brought in the State of Oregon, subject to state law.
w.	Choice of law	§ 19.13	Oregon law shall apply to all disputes, subject to state law.
x.	<u>Conversion Addendum</u>	<u>Attachment K to Franchise Agreement</u>	<u>Studio Barre franchisees that sign our franchise agreement in connection with re-branding their studios as barre3® studios must sign a form of our conversion addendum, which will include the specific terms offered to Studio Barre franchisees described in this disclosure document, as well a mutual release of claims related to the Studio Barre franchise agreement.</u>

ITEM 18 PUBLIC FIGURES

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

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.

Overview

Provided in this Item 19, is Gross Revenue (defined below) data from franchisee-owned outlets and company-owned outlets operating in the U.S. from February 1, 2023 to January 31, 2024 (the “Reporting Period”). The data used for the calculations presented in this Item 19 was collected from the point of sale software system we require franchisees to use and use ourselves. The figures reported to our point of sale system by franchisees have not been audited.

There were 128 franchisee-owned outlets open in the U.S. during some or all of the Reporting Period. Charts 1(a), 1(c), and 2 include data on the 118 franchisee-owned outlets that were open all 12 months of the Reporting Period, and excludes 10 franchisee-owned outlets that operated their studios for less than

We will provide written substantiation for these financial performance representations to you upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Harper Kalin, Vice President of Operations, B3 Franchising LLC, 25 N. Shaver Street, Portland, Oregon 97227, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For Years ~~2021~~2022 to ~~2023~~2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets- US	2021	132	132	0
<u>Franchised Outlets</u> <u>US</u>	2022	132	126	-6
	2023	126	126	0
Franchised- International- (including Puerto Rico)	2021 2024	8 126	9 151	+1 +25
<u>Franchised</u> <u>International</u> (including Puerto Rico)	2022	9	8	-1
	2023	8	5	-3
Company— Owned¹	2021 2024	6 5	6 5	0
<u>Company –</u> <u>Owned¹</u>	2022	6	6	0
	2023	6	6	0
<u>Total Outlets</u>	2021 2024	14 66	14 76	+1 0
<u>Total Outlets</u>	2022	147	140	-7
	2023	140	137	-3
	<u>2024</u>	<u>137</u>	<u>162</u>	<u>+25</u>

¹Outlets owned by our affiliates, B3 Studios, B3 PDX, LLC, and B3 NYC Holdings LLC.

Table No. 2
Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor or an Affiliate)
For Years ~~2021~~2022 to ~~2023~~2024

State	Year	Number of Transfers
<u>Arizona</u>	<u>2022</u>	<u>3</u>
	<u>2023</u>	<u>0</u>
Arizona	2021 <u>2024</u>	1
<u>California</u>	2022	<u>30</u>
	2023	0
California	2021 <u>2024</u>	<u>43</u>
<u>Colorado</u>	2022	<u>01</u>
	2023	0
Colorado	2021 <u>2024</u>	1
<u>Georgia</u>	2022	<u>40</u>
	2023	<u>01</u>
Georgia	2021 <u>2024</u>	<u>01</u>
<u>Illinois</u>	2022	0
	2023	<u>40</u>
Kentucky	2021 <u>2024</u>	1
<u>Missouri</u>	2022	0
	2023	0
Louisiana	2021 <u>2024</u>	<u>31</u>
<u>New Jersey</u>	2022	0
	2023	0
Nevada	2021 <u>2024</u>	1
<u>New Mexico</u>	2022	0
	2023	0
North Carolina	2021 <u>2024</u>	<u>01</u>
<u>North Carolina</u>	2022	0
	2023	1
	<u>2024</u>	<u>1</u>
<u>Ohio</u>	<u>2022</u>	<u>0</u>
Pennsylvania	2021 <u>2023</u>	0

State	Year	Number of Transfers
	<u>2024</u>	<u>3</u>
<u>Pennsylvania</u>	2022	1
	2023	2
South Carolina	2021 <u>2024</u>	0 <u>1</u>
<u>South Carolina</u>	2022	1
	2023	0
South Dakota	2021	1
	2022 <u>2024</u>	0
	2023	0
Tennessee	2021	0
<u>Tennessee</u>	2022	0
	2023	1
Texas	2021 <u>2024</u>	2
<u>Texas</u>	2022	0
	2023	2
Washington	2021 <u>2024</u>	1 <u>2</u>
<u>Washington</u>	2022	1
	2023	0
Total	2021 <u>2024</u>	1 <u>20</u>
<u>Total</u>	2022	7
	2023	7
	<u>2024</u>	<u>19</u>

Table No. 3
Status of Franchised Outlets
For Years ~~2021~~2022 to ~~2023~~2024

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
Alabama	2021	1	1	0	0	0	0	2
<u>Alabama</u>	2022	2	0	0	0	0	0	2
	2023	2	2 ¹	0	0	0	0	4

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
Arizona	2021-2024	64	0	0	0	0	40	54
Arizona	2022	5	1	0	0	0	0	6
	2023	6	0	0	0	0	1 ²	5
Arkansas	2021-2024	45	0 ²	0	0	0	0	47
Arkansas	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
California	2021-2024	91	20	0	0	0	0	441
California	2022	11	0	0	0	0	2	9
	2023	9	0	0	0	0	1	8
Colorado	2021-2024	68	01	0	0	0	1	58
Colorado	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Connecticut	2021-2024	45	0	0	0	0	0	45
Connecticut	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
District of Columbia	2021-2024	51	0	0	0	0	0	51
District of Columbia	2022	5	0	0	1	0	1	3
	2023	3	0	0	1	0	0	2
Florida	2021-2024	42	40	0	0	0	0	52
Florida	2022	5	0	0	0	0	1	4
	2023	4	0	0	0	0	0	4
Georgia	2021-2024	34	0	0	01	0	0	3
Georgia	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3

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
Idaho	2021 <u>2024</u>	43	0	0	0	0	0	43
<u>Idaho</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Illinois	2021 <u>2024</u>	31	0 <u>1</u>	0	0	0	0	32
<u>Illinois</u>	2022	3	0	0	0	0	0	3
	2023	3	1 ¹	0	0	0	0	4
	<u>2024</u>	<u>4</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
Iowa <u>Indiana</u>	2021 <u>2022</u>	40	0	0	0	0	0	40
	<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>2</u> ¹	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Iowa</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Kentucky	2021 <u>2024</u>	31	0	0	0	0	0	31
<u>Kentucky</u>	2022	3	0	0	0	0	1	2
	2023	2	0	0	0	0	0	2
Louisiana	2021 <u>2024</u>	42	0 <u>1</u> ¹	0	0	0	0	43
<u>Louisiana</u>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Maryland	2021 <u>2024</u>	44	0 <u>2</u> ^{1,4}	0	0	0	0	46
<u>Maryland</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Massachusetts	2021 <u>2024</u>	61	0	0	0	0	40	51
<u>Massachusetts</u>	2022	5	0	0	1	0	0	4
	<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>1</u>	<u>0</u>	<u>0</u>	<u>3</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
<u>Michigan</u>	2023 <u>2022</u>	<u>40</u>	0	0	0	0	0	<u>40</u>
<u>Minnesota</u>	2021 <u>2023</u>	<u>40</u>	0	0	0	0	0	<u>40</u>
	<u>2024</u>	<u>0</u>	<u>7</u> ¹	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
<u>Minnesota</u>	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
<u>Missouri</u>	2021 <u>2024</u>	<u>32</u>	0	0	0	0	0	<u>32</u>
<u>Missouri</u>	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
<u>Nevada</u>	2021 <u>2024</u>	<u>43</u>	0	0	0	0	0	<u>43</u>
<u>Nebraska</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>1</u> ¹	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Nevada</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<u>New Jersey</u>	2021 <u>2024</u>	<u>31</u>	<u>20</u>	0	0	0	<u>40</u>	<u>41</u>
<u>New Jersey</u>	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
New Mexico	2021 <u>2024</u>	<u>45</u>	0	0	0	0	0	<u>45</u>
<u>New Mexico</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
New York	2021 <u>2024</u>	<u>31</u>	0	0	0	0	<u>40</u>	<u>21</u>
<u>New York</u>	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
North Carolina	2021 <u>2024</u>	<u>42</u>	0	0	0	0	0	<u>42</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
<u>North Carolina</u>	2022	4	1	0	0	0	0	5
	2023	5	0	0	0	0	2	3
Ohio	2021 <u>2024</u>	63 <u>63</u>	01 <u>01</u>	0	0	0	10 <u>10</u>	54 <u>54</u>
<u>Ohio</u>	2022	5	1	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Oklahoma	2021 <u>2024</u>	36 <u>36</u>	01 ¹ <u>01</u> ¹	0	0	0	0	37 <u>37</u>
<u>Oklahoma</u>	2022	3	0	0	0	0	0	3
	2023	3	0	1	0	0	0	2
Oregon ³	2021 <u>2024</u>	42 <u>42</u>	0	0	0	0	0	42 <u>42</u>
<u>Oregon</u> ³	2022	4	2	0	0	0	1	5
	2023	5	0	0	0	0	0	5
Pennsylvania	2021 <u>2024</u>	105 <u>105</u>	0	0	0	0	0	105 <u>105</u>
<u>Pennsylvania</u>	2022	10	0	0	0	0	1	9
	2023	9	1 ¹	0	0	0	0	10
South Carolina	2021 <u>2024</u>	610 <u>610</u>	0	0	0	0	0	610 <u>610</u>
<u>South Carolina</u>	2022	6	0	0	0	0	0	6
	2023	6	1	0	1	0	0	6
South Dakota	2021 <u>2024</u>	16 <u>16</u>	0	0	0	0	0	16 <u>16</u>
<u>South Dakota</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Tennessee	2021 <u>2024</u>	41 <u>41</u>	0	0	0	0	0	41 <u>41</u>
<u>Tennessee</u>	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
Texas	2021 <u>2024</u>	105 <u>105</u>	0	0	0	0	10 <u>10</u>	95 <u>95</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
<u>Texas</u>	2022	9	0	0	0	0	1	8
	2023	8	0	0	0	0	0	8
<u>Utah</u>	2021 <u>2024</u>	08 <u>08</u>	13 ¹ <u>13</u>	0	0	0	0	11 <u>11</u>
<u>Utah</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<u>Virginia</u>	2021 <u>2024</u>	21 <u>21</u>	0	0	0	0	0	21 <u>21</u>
<u>Virginia</u>	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
<u>Washington</u>	2021 <u>2024</u>	14 <u>14</u>	0	0	0	0	0	14 <u>14</u>
<u>Washington</u>	2022	14	0	0	0	0	0	14
	2023	14	0	0	0	0	1	13
<u>Wisconsin</u>	2021 <u>2024</u>	13 <u>13</u>	02 ¹ <u>02</u>	0	0	0	0	15 <u>15</u>
<u>Wisconsin</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<u>Total US^{1*}</u>	2021 <u>2024</u>	132 <u>132</u>	7 ¹ <u>7</u>	0	0	0	7 <u>7</u>	132 <u>132</u>
<u>Total US</u>	2022	132	5	0	2	0	9	126
	2023	126	8	1	2	0	5	126
<u>International (including Puerto Rico)</u>	2021 <u>2024</u>	8 <u>8</u>	12 <u>12</u>	0	0 <u>0</u>	0	0 <u>0</u>	9 <u>9</u>
<u>International (including Puerto Rico)</u>	2022	9	0	0	1	0	0	8
	2023	8	0	0	0	0	3 ⁴	5
	<u>2024</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>

¹ Includes former TBC franchisees in Tuscaloosa, Alabama; ~~Chicago Lakeview, Illinois; and Chicago, Arlington Heights, and New Lenox, Illinois; Carmel and Indianapolis, Indiana; Louisville, Kentucky; New Orleans, Louisiana; Ann Arbor, Detroit, East Lansing, Grand Rapids, Northville, Rochester Hills,~~

and Royal Oak, Michigan; Omaha, Nebraska; Cleveland, Ohio; North Hills, Pennsylvania; Plano and Dallas, Texas; Spokane, Washington; and Milwaukee, Wisconsin, that rebranded to B3barre3® studios.

² The Tuscon, Arizona franchise is on a temporary was on an operational pause in 2023 and the franchise was transferred to a new owner in 2024.

³ Includes one outlet owned by a licensee of our affiliate, B3 Studios.

⁴ The One franchisee operating on a military base in Okinawa, Japan franchise is relocating to the United States relocated operations to a military base in Shreveport, Louisiana.

Table No. 4
Status of Company-Owned Outlets**
For Years ~~2022~~2023 to ~~2022~~2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
New York	2021 2022	1	0	0	0	0	1
	2022 2023	1	0	0	0	0	1
	2023 2024	1	0	0	0	0	1
Oregon	2021 2022	5	0	0	0	0	5
	2022 2023	5	0	0	0	0	5
	2023 2024	5	0	0	0	0	5
Total	2021 2022	6	0	0	0	0	6
	2022 2023	6	0	0	0	0	6
	2023 2024	6	0	0	0	0	6

**Outlets owned by our affiliates, B3 Studios, B3 PDX, LLC, and B3 NYC Holdings LLC.

Table No. 5
Projected Openings as of December 31, ~~2023~~2024

State*	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Alabama	1	4 0	0
Arizona	3 1	4 0	0
California	1	0 1	0
Florida	4 5	1	0
Idaho Georgia	1	0	0
Louisiana Illinois	1	0	0
<u>Indiana</u>	<u>1</u>	<u>0</u>	<u>0</u>
<u>Maine</u>	<u>1</u>	<u>0</u>	<u>0</u>
Massachusetts	1	0	0
New York Michigan	4 2	1	0
North Carolina New York	2 4	0 3	0
<u>North Carolina</u>	<u>4</u>	<u>4</u>	<u>0</u>
Ohio	4 2	1	0
Oregon	2	1	0
<u>Pennsylvania</u>	<u>1</u>	<u>0</u>	<u>0</u>
<u>South Carolina</u>	<u>1</u>	<u>1</u>	<u>0</u>
Tennessee	2	1	0
Texas	4 2	1	0
Virginia	4 2	1	0
<u>Washington</u>	<u>2</u>	<u>0</u>	<u>0</u>
Washington Wisconsin	3 2	1	0
Total	25 39	40 17	0

*In states not listed in Table No. 5, we did not have any franchise agreements signed for outlets not opened, and we have not projected opening any new franchised or company-owned outlets.

The name of each of our current franchisees, including those who have signed franchise agreements but are not yet open, and the address and telephone number of each of their outlets as of the end of our last fiscal year (unless another date is stated on the list) is in Exhibit E. The name and last known city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee within the most recently completed fiscal year who has had an

outlet terminated, canceled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement or who has not communicated with us within 10 weeks of the issuance date of this disclosure document, is in Exhibit E.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. Your contact information is also disclosed to prospective buyers while you are a franchisee.

Our affiliate, B3 Studios, operates two studios at the following locations:

1000 N.W. Marshall Street
Portland, Oregon 97209

2523 S.E. 22nd Avenue
Portland, Oregon 972024

Our affiliate, B3 PDX, LLC, an Oregon limited liability company, operates three studios at the following locations:

4015 N Williams Avenue
Portland, Oregon 97227

11805 NW Cedar Falls Drive, Suite 113
Portland, Oregon 97229

4859 Meadows Road, Suite 167
Lake Oswego, Oregon 97035

Our affiliate, B3 NYC Holdings LLC, a New York limited liability company, operates one studio at the following location:

63 West 8th Street, 2nd Floor
New York, New York USA 10011

During the last 3 fiscal years, no current or former franchisees signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

To the extent of our knowledge, there exists one franchisee organization associated with the barre3 franchise system. The name of the organization is the “Barre3 Franchise Advisory Council.” The Barre3 Franchise Advisory Council was created and is administered by us. Its members are elected by franchisees every two years and serve two-year terms. Elected representatives do not receive compensation for serving on the Barre3 Franchisee Advisory Council. There are no bylaws or governing documents related to this organization. The purpose of the organization is to provide a franchisee liaison between franchisees located in the elected representative’s geographic region and us.

ITEM 21

FINANCIAL STATEMENTS

Attached to the disclosure document as Exhibit C are (1) our audited balance sheets as of December 31, 2023 and 2022 and the related statements of operations, members’ equity and cash flows for the years ended December 31, 2023, 2022 and 2021; and (2) interim unaudited financial statements for the period ended November 30, 2024.



B3 FRANCHISING LLC

EXHIBIT B

FRANCHISE AGREEMENT

has been received by Franchisee. Gross Revenues consisting of property or services shall be valued at the retail prices applicable and in effect at the time that they are received.

“Incapacity” - means the inability due to unavoidable medical reasons to devote full time attention to the duties of Franchisee, due to a cause that continues for at least 90 days in the aggregate during any rolling 12-calendar month period during the Term, based upon the examination and findings of a physician selected by a hospital located within 20 miles of the Franchised Location, as mutually selected by Franchisor and Franchisee. A period of Incapacity shall continue without interruption unless and until the person suffering the Incapacity resumes his or her duties on a full time basis for 30 consecutive days.

“Including” and “Includes” and synonyms– when followed by a list shall mean without any limitation to the items set forth in the list.

“Internet” – means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use the Marks; internet phone services; cellular or similar messaging; mobile applications; social networks or social media; or wikis, podcasts, online content sharing communities, or blogging.

“Instructor(s)” – means those of Franchisee’s employees who will provide barre3® class instruction at the Studio.

“Instructor Mentor” – means the person designated by Franchisee and approved by Franchisor to be responsible for Instructor recruitment, auditions, quality control of class instruction at the Studio, as well as training before and after Franchisor’s Instructor Training Program. The initial Instructor Mentor and all subsequent Instructor Mentors must satisfactorily complete the Instructor Mentor Training Program. ~~Any new Instructor Mentor must satisfactorily complete Franchisor’s self-guided Instructor Mentor Training Program available on Franchisor’s learning management system, unless Franchisee and Franchisor offer to provide the new Instructor Mentor with in-person training.~~

“Instructor Mentor Selection Deadline” – means the date by which Franchisee must obtain approval of the Instructor Mentor selected by Franchisee. The Instructor Mentor Deadline is thirty (30) days after Franchisee executed a lease or entered into purchase agreement for the Franchised Location.

“Instructor Mentor Training Deadline” – means the deadline by which the initial Instructor Mentor must complete the Instructor Mentor Training Program, which deadline is four (4) months before Franchisee begins Studio operations.

“Instructor Mentor Training Program” – means the mandatory training program provided to the person who will serve as the Instructor Mentor at the Studio.

“Instructor Training Deadline” – means the deadline by which initial Instructors must complete the New Instructor Training Program, which deadline is 30 days before Franchisee begins Studio operations.

“Intellectual Property” – means collectively, the Marks, Confidential Information, Copyrighted Materials, Trade Secrets, patents or property subject to a patent pending application.

Franchisee, Franchisee will be required to select an alternate person to serve as the Instructor Mentor who Franchisor will have the discretion to approve, and such person shall complete a ~~self-guided Instructor Mentor Training Program to Franchisor's satisfaction using Franchisor's intranet system. If Franchisor agrees to provide the Instructor Mentor Training Program to existing or new Instructor Mentors,~~ Franchisee will pay Franchisor the then-current fee for the Instructor Mentor Training Program, plus any travel expenses incurred, for any alternate and subsequent Instructor Mentors that attend the Instructor Mentor Training Program.

(g) Conducting the New Instructor Training Program for up to six people who must be (a) Franchisee or its Designated Owner, or, if Franchisee or its Designated Owner is not also the Instructor Mentor, then the person who is the Instructor Mentor, plus (b) five additional employees of Franchisee who will provide barre3® class instruction at the Studio. The New Instructor Training Program is held in Portland, Oregon, USA, at other locations designated by Franchisor, or virtually at Franchisor's discretion. If a person does not complete the New Instructor Training program described in this Section 6.2(g) to Franchisor's satisfaction, such person (i) will not be permitted to teach classes at the Studio, or (ii) with Franchisor's approval, may elect to retake the New Instructor Training Program and Franchisee will pay Franchisor the then-current fee for the New Instructor Training Program, plus any travel expenses incurred.

(h) Providing Franchisee during the Term with access to a copy of Franchisor's Manuals containing required and suggested specifications, standards, operating procedures and rules prescribed from time to time by Franchisor as further stipulated in this Section 6. Any required specifications, standards, operating procedures or rules contained in the Manuals to protect Franchisor's interests in the System and the Marks are not for the purpose of establishing any control or duty to take control over those matters reserved to Franchisee. Any personnel policies or procedures contained in the Manuals are for Franchisee's optional use and are not mandatory and Franchisee shall determine to what extent, if any, such personnel policies and procedures may be applicable to its operations at the Studio in its jurisdiction; provided, however, that Franchisor may specifically identify instances where an item in the Manuals is a required standard to protect the System, Marks, and barre3® brand. Franchisee must operate the Studio pursuant to the Manuals, as amended from time to time. Failure to comply with the standards set forth in the Manuals will constitute a breach of this Agreement. Franchisor will provide the Manuals and all updates in electronic form or other form determined by Franchisor. Franchisor currently provides access to the Manuals via a password protected website. Franchisee must to monitor and access the Manuals daily or as specified in the Manuals. Any password or other digital identification necessary to access the Manuals is Franchisor's proprietary information. Franchisor will have the right to add to, and otherwise modify, the Manuals from time to time to reflect changes in authorized Products and Services, business image or the operation of the Studio. Franchisee covenants to accept, implement and adopt any such modifications at its own cost; provided, however, no such addition or modification will alter Franchisee's fundamental status and rights under this Agreement. Franchisee hereby acknowledges that the Manuals are loaned to Franchisee and will at all times remain the sole and exclusive property of Franchisor. You agree that the contents of the Manuals constitute Trade Secrets and that you will not at any time copy, distribute, post, publicize or disseminate through any means, any part of the Manuals, or allow or aid any third party to do the same, unless first approved in writing by Franchisor. The Manuals and other writings communicated to Franchisee are incorporated by reference into this Agreement and are a binding and enforceable part of this Agreement. Franchisor may modify the Manuals periodically to reflect changes in the System.

This Statement of Franchisee is not applicable to and shall not be used as to any franchise offer and/or sale involving any California resident and/or franchisee as the Statement of Franchisee violates of California Corporations Code sections 31512 and 31512.1.

Do not sign this Statement of Franchisee if you are a resident of Maryland or the business is to be operated in Maryland.

Do not sign this Questionnaire and Certification if you are a resident of Washington, or the business is to be operated in Washington.

ATTACHMENT D
TO BARRE3 FRANCHISE AGREEMENT

B3 FRANCHISING LLC
STATEMENT OF FRANCHISEE

**[Note: Dates and Initials Must be Provided Below in the
Prospective Franchisee's Own Handwriting]**

In order to make sure that no misunderstanding exists between you, the Franchisee, and us, B3 FRANCHISING LLC (also called “**B3 Franchising**,” “**Franchisor**” or “**we**”), and understanding that we are relying on the statements you make in this document, the franchise application, and the Franchise Agreement, you assure us as follows:

A. The following dates are true and correct:

Date	Initials	
1. _____, 20__	_____	the date on which I, the Franchisee, received a Franchise Disclosure Document regarding the Studio.
2. _____, 20__	_____	the date on which I, the Franchisee, signed the Barre3 Franchise Agreement.
3. _____, 20__	_____	the earliest date on which I, the Franchisee, made a payment to Franchisor or its Affiliates.

B. Representations:

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, “side agreements,” options, right-of-first-refusal or otherwise have been made to or with me with respect to any matter (including advertising, marketing, Franchised Location, operational, marketing or administrative assistance, exclusive rights or exclusive or protected franchise territory or otherwise), except as expressly set forth in the Barre3 Franchise Agreement, Franchisor’s Franchise Disclosure Document delivered to me, or an attached written Addendum signed by me and B3 Franchising, except as follows:

(If none, you should write NONE in your own handwriting and initial.)



B3 FRANCHISING LLC

EXHIBIT C

FINANCIAL STATEMENTS

NEW

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

B3 Franchising LLC

Balance Sheet

As of Date:

11/30/2024

Location:

Franchising

Month Ending

11/30/2024

Assets

Current Assets

Cash and Cash Equivalents	266,113.28
Accounts Receivable, Net	575,647.77
Prepaid Expenses	91,571.76
Intercompany Receivable	10,133,493.39
Other Current Assets	50,000.00
Total Current Assets	<u>11,116,826.20</u>

Intangible Assets, Net

Intangible Assets	460,000.00
Amortization	39,416.64
Total Intangible Assets, Net	<u>420,583.36</u>

Total Assets

\$ 11,537,409.56

Liabilities and Equity

Current Liabilities

Accounts Payable	4,309.67
Deferred Revenue	342,718.59
Intercompany Payable	2,023,212.18
Other Current Liabilities	22,460.09
Total Current Liabilities	<u>2,392,700.53</u>

Other Liabilities

Other Liabilities	62,076.56
Total Other Liabilities	<u>62,076.56</u>

Stockholders Equity

Partners Equity	7,167,145.14
Retained Earnings	1,665,057.38
Net Income (Loss)	250,429.95
Total Stockholders Equity	<u>9,082,632.47</u>

Total Liabilities and Equity

\$ 11,537,409.56

B3 Franchising LLC

Profit and Loss

As of Date:

11/30/2024

Location:

Franchising

Franchising (All)

Year To Date

11/30/2024

Revenue

Revenue - Licenses	5,069,739.84
Revenue - Services	196,370.00
Revenue - Other	<u>68,478.64</u>
Total Revenue	<u>5,334,588.48</u>

Cost of Revenue

Cost of Licenses Revenue	<u>45,470.88</u>
Total Cost of Revenue	<u>45,470.88</u>

Gross Profit	<u>5,289,117.60</u>
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Operating Expenses

General and Administrative Expenses	38,259.79
Marketing and Advertising Expenses	324,849.47
Depreciation and Amortization Expense	39,416.64
Payroll and Related Expenses	2,003,205.10
Utilities and Facilities	18,810.46
Operating and Maintenance Expenses	652,392.08
Taxes and Insurance	<u>18,091.42</u>
Total Operating Expenses	<u>3,095,024.96</u>

Other Income (Expense)

Interest Income	0.34
Other Expenses	<u>(278,605.65)</u>
Total Other Income (Expense)	<u>(278,605.31)</u>

Net Income (Loss)	<u><u>\$ 1,915,487.33</u></u>
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B3 Franchising LLC
Cash Flow Statement

As of Date:

11/30/2024

Location:

Franchising

Year To Date

11/30/2024

Cash Flows from Operating Activities:

Net Income (Loss)	1,915,487.33
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	0.00
Amortization	39,416.64
Stock-based Compensation	0.00

Changes in Operating Assets and Liabilities:

Changes in Net Accounts Receivable	
Changes in Accounts Receivable	(165,675.34)
Changes in Allowance for Doubtful Accounts	0.00
Change in Inventory	0.00
Changes in Prepaid Expenses and Other Assets	(41,681.40)
Changes to Accounts Payable	(56,395.37)
Changes to Sales and Used Tax Payable	0.00
Changes to Accrued Liabilities and Other Liabilities	57,506.92
Changes to Accrued Income Taxes Liabilities	0.00
Changes to Deferred Income Taxes Assets	0.00
Changes to Deferred Revenue	97,606.59
Changes to Intercompany	
Changes to Intercompany Receivable	9,489,876.44
Changes to Intercompany Payable	(11,519,655.77)

Net cash provided by operating Activities (183,513.96)

Cash Flows from Investing Activities

Capital Expenditures	(235,000.00)
Net sales (purchases) of ST investments	0.00
Purchase of long term investments and other assets	0.00
Investment in Subsidiary	0.00
Net cash provided by investing activities	<u>(235,000.00)</u>

Cash Flows from Financing Activities

Changes in Debt Proceeds	0.00
Changes in Capital Stock	1,305,469.64
Net cash provided by financing activities	<u>1,305,469.64</u>

Net increase (decrease) in cash **886,955.68**

Cash - Beginning of Period **684,627.24**

Cash - End of Period **266,113.28**



B3 FRANCHISING LLC

EXHIBIT E

**LISTS OF FRANCHISEES, LICENSEES AND
CERTAIN FORMER FRANCHISEES**

B3 FRANCHISING LLC
FRANCHISEES OPERATING ON DECEMBER 31, 2023

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Emma Curtin	Birmingham, AL	358 Hollywood Blvd Birmingham, AL 35209	(213) 258-7566
Mandy Simons & Amanda Deason	Huntsville, AL	900 Bob Wallace Avenue Huntsville Alabama 35801	(256) 929-2605
Amanda Cook	Mobile AL	6345 Airport Boulevard Mobile Alabama 36609	(251) 461-6998
*Jacquilin Gonzalez	Tuscaloosa - Capitol Park AL	2700 University Blvd Tuscaloosa, AL 35401	(205) 248-2394
Andrea Laughlin	Chandler AZ	4145 S. Gilbert Rd Chandler Arizona 85297	(480) 366-4494
Kelly Murphy & Daniella Murphy	Flagstaff AZ	601 East Piccadilly Drive Suite 80 Flagstaff Arizona 86001	(928) 774-0782
Andrea Laughlin	Gilbert - Epicenter, AZ	3150 East Ray Road, Suite 112 Gilbert, Arizona 85296	(480) 904-3093
Erin Roy	North Peoria AZ	24870 N. Lake Pleasant Parkway Peoria Arizona 85383	(623) 566-1112
Kasey Kroll & John Welch	North Scottsdale AZ	13805 North Scottsdale Road Space 139 Scottsdale Arizona 85254	(480) 939-2510
<u>Nicole Putnam</u>	<u>Scottsdale - Old Town AZ</u>	<u>4390 N Miller Rd</u> <u>Scottsdale, AZ 85251</u>	<u>(480) 306-8692</u>
<u>Melissa Treiberg & Dana C Goldstein</u>	<u>Tucson - Foothills AZ</u>	<u>2870 E. Skyline Drive</u> <u>Suite #170</u> <u>Tucson, AZ 85718</u>	<u>(520) 299-1287</u>
Morgan Riddles	Fayetteville AR	1550 East Zion Road Fayetteville Arkansas 72703	(479) 445-6400
Wendy Hennig	Danville CA	406 Hartz Avenue Danville California 94526	(925) 362-4836
Jessica States & Nicki Insley	Laguna Niguel - CA	23882 Aliso Creek Road Laguna Niguel California 92677	(949) 328-9633
Alene Baronian	Los Altos CA	4758 W El Camino Real Los Altos California 94022	(650) 481-8139
Meghan VanMetre <u>Bandyopadhyay</u>	Menlo Park CA	989 El Camino Real Menlo Park California 94025	(650) 847-1183
Sylvia Vu <u>Janelle Jensen</u>	San Carlos CA	617 Old County Road San Carlos California 94070	(650) 453-3565

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Jessica States & Nicki Insley	San Clemente CA	638 Camino de las Mares Suite C240 San Clemente California 92673	(949) 429-1738
Salina Navarro	San Diego CA	3752 30th Street San Diego California 92104	(619) 436-2122
<u>Katharine Doty</u>	<u>Studio City CA</u>	<u>11986 Ventura Blvd</u> <u>Los Angeles, CA 91604</u>	<u>(818) 308-6148</u>
Megan Wilson <u>Diana Clayton</u>	Willow Glen CA	1395 Lincoln Avenue San Jose California 95125	(408) 850-7408
Tonya Alonzo <u>Jennifer Chaney</u>	Colorado Springs CO	9697 Prominent Point Colorado Springs Colorado 80924	(719) 219-9660
Bailey Smith	Denver - Belleview Station CO	4930 S. Newport Street Denver Colorado 80237	(303) 656-6702
Julie Gordon	Denver - Cherry Creek CO	2828 East 6th Ave Denver Colorado 80206	(303) 484-1287
Julie Gordon	Denver - Highlands Square CO	3241 N. Lowell Boulevard Denver Colorado 80211	(303) 284-4566
Stephanie Aiken & Julie Gordon	Denver - Highlands Ranch CO	1493 Park Central Drive Highlands Ranch Colorado 80129	(972) 983-4747
Sarah Pfinsgraff & Niki Mirtorabi	Farmington Valley CT	30 Market Street, Unit #110 Avon, Connecticut 06001	(860) 352-2771
Lauren Cook & Alicia Sokol	DC - 14th Street DC	1832 14th Street NW Washington District of Columbia 20009	(202) 588-0428
Jill Warren	DC - Union Station DC	701 2nd St NE Washington District of Columbia 20002	(202) 735-5465
Rachel Engstrom	Boca Raton FL	5030 Champion Blvd #G3 Boca Raton Florida 33496	(561) 931-2891
Nikki Roenicke	Lakewood Ranch FL	8141 Lakewood Main St. Bradenton Florida 34202	(941) 800-1333
Kendyl Lynch	South Tampa, FL	1910 S Dale Mabry Tampa Florida 33629	(813) 930-5677
Andi Prather	Winter Park FL	141 S. New York Ave Winter Park Florida 32789	(321) 972-2979
Senya Merchant & Jibran Charania	Atlanta - <u>Brookhaven GA</u> <u>(formerly Druid Hills GA)</u>	2480 Briarcliff Road Northeast Atlanta Georgia 30329	(404) 418-4209
Landis Reese	Atlanta - South Buckhead GA	1745 Peachtree Street NE Suite K Atlanta Georgia 30309	(404) 464-7927

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Izabela Amos <u>Leighanne Houston</u>	Atlanta - East Cobb GA	4475 Roswell Road #1415 Marietta Georgia 30062	(770) 726-0839
<u>Jen Bobodzhanov</u>	<u>Boise ID</u>	<u>3035 East Barber Valley Drive,</u> <u>Suite 110</u> <u>Boise, ID 83716</u>	<u>(208) 986-2850</u>
Jen Bobodzhanov	Eagle ID	2794 S. Eagle Road Eagle Idaho 83616	(208) 995-8600
<u>* Larissa Laufenberg</u> <u>& Brent Laufenberg</u>	<u>Arlington Heights IL</u>	<u>218 West Campbell Street</u> <u>Arlington Heights, Illinois 60005</u>	<u>(847) 749-1158</u>
<u>* Ariana Chernin &</u> <u>Jillian Lorenz</u> <u>Jamie Tamboli</u>	Chicago - Lakeview IL	959 W. Belmont Avenue Chicago, IL 60657	(872) 802-4402
Lisa Shipley	Chicago West Loop IL	171 N Aberdeen Street Chicago Illinois 60607	(312) 291-9640
Mariel Pain	Clarendon Hills IL	158 Burlington Avenue Clarendon Hills Illinois 60514	(630) 819-5112
<u>* Kimberly Burla</u>	<u>New Lenox IL</u>	<u>2544 E. Lincoln Highway</u> <u>New Lenox, Illinois 60451</u>	<u>779-803-3310</u>
Kelli Fuhr & Dennis Fuhr	North Plainfield IL	11914 IL-59 Plainfield Illinois 60585	(815) 782-8623
<u>* Jennifer Chow</u>	<u>Carmel, IN</u>	<u>2169 Glebe Street, #200</u> <u>Carmel, Indiana, 46032</u>	<u>(317) 588-2808</u>
<u>* Jennifer Chow</u>	<u>Indianapolis – Downtown,</u> <u>IN</u>	<u>231 S. College Avenue</u> <u>Suite 300</u> <u>Indianapolis, Indiana, 46202</u>	<u>317-296-3431</u>
Maureen Beran	Iowa City IA	1312 Melrose Ave Iowa City Iowa 52246	(319) 569-1026
<u>* Heather Thomas</u>	<u>Louisville – Middletown,</u> <u>KY</u>	<u>12442 Shelbyville Road</u> <u>Louisville, Kentucky, 40243</u>	<u>502-749-2951</u>
Jessica Donelan	Ft Thomas KY	90 Alexandria Pike Fort Thomas Kentucky 41075	(859) 360-7420
Nikki Naseef	Louisville - Frankfort Ave KY	2400 Frankfort Avenue Louisville Kentucky 40206	(502) 690-2425
Nicole Cummins	Baton Rouge LA	3535 Perkins Road Baton Rouge Louisiana 70808	(225) 900-6063
Morgan Moone	New Orleans - Downtown LA	611 O'Keefe Ave New Orleans Louisiana 70113	(504) 371-5297
Morgan Moone	New Orleans - Uptown LA	5235 Magazine Street New Orleans Louisiana 70115	(504) 301-3082
<u>Morgan Moone</u>	<u>New Orleans - Lakeview</u> <u>LA</u>	<u>787 Harrison Ave.</u> <u>New Orleans, Louisiana, 70124</u>	<u>(504) 224-6866</u>

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Morgan Moone	Old Metairie LA	600 Metairie Road Metairie Louisiana 70005	(504) 301-2017
<u>Jennifer Arnett</u>	<u>Shreveport, LA - US Military Base (formerly Okinawa, Japan - US Military Base)</u>	<u>US Military Base Shreveport, LA 71118</u>	<u>(405) 905-9415</u>
Juliana Stein	Bethesda MD	4829 Cordell Ave. Bethesda Maryland 20814	(240) 858-6101
Natasha Robinson	Bedford MA	158 Great Road Bedford Massachusetts 1730	(781) 929-5761
Jamie Golden	Boston - South End MA	Mobile Studio Boston, Massachusetts 02118	(617) 375-0033
Simone Bernstein	Brookline MA	1624 Beacon Street Brookline Massachusetts 02446	(617) 860-6068
Liz Hay	Needham MA	996 Great Plain Avenue Needham Massachusetts 2492	(781) 444-4482
<u>* Michelle Gimbutis & Paul Gimbutis</u>	<u>Ann Arbor, MI</u>	<u>2793 Plymouth Road Ann Arbor, Michigan, 48105</u>	<u>(734) 436-4948</u>
<u>* Janelle Herbert & Lindsay Irrer</u>	<u>Detroit - Birmingham, MI</u>	<u>2010 Cole Street Birmingham, Michigan, 48009</u>	<u>248-220-4062</u>
<u>* Michelle Gimbutis & Paul Gimbutis</u>	<u>East Lansing, MI</u>	<u>1024 Trowbridge Road East Lansing, Michigan, 48823</u>	<u>517-679-0073</u>
<u>* Stacie Thomas</u>	<u>Grand Rapids - Heritage Hill, MI</u>	<u>547 Cherry Street SE Grand Rapids, Michigan, 49503</u>	<u>616-980-0842</u>
<u>* Janelle Herbert & Lindsay Irrer</u>	<u>Northville, MI</u>	<u>20530 Haggerty Road Northville, Michigan, USA 48167</u>	<u>248-924-3102</u>
<u>* Janelle Herbert & Lindsay Irrer</u>	<u>Rochester Hills, MI</u>	<u>1260 Walton Blvd Rochester Hills, Michigan 48307</u>	<u>248-923-2392</u>
<u>* Janelle Herbert & Lindsay Irrer</u>	<u>Royal Oak, MI</u>	<u>831 S. Main Street Royal Oak, Michigan 48067</u>	<u>248-565-8372</u>
Lucy Gardiner & Morgan Wolfe	Edina MN	2952 W. 66 th Street Edina Minnesota 55423	(612) 353-4535
Nikki Hedren	Minneapolis, MN	119 2nd Ave. North Minneapolis, MN 55401	(507) 469-8411
Melissa Stolze	St. Louis - Des Peres MO	1056 North Ballas Road Des Peres Missouri 63131	(314) 909-4769
Natalia Negron- Stamm <u>Anne Hoffman</u>	Kansas City MO	18 West 63rd Street Kansas City Missouri 64113	(816) 569-2978
Sally Miller	St. Charles MO	333 1st Capitol Drive St. Charles Missouri 63301	(636) 493-5334

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
* Kacie Baum & Kali <u>Rahder</u>	<u>Omaha - Dundee NE</u>	5002 Dodge Street <u>Omaha, Nebraska 68132</u>	<u>402-884-1667</u>
Lauren Bereny	Henderson NV	10624 S Eastern Avenue #Q Henderson, NV 89052	(702) 754-0290
Vanessa Allen Jamie <u>Sheridan</u>	Cherry Hill NJ	921 Haddonfield Road Cherry Hill New Jersey 8002	(856) 324-0213
Amy Billetz	Franklin Lakes NJ	858 Franklin Avenue Franklin Lakes New Jersey 07417	(201) 766-6465
Patchanika Makaew	Jersey City, NJ	10 Provost Street Jersey City, NJ 07032	(929) 285-0255
Lisa Webster & Rebecca Mueller	Morristown NJ	173 Washington Street Morristown, New Jersey 07960	(973) 993-1233
Lauren Stone	Westfield NJ	276 North Avenue East Westfield New Jersey 07090	(910) 691-7266
Sarah Levant Susanna <u>Garcia</u>	Albuquerque NM	8060 Academy Road NE #D Albuquerque New Mexico 87111	(505) 508-2494
Becca Licht	Rivertowns, NY	42 Chestnut Street Dobbs Ferry New York 10522	(914) 478-1412
Luke Pantanelo & Lisa Pantaleo	Long Island City, NY	44-16 23rd Street Long Island City New York 11101	(718) 707-9436
Jessica Hipp	Chapel Hill NC	201 S. Elliott Road Chapel Hill North Carolina 27514	(984) 234-0680
<u>Sarah Grantham</u>	<u>Charlotte NC</u>	<u>1942 East 7th Street #103</u> <u>Charlotte, NC 28204</u>	<u>(704) 350-5642</u>
Tori Fox	Raleigh - Five Points NC	509 West Whitaker Mill Road Raleigh North Carolina 27608	(919) 307-8516
Lauren Melillo	South Charlotte NC	9925 Rea Road Waxhaw North Carolina 28173	(980) 339-8416
Karey Matteucci	Cincinnati - Mariemont OH	7449 Wooster Pike Cincinnati Ohio 45227	(513) 271-0612
Suzanne Breckenridge & Yvonne Zeman Laura <u>Deemer Neff & Denise Campbell</u>	Cincinnati - Montgomery Cincinnati-M <u>ontgomery, OH</u>	9600 Montgomery Road Cincinnati-Ohio, OH 45242	(513) 792-9333
Whitney Carpenter	Columbus - Upper Arlington, OH	1735 W. Lane Avenue Columbus Ohio 43221	(614) 429-3945
Liz Ferrante Megan <u>Fulton</u>	Cleveland - Legacy Village OH	24731 Cedar Road Lyndhurst Ohio 44124	(216) 938-8556

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
* <u>Melissa Balser</u>	<u>Cleveland - Westlake OH</u>	<u>26480 Detroit Road</u> <u>Westlake, Ohio 44145</u>	<u>(440) 385-7505</u>
Natalie Cannone & Patrick Cannone <u>Michelle Mowery</u>	New Albany, OH	5533 New Albany Road New Albany, Ohio 43054	(614) 245-8049
Suzy Mihocik	Powell OH	8882 Moreland St Powell Ohio 43065	(740) 917-5039
Lindsay Parks	Oklahoma City OK	5800 N Classen Blvd. Oklahoma City Oklahoma 73118	(405) 463-3343
Beth Clagg & Jeff Clagg	Tulsa OK	3419 S. Peoria Avenue Tulsa Oklahoma 74105	(918) 749-0688
Alisha Wiater	Bend OR	805 SW Industrial Way, Suite 7 Bend, Oregon 97702	(541) 323-2828
Jessica Neeley	Eugene - Oakway OR	301 Oakway Road Eugene Oregon 97401	(541) 653-9099
Liz Denfeld & Tiffany DeLorenzo	Happy Valley OR	13180 SE 172 nd Ave. Suite 136 Happy Valley, Oregon 97086	(503) 773-2251
Colette Bird	Orenco Station - Hillsboro, OR	6350 NE Cherry Dr. Hillsboro Oregon 97124	(503) 676-3541
Nicole White	Salem, OR	121 Commercial Street SE Salem, Oregon 97301	(503) 991-3297
Brittany Morse	Allentown PA	3900 Hamilton Blvd Allentown Pennsylvania 18103	(610) 841-8200
Lori Espe & Caroline Espe	Main Line - Berwyn, PA	579 Lancaster Ave Berwyn Pennsylvania 19312	(610) 640-1259
Brittany Morse	Bethlehem PA	3303 Bath Pike Bethlehem Pennsylvania 18017	(610) 625-5955
Emily Rothrock	Blue Bell PA	970 DeKalb Pike Blue Bell Pennsylvania 19422	(484) 231-1280
Tara Mlinac	Southpointe PA	1800 Main Street Southpointe Town Center Canonsburg Pennsylvania 15317	(724) 485-2265
Angie Lee	Doylestown PA	1721 S. Easton Road Doylestown Pennsylvania 18901	(267) 483-8625
Lauren Ziel	Newtown PA	43 Summit Square Shopping Center Suite 103 Langhorne, PA 19047	(215) 860-1625
*Jamie Kuhn	Pittsburgh - North Hills PA	741 Providence Blvd Pittsburgh, PA 15237	(412) 364-4230

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Stephanie Grimes & Sandy Grimes	Philadelphia - Rittenhouse Square PA	1500 Sansom Street Philadelphia Pennsylvania 19102	(267) 639-6704
Emily Rothrock	Rosemont PA	1149 East Lancaster Avenue Rosemont Pennsylvania 19010	(484) 383-3302
Lauren Truslow	Columbia SC	3000 Rosewood Drive Columbia South Carolina 29205	(803) 834-7437
Lauren Truslow	Lake Murray SC	2900 Dreher Shoals Road Columbia South Carolina 29212	(803) 851-4347
Erica Walker & Melanie Zook	Fort Mill SC	1343 Broadcloth Street Fort Mill South Carolina 29715	(803) 548-2961
Katie Williams & Lizzie Miller	Greenville SC	3014-A Augusta Street Greenville South Carolina 29605	(864) 605-7699
Kyla Sfris & Kristen McNicholas	Five Forks SC	2815 Woodruff Road Simpsonville South Carolina 29681	(864) 627-3900
Morgan Brown	Mt. Pleasant, SC	1344 Old Georgetown Road, Suite 101 Mt. Pleasant, SC 29464	(215) 913-0351
Amanda Roder & Angela Jones	Sioux Falls SD	5035 S. Louise Avenue Sioux Falls South Dakota 57108	(605) 271-6908
Jessie Ganick & Francie Corcoran & <u>Annie Williams</u>	Brentwood TN	4908 Thoroughbred Lane #B-2 Brentwood Tennessee 37027	(615) 477-0931
Sarena Montgomery	Hardin Valley, TN	10254 Hardin Valley Road Knoxville, TN 37932	(615) 517-8709
Sarena Montgomery	Knoxville - Bearden Hill TN	6450 Kingston Pike Knoxville Tennessee 37919	(865) 474-9019
Holly Coltea & Pace <u>McCamyCharo Compton</u>	Nashville - Paddock Place TN	73 White Bridge Rd. Nashville Tennessee 37205	(615) 915-3069
Holly Coltea & Pace <u>McCamyCharo Compton</u>	Nashville - The Gulch, TN	501 12th Ave South Nashville Tennessee 37203	(615) 679-9423
Kim Miller, Aurora Jones & Tara Heavner	Austin - Circle C TX	5700 W Slaughter Lane Austin Texas 78749	(512) 294-2690
Kim Miller & Tara Heavner	Austin - Downtown TX	115 Sandra Muraida Way Austin Texas 78703	(512) 391-6200
Narjis Rachad	Austin - Mueller TX	1911 Aldrich Street Austin Texas 78723	(512) 904-0763

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
Kim Miller & Tara Heavner	Austin - Hill Country Galleria TX	12800 Hill Country Boulevard Bee Cave Texas 78738	(512) 243-5233
Cassandra Bottroff Kate Cornett, Sue Heineck & Becky Heineck	Cedar Park TX	12160 W Parmer Lane #170 Cedar Park Texas 78613	(737) 717-3033
Kiki Thorn	Coppell TX	120 S Denton Tap Rd. Coppell Texas 75019	(972) 393-7300
* <u>Sharlie Chapman & Esther Chapmen</u>	<u>Dallas - Design District TX</u>	<u>2025 Irving Blvd, Ste 110 Dallas, TX 75207</u>	<u>(214) 353-9900</u>
Tammy Hischke	Frisco TX	8855 Coleman BLVD Blvd Frisco Texas 75034	((972) 668-4764
* <u>Russell Turman & Kimberly Turman</u>	<u>Plano TX</u>	<u>4757 W. Park Blvd, Suite 112 Plano, Texas 75093</u>	<u>469-298-0482</u>
Denielle Wegman	Richardson TX	1387 W Campbell Road Richardson Texas 75080	((214) 484-1653
<u>Kristi Cruthirds</u>	<u>San Antonio - Stone Oak TX</u>	<u>700 East Sonterra Boulevard San Antonio, TX 78258</u>	<u>((210) 504-7740</u>
Katie Torres	Salt Lake City, UT	602 E 500 S, Building C, Unit 103B Salt Lake City Utah 84102	((801) 441-2864
Meredith Patel & Lindsay McConnell	Alexandria - Old Town VA	715 Duke Street Alexandria Virginia 22314	((703) 888-1908
Patty Brown	Bellevue WA	1020 108th Avenue NE Bellevue Washington 98004	((360) 314-6769
Caitlin Walker	Bellingham WA	2210 Rimland Drive Bellingham Washington 98226	((360) 922-7398
Erin Anderson	Covington, WA	27116 168th Avenue SE; Suite 110 Covington Washington 98042	((253) 981-3781
Gina Drake	Edmonds WA	201 5th Avenue South Edmonds Washington 98020	((425) 361-1317
Jamie Joppa	Issaquah Highlands, WA	1091 NE High Street Issaquah Washington 98029	((425) 391-1192
Patty Brown	Kirkland, WA	223 Kirkland Ave Kirkland Washington 98033	((425) 307-1844
Shayla Green	Mill Creek, WA	15021 Main Street Mill Creek Washington 98012	((425) 585-0308
Kimberly Johanson & Katie Lyden	Seattle – Ballard, WA	5711 24th Ave NW Seattle Washington 98107	((206) 420-2288

United States Outlets			
Franchisee OPEN UNITS	Studio Name	Studio Address	Phone
<u>Mary Lytle</u> <u>Gina Drake</u>	Seattle – Roosevelt, WA	6408 Roosevelt Way NE Seattle Washington 98115	<u>((206) 524-4690</u>
* <u>Misty Myers, Chris Myers, Joel Cathey & Amy Cathey</u>	<u>Spokane North, WA</u>	<u>11921 N. Division Street</u> <u>Suite 400</u> <u>Spokane, Washington 99218</u>	<u>509-389-5181</u>
<u>Katie Grainger</u>	<u>Spokane - University District WA</u>	<u>204 N Division St STE 303</u> <u>Spokane</u> <u>Washington 99202</u>	<u>(509) 939-4549</u>
Sarah Heitman	West Seattle, WA	3218 California Ave SW Seattle Washington 98116	(206) 717-2116
Tiffany DeLorenzo	Vancouver – Camas, WA	16415 SE 15th Street Vancouver Washington 98683	(520) 299-1287
Lindsay Raymond	Vancouver – Felida, WA	3604 NW 119th St. Vancouver Washington 98685	(918) 749-0688
Erin Lantz & Jen Perrault	Yakima WA	4001 Summitview Avenue #20 Yakima Washington 98908	(509) 426-2246
Missy Dunn	Madison WI	2560 University Avenue Madison Wisconsin 53705	(608) 467-9788
* <u>Kyle Tamboli & Jamie Tamboli</u>	<u>Milwaukee – Third Ward, WI</u>	<u>225 N. Water Street</u> <u>Milwaukee, Wisconsin 53202</u>	<u>414-763-1314</u>

* formerly operated as TBC studios but signed franchise agreements to re-brand as barre3® studios

International Outlets			
Franchisee OPEN UNITS	Studio Name	Address	Phone
Aimee Ostrander	Toronto - Downtown	430 Adelaide St West Toronto, Ontario, Canada M5V1S7	(416) 519-9638
Tanya Tan	Fort	908 Bonifacio High Street Bonifacio Building 8 Global City, Taguig City, Philippines	0928-550-4891
Tanya Tan	Podium	Level 4 The Podium 12 ADB Ave Ortigas Center, Mandaluyong, Philippines	811-5858 / 811-8787
Tanya Tan	Rockwell	R3 Level Powerplant Mall Rockwell Center Makati City, Philippines	811.2828/ 811.6868

International Outlets			
Franchisee OPEN UNITS	Studio Name	Address	Phone
Tanya Tan	Shangri La	Level 6 Leisure Haven East Wing, Shangri-la Plaza EDSA Shaw Boulevard Mandaluyong City Philippines	0928-550-4885

B3 FRANCHISING LLC
FRANCHISEES NOT IN OPERATION ON DECEMBER 31, 2023

United States Outlets		
Franchisee NOT OPERATIONAL	Franchise City	Phone
Mandy Simons <u>Amanda Deason</u>	Madison, AL	(256) 655-5991
Nicole Putnam	Scottsdale — Old Town, AZ	(480) 286-7816
Erin Roy	Surprise, AZ	(623) 826-0125
*Kate Ares	Tucson, AZ	(520) 299-1287
Katharine Doty <u>Abby Smayda</u>	Studio City <u>South Bay - Los Angeles, CA</u>	(818) 937-9396 <u>623-4954</u>
Rachel Engstrom	Aventura, FL	(954) 242-2102
Rachel Engstrom	Ft Lauderdale, FL	(954) 242-2102
Natalie Pisch & Joann Pisch	Horizon West, FL	(215) 913-8377
<u>Kelse Pike & Matthew Pike</u>	<u>Melbourne, FL</u>	<u>(615) 686-4431</u>
Nikki Roenicke	Sarasota, FL	(530) 277-1934
Jen Bobedzhanyan <u>Liane Aycock</u>	Boise <u>Dawsonville, IDGA</u>	(206) 678-7866 <u>643-6461</u>
Morgan Moore <u>Andrea Strle</u>	Nola Lakeview, LA <u>Deerfield, IL</u>	(513) 614-3746 <u>499-7280</u>
<u>Jennifer Chow</u>	<u>Indianapolis – Fishers, IN</u>	<u>708-710-8202</u>
Jamie Golden	Boston – North, MA	(617) 990-2794
Sarah Grantham <u>Margo Femiano</u>	Charlotte <u>Portland, NCME</u>	(704) 206-5178 <u>431-355-3991</u>
Tori Fox <u>Michelle Gimbutis</u>	Wake Forest NC <u>Brighton, MI</u>	(919) 586-3584 <u>586-944-5919</u>
<u>Stacie Thomas & Matthew Thomas</u>	<u>Wyoming, MI</u>	<u>(616) 719-9383</u>
<u>*Giavana Freitas & Rachel Jarosz</u>	<u>Buffalo – Downtown, NY</u>	<u>716-574-8328</u>
<u>*Giavana Freitas & Rachel Jarosz</u>	<u>Buffalo – Northtowns, NY</u>	<u>716-574-8328</u>
<u>*Giavana Freitas & Rachel Jarosz</u>	<u>Buffalo – Southtowns, NY</u>	<u>716-574-8328</u>

United States Outlets		
Franchisee NOT OPERATIONAL	Franchise City	Phone
Lisa Pantaleo & Luke Pantaleo	Brooklyn, NY (formerly Hamptons, NY)	(347) 231-6965
<u>Hannah Walters</u>	<u>Asheville, NC</u>	<u>(919) 451-9737</u>
<u>Hannah Wallaker</u>	<u>Cary, NC</u>	<u>(904) 674-4794</u>
<u>Stephanie Nielson & Christian Nielson</u>	<u>Pittsboro, NC</u>	<u>(801) 592-6503</u>
<u>Courtney Wylie & Sam Wylie</u>	<u>Wake Forest, NC</u>	<u>(704) 433-6063</u>
Suzy Mihocik	Dublin, OH	(614) 352-3126
<u>Melissa Balser</u>	<u>Strongsville, OH</u>	<u>(970) 291-9091</u>
Liz Denfeld <u>Meaghan Boyd</u>	Progress Ridge, OR	(503) 858-9462 <u>2971-212-2211</u>
Sally Novitsky & Nicole White	Wilsonville, OR	(503) 826-2966
<u>Jamie Kuhn</u>	<u>Cranberry Township, PA</u>	<u>(412) 334-3323</u>
<u>Kylie Kirbus</u>	<u>Myrtle Beach, SC</u>	<u>(843) 603-0377</u>
Jessie Ganick & Francie Corcoran & Annie Williams	Franklin, TN	(615) 477-0931
Cassandra Bottroff <u>Kate Cornett</u>	Spring Hill, TN	(541) 640-1245
Kristi Cruthirds <u>Narjis Rachad</u>	San Antonio <u>Austin - The Domain, TX</u>	(254) 646 <u>733-3385</u> <u>281-6530</u>
<u>Kelly Bryant</u>	<u>Rockwall, TX</u>	<u>214-300-8747</u>
Hope Wheeler	Arlington <u>Falls Church, VA</u> (formerly Arlington VA)	(202) 302-2906
Lindsay Raymond	Battleground, WA	(206) 850-4962
Katie Grainger	Spokane, WA	(509) 939-4549
Gina Drake	Woodinville, WA	(306) 948-5969
<u>Jamie Tamboli</u>	<u>Bayside, WI</u>	<u>(262) 389-2548</u>
<u>Amy Fickell</u>	<u>Middleton, WI</u>	<u>(614) 507-5942</u>

*This franchise is on a temporary operational pause.

International Outlets		
Franchisee NOT OPERATIONAL	Franchise City	Phone
* <u>Jennifer Arnett*</u>	Okinawa, Japan - US Military Base	(405) 905-9415

*Franchisee is relocating to the United States

~~B3 FRANCHISING LLC~~
FRANCHISEES THAT SIGNED FRANCHISE AGREEMENTS IN 2024
as of February 29, 2024

United States Outlets			
Franchisee*	Franchise City/State	Phone	Date Agreement Signed
Brent Laufenberg & Larissa Laufenberg	Arlington Heights, IL	847-749-1158	2/1/24
Kimberly Burla	New Lenox, IL	779-803-3310	1/31/24
Jennifer Chow	Carmel, IN	317-588-2808	2/1/24
Jennifer Chow	Indianapolis — Downtown, IN	317-296-3431	2/1/24
Heather Thomas	Louisville — Middletown, KY	502-749-2951	1/31/24
Michelle Gimbutis & Paul Gimbutis	Ann Arbor, MI	734-436-4948	1/31/24
Janelle Herbert & Lindsay Irrer	Birmingham, MI	248-220-4062	1/8/24
Michelle Gimbutis & Paul Gimbutis	East Lansing, MI	517-679-0073	1/31/24
Stacie Thomas	Grand Rapids — Heritage Hill, MI	616-980-0842	1/31/24
Janelle Herbert & Lindsay Irrer	Northville, MI	248-924-3102	1/8/24
Janelle Herbert & Lindsay Irrer	Rochester Hills, MI	248-923-2392	1/8/24
Janelle Herbert & Lindsay Irrer	Royal Oak, MI	248-565-8372	1/8/24
Kali Rahder & Kacie Baum	Omaha — Dundee, NE	402-884-1667	1/31/24
Melissa Balser	Cleveland — Westlake, OH	440-385-7505	1/16/24
Chelsey Dickinson	Dallas — Design District, TX	214-353-9900	1/31/24
Russell Turman & Kimberly Turman	Plano, TX	469-298-0482	2/1/24

United States Outlets			
Franchisee*	Franchise City/State	Phone	Date Agreement Signed
Misty Myers, Chris Myers, Joel Cathey & Amy Cathey	Spokane North, WA	509-389-5181	1/22/24
Kyle Tamboli & Jamie Tamboli	Milwaukee — Third Ward, WI	414-763-1314	1/17/24

* These locations formerly operated as ~~TBC studios~~ Barre Centric but signed franchise agreements to re-brand as barre3® studios

International Outlets		
Franchisee	Franchise City	Phone
NOT OPERATIONAL		
None		

B3 FRANCHISING LLC CERTAIN FORMER FRANCHISEES

If you buy this franchise, your contact information may be disclosed in the future to other buyers when you leave the franchise system.

The following franchisees had an outlet terminated, cancelled, not renewed, or otherwise ceased to do business under a franchise agreement during the fiscal year ended December 31, ~~2023~~2024:

United States Outlets			
Former Franchisee	Former Franchised Location	Last Known City and State	Last Known Phone Number
<u>Kate Ares</u>	<u>Tucson AZ</u>	<u>Tucson, AZ</u>	<u>(520) 906-3522</u>
Mindy Sofre <u>Wendy Hennig</u>	Santa Barbara <u>Danville</u> CA	Santa Barbara <u>Danville,</u> CA	(805) 925 <u>845-9380</u> <u>487-3852</u>
Jill Warren (still owner of DC – Union Station) <u>Meghan VanMetre</u>	DC – Navy Yard <u>DC</u> <u>Menlo Park CA</u>	DC <u>Menlo Park, CA</u>	(202) 650 <u>975-1324</u> <u>704-3837</u>
<u>Sylvia Vu</u>	<u>San Carlos CA</u>	<u>San Carlos, CA</u>	<u>(408) 218-2096</u>
<u>Megan Wilson</u>	<u>Willow Glen CA</u>	<u>Willow Glen, CA</u>	<u>(650) 468-1239</u>
<u>Tonya Alonzo</u>	<u>Colorado Springs CO</u>	<u>Colorado Springs, CO</u>	<u>(719) 210-2906</u>
<u>Rachel Engstrom</u>	<u>Boca Raton FL</u>	<u>Boca Raton FL</u>	<u>(954) 242-2102</u>
Tara Craighead <u>Izabela Amos</u>	Atlanta - Druid Hills, <u>East</u> <u>Cobb GA</u>	Atlanta <u>Marietta, GA</u>	<u>(202) 230-8766</u>
*Ariana Chernin & Tori Fox <u>Jillian Lorenz</u>	Gary, NC <u>Chicago-Lakeview IL</u>	Gary <u>Chicago, NC</u> <u>IL</u>	(984) 734 <u>465-0567</u> <u>730-7437</u>
Dana Harshaw <u>Jamie Golden</u>	Chapel Hill, NC <u>Boston –</u> <u>South End MA</u>	Chapel Hill, NC <u>Boston,</u> <u>MA</u>	(917) 617 <u>757-3903</u> <u>375-0033</u>
Lisa Begley <u>Natalia Negron Stamm</u>	White Oak, NC <u>Kansas</u> <u>City, MO</u>	White Oak, NC <u>Kansas,</u> <u>City, MO</u>	(919) 815 <u>594-1606</u> <u>236-4167</u>
Christine Ferrise (**Tori Fox (Agreement was terminated) transferred without Franchisee ever opening. Still owner of Raleigh, NC)	Rockaway Peninsula, NY <u>Wake Forest NC</u>	Rockaway Peninsula, NY <u>Raleigh, NC</u>	(917) 984 <u>834-9775</u> <u>465-0567</u>
Hannah Green <u>Sarah Levant</u>	Edmond, OK <u>Albuquerque</u> <u>NM</u>	Edmond <u>Albuquerque,</u> <u>OK</u> <u>NM</u>	(405) 813 <u>513-6393</u> <u>629-2368</u>
Meredith Ley <u>Vanessa Allen</u>	Pittsburgh – North Hills, <u>PA</u> <u>Cherry Hill NJ</u>	Pittsburgh, PA <u>Cherry</u> <u>Hill, NJ</u>	<u>(856) 816-7309</u>
<u>Suzanne Breckenridge & Yvonne Zeman</u>	<u>Cincinnati - Montgomery OH</u>	<u>Cincinnati, OH</u>	<u>(513) 792-9333</u>
<u>Liz Ferrante</u>	<u>Cleveland - Legacy Village, OH</u>	<u>Cleveland, OH</u>	<u>(216) 870-1047</u>

United States Outlets			
Former Franchisee	Former Franchised Location	Last Known City and State	Last Known Phone Number
<u>Natalie Cannone</u>	<u>New Albany OH</u>	<u>New Albany, OH</u>	<u>(614) 537-0645</u>
<u>Liz Denfeld (Still owner of Happy Valley OR)</u>	<u>Progress Ridge OR</u>	<u>Progress Ridge OR</u>	
<u>Karyn Pless</u>	<u>Rosemont, PA</u>	<u>Rosemont, PA</u>	<u>(215) 840-8837</u>
<u>Holly Coltea & Mary Ann Stisher</u> <u>Pace McCamy</u>	<u>Charleston, SC</u> <u>Nashville - Paddock Place TN</u>	<u>Charleston</u> <u>Nashville, SC TN</u>	<u>(843) 865</u> <u>929-4629388-6390</u>
<u>Holly Coltea</u> <u>Cassandra Bottroff (still owner of Franklin, TN & Cedar Park, TX) & Pace McCamy</u>	<u>Franklin</u> <u>Nashville - The Gulch, TN</u>	<u>Franklin</u> <u>Nashville, TN</u>	<u>(541) 865</u> <u>640-4245388-6390</u>
<u>Emily Ballenger</u> <u>Cassandra Bottroff (Agreement was transferred without Franchisee ever opening)</u>	<u>Austin - Mueller, TX</u> <u>Spring Hill TN</u>	<u>Austin - Mueller, TX</u> <u>Spring Hill, TN</u>	<u>(512) 775-0786</u>
<u>Cori Hofmann & Adam Hofmann</u> <u>Cassandra Bottroff</u>	<u>Cedar Park, TX</u>	<u>Cedar Park, TX</u>	<u>(360) 940-6614</u>
<u>Jennifer Kerr (**Agreement was terminated without Franchisee ever opening)</u> <u>Chelsey Dickinson</u>	<u>Plano</u> <u>Dallas - Design District, TX</u>	<u>Plano</u> <u>Dallas, TX</u>	<u>(972) 361</u> <u>977-8826293-0699</u>
<u>Meredith Patel (sold her interests to her partner in the franchise)</u>	<u>Old Town - Alexandria VA</u>	<u>Alexandria, VA</u>	<u>(603) 508-2148</u>
<u>Mary Lytle (still owner of Seattle - Roosevelt)</u> <u>Mary Lytle</u>	<u>Seattle - Capitol Hill - WA</u> <u>Roosevelt</u>	<u>Seattle, WA</u>	<u>(206) 257-1694</u>

International Outlets		
Former Franchisee	Last Known City and State	Last Known Phone Number
<u>Aimee Ostrander (still owner of Toronto - Downtown)</u> <u>None</u>	<u>Toronto - Leslieville - Canada</u>	<u>416-520-0898</u>
<u>Tanya Tan (still owner of Fort, Rockwell, Podium & Shangri-La)</u>	<u>Alabang - Muntinlupa City - Philippines</u>	<u>0928-550-4892</u>
<u>Tanya Tan (still owner of Fort, Rockwell, Podium & Shangri-La)</u>	<u>Trinoma - Quezon City - Philippines</u>	<u>0928-576-4186</u>

Franchisees who have not communicated with us within 10 weeks of the date of this disclosure document:

None



B3 FRANCHISING LLC

EXHIBIT F

**STATE SPECIFIC ADDENDA TO
FDD, FRANCHISE AGREEMENT,
AND RELATED DOCUMENTS**

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise Section
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48933-1067
Telephone Number: (517) 373-7117

Minnesota:

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

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by Minnesota law, the Franchise Agreement and Item 13 of the FDD are amended to state that we will protect your right to use our primary trademarks, or we will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trademarks.

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

No statement, questionnaire, or acknowledgment signed by a franchisee in connection with the commencement of the franchise relationship shall be construed as waiving any claims under any applicable state franchise law, including fraud in the inducement, or as 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.

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 D OR YOUR PUBLIC LIBRARY FOR SERVICES RESOURCES 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 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 ~~CAN NOT~~CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, ~~with regard to~~the following applies 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~~that is 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~~ten years 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 a 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~~intends 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 a 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.

6. Franchise Questionnaires and Acknowledgements — 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.

7. Receipts — Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the ~~earlier~~ earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

Rhode Island:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD and Franchise Agreement are amended accordingly to the minimum extent required by law.

Virginia:

Additional Disclosure. The following statements are added to Items 12 and 17.h of the FDD:

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

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

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



B3 FRANCHISING LLC
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	April 10, 2024, as amended
Hawaii	April 9, 2024, as amended
Illinois	March 29, 2024, as amended
Indiana	August 24, 2023, as amended
Maryland	April 15, 2024, as amended
Michigan	July 12, 20232024
Minnesota	May 13, 2024, as amended
New York	April 10, 2024, as amended
Rhode Island	April 4, 2024, as amended
Virginia	April 4, 2024, as amended
Washington	May 23, 2024, as amended
Wisconsin	April 2, 2024, as amended

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.



B3 FRANCHISING LLC

EXHIBIT I

RECEIPT OF DISCLOSURE DOCUMENT

Receipt
(Our Copy)

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If B3 Franchising LLC offers you a franchise, B3 Franchising LLC must provide this disclosure document to you at least 14 calendar-days (or longer in some states) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York also requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the signing of any agreement or the payment of any consideration. Iowa also requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the signing of any agreement or the payment of any consideration. Michigan also requires that B3 Franchising LLC give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If B3 Franchising LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and to the relevant state agency listed in Exhibit D.

Our employed franchise sellers for this offering are Chris Lincoln, Sadie Lincoln, Anna Martens, Harper Kalin, Hannah Pscheid, Stephanie Rubenstein, Sara Catherine Holder, ~~Jess Zadok~~ Jordan Ware, Rachel Intile, and Kaitlin Bitting, and their business address and phone number is 25 N. Shaver St, Portland, OR 97227; telephone: (503) 206-8308.

Issuance Date: March 26, 2024, as amended January 6, 2025.

I received a disclosure document dated March 26, 2024, as amended January 6, 2025, that included the following Exhibits:

Exhibit A List of State Administrators and Agents for Service of Process

Exhibit B Franchise Agreement, including the following attachments:

Attachment A. Description of Search Area

Attachment B. Description of Authorized Territory

Attachment C. Guaranty and Assumption of Franchisee's Obligations

Attachment D. Statement of Franchisee

Attachment E. Collateral Assignment of Telephone Numbers, Telephone Listings, Internet Addresses and Social Media Pages

Attachment F. Nondisclosure and Noncompetition Agreement

Attachment G. Franchisee Employee Nondisclosure, Noncompetition and No Joint Employer Acknowledgement Agreement

Attachment H. Addendum Only for Franchisees Who Obtain SBA Financing

Attachment I. Addenda for Transfers (Resales) and Renewals

Attachment J. Lease Rider

Attachment K. Addendum for Conversion and Re-Branding

Exhibit C Financial Statements

Exhibit D Manual Table of Contents

Exhibit E List of Franchisees, Licensees And Former Franchisees

Exhibit F State Specific Addenda to FDD and to Franchise Agreement

Exhibit G Sample Release of Claims

Exhibit H State Effective Dates

Receipt
(Your Copy)

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